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City of Kingston ANNUAL REPORT 2011/12

ANNUAL REPORT

2011–12

Understanding, Deciding, Acting
Your Council, Your Kingston



City of
KINGSTON

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FEEDBACK INVITED

We hope you enjoy Kingston’s 2011/12 Annual Report. Your feedback is welcome via mail to the Governance and Performance Planning Department, City of Kingston, PO Box 1000, MENTONE VIC 3194, or email annualreport@kingston.vic.gov.au. For more information, telephone 1300 653 356.



Front cover: The City of Kingston officially dedicated a new memorial at the Dingley Community Centre, following a community-led project over the past four years led by the Rotary Club of Dingley. Local artist, Ben Fasham, was commissioned to design and develop the artwork which is a striking sculpture inspired by the Anzac Rising Sun.

Performance Highlights Against Outcomes – Our Scorecard

This Annual Report measures Council’s performance against what we said we would do in our 2009-13 Council Plan. The Council Plan sets out the vision for Kingston as well as strategic objectives and actions for Council to follow each year. In particular it provides the financial framework for delivering all the everyday services and programs that the community enjoys and expects from their local Council. Listed in the Council Plan and referred to throughout this Annual Report are five key Outcomes (end results) that are used to measure Council’s performance over a five year period. The table below summarises Council’s performance in 2011/12 against these five Outcomes. A more detailed report of the Outcomes starts on page 36.

OUTCOMES	OUTCOME 1	OUTCOME 2	OUTCOME 3	OUTCOME 4	OUTCOME 5
					
The Council Plan contains Outcomes (end results) to be delivered over a five-year period.	We’re building infrastructure for a safe and active community (refer to page 36-49)	We’re building a sustainable environment (refer to pages 50-63)	We’re building healthy, strong and connected communities (refer to pages 64-81)	We’re building a prosperous, innovative business city (refer to pages 82-89)	We’re building community inspired leaders (refer to pages 90-103)
Our major achievements in 2011/12	<ul style="list-style-type: none">■ Adoption of various plans and strategies to promote and develop leisure and play opportunities including the Active Leisure Plan and the Kingston Tennis Strategy.■ Purchase and system development of Integrated Project Manager to allow the management, monitoring and reporting of capital works projects■ Enhancement of Bald Hill Park and associated picnic and playground that was designed as a tree house village■ Introduction of TravelSmart Map to increase the number of people choosing sustainable travel options within Kingston■ Waves Leisure Centre refurbishment completed in change rooms and gymnasium■ \$38 million capital works project budget delivered which was 101% of the adopted budget	<ul style="list-style-type: none">■ A number of strategies and plans were developed and adopted including the Water Cycle Strategy, Playground Strategy, Kingston Planning Scheme Review, and Carrum Foreshore Precinct Plan■ Works undertaken to protect and enhance Kingston’s natural and built environments have included Carrum Erosion Wall and beach renourishment works at Mentone and Aspendale■ Mordialloc Creek works include dredging, replacement of mooring poles, and repairs to the sea wall■ The Kingston Green Wedge Management Plan is presently the subject of consideration by Council following months of research and consultation■ Bicentennial Park won an award for the best designed play space■ Kingston has continued to implement and develop Structure Plans to key activity centres for Moorabbin, Cheltenham and Mentone	<ul style="list-style-type: none">■ The ‘Strengthening Clayton and Clarinda’ Project actions completed or underway during 2011/12 include a community forum and training courses for residents■ Supporting and providing assistance to families and young people through programs such as National Youth Week, parenting programs and the development of community education programs■ The Kingston Harmony Soccer Cup and Family Fun Day was held for young people■ The Clarinda Library was officially reopened after undergoing an impressive \$833,000 refurbishment which includes flexible community space areas and dedicated Children’s area■ Chelsea Sportswomen’s Centre has undergone a \$991,000 upgrade■ The new Kingston Youth Strategy aims to promote the development of well-connected, healthy and positive young people for the next five years	<ul style="list-style-type: none">■ Funding was obtained from the Department of Business and Innovation to conduct a Business Sustainability Group Program to assist companies reduce costs associated with the rising price of energy, water, waste removal and transport■ Undertaking capital works improvements at Westall Shopping Centre at a cost of \$320,000■ Facilitating Kingston’s Mentor Partners Program, CEO Roundtable and Business Women’s Network■ The SEMIP initiative won a national economic development award. The program aims to connect small enterprises with larger companies to foster collaboration■ Establishing neighbourhood business hubs in key industrial precincts■ Council was very active in lobbying for Kingston to receive the National Broadband Network early in the roll-out stage	<ul style="list-style-type: none">■ Implementation of various systems across the organisation to further improve operational efficiencies including SafetyMax, Comensura, Council’s new telephone system, and Strategic Plan and Action Management Reporting System■ Living Kingston 2035 is on track with Reference Panel and Steering Group meetings underway. Branding has been developed and community consultation is underway■ Implementation of the new customer service framework and action plan from customer service to customer care has commenced■ Implementing advocacy campaigns including funding for foreshore works, improving the Mentone Pipes, and improvements along Mordialloc Creek■ The tender evaluation process for a Human Resource Information System has been completed■ Employee Opinion Survey was implemented and achieved an overall satisfaction rating of 76% from 61% of participating employees
Results *	<ul style="list-style-type: none">■ Council invested \$45.8 million on Outcome 1.■ In real terms, capital renewal expenditure increased from \$13.7 m to \$20.9 m	<ul style="list-style-type: none">■ Council invested \$24.5 million on Outcome 2.■ 73% satisfaction with the appearance of public places	<ul style="list-style-type: none">■ Council invested \$65.9 million on Outcome 3.■ 73% satisfaction with recreational facilities	<ul style="list-style-type: none">■ Council invested \$3.0 million on Outcome 4.■ 58% satisfaction with business and community development and tourism	<ul style="list-style-type: none">■ Council invested \$39.1 million on Outcome 5.■ 74% satisfaction with customer contact with Council
Our challenges and disappointments in 2011/12	<ul style="list-style-type: none">■ The impact of extreme weather conditions has resulted in substantial flooding, strong winds increasing reactive tree requests, and storms causing large amounts of debris washing up on our foreshore■ Balancing the needs of today’s residents while planning for future generations and investing in infrastructure that provides long term value to the community■ The recent introduction of the Energy Safe Victoria’s 2010 line clearance regulations continues to present a difficulty in terms of compliance	<ul style="list-style-type: none">■ Implementing the State Government’s Metropolitan Strategies at a local level through planning and development decisions which require a balance between planning for change and maintaining Kingston’s livability■ Finding the right balance and mix of alternative water sources for open space and tree irrigation■ Ensuring Council can continue to provide services in a carbon constrained economy, and assisting our community to do the same	<ul style="list-style-type: none">■ The new National Education and Care Services National Law Act 2010 and Regulations 2012 came into operation on 1st January 2012 have increased training, audits, planning and policy reviews to ensure compliance is achieved■ The opening of the Glen Eira Sports and Aquatic Centre provides direct competition to Council’s aquatic and gym offerings■ Responding to an evolving community profile, an increasing demand for services and associated cost pressures but not receiving commensurate government funding	<ul style="list-style-type: none">■ Local businesses facing a difficult economic climate will impact on all aspects of the local economy and may include a rise in the level of unemployment within the community■ Balancing the approach to land use, residential amenity, business development and environmental issues■ The review of Kingston’s Footpath Trading Policy and entrance signage strategy were deferred due to other commitments	<ul style="list-style-type: none">■ Staying abreast of the increasing complexity of legislation impacting local government and maintaining effective governance frameworks.■ Ensuring Kingston remains financially viable in light of the \$10 million call on the defined benefits scheme■ Implementing online compliance training in areas with limited access to computers during work hours, necessitating delivery of some face-to-face training

* The source for the results listed under Outcome 1 and 4 is Kingston Council records. The results for Outcomes 2, 3 and 5 are sourced from the 2012 DPCD Community Satisfaction Survey. Refer to each Outcome section for detailed information on performance highlights and results.

Thank you

Thank you for reading the City of Kingston’s 2011/12 Annual Report. We hope that this document has given you a good understanding of the achievements of Council over the last 12 months. Your feedback is valued and can be posted to the City of Kingston, PO Box 1000 MENTONE VIC 3194 or you can telephone Council on 1300 653 356.

Further reading

We encourage you to visit Council’s website which contains information about our services, programs, events, major initiatives, major publications and more.

The address is kingston.vic.gov.au Once online you can register to be notified of updates to areas of Council you are interested in. This Annual Report is available on Council’s website.

Quick Council contacts

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Facebook: [facebook.com/CityOfKingston](https://www.facebook.com/CityOfKingston)

For a large print version of this Annual Report or any other Council publication, telephone the Communications and Public Affairs Department on (03) 9581 4730.

Why we have an Annual Report

The Victorian Local Government Act 1989 requires all Councils to present an Annual Report to the Minister for Local Government by September 30 each year. As well as meeting this statutory requirement, Council sees the Annual Report as a vital tool to keep residents, businesses, employees and potential employees, State and Federal politicians, peak bodies, community groups and organisations informed about its performance and future direction.

Kingston’s Chief Executive Officer (CEO), General Managers and Managers have reviewed the content of this Annual Report to ensure its accuracy. Council adopted the Financial Report at the Ordinary Council meeting on 27 August 2012 following a review by an independent Audit Committee. The statements were certified by the Principal Accounting Officer (General Manager Corporate Services), the CEO, Mayor and another

Kingston’s Language Line

Arabic - عربي	9679 9881
Croatian - Hrvatski	9679 9884
Vietnamese - Việt-ngữ	9679 9886
Italian - Italiano	9679 9859
Cambodian - ភាសាខ្មែរ	9679 9882
Greek - Ελληνικά	9679 9885
Cantonese - 粵語	9679 9883
All other languages	9679 9887
Including:	
Turkish - Türkçe	
Mandarin - 國語	
Somali - Soomaali	
Spanish - Español	
Polish - Polski	
Sinhalese - සිංහල	

nominated Councillor. The Victorian Auditor General’s office has certified that the Performance Statement (see page 134) and the Financial Report (see page 152) including the Standard Statements (see page 142) fairly present the financial position of Kingston City Council.

Where to get a copy

Display copies of the 2011/12 Annual Report are available from Kingston’s Customer Service Centres and its libraries. In an effort to reduce the impact on the environment, limited copies of this document have been printed and a smaller highlight version prepared for broader distribution. The Annual Report and the highlights document may be downloaded from Kingston’s website kingston.vic.gov.au or requested by telephoning 1300 653 356.

This Annual Report was produced and designed by the City of Kingston. It was printed by Print Bound.

Welcome

The City of Kingston proudly presents the 2011/12 Annual Report to our community. This document is an integral part of our democratic governance process in which we are open and accountable to the community. It demonstrates the breadth of Council's operations, identifies highlights and achievements, and acknowledges the challenges and difficulties faced during 2011/12.

As you read through this report we hope you gain a clear picture of our performance against the strategic objectives that this Council set in its 2009/13 Council Plan and against our long-term financial strategy. But most importantly, the document should be considered against the standards that you, our community, expect in the delivery of more than 100 vital services and programs.



Introduction

Our theme – ‘Understanding, Deciding, Acting – Your Council, Your Kingston’

The theme of this year’s Annual Report, ‘Understanding, Deciding, Acting – Your Council, Your Kingston’ demonstrates our ongoing commitment to:

- Understanding the many challenges and opportunities faced now and in the future for the City of Kingston.
- Deciding on the best way forward to help us achieve the vision of making Kingston a ‘diverse, dynamic community where we all share a sustainable, safe, attractive environment and thriving economy’.
- Acting on the recommendations from the community, stakeholders, Councillors and officers who are committed to responding to the demands of our growing population.

Council reflects this theme in so many of the decisions that have been made over these past four years. These decisions include understanding the needs of the community in the extensive consultation process involved in securing the future of Kingston’s Green Wedge (non-urban land); deciding on how to restore our ageing infrastructure; acting on the revitalisation of the historically significant Mordialloc Creek and its surrounds; understanding how our community buildings are managed to reflect our changing lifestyles; acting on the requests from our community by providing exceptional service and enhancing our responsiveness; and understanding and deciding how to embed a culture of Community Inspired Leadership that will be reflected in the way we serve our community.

Through the leadership of our elected Council, we are creating new connections, increasing our capacity and laying strong foundations for the community which are demonstrated in this report across five key outcomes:

- We are planning, building, and maintaining safe and accessible infrastructure for our community which will provide long term value;
- We are adopting a sustainable and balanced approach to our built environment to ensure the protection, enhancement and preservation of Kingston’s natural environmental assets;
- We are striving to build stronger and healthier communities by delivering services and programs which strengthen and have a positive impact on the well being and security of our community;
- We are supporting prosperous and innovative businesses for sustainable local economic growth, employment opportunities and wealth generation that are fundamental to a globally competitive community; and
- We are engaging with the community to encourage and support its development and strength through exemplary leadership and advocacy.

Our Vision:

A diverse, dynamic community where we all share a sustainable, safe, attractive environment and a thriving economy.

Our Purpose:

To work with the community to protect and enhance the quality of life for current and future generations.

Our Guiding Principles:

- Respect for diverse community interests based on active listening and mutual understanding;
- Leaving a positive legacy for future generations and Councils;
- Balancing a flexible, can-do, innovative professional approach with achieving outcomes efficiently and effectively (doing more with less);
- Responsible financial management;
- Informed, evidence-based and representative decision making; and
- Effective communication and engagement.

Council staff member Gillian Turnbull at the 2011 Kingston Harmony Soccer Cup and Family Fun Day celebrations

Our organisation’s culture

Community Inspired Leadership describes the essence of our organisational culture. The diagram below shows our circle of influence or the community’s circle of expectation and reflects the six key values (community centric, dynamic, future orientated, accountable, expert and celebrate) which guide our behaviours.



Snapshot of Kingston

The City

The City of Kingston is located about 20km south of Melbourne’s central business district, bordering the municipalities of Glen Eira, Bayside, Monash, Greater Dandenong and Frankston. Kingston is renowned for its magnificent golden foreshore, tranquil natural wetlands, remnant bushland and world class golf courses.

Kingston’s traditional manufacturing base comprises the largest concentration of small to medium industrial enterprises in Melbourne. Kingston is home to over 10,000 businesses. We have a substantial multi-skilled labour force and businesses that employ in excess of 66,600 people. Kingston boasts one of the highest numbers of manufacturing jobs of any Victorian municipality and employs almost 19,500 people.

The output of manufacturing businesses is over \$13 billion per annum. Thriving industrial estates and strong retail sectors provide substantial opportunities for investors.

Major companies choose to establish in Kingston because of its competitive advantage with extensive transport links, solid financial support and complementary clusters of suppliers and distributors.

A wide variety of shopping with Westfield Southland, Direct Factory Outlets and a range of community based strip shopping centres are readily accessible within Kingston.

Overall, 65% of Kingston residents were born in Australia. However in the northern suburbs of Clayton South, Clarinda and Oakleigh there are large Indian, Greek, Chinese, Vietnamese and Cambodian communities. Interestingly, 60% of migrants arrived in Kingston pre-1996 and 26% of people speak a language other than English at home (most commonly Greek, Mandarin, Italian, Cantonese, Punjabi, Arabic or Hindi).

Kingston at a glance

Area	91 square kilometres
Estimated resident population (as at 30 June 2011)	149,570
Males	48.9%
Females	51.1%
Residents aged 0-4 years	6.4%
Residents aged 5-17 years	14.7%
Residents aged 18-24 years	8.4%
Residents aged 25-34 years	13.2%
Residents aged 35-59 years	35.6%
Residents aged 60-84 years	19.2%
Residents aged 85+ years	2.5%
Residents born overseas	43,003
Residents from a non-English speaking background	24.2%
Residents who speak a non-English language	26%
Residents born in Australia	65.1%
Average residential house property value	\$604,000
Average residential unit property value	\$410,000
Households	59,800 (estimated)

Sources: Australian Bureau of Statistics and id Consulting Pty Ltd

Population

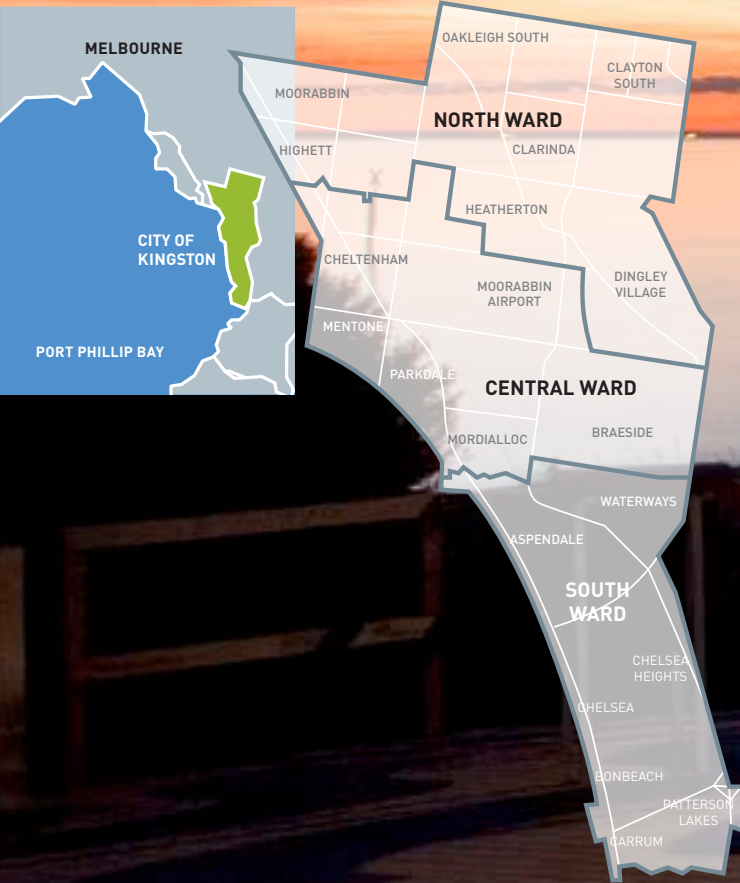
Kingston’s Population Forecast calculates anticipated changes in population to 2031. The table below shows Kingston’s forecast population growth from 2011 to 2031.

Population	2011	2021	2031
Population	149,570	160,235	167,399
Change in Population (10yrs)	-	10,665	7,164
Average Annual Change (%)	-	0.71%	0.45%
Households	59,800	65,000	70,200

Source: Australian Bureau of Statistics and id Consulting Pty Ltd

In 2011, the total population of City of Kingston was estimated at 149,570 people. It is expected to experience an increase of almost 18,000 people to 167,399 by 2031. Over the same time period an increase of 10,400 households will form within the City of Kingston.

FURTHER READING: Kingston’s community profile and population forecast: www.kingston.vic.gov.au/demographics



Our history

The City of Kingston was formed in December 1994 following the State Government’s major restructure of Local Government in Victoria. The new city was an amalgamation of all or parts of the former cities of Moorabbin, Mordialloc, Chelsea, Springvale and Oakleigh. At the time, the amalgamation was regarded as one of the most complex in Victoria bringing together diverse communities to form a new unified city. Kingston has risen to the challenge, becoming a vibrant and dynamic municipality that residents and ratepayers can feel proud of.

Our suburbs

Kingston’s suburbs include Aspendale, Aspendale Gardens, Bonbeach, Braeside, Carrum, Chelsea, Chelsea Heights, Cheltenham, Clarinda, Clayton South, Dingley Village, Edithvale, Heatherton, Highett, Mentone, Moorabbin, Moorabbin Airport, Mordialloc, Oakleigh South, Parkdale, Patterson Lakes and Waterways.

The origin of the name ‘Kingston’ is uncertain, but may originate from the King brothers, a pioneering family in the area, who held thousands of acres referred to as ‘Kings Land’ or ‘Kingstown’. More recently the name is derived from Kingston Road and the Kingston Centre in Heatherton, which was named in 1970.

FURTHER READING: Kingston’s history website at <http://localhistory.kingston.vic.gov.au>

Services we deliver to our residents

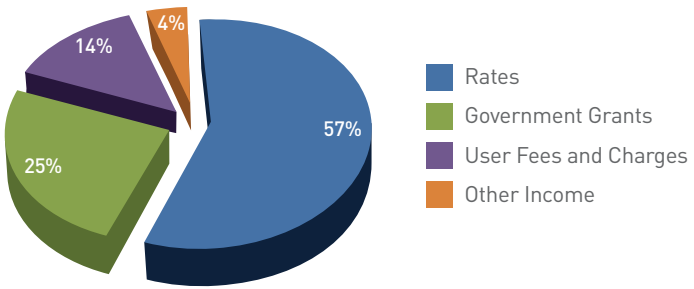
The City of Kingston is a major organisation comprising 21 departments that together provide more than 100 different services and programs to the community.

Services cover a broad range of areas including aged care, leisure and culture, children, family and youth, libraries, major festivals and community events, communications, parks and open space, planning, roads, governance, waste and recycling, drains and footpaths.

It cost \$174 million to run the City of Kingston in 2011/12, comprising \$100 million in rate revenue and \$74 million in other revenue (see Figure 1). The surplus of revenue over expenditure contributes to Council's capital works program (see pages 23 and 48 for details on Council's capital works program). The average Kingston rate bill is \$1,459 compared to the Inner Melbourne Councils' average of \$1,508. Below is a snapshot of some of the services provided by Council and a breakdown of the cost for each department per rateable assessment to show how this money was spent. The figures include overheads but exclude depreciation and \$10.4 million for the unfunded liability call by Vision Super for their Defined Benefits fund.

Revenue Sources

Figure 1: Total Revenue 2011/12 \$174 million



AccessCare Southern

\$7.3 million or \$107 per rateable assessment
(2010/11 \$7.2 million or \$106 per rateable assessment)

AccessCare Southern is responsible for the provision of a number of Victorian and Commonwealth funded aged and disability services. Service users have a higher level of support needs, with services directed primarily to assist them to stay living at home.

Asset Renewal and Expansion

\$35.2 million or \$517 per rateable assessment
(2010/11 \$42.2 million or \$622 per rateable assessment)

Asset renewal is the cost of major works and maintenance for existing roads, footpaths, drains and buildings.

City Development

\$3.5 million or \$52 per rateable assessment
(2010/11 \$2.9 million or \$42 per rateable assessment)

City Development provides the customer service and administrative support role associated with Planning and Building issues and providing an integrated development approvals (planning permits) process to meet the needs of residents, ratepayers, the development industry and internal clients.

City Strategy

\$2.6 million or \$38 per rateable assessment
(2010/11 \$2.5 million or \$37 per rateable assessment)

This area is responsible for developing, managing and guiding Council's strategic land use planning and policy functions. Council also has an integrated building surveying service that administers building permits, conducts building inspections and provides advice on building legislation, policies and processes.

Community and Aged Services

\$21.8 million or \$321 per rateable assessment
(2010/11 \$21.1 million or \$310 per rateable assessment)

Aged and Disability Services enables residents who are frail, aged or who have a disability to remain living independently in their own homes through the provision of support services and programs. Community Engagement builds strong, safe and involved communities and facilitates community members' participation in the community. It also manages the City of Kingston's grants programs. Hostel Services operates three full-time low care residential aged care facilities.

Community Buildings

\$3.9 million or \$57 per rateable assessment
(2010/11 \$4 million or \$59 per rateable assessment)

This area facilitates the provision of suitable community buildings and facilities that support the delivery of services, providing for the needs of the community now and into the future. Also responsible for a comprehensive Building Operation Management Plan, which defines strategic capital and planned maintenance investment priorities.

Customer Service and Performance Planning

\$2.0 million or \$29 per rateable assessment
(2010/11 \$2.2 million or \$32 per rateable assessment)

The customer service team operates Council's Call Centre at Cheltenham and the three Customer Service Centres located in the municipality. In addition the team looks after the meeting rooms at Cheltenham Office, the community directory, new resident's kits and conducts Citizenship Ceremonies on behalf of the Department of Immigration and Citizenship. The performance planning team is responsible for OHS, Council and Community planning and performance reporting.

Economic Development

\$0.9 million or \$13 per rateable assessment
(2010/11 \$0.7 million or \$11 per rateable assessment)

Economic Development supports and assists Kingston's 10,000 strong business community, facilitates the Kingston Business Women's Network and provides businesses with access to a number of business development opportunities.

Events and Communications

\$2.5 million or \$37 per rateable assessment
(2010/11 \$2.1 million or \$31 per rateable assessment)

The events team is responsible for the calendar of cultural events and plans and delivers four major festivals. Communications is responsible for media relations, website management, and graphic design including the production of the Council newspaper, Kingston Your City.

Family, Youth and Children's Services

\$10.0 million or \$147 per rateable assessment
(2010/11 \$9.4 million or \$138 per rateable assessment)

Kingston provides a diverse range of family and children's services to meet the needs of families with children from birth to 25 years, including youth services, family support services, Maternal and Child Health, immunisation, Family Day Care, Long Day Care, Kindergarten Central Enrolment, school aged care, and children and family development services.

Financial Services

\$6.0 million or \$88 per rateable assessment
(2010/11 \$6.2 million or \$91 per rateable assessment)

Finance is responsible for the reporting and management of Council's finances and ensuring Council's compliance with statutory financial and reporting obligations, preparation of the annual budget and five year financial plan. This area is also responsible for the accounts receivable, accounts payable, payroll and banking functions.

Governance

\$1.2 million or \$18 per rateable assessment (2010/11 \$1.1 million or \$16 per rateable assessment)

The primary role of the Governance Department is to promote and improve the effectiveness and probity of governance processes.

Information Services

\$4.9 million or \$72 per rateable assessment
(2010/11 \$4.7 million or \$69 per rateable assessment)

Information Services develops and maintains an information technology strategy to continuously improve business continuity of Council's information, systems and services.

Infrastructure

\$19.6 million \$287 per rateable assessment
(2010/11 \$17.6 million or \$239 per rateable assessment)

Infrastructure is responsible for asset management, the delivery of capital works and waste services as well as co-ordinating the Council wide emergency management response.

Libraries and Education Services

\$4.9 million or \$72 per rateable assessment
(2010/11 \$4.5 million or \$66 per rateable assessment)

Kingston Libraries provide for the recreation, information and cultural needs of the community. A large number of programs are provided, including developing children's literacy and information literacy for adults.

Parks, Recreation and Depot Operations

\$15.8 million or \$232 per rateable assessment
(2010/11 \$15.6 million or \$230 per rateable assessment)

Parks, Recreation and Depot Operations covers Council's environmental management and maintenance programs, with particular regard for Council's open space, sports grounds, sports clubs, foreshore, parks and gardens, water, maintenance, contract management and depot services.

People and Culture

\$1.5 million or \$22 per rateable assessment
(2010/11 \$1.5 million or \$22 per rateable assessment)

People and Culture is responsible for all employment related issues, including policy development and providing advice and support on all employee relations issues including induction, training, professional development and performance management.

Procurement and Contracts

\$3.1 million or \$46 per rateable assessment
(2010/11 \$2.9 million or \$42 per rateable assessment)

This area is responsible for providing information and specialist advice to the organisation on procurement and contracts, overseeing tendering and contract compliance, reporting organisational activity and driving best value outcomes from procurement. The Department is also directly responsible for managing Council’s vehicle fleet and insurance programs.

Visitors are now greeted by the updated reception area at Don Tatnell Leisure Centre which has been designed for easier customer flow through to the pool and group fitness room.



Property, Arts and Leisure Services

\$9.4 million or \$138 per rateable assessment
(2010/11 \$9 million or \$132 per rateable assessment)

This department strategically manages Council’s property portfolio, including commercial and community leases, acquisitions, disposals, title management and the Lease Register, and is responsible for managing Council’s Valuation contract. This area is also manages Kingston Arts Centre in Moorabbin and is responsible for the operation of the two leisure centres in the municipality – Waves Leisure Centre and Don Tatnell Leisure Centre.

Statutory Education and Compliance

\$5.9 million or \$86 per rateable assessment
(2010/11 \$5.6 million or \$83 per rateable assessment)

This department is responsible for the provision of parking, local laws and environmental health services, including the development of policy and strategic plans for local laws and parking enforcement and animal control, and the effective management of environmental health services.

A message from the Mayor

It gives me great pleasure to present to you on behalf of my fellow Councillors, Kingston Council’s Annual Report 2011/12.

It has again been a year of great achievements for our Council. We successfully delivered another year of our ongoing Capital Works program and ensured adequate funding to maintain and improve the quality and standard of more than 100 services that we provide to the community.

Council developed and finalised the Green Wedge Plan for Kingston, a key priority over the last four years, and commenced the dredging of the Mordialloc Creek, in partnership with the State Government and I thank the Mordialloc Creek users for their patience and cooperation over the past two years.

This year sees us in the final term of the current Council and this Council is very proud to say its legacy to the next Kingston Council will be the financial capacity, resources and strategic policy to ensure that Kingston maintains a long term sustainable future for all its residents.

I would like to thank the Chief Executive Officer, General Managers and all other Council staff for the contribution they make to Kingston. Without their expertise and commitment we certainly would not be in the sound position we find ourselves today.

I would like to thank my fellow Councillors for another year of achievement for the community we serve and to all the volunteers who unselfishly serve our community; I thank you for your wonderful efforts again over the past year and for creating the vibrant community that is the City of Kingston.



Cr John Ronke
Mayor, City of Kingston

Chief Executive Officer’s Report by John Nevins

This Annual Report marks the final year of the current Council term which commenced in November 2008. The 2011/12 year has continued to see significant achievements to enhance the wellbeing of the Kingston community for all residents.

Highlights 2011/12

Among the achievements this year has been the development and finalising of the Green Wedge Plan for Kingston. This has been a key priority for the current Council and it was heartening to have so many opinions from residents during the extensive community consultation process.

This year has also seen the launch of the Community Vision project, Living Kingston 2035 which has steadily been gaining extensive feedback via the website and community sessions. This exciting project will provide a sound basis for which to draw on the future aspirations for the community and help the new Council develop its plan for the future of Kingston.

The purchase of the iconic, heritage-listed building, the Masonic Hall in Mordialloc in late 2011, has provided the community with a wonderful community building that after consultation will be renovated with future community uses in mind.

Other highlights have of course been our major capital works projects, such as the reopening of the Shirley Burke Theatre in Parkdale after a \$1.7 million refurbishment, the renovation of the Tom Johnston Pavilion and the Chelsea Sportswomen’s Centre and the refurbishment of the Clarinda Library.

Planning for future growth

Our playgrounds and open spaces have continued to be upgraded for growing communities. Roy Dore Reserve in Carrum underwent its second stage of refurbishment to ensure accessible and shared open spaces. Other playgrounds to be constructed in 2011/12 included Bald Hill Park, Reg Marlow Reserve and Racecourse Reserve.

We have continued to implement and develop structure plans to revitalise key activity centres for Moorabbin, Mentone and Cheltenham, providing blueprints to guide key planning decisions over the coming decades. Our business community continues to be supported through our on-going programs, such as the Mentor Partners Program, CEO Roundtable and Business Women’s Network meetings to link businesses together with mentors for networking opportunities, as well as valuable carbon levy educational seminars to help business owners plan for the future.

Sustainability

Council continued its focus on the environment with the development and adoption of a number of strategies and plans including the Water Cycle Strategy, Tree Strategy, Playground Strategy, Kingston Planning Scheme Review and Carrum foreshore precinct Plan. I look forward to the reconstruction of the Carrum Life Saving Club this year which will be a welcome addition for our community.

Works have also been undertaken to protect and enhance our natural and built environments, such as the beach renourishment works at Mentone and Aspendale beaches.

The \$7 million Mordialloc Creek dredging project, in conjunction with the State Government has seen Stage One completed on time in 2011 with Stage Two having begun this year, with completion expected in November 2012.

Advocating on your behalf

Council has continued its commitment to advocacy on your behalf and was successful in applying for funding from the State government to provide a new holiday support program for children of all abilities. Council has also taken up the fight against inappropriate development, in particular with the Mentone Bowl site, with Council spending over \$100,000 to fight against the development, resulting in a very pleasing win for residents. Ongoing issues with the offensive odours coming from local tips have led to active lobbying of the EPA for stringent monitoring and ongoing enforcement and Council will continue to fight on behalf of the residents.

Responsible financial management

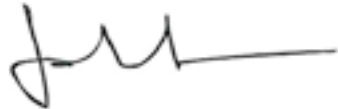
Council has continued to work hard to limit the impact of rising costs, with Council absorbing \$600,000 of the impact of the carbon levy on a range of services. Our continued long term financial strategy will ensure that this Council leaves a legacy of excellence in service delivery and responsible financial management.

Our staff

We have also been working hard to ensure a safe environment for staff and for the community with the implementation of various systems and programs in place for a more efficient and responsive organisation. Our customer commitment training was initiated throughout the workplace as well as the continuance of many leadership and development programs. We continue to communicate with our residents through various methods, such as social media and are leading the way in the use of social media platforms within Council activities.

I would like to thank the current Council for all their hard work in achieving the commitments made at the start of the term and it has been an honour to lead this dynamic organisation.





John Nevins
CHIEF EXECUTIVE OFFICER

Chief Financial Officer’s Report by Paul Franklin, General Manager Corporate

Long term financial sustainability is the key objective of Kingston Council’s financial plan. With good planning, the community can be assured that Council has the financial resources to achieve the objectives set out in the Council Plan in all areas of community well being, sustainable environment, prosperous community, asset management and quality leadership and governance.

While this report focuses on the 2011/12 financial results, it is important to see this result in the context of the long term financial strategic objectives of Council which are:

- Ensuring adequate funding to maintain and improve the quality and standard of more than 100 services provided to the community by Council and the future service objectives of Council;
- Provide funding to achieve Council’s rolling capital works program commitments and future objectives by achieving better than breakeven operating and cash results;
- Ensuring adequate funding to responsibly maintain and renew the \$2.4 billion of community assets under the control of Council;
- Progressively eliminating Council’s inherited asset renewal gap assessed in 2008 to be \$22 million; and
- Ensuring Council always has adequate cash reserves to maintain its financial liquidity and that it can always meet all debt and payment obligations in a timely manner.

Summary

- \$174 million operating budget.
- Council’s total capital works expenditure was \$35.2 million
- Rates and charges comprised \$99.7 million (57%) of the total operating budget.
- Operating surplus of \$11.1 million, consistent with the adopted budget.
- Cash holdings increased by \$1.2 million to \$40.7 million.

Table 1

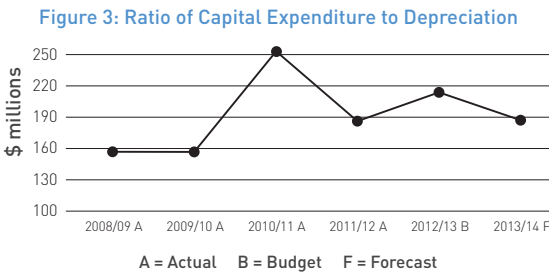
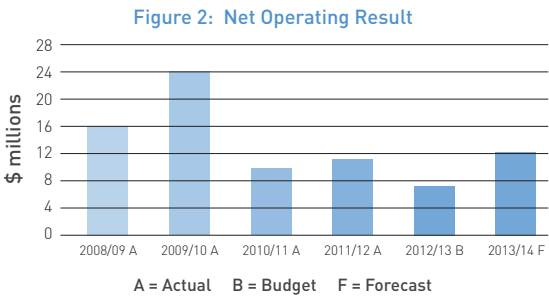
	2012 \$(’000)	2011 \$(’000)
Comprehensive Surplus	59,746	82,602
Less Net asset revaluation movement	(48,650)	(72,759)
Surplus	11,096	9,843
Less One-off/Non-recurring adjustments:		
Non- Cash Developer Contributions	(5,190)	(560)
Found Assets	(2,186)	(1,513)
Non-recurrent grants	(3,455)	(798)
Underlying Surplus	265	6,972

Net operating result

The operating surplus in 2011/12 was \$11.1 million, an increase from \$9.8 million in 2010/11. This result is influenced by Grants and Subsidies received in advance amounting to \$2.5 million, Asset and Cash contributions from developers of \$8.0 million (\$2.6 million last year). Non Recurrent Grants received in advance include a \$2 million grant for Mordialloc Creek dredging project and there was an unbudgeted Local Authorities Superannuation Fund Defined Benefit unfunded liability call of \$10.4 million which was recorded as an expense in 2011/12. In addition Council’s total capital works expenditure was \$35.2 million of which \$28.0 million was capitalised. The balance of \$7.2 million including expenditure on the Mordialloc Creek, was expensed to the income statement compared with \$4.0 million in 2010/11. This result continues the trend of a surplus which will be maintained in the future as shown in (Figure 2).

The Comprehensive Result (Table 1) (i.e. Operating surplus adjusted by the net asset revaluation increase/(decrease) was \$59.7 million after adjusting for the Net asset revaluation of \$48.6 million.

A key measure of financial sustainability is the Underlying Result. The Underlying Result identifies whether Council is generating enough revenue to cover operating expenses (including the cost of replacing assets reflected in depreciation expenditure). It is Council’s view that this is represented by the comprehensive result adjusted for any asset revaluations, non cash developer contributions and found assets, as well as any other one-off or non-recurrent transactions. These are transactions that affect profit and/or the comprehensive result, but the values tend to fluctuate significantly from year to year and do not reflect the normal operating activities of Council. Normally, the Underlying Result should remain relatively consistent from year to year and best represents Council’s ability to remain sustainable and continue with normal day-to-day operations. However in 2011/12 two one-off entries have affected this result. Adjusting for the \$10.4 million unfunded superannuation liability call for the defined benefits fund and the adjustment in the book value of Council’s investment properties result in an underlying surplus in 2011/12 of approximately \$9.5 million.



Sustainable capital expenditure

The level of capital expenditure in 2011/12 continues to deliver on the challenge of renewing community assets. The Capital Expenditure to Depreciation ratio of 185% (2010/11 251% and 134% excluding the purchase of 1230 Nepean Hwy) indicates that assets are being renewed faster than they are deteriorating, thus reducing the backlog of required works. In the future we anticipate expenditure on capital to continue at an appropriate level while in the longer term, we will continue to address the backlog of works that are currently required to renew existing assets (See Figure 3).

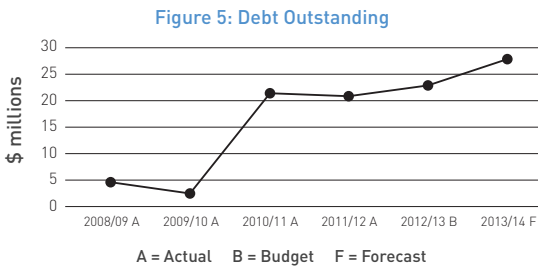
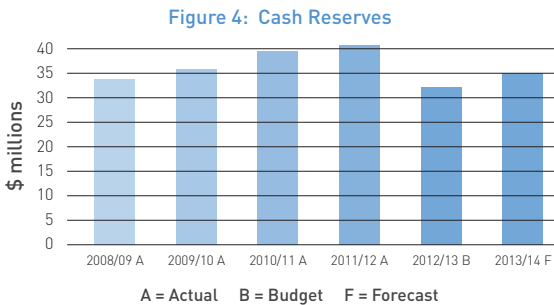
Cash reserves

Council's cash holdings have increased by \$1.2 million during 2011/12 to \$40.7 million. \$5.0 million of this will be utilised to pay for capital works carried forward from 2011/12 to 2013/14 and expenditure related to Grants received in advance of \$2.5 million, including the Victorian Grants Commission early payment for 2012/13.

Figure 4 indicates that Council is achieving its objective of a balanced cash position in the long term. Analysis of the years beyond this table indicates that Council will continue to maintain its cash holdings as a prudent continuing outcome of the Long Term Financial Strategy. In future this will allow Council flexibility to respond to unexpected events or opportunities such as the potential to strategically acquire an asset such as a property for open space.

Debt levels

In the past, Council has borrowed strongly to finance capital works, but since 1998/99 (when total debt was \$28.3 million) Council has been in a phase of debt reduction with the final payment of this debt in July 2011. In December 2010 Council borrowed \$21.5 million to purchase our Council Offices at 1230 Nepean Highway, the resulting payments which were more than offset by savings in accommodation costs. The Long Term Financial Strategy has plans for a further \$2.5 million borrowing in 2011/12 for planned works on 1230 Nepean Highway and a new \$5.3 million borrowing in 2013/14 to fund a Community Hub at a central location in the municipality. (See Figure 5)




Paul Franklin
GENERAL MANAGER
CORPORATE SERVICES

Our Councillors



North Ward - Cr Arthur Athanasopoulos
Email: arthur.athanasopoulos@kingston.vic.gov.au
Phone: (03) 9548 8231
Mobile: 0412 111424
Cr Athanasopoulos has been a Kingston Councillor since 2000.



Central Ward - Cr Rosemary West OAM
Email: rosemary.west@kingston.vic.gov.au
Phone: (03) 9776 2819
Mobile: 0418 554799
Cr West OAM has served on Council since she was first elected in March 2003.



North Ward - Cr Paul Peulich
Email: paul.peulich@kingston.vic.gov.au
Phone: (03) 9551 5687
Mobile: 0427 354795
Cr. Paul Peulich was elected to Council in November 2008.



South Ward - Cr Dan Moloney
Email: dan.moloney@kingston.vic.gov.au
Phone: (03) 9772 0034
Mobile: 0428 585039
Cr Moloney was elected to Council in January 2011 following the election of former South Ward Councillor Donna Bauer to the Victorian Parliament.



North Ward - Cr Steve Staikos
Email: steve.staikos@kingston.vic.gov.au
Phone: (03) 9544 2745
Mobile: 0447 896643
Cr Staikos was elected to Council in November 2008.



South Ward - Cr John Ronke
Email: john.ronke@kingston.vic.gov.au
Phone: (03) 9587 0829
Mobile: 0410 558862
Cr Ronke was elected following Council amalgamations in 1997 and then returned in the 2000, 2003, 2005 and 2008 elections.



Central Ward - Cr Ron Brownlees OAM
Email: ron.brownlees@kingston.vic.gov.au
Phone: (03) 9583 4355
Mobile: 0418 172 725
Cr Brownlees OAM has previously served as a Kingston Councillor from 1997 to 2003, and was then re-elected to Council in November 2008.



South Ward - Cr Trevor Shewan
Email: trevor.shewan@kingston.vic.gov.au
Phone: (03) 9772 7570
Mobile: 0419 898758
Elected to Council in November 2008, this is his second term as a Councillor having previously served from 2001 to 2003.



Central Ward - Cr Lewis Dundas
Email: lewis.dundas@kingston.vic.gov.au
Phone: (03) 9585 3096
Mobile: 0438 562435
Cr Dundas was elected to Council in November 2008.

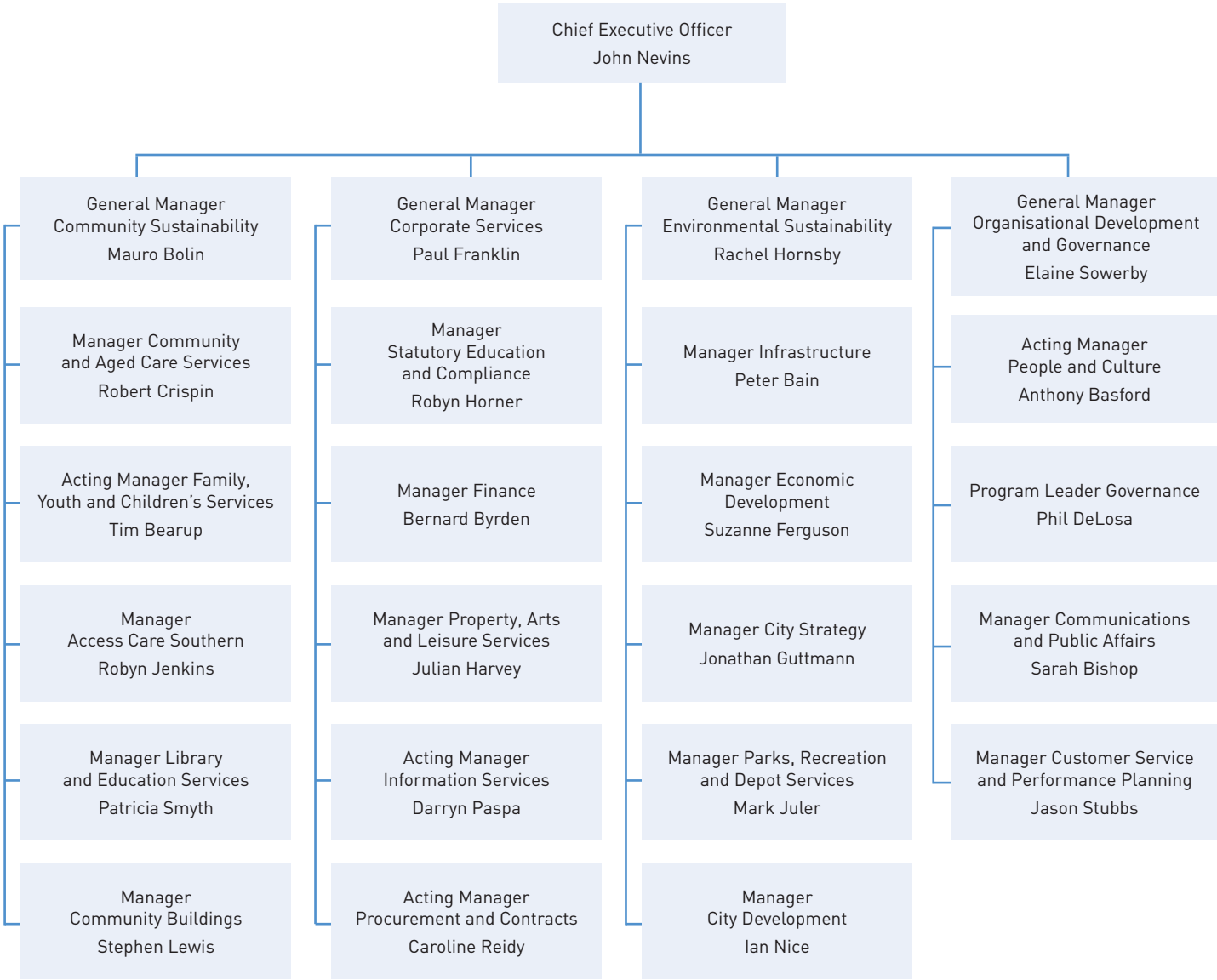
Our Organisation

Our divisions

The City of Kingston’s organisational structure is made up of four divisions - Community Sustainability, Environmental Sustainability, Corporate Services, and Organisational Development and Governance.

Each division is led by a General Manager who reports to the Chief Executive Officer (CEO). The CEO is directly accountable to the Mayor and Councillors who are elected by Kingston residents. The Audit Committee oversees the operation of Council and reports directly to Council.

Organisation Chart as at 30 June 2012



Executive Profiles

John Nevins

Chief Executive Officer
Bachelor of Economics; Graduate Diploma Public Policy; Member AICD; Fellow LGPro



John Nevins has been Chief Executive Officer at the City of Kingston since May 2005. Before joining Kingston, John had spent the previous 10 years working in Local Government in metropolitan Melbourne. John’s experience includes senior management and leadership roles over seven years in the Public Transport Corporation and 12 years in the Victorian Public Service. In his role as CEO, John is responsible for overall organisational leadership, Council’s operational and service delivery performance and organisational support for the elected Council.

Paul Franklin

General Manager, Corporate Services
Bachelor of Business (Accounting); ASA; AAICD



Paul was appointed General Manager Corporate Services at the City of Kingston in July 2003 after working as Finance Manager since July 1995. Prior to joining Kingston, Paul was Manager, Treasury and Commercial Activities at RMIT University for two years following 14 years with the State Electricity Commission working in a range of finance and audit roles.

Areas of Responsibility:
Information Services, Financial Services, Property Services (including the Arts and Leisure Centres), Procurement and Contracts, and Statutory Education and Enforcement.

Rachel Hornsby

General Manager, Environmental Sustainability
Bachelor Arts, Bachelor Science (Hons)



Rachel joined the City of Kingston in 2011. Prior to that Rachel had nine years working in local and central government in New Zealand with roles ranging from planning, to issue resolution, to change management. Rachel started her career as a coastal planner in Victoria and is enjoying working in a municipality that includes 13km of foreshore.

Areas of responsibility:
Parks, Recreation and Depot Services, City Development, City Strategy, Infrastructure and Economic Development.

Elaine Sowerby

General Manager, Organisational Development and Governance
Bachelor of Arts Hons (Politics); Graduate Diploma in Organisational Behaviour; Certificates in Counselling and Psychotherapy; Accreditation MBTI Step 1 and Step 2.



Prior to joining the City of Kingston in October 2007, Elaine had her own practice providing organisational and people management services to clients in the Local Government, State Government and private sectors. She also worked at the City of Knox between 1996 and 2002 where she was Group Manager Organisation Development and at Maroondah City Council as Manager Environmental Services. Elaine moved into Local Government in 1994 from State Government where she held management roles at the Victorian Publishing Service, State Revenue Office and Public Record Office.

Areas of Responsibility:
People and Culture, Governance, Customer Service and Performance Planning, and Communications and Public Affairs.

Mauro Bolin

General Manager, Community Sustainability
Diploma Applied Science (Environmental Health); Graduate Diploma in Health Education



Mauro has over 25 years experience with Local Government. Prior to joining the City of Kingston in February 2009, Mauro held numerous positions within the City of Boroondara; the most recent being Acting Director, Strategic Development from October 2008 to February 2009 and prior to this Manager of Health and Aged Services (July 1997–October 2008) where he was responsible for planning, developing and delivering a range of services in response to community needs and government policies.

Areas of Responsibility:
Community and Aged Services, Library and Education Services, Access Care Southern, Family, Youth and Children’s Services, and Community Buildings.

Community Inspired Leadership describes the essence of what working at Kingston means. The six key values which underpin Community Inspired Leadership are Community Centric, Dynamic, Future Orientated, Accountable, Expert and Celebrate and these values guide our behaviours. It is through our employees' behaviours that we define and determine our organisational reputation.

Major achievements in 2011/12

- Implementation of OHS and WorkCover reporting and monitoring system
- Employee Opinion Survey – implementation and achievement of 61% response rate across Kingston.
- Implementation of a third party broker for temporary agency staff.
- Launched new suite of on-line Compliance Training programs including Privacy, Bullying Prevention and Workplace Health and Safety.

Our people profile

Our employees represent our community, with over half of our employees (51%) both living in and choosing to work for the City of Kingston. This overlap creates a sense of belonging as our employees have a strong connection to their community and the role they play within it.

As at 30 June 2012, Kingston employed 1,419 people in a diverse range of positions including engineering, customer service, administration, finance, community and aged services, family, youth and children services, sport and recreation, health, parks and gardens, planning, arts and management.

As shown in Table 2 below, the total of 1,419 comprises 371 full-time, 500 part-time, 424 casual and 124 temporary employees.

Position Breakdown	2011/12	2010/11	2009/10
Full-Time Positions	371	379	428
Part-Time Positions	500	507	523
Casual Positions	424	406	388
Temporary Part-Time Positions	50	29	n/a
Temporary Full-Time Positions	74	60	n/a
TOTAL	1419	1,381	1,339

The average age of our workforce is 43.7 years (compared with 44.8 years as at 30 June 2011). 52% of our employees are aged between 45 and 65 years with 80.5% of employees aged over 35 years.

The gender profile of our workforce is 71% female and 29% male.

The majority of our employees are positioned at the officer level (98.4%) with Senior Management representing just 1.6% of the total workforce.

As reflected in Table 3, our employee retention rate for 2011/12 was 87.1%, which is higher than the rate for 2010/11 (85.7%) and lower than the rate for 2009/10 (88.6%).

Workforce Profile	2011/12	2010/11	2009/10
Retention Rate**	87.1%	85.7%	88.6%
Average Age (years)	43.7	44.8	44.8
Percentage of Females	71.0%	70.9%	70.9%
Percentage of Males	29.0%	29.1%	29.1%
Officer Level	98.4%	98.4%	n/a
Senior Officers*	1.6%	1.6%	n/a
Total Separations**	179	154	97
Turnover Rate**	12.9%	15.8%	10.2%

*comprises CEO, General Managers and Managers
**excludes casuals

As shown in Table 4, our actual employee costs for 2011/12 exceeded budget. Kingston has been successful in receiving a number of grants, to fully fund temporary staff to undertake new projects. This is also reflected in the increase in actual employees numbers compared to (equivalent full-time) budgeted employees.

Details	Budget 2011/12	Actual 2011/12	2011/12 Increase/ (Decrease)	Budget 2010/11	Actual 2010/11	2010/11 Increase/ (Decrease)
Employee Costs (\$000)	61,403	74,441	13,038 or 21.2%	58,668	59,576	908 or 1.5%
Employees Numbers (EFT)	811	833	22 or 2.7%	806	770	(36) [4.5%]

Employee opinions

Kingston is committed to listening to our employees. An Employee Opinion Survey was undertaken in May 2012. Employees provided feedback against the Business Excellence Framework Categories on what was important to them and their view of how Kingston was performing in those areas. A total of 809 (or 61%) of employees completed the survey. This is an increase of 18% from the previous survey. Employees were also asked about their engagement with the organisation and whether they would promote Kingston as an Employer.

The Council's overall performance and satisfaction scores have increased steadily since similar surveys were undertaken in 2008 and 2010. Overall Staff satisfaction is currently 76% which is an excellent result and reflects an organisation in the top 25% of all organisations in the benchmark database. It is also at the top of the 49 Local Government Councils in the benchmark database.

Survey results indicate that the most important areas of interest for staff relate to workplace safety, work-life balance and job satisfaction. Areas for improvement include retention of talent, providing career opportunities, and making staff feel valued.

Council has made a commitment to gathering this feedback on a biennial basis to ensure that trends in employee opinions and key areas of employee engagement continue to be monitored.

Employees are also requested to complete an entry survey within three months of commencement and an exit survey if they choose to depart the organisation. During 2011/12, 62 entry surveys and 47 exit surveys were completed.

The most common reasons reported in 2011/12 by employees departing the organisation were:

- Personal reasons, i.e. family, retirement (19%)
- Better job offer (12%)
- Balancing work and life demands (10%)

Conditions of employment

Employees at Kingston are covered by the Kingston City Council Enterprise Agreement No. 6 2009, which came into effect on 17 December 2009 and covers the terms and conditions of employment. The three-year agreement is due to expire on 23 February 2013.

The Agreement outlined a 3.5% wage increase over three years and enhanced conditions. This included a 19 day working day month for eligible employees. As at 30 June 2012, 191 employees (or 35% of 545 eligible employees) have taken advantage of this flexible working condition.

Right: John Zakharia, from Waves Leisure Centre, won the Lifeguard of the Year by Aquatic and Recreation Victoria

Kingston contributes 9% of each employee's salary to a complying Superannuation fund of their choice. Employees have the option to further salary-sacrifice contributions to their superannuation fund.

Kingston also offers a range of benefits to employees including:

- Employee Assistance Program (for employees experiencing personal or work related difficulties);
- Access to the Local Government Employees Health Plan;
- Wellbeing at Kingston (a structured health and wellbeing education program for employees including health checks and flu shots); and
- Flexible working arrangements.

Kingston recognises that flexible working arrangements benefit both employees and the organisation, in helping people balance work responsibilities with family and lifestyle needs. The degree to which flexibility can be supported is relative to each position and its role. This is assessed on a case-by-case basis. The flexible options at Kingston include:

- 19-day month;
- Part-time work arrangements;
- Development assistance leave (for educational purposes);
- Purchased leave; and
- Leave without pay.





Celebrating achievements

It is important to celebrate the achievements of our employees. Kingston does this in a number of ways including employee recognition events hosted by the CEO, our internal employee magazine 'Connect', staff forums and external media.

Employee recognition events bring together employees and their families with the CEO, Mayor and General Managers to acknowledge and celebrate the contribution made by employees to the organisation and community. Two events were held in November 2011 and April 2012 with 350 employees recognised for their service to the organisation.

The employee recognition event also celebrates significant achievements through two major awards, the Innovator of the Year and the Kingston Order of Excellence for Outstanding Service. These awards recognise employees who exemplify Community Inspired Leadership, particularly the values of dynamic, expert and future orientated.

The Innovator of the Year was awarded to Tim Bearup, Megan Grant, Tony Collins, Craig Howes, Steve Perumal, Rob Savoia and Eric Saddington for the Jobs Training and Accessible Parks Project (or JTAPP). The JTAPP project provided 12 month traineeships to 12 disadvantaged job seekers undertaking horticultural projects around Kingston. The project also included a complete rebuild of toilet facilities and playground redevelopment at Bicentennial Park in Chelsea, and this has gone on to win a national award.

The Kingston Order of Excellence was awarded to Steve Perumal, Parks Department. Steve demonstrated outstanding leadership and provided expertise and input into the redevelopment of the Sir William Fry Reserve and Reg Marlow Reserve.

Keeping employees informed

Keeping communication channels open with employees is critical to the success of the organisation to meet Council priorities. In 2011/12 Kingston continued to embrace the use of social media as well as traditional forms of communication with employees by using a number of different plaforms:

- Social media – Kingston utilised a range of social media formats to keep employees (and residents) connected including Facebook, Twitter, and Wiki, plus a regular blog from the CEO.
- Yammer – over the last 12 months this social media platform for all staff has grown in popularity, with over 300 employees now engaged with this internal online tool.
- Connect - six editions of Kingston's official employee newsletter were published in 2011/12 with the continued key focus being on inspiring, celebrating, connecting and communicating with each other.
- View and Values Forums - three forums were held during 2011/12. These forums aim to bring together employees from a variety of locations to hear and discuss updated information on key organisation topics as reported by the CEO and General Managers.
- connect.online - the intranet site for employees continues to evolve and provides access to work related documents, publications and policies as well as upcoming events and news that our employees may need to know.
- Staff Consultative Committee - Kingston has an active Consultative Committee which met six times during 2011/12. Committee members have the opportunity to provide input into draft policy documents, raise issues and discuss areas of common interest.
- Inspired Leaders Forum - Two sessions were held during 2011/12. Each session is aligned with one of our Circle of Influence values. Guest speakers share their experience and through this our employees at all levels are motivated to be community inspired.

Facing page: Winners of the Kingston Innovator of the Year Award for the Jobs Training and Accessible Parks Project with John Nevins CEO and Ron Brownlees, Mayor at the time, are (from left) Rob Savoia, Tim Bearup and Steve Perumal.

Learning and development

Kingston is committed to providing access to ongoing learning and development opportunities to build the capacity of our employees. These opportunities are offered via on-the-job internal and external workshops, conferences and programs, and delivered by our internal People and Culture team or external specialists.

In 2011/12, a total of \$678,177 was invested in providing development opportunities to employees. Table 5 presents a comparison of the amount spent on employee learning and development since 2009/10.

Table 5		
2011/12	2010/11	2009/10
\$678,177	\$567,379	\$591,582

In 2011/12, the learning and development opportunities offered included:

- 49 programs
- 633 employees attended a program (an increase of 30% from 2009/10)
- 6 full-day organisation induction programs
- 81 new employees attended Kingston's induction

Online learning

Online Learning was introduced during 2010/11 to provide employees with an alternative means to access development opportunities. Online Learning is an internet based learning system that provides online self service learning opportunities to employees. During 2011/12, 650 employees completed the Manual Handling and the Victorian Information Privacy Act learning modules. 650 employees were also enrolled in four compulsory learning modules to be completed in 2012/13.

Employee development

The Employee Development Assistance Program provides Kingston employees with up to \$1,500 per semester towards tuition, books and other study related expenses and up to four hours per week study leave (if classes/lectures are not available after hours) and exam leave. In 2011/12, a total of 21 employees accessed the development assistance program, with a total of \$26,935 reimbursed towards employee development.

Leadership development

Kingston offers two Leadership Programs per year.

The 'Breakthrough' Leaders Program (established in 2009/10) targets employees who are not yet in a senior role. The program is designed to foster learning which will enable the nominated employee to develop business capabilities and leadership skills required to deliver the organisation's culture and drive organisation success into the future. Participants complete a work-related project in conjunction with their learning. Participants are assessed against a range of competencies. Upon completion, they are awarded a Diploma of Management through RMIT University. In 2011/12, 14 employees completed the Breakthrough Leadership Program, raising the total number of employees completing the program to 41. There are also 17 employees currently undertaking the Breakthrough Leadership Program, due to complete it in September 2012.

The Kingston Leadership Program was introduced in 2010/11. This program targets senior leaders within the organisation. The Kingston Leadership Program is Kingston's internal leadership development program aimed at developing senior leaders to carry the Kingston Community Inspired Leadership recipe for success into the future. In 2011/12, 14 employees participated in the program which included two modules involving industry expert guest speakers. At the completion of the second module participants undertook organisational projects to enhance their learning, including developing an organisational workload calendar to better understand organisational pressures, re-engaging citizens in Australia Day celebrations, and maximising capacity across community-based organisations.

Team/Program Leaders Leadership Forums were introduced in 2010/11. These forums bring together leaders from across the organisation to discuss a range of topical organisational related matters, to enhance the experience of being a leader at Kingston and create strong leadership. Kingston's leaders have a significant responsibility in translating the vision and direction of Council – the Council Plan – into achievable goals and objectives and then harnessing the talents of their respective teams to implement these plans. In total, over 160 leaders attended the three forums delivered.

Our Volunteers

The City of Kingston values the wonderful contribution that volunteers make in our community. Volunteers provide valuable assistance and enrich the lives of the people and groups they are helping.

Council is fortunate to have volunteers assisting in a number of areas supporting its capacity to deliver a range of services and programs. In 2011/12 Kingston continued to build connections with the community and increase volunteer participation with more than 1200 volunteers donating in excess of 28,000 hours of their time to help the Kingston community.

Below are some of the areas in which volunteers provided assistance:

Environmental management

Kingston's Natural Resource Areas (NRA) Team has a large number of volunteers including individuals, community groups and schools assisting with the ongoing management of foreshore reserves and bushland. In 2011/12, volunteers contributed more than 2,000 hours to help Council's parks staff maintain parks, reserves, open space areas and natural resource areas.

Kingston is home to many community and friends groups active in protecting the environment. These groups include Friends of Bradshaw Park, Friends of Aspendale Foreshore, Friends of Edithvale - Seaford Wetlands, Friends of Mordialloc Creek Catchment, Friends of Bonbeach Foreshore, Friends of Braeside Park, Friends of the Grange, Carrum Residents Action Group and Oakleigh Gentlemen's Club. These groups work on a variety of activities and projects including propagation and revegetation of indigenous species, seed collection, weed control and removal, erosion prevention and remediation and water quality monitoring.

'i Sea, i Care' ambassadors from a number of Kingston schools got the chance to investigate Mordialloc Creek as part of a Council funded waterway program.



Environment-related community events

In excess of 100 environment-related community events were held during 2011/12:

- Kilbreda, Mentone Girls Grammar and Patterson River Secondary College have annual programs with the NRA team where they undertake a hands on approach, learning and participating in weed and erosion control activities, propagation and revegetation with Indigenous species
- 2011/12 saw the launch of Greening Our Place, Greening Kingston, a series of environmental workshops for the community. Over 155 people attended nine sessions ranging from raising backyard chickens, reducing waste, green cleaning and de-cluttering your home. The workshops will continue in 2012/13.
- The Big Green Schools Conference was held in March 2012 with over 120 students from 20 schools involved in the event. Students followed the 'kids teaching kids' methodology where students themselves ran workshops for other student participants.
- Kingston supported the Dolphin Research Institute to deliver the 'i Sea, i Care' program to ten Kingston primary schools. Each school identifies four 'ambassadors' to attend specialised training in catchment education and are responsible for spreading the message amongst the school community. Another ten schools will have the opportunity to be involved in 2012/13.
- More than 200 volunteers participated in 'Clean Up Australia Day' on 4 March 2012 and collected more than 250 bags of litter of which 40 bags contained recyclables from 38 sites in the City of Kingston. In addition, numerous schools participated in 'Schools Clean Up Day' on 2 March, 2012.



The Kingston Seniors Festival was hosted for the whole month of October 2011 with over 5,500 older people attending over 150 events and activities across Kingston.

- Students from local schools participated in ongoing Environmental programs
- 'Growing the Foreshore's Future' is an annual project that involves local residents and community groups volunteering to grow native foreshore plants at Council's indigenous nursery. The plants are then planted at selected sites along the foreshore over a number of special planting days.
- In 2011/12, 15 residents and the Central Bayside Adult Community Options participated in the project and have grown over 2,500 seedlings for the foreshore. Since the project's commencement in 2004, volunteers have grown more than 27,500 seedlings which have been planted along Kingston's foreshore.
- For the second consecutive year Kingston supported the National Garage Sale Trail event with 65 sales registered in Kingston in April 2012. The event designed to reduce waste to landfill and give our community an opportunity to form connections will be supported again in 2013 and is expected to grow significantly.
- Kingston was fortunate enough to be involved in the Victorian Department of Transport's Electric Vehicle Trial. Three vehicles were driven as part of the Council fleet to improved awareness, understanding and acceptance of electric vehicles.

Community engagement

By working with, and understanding the community, Council can better identify changing needs and priorities and develop strategies, plans and programs that reflect these changes. During 2011/12 the Community Engagement Team spent more than 1,400 hours directly supporting residents and community groups, and facilitated the contribution of over 8,000 volunteer hours from local residents working on various committees and events.

Volunteers have contributed their time and skills to various local committees including:

- Positive Ageing Committee
- Positive Ageing Volunteers Working group
- Access and Equity Committee and subgroups
- Interfaith Network Committee
- Chelsea Community Renewal Committee and subgroups
- Strengthening Clayton and Clarinda Committee and subgroups
- Probus and Service Club Network Committees

In 2011/12, community volunteers also developed and implemented a number of important local initiatives which include Harmony Day events, various community consultations, kitchen activities, arts projects and seniors festival events.



Left: Volunteer driver Barbara Young helps Kingston resident Joan Leedham to an appointment as part of the Volunteer Transport Program run by Council.

Aged care and delivered meals

A total of 432 volunteers spent approximately 10,663 hours helping out in the social support programs that Council provides to residents who are frail aged or who have a disability. Services provided include delivered meals, social support services, home library programs and the community bus which takes eligible residents on regular shopping trips, to leisure facilities and specialist visits.

In November 2011 Council held the annual volunteer recognition luncheon for 260 volunteers and presented certificates to volunteers for years of service, the highest being 40 years in delivered meals.

Kingston Arts Centre

A total of 45 volunteers contributed 2,651 hours in 2011/12 to assist with programs at the Kingston Arts Centre and Kingston City Hall. Volunteers have provided front of house services for theatre performances and gallery openings (bar service and ushering), gallery sitting and considerable administrative support. Assistance was also provided with the Moviehouse program week to week which requires significant contact with the membership and the technical expertise in projecting 16mm film on older style projectors.

Libraries

A total of 90 volunteers spent 2,518 hours helping to make Kingston’s library services accessible to everyone in the community in 2011/12. This included hosting community bus visits, choosing books and materials from libraries and delivering them to people through the Home Library Service, recording local newspapers and providing genealogy assistance.

Volunteers are included in regular training sessions covering areas including on-line cataloguing, library resources and computer games.

Youth Services

Through Kingston Youth Services, a number of programs are offered to young people aged 12 to 25 years who live, work, study or have significant ties to the City of Kingston. Approximately 30 volunteers contributed over 1000 volunteer hours to Youth Service programs this year including:

- KYSS (Kingston Youth Services Supplement) Youth Magazine which is written, edited and designed by young people for young people
- ‘FUSE Productions’ our Freeza Committee hold live music and cultural all ages events for people within Kingston. Our committee of volunteers gains practical, hands-on skills in the event management fields by coordinating all ages live music and cultural events
- The Youth Consultative Committee (YCC) provides a youth perspective on issues that impact the local community. They give their time to provide input into council plans and local issues
- The Kingston Youth Festival is an annual festival held during National Youth Week
- Once a year volunteers are recruited and participate in a six week training program to facilitate discussion and activities that focus on communication, young people’s issues, leadership and youth work ethics so participants can help with youth group, drug and alcohol free events and workshops at schools.

Living Kingston 2035 – Ambassador Program

One strategy used to encourage community participation in the Living Kingston 2035 project was to establish an Ambassador Program. Community members who were willing to actively support the project were encouraged to self-nominate and register. In many instances, Ambassadors were key community leaders or had strong community connections. Ambassadors were offered the opportunity to attend project briefings and received regular updates on the progress made to date as well as coming activities where they could get involved. Ambassadors are asked to share project information within their community networks, help out with surveying in the community, and to promote the community forums.

Capital Works Program

Kingston is committed to major capital works projects. It is these projects that will build the foundations for Kingston’s future through the ongoing provision of safe, accessible and appropriate infrastructure that meets the changing lifestyles of our community. Council is custodian of in excess of \$1.2 billion of built assets. \$35.2 million of capital projects were undertaken in 2011/12.

As presented in Table 6, the 2011/12 expenditure includes:

- \$11.5 million on roads and drains
- \$2.6 million on Parks and urban design
- \$2.8 million on dredging and maintenance of the Mordialloc creek
- \$700,000 on the expansion of the Clarinda Library

Table 6: Major Capital Works Program projects undertaken during 2011/12

	Project Cost	
Community buildings	\$5.5M	
Tom Johnston Pavilion Chelsea	\$2,050,000	
Shirley Burke Theatre, Parkdale - renovations over 2 years	\$1,700,000	
Melaleuca Drive Community Centre – Reroof & refurbish	\$600,000	
Bricker Reserve (Kingston Athletics Track)	\$175,900	
Aspendale Life Saving Club	\$65,700	
Walter Galt Reserve –Sports Training Lights	\$60,000	
Parks, Recreation & Urban Design	\$2.6M	
Chelsea Sportswomen’s Centre	\$500,000	
Playground renewals and upgrade	\$400,000	
Rowans Road Athletic track Renewal	\$250,000	
Reg Marlow Reserve	\$240,000	
Path Way Upgrades – Long Beach Trail	\$80,000	
Reserve Revegetation Projects	\$70,000	
Warm Season Grass Conversion – Keys Road No 1 Rugby Ground	\$65,000	
Roads and drains	\$11.5M	
Road Resurfacing Program	\$1,448,000	
Warren Rd Mordialloc – Road Reconstruction	\$1,210,000	
Frank Ave, Clayton South – Road Reconstruction	\$990,000	
Flood mitigation projects	\$850,000	
Ilma Grove, Bonbeach – Road Reconstruction	\$657,000	
Gainsborough Road, Mentone – Road Reconstruction	\$583,000	
Rosebank Avenue, Clayton South	\$320,000	
Governor Road, Braeside	\$210,000	
Leisure Centres	\$656,000	
Don Tatnell Pool - Refurbishment	\$536,000	
Waves Leisure Centre – Lighting upgrade	\$120,000	
Other highlights:		
Mordialloc Creek Maintenance & Dredging	\$2,894,327	
Purchase of 81 Albert Road 9 Masonic Lodge	\$1,150,000	
Clarinda Library Expansion	\$700,000	
Local Shopping Centre Upgrades	\$300,000	

External Grants and Funding

During 2011/12 Kingston Council received \$42.8 million in grants, contributions, subsidies, donations and reimbursements from external bodies as demonstrated in Table 7. This is an increase on the \$31.6 million received in 2010/11, due to:

- \$5.2 million in asset contributions from developers (from New Estates) in 2011/12 compared to \$0.6 million in 2010/11
- \$3.5 million in capital (non-recurrent) grants received in 2011/12 (including \$2 million for Mordialloc Creek Dredging Project) compared to \$0.8 million in 2010/11
- \$1.2 million extra received in 2011/12 for the Victorian Grants Commission funding, includes \$2.2 million received in advance for 2012/13 funding.

Table 7: Examples of grants, funding and contributions received in 2011/12 (excluding GST)

Source of funding	Amount received	Program being supported
DSE	\$226,947	Beach Cleaning Subsidy Program
State Government	\$19,126	Tobacco Education and Enforcement Activity
Arts Victoria	\$40,000	Chelsea & Bonbeach Train Station Group
DPCD	\$814,256	Public Library Grants Program
DSE	\$2,000,000	Mordialloc Creek Dredging
DEEWR	\$258,624	Family Day Care Child Care Benefit
DPCD	\$23,850	Youth Services Grant
Parks Victoria	\$15,191	Kingston Bay Trail
SEW	\$5,000	Don Tatnell Grant
Vic Roads	\$208,221	2011/12 School Crossings Subsidy 1 & 2
EPA Victoria	\$71,500	Litter Prevention Officer Grant
DEECD	\$811,723	Maternal and Child Health funding
Federal Government	\$25,482	Immunisation funding
Melbourne Water	\$22,000	Melbourne Water Grant

LEGEND

DEECD: Department of Education and Early Childhood Development
DEEWR: Department of Education, Employment and Workplace Relations
DPCD: Department for Planning and Community Development
DSE: Department for Sustainability and Environment
SEW: South East Water

Awards

Awards and Recognition

The City of Kingston was recognised with several prestigious awards in 2011/12 that celebrate the groundbreaking work Council is undertaking to build a dynamic future. These awards further demonstrate that the City of Kingston continues to lead the way in Local Government.

- The 2010/11 Annual Report won an Australasian Reporting Awards Gold Medal. This was the fifth successive Gold Medal Kingston's Annual Report has received in these awards which provide an opportunity to benchmark the standard of Kingston's Annual Report against others in Australia and New Zealand.
- The MAV (Municipal Association of Victoria) President's Award was presented to Kingston's Planning Department for planning process improvements, which was instigated through its participation in the MAV's Step Planning Process Improvement Program. This program aims to take a comprehensive approach to improving performance within the Statutory Planning Department.
- The Institute of Public Works Engineering Australia (VIC) presented Kingston with the 2012 Asses Management Award for Excellence for its 'Mordialloc Industrial Precinct-Managing Stormwater as an Asset' project.
- Kingston's Corporate Information team won the Sir Rupert Hamer Records Management Award for the Policy Portal developed for Kingston. These awards showcase a number of projects that highlight the importance of good record keeping as well as the passion behind preserving records of the state's history for the benefit of future generations.
- The South East Melbourne Innovation Precinct (SEMIP) initiative, a collaboration including Kingston, won a national economic development award in October 2011. The project works to expand the innovation capabilities of the region, which includes CSIRO, Monash University, the Australian Synchrotron, the Small Technologies Cluster, neighbouring municipalities and local businesses.
- One of Waves Leisure Centre's lifeguards, John Zakharia was awarded Lifeguard of the Year by Aquatic and Recreation Victoria (ARV). Selected from top lifeguards from all over Victoria, this highly sought after industry award recognises the skills, training, customer service and dedication of lifeguard duties.
- The intergenerational playgroup 'Circle of Life' is a collaboration between the Corben House Aged Care Hostel and Maternal and Child Health teams. It won the National Wendy Butler Recognition Award for the most innovative leisure programme.





Thelma Mansfield was announced as Kingston's Citizen of the Year 2012 at the Australia Day Awards. She is pictured with Mayor Ronke receiving her award.

Australia Day Awards

Each year, Council presents the Kingston Australia Day Awards as part of Kingston's Australia Day celebrations. In 2011/12 five major awards were presented - Citizen of the Year, Outstanding Citizen of the Year, Young Citizen of the Year, Community Group of the Year and Young Community Group of the Year.

The Citizen of the Year was awarded to Thelma Mansfield. Thelma's community contributions span over 40 years and she continues to play an integral role in the community, where she volunteers for The Children's Protection Society and Meals on Wheels, supports the aged by making home visits, providing assistance with simple errands and works for Aged Care. Thelma has also been an active member of the Moorabbin Highett Village Committee for the past 15 years.

The Outstanding Citizen of the Year was awarded to Brian Lowe. Brian is well known for his involvement in many aspects of community work, particularly with the Aspendale Rotary Club. He also uses his business skills and networks to help others in the community and has a unique ability to draw people together from all ages and backgrounds to care for the community without seeking recognition. Brian is also heavily involved in the Kingston Charitable Trust, the Rotary Chelsea Art show and Family Life.

The Award for Young Citizen of the Year went to Jack Styles. Jack is committed to animal rights and activism and has been a volunteer and Youth Coordinator for Animal Liberation Victoria from 2009/11.

He is also involved in many other animal rights groups, such as PETA, RSPCA, Wildlife Victoria and Animals Victoria. He has is also a Founder and Director of Duck Army 2010-2011 - a group that works to stop duck hunting.

The Community Group of the Year Award went to Matt's Place. Serving up to an average 200 meals per week, Matt's Place, at Bayside Community Church, St Matthew's and St Chad's offers free two course meals to anyone in the local community on Tuesdays at Chelsea and on a Thursday in Cheltenham. This community organisation has been running for over two years. Matt's Place also organises visits from government and community organisations to provide free assistance to all who attend the centre. This service is staffed by around 60 volunteers.

The Young Community Group of the Year for 2012 was awarded to Kingston Youth Services Supplement (KYSS) Youth Magazine. The KYSS committee is made up of young people who volunteer their time to organise and implement the content, design, production and evaluation of a youth magazine. Over 5,000 copies of KYSS are distributed throughout Kingston and the magazine is written by young people, for young people. The KYSS committee is provided with training opportunities facilitated by Council's Communications Department. The training provides the committee with effective and purposeful writing and design skills should the students wish to pursue a career in journalism, artwork, photography, writing, publishing, graphic design.

Connecting with our Community

The City of Kingston considers it vitally important to build connections with our community and this is done by consulting, engaging and communicating on programs and major issues, in addition to advocating on behalf of the community to attract support from other levels of government.

Communication

Council has built and continues to develop a strong and positive relationship with local and metropolitan media. The Chief Executive and Mayor hold weekly briefings with local journalists to outline Council activities and projects. These briefings also provides an opportunity for journalists to raise issues that are important to the community.

In 2010/11 Council issued 220 media releases that led to 426 (overwhelmingly positive) media mentions of Council. This figure indicates a high percentage pick-up of media releases. Council also responded to 234 queries from local and metropolitan media on issues ranging from planning and building approvals, environmental sustainability and dog attacks to festivals and youth affairs - and even sheep on vacant residential blocks.

Regular and open communication with the community is essential for the City of Kingston to govern effectively. Council keeps the community informed about Council activities by communicating through various channels including: a monthly Council journal *Kingston Your City*, Kingston's website www.kingston.vic.gov.au, media releases, publications, advertising, online newsletters, monthly community radio broadcasts, community events and various social media platforms such as Facebook, Twitter and YouTube.

Kingston Your City (KYC) is Council's major publication, which is delivered 11 times each year to all homes, businesses and community venues across the municipality. The 16-page journal provides information to the community on Council news, programs, services and activities, important updates on major projects and strategies, and opportunities for the community to get involved in consultations and events.

Council also produces a wide range of other publications to keep the community updated on Council services and programs. These include major corporate publications such as the Council Plan, Annual Report, a Community Directory with contact information for local organisations and the 2011/12 Budget and Rates, as well as regular business newsletters and an *Artscape* magazine, which promotes events at Council's Kingston Arts Centre.

Council's website is an important community resource that is steadily growing in use and popularity every year. The number of people who visited the website has grown by 4% from 2.5 million hits in 2010/11 to 2.6 million visits in 2011/12, which equates to more than 216,000 visits per months.

The City of Kingston also uses social media to connect with our community and has become a recognised leader in Local Government in this area, with regular requests from journalists, conference organisers and other Councils for information on Kingston's social media strategies and policies.

The City of Kingston is leading the way on Facebook with 954 'likes', which is significantly more than neighbouring municipalities. Facebook has been a useful tool to disseminate urgent information and promote programs, strategies, events and consultations. But, more importantly, the community has increasingly been using Facebook as a means to ask Council questions about what is happening in our community or why certain decisions were made. Council also has specialist Facebook pages for the Kingston Arts Centre, Youth Services, Maternal and Child Health Services, Waves and Don Tatnell Leisure Centres.

Council's Facebook page is complemented by a Kingston Council Twitter account which has 620 followers, LinkedIn forums with Kingston businesses, videos on YouTube and online surveys. Social media remains a strong focus for Council as we seek to engage more closely with our community.

Council also hosts a monthly hour-long radio show on 88.3 Southern FM, where important Council programs and issues are discussed. The radio shows are also available to download from Council's website as podcasts.

Engaging the community

One of the largest community engagement projects ever undertaken by Council, the Living Kingston 2035 Community Vision Project, was launched in 2011. The vision provides an opportunity for the Kingston community to describe their needs, interests and aspirations for the next 25 years. At the end of June 2012, 1,275 community members have participated in the project, with a further 188 Kingston app downloads and 1,246 visits to www.livingkingston.com.au

Council also has a specialist Community Engagement Team working with the community to build strong, safe and engaged communities, and encouraging residents to get involved in their local community. The Community Engagement Team understands that the community is well positioned to identify its needs and aspirations and is central to the development of responses by their Council.

Some of the major projects undertaken by the team in 2011/12 included:

- Implementation of the Community Safety Strategy and Municipal Public Health and Wellbeing Plan, including hosting the second Kingston Harmony Soccer Cup and Family Fun Day at the Kingston Heath Soccer Complex to build good relationships between new and emerging communities and emergency services.

- The Disability Action Plan and State Government funded Metro Access program which continues to be successful in promoting access and inclusion of people with disabilities in community life.
- Facilitation of Council's Access and Equity Committee that works towards creating a more sustainable, equal and inclusive community. The committee is comprised of three subgroups: multicultural, indigenous and disability, that have successfully undertaken a range of initiatives including Reconciliation Week activities, and the Together in Harmony Concert for Harmony Day to celebrate cultural diversity and Refugee Week. The Access and Equity Committee also distributed grants to the value of \$11,500 to 11 disability and multicultural groups.
- Facilitating the Positive Ageing Committee to implement the Positive Ageing Plan and coordination of the month-long Kingston Seniors Festival in October which provided diverse activities and opportunities for senior residents to engage with their community.
- Continued implementation of the Chelsea Community Renewal program and local action plan with the project Steering Committee made up of local organisations and residents. Projects included development of the Access IT project that involved the introduction of iPads at the Chelsea Library for seniors to borrow with the aim of bridging the 'digital divide' for people aged 55 years and over; funding to support the construction of a boardwalk that will link two accessible car parks to a newly constructed public amenity block with toilets at Victory Park; and funding to support the redevelopment of the Chelsea Activity Hub in Showers Avenue Chelsea.
- Implementation of the three-year Strengthening Clayton and Clarinda Project in partnership with the local community and Monash City Council and supported by the Victorian Government.
- Implementation of Council's Community Grants program that enables a wide range of community groups and organisations to deliver a range of programs and activities to the Kingston community. This involved distributing \$1,212,428 to 190 successful organisation and groups.

Customer service

Our employees can be contacted in many ways from traditional face to face, telephone and email, and increasingly through social media. A new customer service framework is in place that aims to take us from good customer service to customer care. Customer Service staff answered 134,704 telephone calls and responded to 82,599 counter enquiries during 2011/12. They also provided 2,330 New Residents Kits and 863 Community Directories.

A new service commitment is in place which covers all areas of Council operations. The Customer Service Team is charged with ensuring the commitment is reflected in service provision. Customer service is provided by all Kingston departments, not just our three customer service centres, but also our libraries, leisure centres and arts centre. For example Kingston libraries provided 1.2 million loans during 2011/12, were visited over 618,000 times, and had 808,224 visits to the library website. Employees answered 71,094 inquiries in person, over the phone and via the internet, and provided 67,319 hours of public computer access, as well as 11,518 instances of wireless access. This was the first year of wireless access being available at the libraries.

Business support

Council's Economic Development Department builds connections with over 10,000 local businesses and helps increase their capacity through development and support services. During 2011/12 activities included:

- The facilitation of a monthly CEO Roundtable for well established business leaders and a Rising Stars Roundtable to support emerging business leaders.
- The matching of 29 small businesses in the cities of Kingston and Glen Eira with volunteer mentors under the Mentor Partners Program. This brings to 311 the number of small businesses who have benefited from this joint Council initiative since its inception in 2002. Three new mentors were also recruited.
- The facilitation of 18 business development workshops and seminars and six Kingston Business Women's Network events.
- The establishment of new "Meet Your Mates" forums to encourage and support business to business networking and collaboration in Kingston's industrial precincts.
- The facilitation of a series of initiatives to assist small to medium enterprises embed sustainable practices into their businesses.
- A strong focus on the use of new technologies in communication especially the use of social media, particularly LinkedIn.
- Linking local companies into the research infrastructure in the region by active participation in the SEMIP initiative.

Local laws

Our Local Laws Education Officer visited 67 schools and community groups across Kingston in 2011/12. The Education Officer also conducted 28 Road Safety programs, 31 Responsible Pet Ownership Programs, 8 Local Laws Programs and 11 School Crossing Victoria Programs. The Education Officer plays an important role in educating children, parents and the general public about Local Laws issues such as road safety, responsible pet ownership and the role of Local Laws in the community.

The Education Officer introduced a new community education program, "Ranger Talks", aimed at connecting local residents and promoting responsible pet ownership. Residents including both dog owners and other interested persons were invited to participate at their local reserve to have the opportunity to receive information on animal related legislation, responsible pet ownership and to ask a Ranger for advice. The programs are interactive, social and enable information and ideas to be shared between Council and the community.

Kingston's Carols by the Bay is a popular family event held every year at Mordialloc and attracted more than 10,000 people last year.



Community festivals and events

Events and festivals are an important part of Kingston and bring the community together to celebrate what is special about our municipality. Council stages a broad range of free community events that attract more than 100,000 people annually. These include major festivals, community and arts focused events, openings and launches, plus a range of other community activities for local residents and visitors to enjoy. Some of the events held in 2011/12 include:

Major festivals

- **Carols by the Bay** was held in December 2011 at Mordialloc and attracted more than 10,000 people. James Reyne, one of Australia's best singer/songwriters was the headline act and was supported by a number of first class Australian performers.

- **Kingston Seniors Festival** held in October 2011 featured more than 100 exciting activities and events including an afternoon tea dance, walking tours, Victoria Police Show band performances, come and try days at lawn bowls clubs, authors' talks, music concerts, social lunches and entertainment.
- **Globe to Globe World Music Festival** held over two days in January 2012 at Namatjira Park in Clayton South has become one of Victoria's most outstanding world music events, and a wonderful opportunity to celebrate Kingston's cultural diversity as well as promoting peace, harmony and goodwill. More than 8,000 people were entertained by the best in world music, dance, art and cuisine.
- **Australia Day** celebrations in Kingston in 2012 included the traditional Australia Day breakfast attended by more than 600 people. Winners of Kingston's 2012 Australia Day Awards were announced at the breakfast which included a citizenship ceremony (see page 26 for more details).
- **Mordialloc by the Bay Fine Food, Wine and Music Festival** held in March 2012. Tens of thousands of people turned out to enjoy the fabulous performers, chefs and food and wine on offer over the two day festival. The Master Chefs marquee was at capacity all weekend and the Lens Mist photographic exhibition attracted a record number of people this year.
- **Harvest Festival** held in Carrum on 12 May 2012 showcased some of Australia's finest rock/blues, country and bluegrass artists, including Jon Stevens. Wintry conditions did not deter around 5000 people from attending this wonderful community event. This year a 'Cake Bake-Off' competition was introduced for local cooks to enter, with the first prize being a Kenwood Mixmaster.
- **Kingston Youth Festival** was a great success with approximately 2,600 young people attending the many events and programs held during the month long festival in April and May 2012. Events included skate, BMX, blading and scooter competitions, concerts, dance parties, an art mural and photographic and short film competitions.

As part of the Kingston Youth Festival in April 2012, Kingston Youth Services and Fuse Productions held a Skate of Mind event at Bicentennial Park, Chelsea.



Openings and launches

- Council launched the renovated **Youth Services** site at Southland shopping centre on 17 November 2011 for the Kingston Youth and Family Services.
- Families from Carrum and surrounds were entertained at the opening of the exciting new playground at the **Roy Dore Reserve**, Carrum on 15 November, 2011. The new \$150,000 playground is part of the ongoing implementation of the Roy Dore Masterplan, which includes the upgrade of paths, internal roads and car parking.
- A new playground with a tree house village theme was opened at the **Bald Hill Park** in Clarinda on 27 September, 2011. Construction of the playground was part of Kingston's Playground Strategy which saw \$200,000 allocated to the project from Council's Capital Works budget.
- The \$991,000 upgrade to the **Chelsea Sportswomen's Centre** in Chelsea was completed and officially opened on 26 November 2011. The Centre is the only female-specific facility in the south of Kingston and was delivered in partnership with Victorian Government, the Chelsea Community Renewal project and the Chelsea and District Netball Association and the Chelsea Callisthenics Club.
- The **Clarinda Library** was officially 're-opened' on 17 February, 2012 after undergoing an impressive refurbishment. The \$833,000 renovation provides additional space, a reworking of the multipurpose room and dedicated children's area. Additional funding was also provided from the Department of Planning and Community Development.
- The official dedication of the **new memorial at the Dingley Community Centre** occurred in March 2012. This was as a result of a community-led project over the past four years led by the Rotary Club of Dingley and in partnership with a number of community organisations.
- The City of Kingston unveiled the \$1.7 million transformation of the historic **Shirley Burke Theatre** in Parkdale on 29 March, 2012. Council, in partnership with Arts Victoria, produced a contemporary design which includes new seating, rehearsal space, art gallery and public spaces.



Council appointed Scott Harrison as City Organist for Kingston's Wurlitzer Theatre Pipe Organ at Kingston City Hall.

Arts and music events

- The 16th Annual **Massed Bands Concert** was held at Kingston City Hall in August 2011.
- Kingston Youth Services and Fuse productions presented the **Push Start Battle of the Bands** on 20 August, 2011, which saw young local performers showcasing their talents.
- Throughout summer the **2011/12 Summer Revival Program** delivered 16 free community events at various venues throughout the municipality, including the ever popular Big Band Sunsets series of events, outdoor cinema, music, dancing and theatrical performances, scooter demonstrations and craft workshops.
- Delivered five **Schmooze artists networking and professional development events, and Toolbox 2011**.
- **Kingston's Open Studios** – opened 11 artists studios to the public, including artists' talks, demonstrations and workshops, and a VIP tour for staff and Councillors to raise awareness of our creative industries internally.
- Kingston's **Night Art market** was held on 3 December 2011 at the Kingston Arts Centre with over 50 stalls, children's activities, workshops and demonstrations provided all evening.
- Children's **Time Capsule Project** – hosted workshops with school children from 13 different primary schools within Kingston, facilitated by professional writer Lyn Ducos.

National and state events

- Volunteers and students across Kingston helped plant thousands of trees at a number of sites to mark National Tree Day on 31 July 2011.
- Kingston Libraries participated in the annual National Children’s Book Week held from 19 to 25 August, 2011.
- A range of celebrations were held across the municipality to celebrate Children’s Week in October 2011. Kingston provided grants to 20 groups towards staging these activities.
- Kingston joined forces with local emergency service groups to run a series of displays and forums during Community Safety Month in October 2011.
- Mental Health Week was celebrated in Kingston with a walk and festival held on 12 October 2011.
- Kingston celebrated National Water Week from 16 to 22 October 2011 by encouraging residents to build raingardens with the ultimate goal to see 1,000+ raingardens built and registered across the City of Kingston.
- Clean Up Australia Day activities were held at a number of sites in Kingston on 4 March 2012 as part of the National Clean Up Australia Day event. Volunteers collected bags of litter, of which many bags contained recyclables.
- Council held a morning tea to recognise the achievements of women in Kingston on International Women’s Day 8 March 2012.
- Many Kingston schools got involved in National Ride to School Day on 23 March 2012, helping children get a healthier start to the day.
- About 180 people from a broad range of community groups and organisations celebrated cultural diversity at Kingston’s Harmony Day lunch on 21 March 2012.
- Kingston switched off all non-essential lighting in the City over the weekend of 24 and 25 March 2012 in support of Earth Hour.
- Kingston Council once again joined in the national Garage Sale Trail on 5 May 2012. This event encouraged hundreds of residents to hold a garage sale on the same day.
- As part of World Environment Day celebrations, a special film screening was held at the Kingston Arts Centre of ‘The Thin Green Line’ on 6 June 2012.
- The City of Kingston hosted part of the Ironman Asia Pacific Championship Melbourne event on 25 March 2012. A ‘live site’ at Peter Scullin Reserve saw 2,000 spectators gathered throughout the day to cheer on the competitors.



Another successful Clean Up Australia Day event was held across a number of sites in Kingston again this year.

Community events

- The 12th annual Mayoral Charity Golf Day was held in September 2011 at the Woodlands Golf Club in Mordialloc.
- More than 260 volunteers from Kingston’s Aged and Disability Services and Library Services areas were recognised at a special luncheon in November 2011.
- A Christmas Party was held in December 2011 for families who receive assistance from Council’s Family Support Service.
- Council’s Chelsea Community Renewal Project, in partnership with Bayside Blades, hosted a free ‘Skate of Mind’ event at Bicentennial Park on 7 April 2012.
- The second Heart of Kingston Charitable Fund Art Show was held in May 2012 at Woodlands Golf Course, Mordialloc. Over 200 pieces of art were exhibited and over \$23,000 was raised for the Fund and Family Life.
- Kingston’s Local Laws held five community events promoting responsible pet ownership including a Mini Pet Expo, Microchipping Day and Registration Day.
- Kingston Libraries participated in the National Summer Reading Program. More than 370 Kingston children read 3,700 books over the summer season.
- Kingston hosted the second Kingston Harmony Soccer Cup and Family Fun Day on 26 November 2011, with over 120 young people participating in the event.
- Refugee Week at Kingston was celebrated with an art exhibition at Clarinda Community Centre from the Somali Cultural Association from 17 to 23 June 2012.
- The Kingston Network of Schools in the Clayton South and Clarinda area hosted the Children’s Expo for families in June 2012.
- Six Kingston Business Women’s Network events were held in 2011/12.
- Five citizenship ceremonies were conducted throughout 2011/12.

Kingston Charitable Fund

The 2011/12 year was again a successful one for the Kingston Charitable Fund which has been operating in partnership with the Lord Mayor’s Charitable Foundation since 2007. Council’s vision is to grow the Fund so that over time it provides a perpetual (lifelong) source of income for charitable organisations that assist Kingston residents. This year direction came from the Lord Mayor’s Charitable Foundation stating that all current Charitable Trusts must change their names to Charitable Fund. Therefore the Kingston Charitable Trust is now referred to as the Kingston Charitable Fund, a charitable fund account of the Lord Mayor’s Charitable Foundation.

In November 2011, Council held a special ‘Giving Ceremony’ to present official Kingston Charitable Fund grants to 10 local charities that help local residents. Recipients of the grants, which ranged from \$2,500 to \$5,000 were supported by a \$5,000 grant made to the Fund by the Parkdale and Mentone East Community Branch of Bendigo Bank. This amount went towards the Mentone Community Assistance and Information Bureau. Other charities to benefit included outreach services, a specialist school, local hospital, disability groups, mental health groups and church groups.

Also in November, the Fund also hosted its fifth annual Dinner and Charity Auction which was attended by 200 people who helped raise \$72,000. In May 2012, the Fund then held its second annual Art Show, where over 200 high quality pieces of art by professional artists were on display. The event raised over \$15,000 for the Fund and charity organisation Family Life.

The Fund continues to receive good support from local businesses and organisations. Key supporters in 2011/12 were the Dingley Village Community Branch and Parkdale and Mentone East Community Branch of Bendigo Bank, Spring Valley Golf Club, Kingston Heath Golf Club, Woodlands Golf Club, Commonwealth Golf Club, Lowe Constructions plus more than 30 other businesses.

Consulting with our Community

Community feedback is important to ensure that Council’s long-term plans and strategies will continue to build a sustainable future for our community.

This is why Council appreciates the importance of consulting with our community to find out what types of services and programs our residents need.

Feedback is invited each year on Council’s Budget and Council Plan, as well as key strategies, policies and other master plans. Please refer to page114 for a full list of Council documents that were placed on public exhibition in 2011/12.

Council’s 10 Village Committees also play an important part in providing feedback and advice on key local issues. These committees represent a broad cross-section of our community. Please turn to page 125 for more information on our Village Committees.

Advocacy

Council believes it plays an important role in advocating on behalf of the community for state and national issues that are important to them. Major advocacy campaigns in 2011/12 are outlined below.

Managing the foreshore

Council believes the State Government should lead a consistent approach to developing guidelines and planning controls for all Victorian costal land and infrastructure to meet the impacts of potential rising sea levels. Council also wants to see the State Government contribute more funds to maintain Kingston’s beaches, which are enjoyed by all Victorians. Funding provided by the State Government has varied significantly over the years and Council is left to make up the funding shortfall.

Council was successful in applying through the Department of Sustainability and Environment’s Protection of the Port Phillip Beaches and Foreshore Program for funding to undertake beach renourishment works at Mentone and Aspendale Beach. Council also secured \$20,000 funding from the State Government’s Community Support Fund to develop a feasibility study for the replacement of the Mordialloc Surf Life Saving Club. Seventeen foreshore buildings and structures were identified by our Community Buildings department as requiring urgent work. Council carried out necessary works and made the structures safe, as well as working with building occupiers to identify how funding may be secured to address the issues.

Tip odours

Council is continuing to fight on behalf of residents for an end to the offensive odour coming from local tips. Council is taking a proactive approach to monitoring landfill sites and making sure that operators comply with planning permit conditions. A number of notices have been issued to various landfill operators in 2011/12. Council also argued its case at VCAT against a request by a local landfill operator to extend the length of their permit to operate. Unfortunately, Council was unsuccessful and Transpacific Industries Fraser Road Landfill has been permitted to remain open until 2017. However, Council has applied to the Supreme Court for leave to appeal VCAT’s decision. Kingston continues to advocate to the Environment Protection Authority (EPA) on behalf of residents and has participated in meetings held by the EPA to voice the concerns of our community. The EPA is the agency that can enforce odour and dust issues, and Council is pooling its resources with the EPA to monitor landfills and work together to solve the problems of offensive odours.



A number of community bulletins were produced for residents affected by the tip odours to keep them informed of the latest developments. Bulletins were also translated into a number of languages.

Aircraft noise

Council continues to advocate on behalf of residents for practical solutions to lessen the amenity issues and noise problems at Moorabbin Airport. The airport is situated on Federal Government land and is not subject to State or Local Government planning controls. However, Council believes it has an important role in raising the concerns of its residents with the airport’s management and regulator at the quarterly meetings which Council participates in. Council was pleased to note that due to community requests from 1 April 2012, training times on weekends and public holidays were reduced from 0800 – 2000 (or last light) to 0900 – 1800 (or last light). Unfortunately, training times on weekdays have not been reduced and are still running late into the night from 0800 – 2100 in winter and 0800 – 2200 during daylight savings. Council strongly believes that more needs to be done to lessen noise issues for residents, especially in relation to the flight path and operational hours of pilot training.

Childcare

Council has written to both the State and Commonwealth Government Ministers calling for the ‘Take A Break’ occasional child care funding to be reinstated, following the termination of funding in September 2011. The program was jointly funded by the Commonwealth Government (70%) and the State Government (30%). The total Take a Break funding loss for the seven occasional care services located in the City of Kingston was approximately \$98,000. In addition to writing to Government Ministers, Council also submitted a motion to the MAV Annual Congress on 28 October 2011 seeking the MAV to write to the relevant Commonwealth and State Ministers to have the Take A Break funding reinstated.

Completion of Dingley Arterial Route

Council has strongly advocated for the construction of the 6.4km missing link of the Dingley Freeway to connect the South Road and Westall Road extensions. Council is pleased that the State Government has committed \$155.7 million to build final section. Funding of an additional \$135.7 million has been provided in the 2012/13 budget to go along with the \$20 million already provided for planning and preconstruction works in the previous 2011/12 budget. The State Government is continuing preliminary design, preconstruction and land acquisition, with construction expected to start in 2014 and be completed by the end of 2016. When completed, the Dingley Bypass will improve travel times and greatly reduce congestion by separating local traffic from through traffic and creating better access through the area.



Vacation care programs are now delivered across five locations in Kingston and cater to children of all abilities.

Vacation care for all abilities

Council was successful in applying for more than \$221,000 in recurrent funding from the State Government to provide a new holiday support program for children of all abilities. The program is held in partnership with MOIRA Disability & Youth Services, Yarrabah School, and the Centre for Development Disability Health Victoria. The need for a holiday program for children of all abilities was identified in 2011, when it was found that existing programs could not cater children with additional support needs. Council advocated for the funding for almost nine months and was pleased to hold the first program in July 2012. The program provides school holiday respite for up to 30 children, including 15 places for children with high and complex support needs. Qualified and experienced staff address the individual needs of children, while offering a range of fun activities that build social connection, independence and new skills.

Preventative health

Council was extremely pleased to secure more than \$566,000 in funding through the Federal Government’s Department of Health and Ageing Healthy Communities Initiative to deliver the ‘Good Living Project’ in partnership with Bayside Council. The project aims to empower disadvantaged people to take control of their health through participating in a range of healthy eating programs and physical activities.

Other advocacy campaigns and submissions in 2011/12

Kingston again supported the State Government’s electric vehicle trial which is using renewable green power for cars. During the three month trial, Kingston provided feedback on the car’s performance, as well as its social, economic and environmental impacts.

Kingston supported ‘Get It Right On Bin Night’, a campaign run by the State Government in conjunction with all Victorian councils to raise awareness about how residents can reduce unnecessary waste that goes to landfill and increasing recycling.

Outcome 1: Infrastructure for a Safe and Active Community

We are planning, building, and maintaining safe and accessible infrastructure for our community which will provide long term value

About this Outcome: This outcome encompasses local roads, Kingston buildings, drains, footpaths, engineering design, traffic and transport planning, road safety, the capital works program and recreation reserves.

This year Council invested \$45.8 million in safe, accessible and appropriate infrastructure which is a decrease of 25.9% on the 2010/11 investment of \$61.8 million which previously included the purchase of Council headquarters in Cheltenham.

Victory Park, Chelsea
Victory Park, Chelsea has undergone significant works over the past four years, including this impressive new toilet block, known as the 'Stingray' and a new boardwalk network that allows improved access within the park for all.



Enhancement of Bald Hill Park and associated picnic and playground

The new playground was designed as a tree house village featuring tree house buildings linked by bridges, natural sand play and creek areas, swings, large native animal sculptures, park furniture and a barbecue shelter. The construction was part of Kingston's Playground Renewal Strategy which saw \$200,000 allocated to the project from Council's Capital Works budget. As one of Kingston's 115 playgrounds, the new playground is a major improvement on the old playground facilities.

Our major achievements in 2011/12

We have continued to maintain Kingston's infrastructure programs which are transforming our municipality and helping to build and preserve safe, accessible and appropriate infrastructure for our active community. From undertaking a rolling program of priority works to Council's buildings to reviewing and updating the Open Space Strategy, the works have positively impacted many different members of the Kingston community. Highlights of our progress during 2011/12 include:

- Delivery of capital works program including Shirley Burke Theatre, Clarinda Library upgrade, Chelsea Sportswomen's Centre and Tom Johnston Pavillion
- Implementation of year 2 actions of the Carrum Roy Dore Reserve Park refurbishment plan to ensure accessible and shared open spaces continue to be promoted
- Adoption by Council of various plans and strategies to promote and develop leisure and play opportunities including the Active Leisure Plan and the Kingston Tennis Strategy
- Purchase and system development of Integrated Project Manager to allow the management of capital bids as a part of the annual budget preparation process. The system also allows projects to be centrally managed for monitoring and reporting purposes

- Conducted Expression of Interest and established Kingston Sport and Recreation Reference Group to provide high level advice and guidance to Council and Council Officers on the future of sport and recreation in the City of Kingston
- In October, Council approved the Community Road Safety Strategy with current programs targeting learner and elderly drivers
- Completion of risk assessments of all outstanding Building Notices and Orders to ensure that responsibilities are being performed in accordance with Council's Statutory Building Complaints/ Non-Compliance Policy.

More detail on the progress of these achievements and many others achieved during 2011/12 can be found on pages 42 to 49.

Challenges we experienced

- Limited resources to deliver major projects in relation to Asset Management given the value of Kingston's buildings alone exceed \$196 million. This challenge has been somewhat eased through recruitment of a Project Officer and the Implementation of Integrated Project Manager.
- During refurbishment works at Kingston Town Hall the new clock tower works were delayed due to the condition of the structure being worse than first thought. The structure has since been fully rebuilt but this has delayed the whole project. Further delays have occurred with the clock design. These problems have now been resolved and construction is set to be complete in late October 2012.
- The recent introduction of the Energy Safe Victoria's 2010 line clearance regulations continues to present compliance difficulties.
- Dealing with the affects of climate change when planning for roads and drains, parks, reserves, sporting grounds, open space and the foreshore.
- Balancing the needs of today's residents while planning for future generations. Our intention is that infrastructure investment provides long term value to the community. The challenge is to accurately predict the future needs of the Kingston community.

Plans for the next 12 months

- Implement Kingston's Asset Management Strategy.
- Implement Kingston's Property Strategy.
- Develop and implement Reserve Master Plans.
- Implement the Open Space Strategy.
- Implement Kingston's Playground Strategy.
- Maintain Sport and Recreation Service Delivery.
- Implement the Pavilion Development Strategy.
- Implement Kingston's Public Transport Strategy.
- Maintain and facilitate implementation of the Community Safety Strategy through a partnership approach.
- Implement Cycling and Walking Plan.
- Continue upgrade works at Kingston Town Hall, including lift refit and clock tower upgrade.
- Continue works on Parkdale Hub and Community Precinct.



Waves Leisure Centre change rooms upgrade

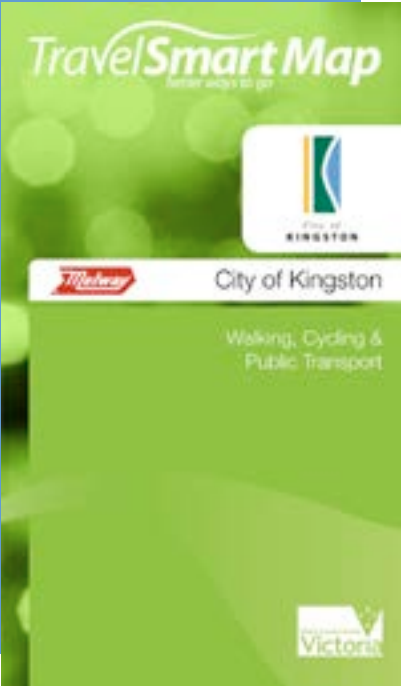
Waves has over 600,000 people using its facilities every year and these upgraded change rooms are a welcome addition to this popular centre. Thanks to \$151,000 worth of grants through the Federal Government’s Regional And Local Community Infrastructure Program and with a \$514,000 contribution by Kingston Council, the centre now has wonderful refurbished change rooms for everyone to access and enjoy. Some features of the upgrade include new flooring, doors, lighting and cubicles; replacement of showers and basins with push button timers to reduce energy costs; and the redesign to family change rooms from three cubicles to five. As part of Kingston’s regular capital improvements program to ensure the leisure facilities continue to provide excellent health and fitness services to the local community, Waves gym was refurbished with new treadmills, bikes and cross trainers – all with built in television screens and iPod docking stations.

Some capital projects planned for 2012/13 (\$39 million budget)

- Road, Footpath and Drains:
 - Replace and upgrade roads and drainage infrastructure: \$11.8 million
 - Replace and repair footpaths: \$1.9 million
 - Road renewal program: \$3.1 million
 - Road resurfacing: \$2.1 million
- Buildings, Facilities and Precincts:
 - Evesham Road, Cheltenham Kindergarten expansion: \$1.1 million
 - Terrigal Drive, Patterson Lakes Preschool expansion: \$650,000
 - Mordialloc Shopping Centre Amenity Renewal: \$370,000
 - Moorabbin Activity Centre Arts Link/ Bus Interchange: \$325,000
- Foreshore, Parks and Reserves:
 - Dredge the Mordialloc Creek, funded by State Government Grant: \$4.0 million
 - Bert Thomas Pavilion works, Edithvale Recreation Reserve: \$1.1 million
 - Walter Galt Oval Reconstruction: \$500,000
 - Playgrounds improvements and maintenance: \$400,000

Kingston introduces TravelSmart Map

With 55 per cent of all car trips less than five kilometres, there is a real need within our community to increase the number of people choosing sustainable travel options such as walking, cycling, and public transport. During the year, Council introduced the Kingston TravelSmart Map, which was a joint project with the Department of transport, Kingston City Council and Melway. It aims to reduce people’s dependency on cars and encourage the local community to choose other sustainable travel options. The Map is available as a link on Council’s website and in hard copy at Customer Service Centres, Libraries, community centres and local bike shops.



Fast Facts

	2011/12	2010/11	Change	% Change
Value of Council buildings	\$196.6 million	\$189.1 million	\$7.5 million	4.0%
Value of Council land	\$1.13 billion	\$1.14 billion	\$0.01 billion	-0.8%
Kilometres of local roads resurfaced	25.3	14.1	11.3	79.9%
Requests responded to for traffic enquiries	1,378	3,900	-2,522	-64.7%
Requests actioned for roads, drains, footpaths and signs	4,119	4,777	-658	-13.8%
Kilometres of footpath renewed	7.7	15.5	-7.8	-50.1%
Drainage pits cleaned	9,150	9,025	125	1.4%
Improvements to Kingston playgrounds	\$482,426	\$500,000	-\$17,574	-3.5%
Requests responded to for building maintenance	4,253	3,577	676	15.9%
Projects investigated or designed by the Engineering team	95	94	1	1.1%
Number of boatshed permits issued	190	190	0	0.0%
Number of mooring licences issued	240	240	0	0.0%
Enforcement matters from Statutory Planning*	880	881	1	-0.1%
Enforcement matters from Building*	470	1,140	-670	-58.8%





* In 2010/11 there were approx 1140 complaints / enforcement matters which included 700 outstanding matters. In 2011/12 the Building Team achieved a major milestone in the finalisation of the 700 outstanding enforcement matters, plus the implementation of an improved complaints systems.

How we performed against the Council Plan – Our scorecard


The tables below reflect the progress of our key work during 2011/12. Each milestone is linked to the strategies and priorities set in the 2009/13 Council Plan. The progress at the end of the financial year against each milestone has been represented by:

 Completed  On track  Slightly delayed  Delayed

Council Plan Strategy 1.1 Sustaining Kingston’s Assets


2011/12 Milestone	Responsible Department	Progress
1.1.1 Implement Kingston’s asset management program, including:		
Identify and undertake priority works	Infrastructure	 100%
Implement the Asset Management System (AMS)	Infrastructure	 100%
Continued participation in MAV Step Program	Infrastructure	 100%
National Asset Management Framework	Infrastructure	 100%

Progress Comments: Asset renewal forward modelling has been reviewed and the Capital Forward Plan adjusted to balance long term sustainable objectives. Elimination of backlog works is projected to be achieved in 2030. The first stages of the AMS rollout have progressed well and are close to schedule. Tenders and Contracts have been accessed by over 170 staff as a primary data source for Council owned land and buildings, as well as leases and licences. The annual review and update of the National Asset Management Assessment Framework and STEP program was completed and submitted in March 2012.

1.1.2 Transition to Integrated Fire Management Plan (IFMP) and associated Committee		
Integrate Fire Management Plan and associated Committee	Statutory Education and Compliance	 100%



Progress Comments: The former Municipal Fire Prevention Committee has been disbanded. The Municipal Fire Management Committee will now take responsibility for fire management. Under the IFMP process, the old Municipal Fire Prevention Committees had to be disbanded by 1 November by accord of the CFA Act. The Municipal Fire Prevention Plan is no longer a stand alone plan but has been integrated into Council’s Municipal Emergency Management Planning Committee is a sub plan contained in an appendix.

1.1.3 Maintain and develop a five year capital works program

Identify and undertake priority work	Infrastructure	 90%
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Progress Comments: (Initial review of Capital Forward Plan and new strategic project bids was undertaken during Dec/Jan. The Draft Capital Forward Plan, including the proposed 2012/13 Capital Delivery program was presented for Councillor consideration and included in the formal 2012/13 budget. A rolling program of priority improvement works for 2011/12 to Council’s buildings was developed from recently completed building condition surveys. All major project milestones were achieved.) See pages 23 and 48 for more detail.



2011/12 Milestone	Responsible Department	Progress
1.1.4 Develop Council’s Property Strategy		
Undertake 2012 general valuations	Property, Arts and Leisure Services	 100%
Ongoing review and implementation of Lease Policy	Property, Arts and Leisure Services	 85%

Progress Comments: The Property Strategy has been reported to Kingston’s Corporate Leadership Group (CLG) and consultation with Managers and Team Leaders has been completed. This strategy distils current knowledge, sets Council’s intent for each portion of the property portfolio, identifies key challenges, and documents identified property projects. The strategy is intended to be a working document that is amended as new projects and opportunities emerge. 2012 Revaluation work has been completed and is awaiting certification of stages prior to forwarding stage 5 to Valuer General for final certification.

Council Plan Strategy 1.2 Accessible and shared open spaces that promote social connectedness and active, healthy lifestyles


2011/12 Milestone	Responsible Department	Progress
1.2.1 Provide and facilitate development of safe, sustainable and aesthetically pleasing open spaces, gardens and passive recreational areas through the open space strategy and the range of reserves and associated masterplans:		
Review and update Open Space Strategy action plan endorsed by Council	Parks, Recreation and Depot Services	 100%
Implement year 2 actions of the Carrum Roy Dore Reserve Park refurbishment Plan	Parks, Recreation and Depot Services	 100%
Complete development of Sportsground Infrastructure Policy	Parks, Recreation and Depot Services	 80%

Progress Comments: Kingston Council adopted the Open Space Strategy on the 28th May 2012, the purpose of which is to guide local policy and decision making regarding open space provision, acquisition and management. Year 2 actions of the Carrum Roy Dore Reserve Park refurbishment have been completed, including the construction of a new playground in a ‘boat’ theme, new park furniture, a new picnic area and the Northern Carpark. A position paper for the Sportsground Infrastructure Policy has been prepared for consideration and is due to be presented to CLG in July 2012.




2011/12 Milestone	Responsible Department	Progress
1.2.2 Plan, promote and develop leisure and play opportunities through quality physical infrastructure and a range of strategic programs and initiatives that support active living, including:		
Active Leisure Plan	Parks, Recreation and Depot Services	 100%
Pavilion Development Strategy	Parks, Recreation and Depot Services	 100%
Implement Kingston Playground Strategy	Parks, Recreation and Depot Services	 100%
Enhancement of Bald Hill Park and associated picnic and playground	Parks, Recreation and Depot Services	 100%
Cycling and Walking Plan and Management Group	Parks, Recreation and Depot Services	 100%
Sports specific strategies, for example Kingston Tennis Strategy	Parks, Recreation and Depot Services	 100%
Establish the Sport and Recreation Reference Group	Parks, Recreation and Depot Services	 100%

Progress Comments: The Active Leisure Plan was adopted and aims to provide opportunities to become more active, with successful outcomes providing physical, mental and social benefits to the community. The Capital Works five year program has been updated to reflect pavilion priorities. During 2011/12, playgrounds were constructed at Bald Hill Park, Roy Dore Reserve, Reg Marlow Reserve and Racecourse Reserve. The park and playground was refurbished at Glynn Court Reserve and new replacement outdoor exercise equipment was installed at Roy Dore Reserve. Consultants for 'Boundary Road Feasibility Study' and Wayfinding Standards were appointed in April 2012. Two Sport and Recreation Reference Group meetings were held in 2011/12.

1.2.3 Complete the development of a preferred alignment for the Kingston Bay Trail Project		
Complete the design and associated works for the Kingston Bay Trail Project	City Strategy	 80%




Progress Comments: All design work including obtaining Coastal Management Act Consent has been completed for the next section of the Kingston Bay Trail from Charman Road to Mundy Street. Works will commence on this section early in 2012/13.



1.2.4 Encourage community involvement in decision making in key projects as they relate to Open Space Areas to ensure consultation with the local community and key 'Friends' groups occur when projects are identified		
Consultation with all key stakeholders to be conducted as part of delivering capital works program	Parks, Recreation and Depot Services	 100%



Progress Comments: Work is ongoing and has included consultation (i.e. public meetings, information forums, media items, project bulletins, signage and website updates) being undertaken as part of all capital works and parks projects. See pages 23 and 48 for more details on capital works projects.

Council Plan Strategy 1.3 Quality community facilities that are accessible, safe and well utilised

2011/12 Milestone	Responsible Department	Progress
1.3.1 Provide and facilitate development of high quality community facilities and spaces that promote shared use, community connectivity, integrated services, access by people of all abilities and provide value for money, including:		
Kingston Town Hall	Community Buildings	 75%
Continuing upgrade of works	Community Buildings	 75%
Completion of the strategic community facilities review	Community Buildings	 95%

Progress Comments: Planning for the Kingston Hall refurbishment works have been undertaken. A schedule of works programmed include: Grand and Banquet painting (completed); Lift refit (July 2012); Clock Tower upgrade (September 2012). The new clock has been delayed due to structural detailing with works onsite where the condition of the structure was worse than first thought. The structure has been fully rebuilt which delayed the overall project. Strategic review has been completed and considered by CLG and Councillor Information Session (CIS) in May 2012. It was agreed that the report will be submitted to the new Council in 2012 for consideration.



1.3.2 Develop and maintain occupancy arrangements for 144 sports and recreation clubs to facilitate community access to Council facilities		
Complete winter and summer seasonal allocation agreement processes	Parks, Recreation and Depot Services	 100%
Review all expiring lease agreements with existing tenants	Parks, Recreation and Depot Services	 100%

Progress Comments: Summer 2011/12 and Winter 2012 seasonal allocation agreements have been successfully completed. Lease agreements have been reviewed for Tom Johnston Pavilion, Chelsea Sportswomen's Centre, Edithvale Bowling Club, and Ben Kavanagh Pavilion (sub-lease). These lease agreements act as the legal agreement between Council and the users of council sportsgrounds and facilities.

2011/12 Milestone	Responsible Department	Progress
1.3.3 Promote occupancy arrangements to assist shared use of community facilities		
Utilise principles of asset sharing and co-location in the development of future hub projects for Council	Community Buildings	<div><div></div></div> 100%
Progress Comments: Work commenced in 2011/12 on Phase One of the Parkdale Hub at Parkdale Secondary College. Phase One, which includes indoor sports facilities and an arts building, is jointly funded by the school, Council and State Government. Completion expected in May 2013, upon which it will become available for school and community use. In May, Kingston secured a \$1.5 million grant from State Government towards Phase Two of the project, an integrated children’s centre including kindergarten, long day care, Maternal and Child Health services, and toy library. Work is scheduled to commence July 2013. Work on further hub development is ongoing and will be reported to Council in 2012/13.		

Council Plan Strategy 1.4 Traffic, parking and transport

2011/12 Milestone	Responsible Department	Progress
1.4.1 Review Transport Strategy, including:		
Traffic Management report on Clarinda Road and Springs/ Bourke Road intersection	Infrastructure	<div><div></div></div> 75%
Advocacy for Dingley Bypass and Mornington Peninsula Freeway	Infrastructure	<div><div></div></div> 75%
Progress Comments: The truck ban in Bourke Road has significantly reduced traffic issues. However, the traffic management report has not yet been finalised but will be completed early in 2012/13. Additional works are planned for Old Dandenong Road to improve safety and amenity for the local community once VicRoads hands over responsibility for Old Dandenong Road. VicRoads latest advice is that the road will be handed over by the end of 2012. VicRoads has progressed preliminary design of the Dingley Bypass to an advanced stage and has approved funding. VicRoads is undertaking a feasibility study on extending Mornington Peninsula Freeway to Dingley Bypass. So far this study has sought detailed Council input and included community consultation. The results of that study are expected in 2013.		
1.4.2 Implement Kingston’s Public Transport Strategy		
Implement and review Kingston’s Public Transport Strategy	Infrastructure	<div><div></div></div> 75%

Progress Comments: The current Public Transport Strategy was dated 2007 and all actions have now been completed. In 2012 a new Integrated Transport Strategy will be developed with various plans to sit under the Strategy, including the Public Transport Plan, Parking Management Plan and Walking and Cycling Plan. The new Council will be asked to consider the Strategy in 2013.



2011/12 Milestone	Responsible Department	Progress
1.4.3 Review and implement Community Road Safety Strategy and realign with State Government initiatives		
Adoption of revised Community Roads Safety Strategy and undertake planned programs	Infrastructure	<div><div></div></div> 100%
Progress Comments: The Community Roads Safety Strategy was approved by Council in October 2011 and assigned programs are currently underway. One program, Fit 2 Drive is a community program for young people that concentrates on personal safety and responsibility giving them strategies to make them safer on the road. In addition, Wiser Driver offers free senior driving seminars to help older residents drive safely for as many years as possible by helping to keep them up to date with road rules and all the latest information available.		



Council Plan Strategy 1.5 Safe environment and a positive sense of security

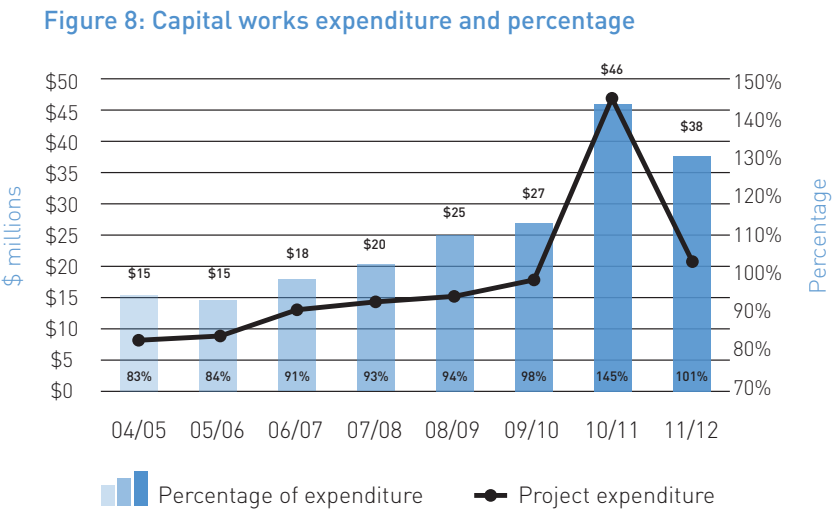
2011/12 Milestone	Responsible Department	Progress
1.5.1 Provide a safe and secure environment for those that live, work and participate in community life through a partnership approach and implementation of the Community Safety Strategy		
Implement actions identified in the Community Safety Strategy	Community and Aged Services	<div><div></div></div> 100%
Progress Comments: A number of actions have been implemented as part of the Community Safety Strategy including: distribution of Graffiti Clean Up Kits, paint vouchers for residents and retailers, education sessions, ongoing partnership with emergency services, and Mordialloc Police Focus Group.		
1.5.2 Develop policy and conduct risk assessments for dealing with enforcement on all outstanding building notices and orders, and other regulatory functions		
Ensure policy is operational and risk assessments have been conducted	City Strategy	<div><div></div></div> 100%
Progress Comments: The Municipal Building Surveyor has completed a risk assessment of all outstanding Building Notices and orders. This outcome represents a significant achievement given the amount of outstanding Notices and Orders has declined from in excess of 700 to now approximately 180. Having risk assessed all Notices and Orders, the Municipal Building Surveyor now performs his responsibilities in accordance with Council’s Statutory Building Complaints/ Non-Compliance Policy.		

Infrastructure projects total expenditure

Kingston committed \$37.7 million on capital works in 2011/12, including \$2.5 million transfers to Green Wedge and Foreshore Development Reserves.. This figure is a 22.6% decline on the record \$46.2 million spent in 2010/11 which had included the total purchase price of Kingston’s headquarters located at 1230 Nepean Highway, Cheltenham. Table 8 shows how this capital commitment was divided across the major service areas of Council.

Table 8: Area	Capital Works 2011/12	Capital Works 2010/11
Information Services	\$800,300	\$1,154,000
Libraries and Education	\$746,300	\$78,000
Sport and Recreation (formerly Leisure and Recreation)	\$4,318,000	\$2,323,000
Leisure Centres, Arts and Halls	\$2,837,600	\$1,009,000
Community Services	\$290,400	\$1,197,000
Economic Development	\$3,649,600	\$2,319,000
Parks	\$2,492,000	\$2,492,000
Coastal Reserves	\$5,730,500	\$1,751,000
Community Buildings	\$5,153,300	\$23,062,000
Roads Infrastructure (including footpaths and car parks)	\$9,750,200	\$9,551,000
Drainage Infrastructure	\$1,574,400	\$755,000
Traffic Management	\$223,300	\$558,000
TOTAL:	\$37,718,300	\$46,249,000

Infrastructure project expenditure comparisons are presented in Figure 8 below.



Source: Council’s Finance Department records.

The adopted 2011/12 Capital Program of \$37.4 million was a 16.8% increase over the original adopted 2010/11 budget. (Note: 2010/11 budget was subsequently amended to include the purchase of Council headquarters at 1230 Nepean Highway). Final commitment for the 2011/12 Capital Works Program was \$37.7million, 101% of the adopted budget. Additional grants, incomes and adjustments provided a final forecast budget of \$42.7 million, of which \$5.0 million (11.7%) has been carried over to 2012/13 for final delivery. At 2011/12 year end there are over \$12 million contractual commitments for capital works providing a running start to the delivery of the 2012/13 capital program, this represents almost 28% of the 2012/13 capital budget and is a very positive indicator of the beneficial outcomes of forward planning.

Triple Bottom Line results for Outcome 1

Triple Bottom Line refers to a range of economic, social and environmental indicators that Council uses to monitor the wellbeing of the community. These indicators are detailed below.

Economic indicator:	Infrastructure/road renewal
Responsibility:	Kingston City Council
Council Plan target:	9% decrease in annual funding gap to achieve sustainable capital renewal for all assets

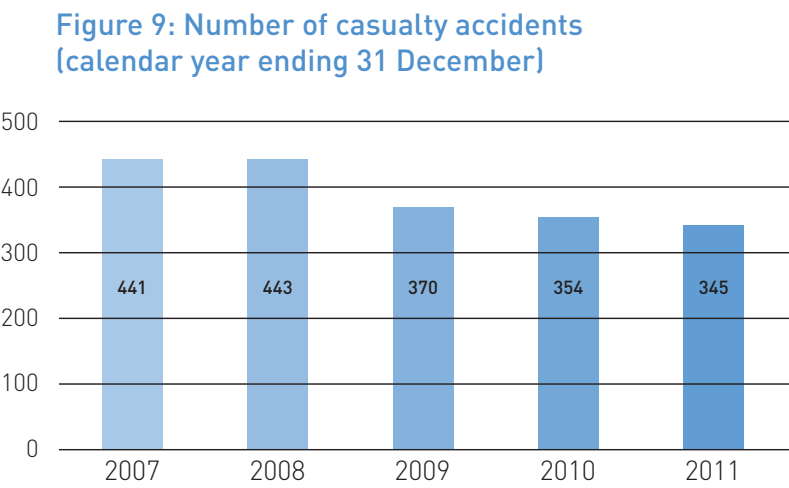
For 2010/11 the funding shortfall between sustainable renewal budget requirement and actual expenditure was \$4.9 million. For 2011/12 the shortfall is also \$4.9 million, however due to significant increase in asset renewal valuations to \$1.2 billion the shortfall represents a 7.5% improvement. In real terms, capital renewal expenditure increased from \$13.7 million to \$20.9 million in 2011/12. While this result is unfavourable compared to the Council Plan target of 9% there are a further \$2 million of contractually committed carry-over renewal works delayed due to poor weather and other factors that will contribute to a reduction of the 2012/13 funding shortfall. Annual funding shortfalls are predicted to continue until 2022 based on Councils capacity to self fund its renewal liability, however this reduces as successful applications for grants and other incomes are received.

Source: Council’s Infrastructure Department records.

Economic indicator:	Safe road network
Responsibility:	Not directly monitored, surveyed or controlled by Council. State Government has primary responsibility Source: VicRoads Crash Stats
Council Plan target:	Decreased trend in road, vehicle and pedestrian crashes

The most current available data (for the year 1 January to 31 December 2011) shows that the City of Kingston experienced a slight decline in the total number of casualty accidents compared to 2010, and the lowest number for the past five years, as shown in Figure 9. The total number of casualty accidents is broken down as follows:

- Fatal accidents: 3 in 2011 compared to 2 in 2010
- Serious injuries: 111 in 2011 compared to 112 in 2010
- Other less serious injuries: 231 in 2011 compared to 240 in 2010



Source: VicRoads Crash Stats as at 30 June 2012.

Integrated Water Cycle Strategy

Kingston has developed a strategy that will transform the way we manage water in the municipality, and potentially save thousands of litres of water. The Kingston Integrated Water Cycle Strategy is a new approach to water management because it sets short and long term targets for all water sources in the urban water cycle.

These are stormwater, drinking water, wastewater and groundwater. In the water sensitive future, our city will act as a catchment where all non drinking water will be sourced locally from alternative water supplies such as stormwater and recycled water. Key actions at a community level include the widespread uptake of water tanks, more use of recycled water and more private raingardens. The Strategy will reduce water costs to Council, community facility users and residents of new developments. Reduced water costs are an important issue given anticipated price increases of water will push the annual cost to Council to more than \$1 million within 5 years. Copies of Kingston's Water Cycle Strategy can be found on our website or at our Customer Service Centres.

Outcome 2: A Sustainable Environment

We are adopting a sustainable and balanced approach to our built environment to ensure the protection, enhancement and preservation of Kingston's natural environmental assets

About this Outcome: This outcome encompasses strategic planning, statutory planning, parks and urban design, environment and planning, depot services and building maintenance that all combine to maintain and preserve Kingston's built and natural assets.

This year Council invested \$24.5 million towards achieving sustainable environmental outcomes for Kingston. This is an increase of 24.4% on the 2010/11 figure of \$19.7 million.



Bicentennial Park wins best designed play space award

During 2011/12, Bicentennial Park was awarded equal first place at the annual Parks and Leisure Australia conference for the best designed play space. The awards consider innovation in design, response to community needs, project management, play value, and community satisfaction. The award is an extraordinary achievement for the unique play space that features natural play alongside traditional playground equipment. Council is proud that our residents and visitors can enjoy this special place. The project also involved unemployed people, who successfully completed horticultural certificates. The Scotch Parade play space has fun elements for all ages including big mound slides, a Smurf village with music, story and play huts, sculptural gardens, sand pits, rope climbing frame, stepping stones, rowing boat on rocker and flying fox. There is a Liberty swing for children in wheelchairs, shelters with BBQs and tables, water taps and toilets. Bicentennial Park is not just popular with children; it's also ideal for people who want to use the outdoor fitness area and walking trails with links to the Long Beach Trail and the Chelsea Netball Centre. You can watch a short video about Bicentennial Park at www.kingston.vic.gov.au/link/bicentennialpark. For more information on Kingston's parks and playgrounds, visit www.kingston.vic.gov.au/link/parks

Our major achievements in 2011/12

We have continued to ensure the long-term sustainability of our city and the need to make sure development does not adversely affect Kingston's liveability. Kingston has achieved this by continuing to invest heavily in projects and programs which contribute to the safety and liveability of the city by enhancing its social and environmental sustainability. Highlights of our progress during 2011/12 include:

- A number of strategies and plans were developed and adopted in the sustainable environment space including the Water Cycle Strategy, Tree Strategy, Playground Strategy, Kingston Planning Scheme Review, and Carrum Foreshore Precinct Plan
- Kingston has continued to implement and develop Structure Plans to revitalise key activity centres for Moorabbin, Cheltenham and Mentone. Structure Plans for Mordialloc and Highett are currently being implemented to ensure there is a balance between development and amenity
- Works undertaken to protect and enhance Kingston's natural and built environments have included Carrum Erosion Wall, beach renourishment works at Mentone and Aspendale
- Ongoing support and advice has continued for the Kingston community in the form of planting days, school environmental and waste education, Friends' Group activities, Living Links project and the Significant Tree Register to name a few.

More detail on the progress of these achievements and many others achieved during 2011/12 can be found on pages 55 to 63.

Challenges we experienced

- Impact of flooding and wet weather:

Following nearly 15 years of drought, Victoria has experienced substantial flooding due to ongoing rains from late 2010 to the present. This has resulted in flooding in areas such as Aspendale, Aspendale Gardens, Edithvale, Chelsea and Bonbeach. The impact of this is a reduced capacity to undertake maintenance activities on various reserves, a reduction in playability in some sporting surfaces and the need for unplanned renovation of flooded areas where the grass has died due to excessive inundation.

Storm events and strong winds occurred from November 2011 to April 2012. This resulted in a spike in reactive tree requests of approximately 1,000 extra tree requests than anticipated. These requests have been actioned while at the same time the ongoing Programmed Tree Pruning works have met the agreed timeframes.

A June storm event resulted in a large amount of litter/debris washing up on our foreshore. Added resources were required to clean the beach and remove and dispose of the rubbish. • Finding the right balance and mix of alternative water sources for open space and tree irrigation.

- Implementing the State Government's Metropolitan Strategies at a local level through planning and development decisions which require a balance between planning for change and maintaining Kingston's liveability.

- The size and scope of global warming/climate change and the ability of Council to influence both lifestyle choices and manufacturing business practices.
- Infrastructure associated with supplying alternatives to drinking water for irrigation can be expensive. Whilst Kingston has a long term plan which sees no drinking water used for open space or tree watering, it will take some years before this becomes a reality.
- Kingston has a proud history of water sensitive urban design which means stormwater is treated before reaching our waterways and bays. However these systems can only treat a small portion of the water discharged to these natural assets. We are working hard to ensure our community also 'does the right thing' by not littering, not sweeping leaves into gutters or pouring chemicals down the drain.
- The introduction of the carbon price will result in increased costs across our contracts and services. Council is working hard to ensure these costs are minimised and will share these learnings with our community.

Plans for the next 12 months

- Improvements to the planning scheme, especially the environmental aspects.
- Implement and continue development of Activity Centre Structure Plans as well as develop additional Activity Centre Structure Plans.
- Implement various plans, including Kingston's Green Wedge Management Plan and Coastal Management Plan.
- Mordialloc Creek Masterplan implementation.
- Cheltenham Activity Centre upgrades.
- Implement various strategies including the Tree Strategy, the Biodiversity Strategy, Greenhouse and Energy Management Strategy, and the Integrated Water Cycle Strategy.
- Construction of the new Carrum Life Saving Club following storm damage to the previous club building. Additional works will also complement the new Life Saving Club.
- Complete the Mentone Life Saving Club works
- Continue refurbishment of Mundy Street toilets



Green Wedge Plan Taking Place

The Kingston Green Wedge Management Plan will be considered by Council in August 2012 following the many months of research and consultation, information sessions and workshops with the community. Conservatively, over 1,100 people have been involved in the consultation. The comprehensive Plan provides for the long term management of Kingston’s green wedge, and addresses such issues as strategic planning, landscape/urban design, biodiversity and environmental protection, natural resource management, waste disposal, financial feasibility, transport planning, and agricultural economics. The Kingston Green Wedge covers 2,070.6 hectares. The land is used for a variety of purposes including the Moorabbin Airport, golf courses, land fill sites, significant wetlands, sporting fields, parks, and a number of other uses. The Green Wedge also includes major road reservations for part of the proposed Dingley Freeway and the Mornington Peninsula Freeway. The land falls within a number of zones including the Green Wedge Zone, Public Use Zone, Special Use Zones and Public Park and Recreation Zone. The decision to investigate strategic land purchases is subject to consideration by Council as to the degree to which further work should be taken by Council Officers.

Fast Facts

	2011/12	2010/11	Change	% Change
Tonnes of garbage collected	29,489	29,149	340	1.2%
Tonnes of recyclables collected	16,356	17,180	-824	-4.8%
Tonnes of green waste collected	15,202	16,385	-1,183	-7.2%
Tonnes of hard waste collected	3,905	3,380	525	15.5%
Number of mattresses collected	4,889	4,794	95	2.0%
Kilometres of streets swept	11,253	11,216	37	0.3%
Planning applications received	1077	1,002	75	7.5%
Building applications received	157	w148	9	6.1%
Tonnes of rubbish collected by volunteers on Clean Up Australia Day	3.9	3.8	0.1	2.6%
Improvements and works along the foreshore	\$734,716	\$684,861	\$49,855	7.3%
Street trees planted	2,447	2,086	361	17.3%
Street trees pruned	20,000	17,000	3,000	17.6%

How we performed against the Council Plan – Our scorecard

The tables below reflect the progress of our key work during 2011/12. Each milestone is linked to the strategies and priorities set in the 2009/13 Council Plan. The progress at the end of the financial year against each milestone has been represented by:

Completed On track Slightly delayed Delayed

Council Plan Strategy 2.1 Insightful, intergenerational planning and delivery

2011/12 Milestone	Responsible Department	Progress
2.1.1 Promote Kingston’s Green Wedge, including:		
Preparation of a Green Wedge Management Plan	City Strategy	95%
Participation in the State Government Green Wedge Taskforce	City Strategy	100%
Advocate for implementation of the Sand Belt Open Development Plan	City Strategy	80%
Investigate strategic land purchases	City Strategy	40%

Progress Comments: (see page 54 for further details)

2.1.2 Undertake a review of the Kingston Planning scheme		
Review the Kingston Planning scheme	City Strategy	100%

Progress Comments: The Kingston Planning Scheme Review was adopted by Council in March. The Kingston Planning Scheme Review has now been submitted to the Minister for Planning as required under the provisions of the Planning and Environment Act 1987. Advice from the Minister was not provided in 2011/12 in relation to the review. Council Officers have started considering the required actions to implement the review.

2.1.3 Development and implementation of key strategies, including:		
Water Cycle Strategy	Environmental Planning	100%
Greenhouse and Energy Management Strategy	Environmental Planning	80%
Tree Strategy	Parks, Recreation and Depot Services	100%
Playground Strategy	Parks, Recreation and Depot Services	100%

Progress Comments: The Water Cycle Strategy, Tree Management Policy, and Playground Strategy were all adopted by Council during 2011/12 and are currently being implemented. Highlights of works undertaken include a 99% establishment rate for trees planted which is well above the target and industry average, and the construction of new playgrounds at Bald Hill Park, Roy Dore Reserve, Reg Marlow Reserve and Racecourse Reserve. The Greenhouse and Energy Management Strategy, now known as the Kingston Energy Efficiency Strategy, has been delayed slightly and is scheduled to go to Council in August 2012.

Council Plan Strategy 2.2 Striving for a balance between development and amenity

2011/12 milestone	Responsible Department	Progress
2.2.1 Continue implementation of structure plans, including:		
Mordialloc	City Strategy	100%
Highbett	City Strategy	100%

Progress Comments: The Mordialloc Creek Masterplan was adopted in March 2012. The plan provides for a number of enhancements in the public open space areas covered by the Mordialloc Pride of the Bay Structure Plan. Officers are also examining specific projects in Mordialloc following a memorandum it provided to Councillors in May on this issue. Commencement of construction projects along the Nepean Highway that are included in the area covered by the Highbett Structure Plan (including the new supermarket on the municipal boundary with the City of Bayside) commenced during 2011/12.

Council Plan Strategy 2.2 Striving for a balance between development and amenity

2011/12 Milestone	Responsible Department	Progress
2.2.2 Develop detailed structure plans for the following activity centres:		
Moorabbin	City Strategy	<div><div></div></div> 100%
Cheltenham	City Strategy	<div><div></div></div> 100%
Mentone	City Strategy	<div><div></div></div> 100%

Progress Comments: Structure Plans have been completed and adopted by Council for Moorabbin, Cheltenham and Mentone. As a result, Council is now closer to providing certainty within its planning scheme as to how future development in these areas should occur. Having a structure plan in place is an important step towards protecting against inappropriate development in the area, maintaining and preserving its current feel as well as enhancing its heritage assets. Council will continue to work with local residents, traders and businesses throughout the implementation of initiatives coming from the different structure plans.



Council Plan Strategy 2.3 Protect and enhance Kingston’s natural environment

2011/12 Milestone	Responsible Department	Progress
2.3.1 Review the Climate Change and Biodiversity Reference Group		
Review the Climate Change and Biodiversity Reference Group	City Strategy	<div><div></div></div> 100%

Progress Comments: A report was presented to Council in June 2012 and revised Terms of Reference were adopted. The group meets four times a year to discuss environmental issues and topics of interest.

2.3.2 Progress implementation of works in and near Mordialloc Creek, including:		
Revegetation and development of Mordialloc Creek from Wells Road Bridge to the mouth of the river	Parks, Recreation and Depot Services	<div><div></div></div> 100%

Progress Comments: Year two implementation of a three year program on south side of Creek (funded through Melbourne Water) for vegetation improvement is ongoing with weed removal and planting of indigenous species. The community has assisted in implementing the program by participating in “Friends Days” and working bees.

2011/12 Milestone	Responsible Department	Progress
2.3.3 Review and reinvigorate Kingston’s foreshores through implementation of the Coastal Management Plan, including:		
Continue existing erosion control practices (i.e. erosion control fences, revegetation works) to maintain foreshore amenity and protection	Parks, Recreation and Depot Services	<div><div></div></div> 100%
Balance the recreational, community, environmental and economic benefits of the foreshore	Parks, Recreation and Depot Services	<div><div></div></div> 100%
Provide and maintain coastal infrastructure to a safe standard	Parks, Recreation and Depot Services	<div><div></div></div> 100%
Specific foreshore infrastructure proposals and solutions identified by the Foreshore Committee	Parks, Recreation and Depot Services	<div><div></div></div> 100%

Progress Comments: In June 2012, Council awarded the contract for the construction of the new Carrum Life Saving Club following storm damage to previous club building. Community consultation has been completed for the Carrum Foreshore Precinct Plan. Work has started on the Carrum Erosion Control wall and is expected to be finished in July 2012. All revegetation works have been completed. Beach renourishment works have started at Mentone and Aspendale and are expected to be completed in July 2012. This will ensure the beach remains usable by the public by protecting against erosion and sand movement, as well as widening the beach. Contracts were also awarded for Mentone Life Saving Club works.








2.3.4 Maximise the aesthetic values of Kingston’s street scapes through establishing and maintaining street and roadside tree planting		
Provide street and roadside planting program throughout Kingston	Parks, Recreation and Depot Services	<div><div></div></div> 100%


Progress Comments: This is an ongoing action as part of Council’s street tree cyclic pruning program and the Tree Establishment Program. Program tree pruning is constantly monitored to ensure compliance with required standards.

2.3.5 Continue to manage Council’s former landfill sites		
Manage former landfill sites	City Strategy	<div><div></div></div> 100%

Progress Comments: Council continues with work with its environmental consultants in relation to the management of its closed landfills. All audits and reports for 2011/12 have now been completed and lodged with the EPA. Council is also presently working with the EPA in relation to the Pollution Abatement Notices applicable to these sites.

2.3.6 Participate in regional Dandenong Living Links Project, including:		
Improving public amenity	Parks, Recreation and Depot Services	 100%
Condition of waterways	Parks, Recreation and Depot Services	 100%
Achieving a series of green corridors along linear parks, waterways and open spaces	Parks, Recreation and Depot Services	 100%
Progress Comments: Revegetation project on north side of Mordialloc Creek funded by Living Links and Lumo Energy. The sites on the north side of the Creek are currently being maintained to ensure establishment of plantings. Participation and involvement on Living Links committee is continuing. The development of a Masterplan is one desired objective. Key projects and habitat corridors have been identified.		







2.3.7 Implement actions identified in Kingston's Biodiversity Strategy, including:		
Identify, protect and manage remnant vegetation	Parks, Recreation and Depot Services	 100%
Increase awareness, appreciation and understanding of biodiversity in the local community and create opportunities for participation in biodiversity management	Parks, Recreation and Depot Services	 100%
Progress Comments: Continue assessment of endangered ecological vegetation class and species to enable prioritisation of management actions. Recommendations from assessments have been incorporated into Vegetation Management Plans. Recent assessments of foreshore sites include Mentone, Parkdale and Mordialloc foreshores. Ongoing community engagement program continues through community planting days, Park Friends Group activities, schools participation in nursery and planting activities, and regular media articles. Exploring partnership opportunities with corporate sector and other external organisations.		

2.3.8 Provide ongoing advice to the community relating to the Significant Tree Register		
Continue to provide advice to the community relating to the Significant Tree Register	Statutory Planning	 100%
Progress Comments: The Significant Tree Register has been under review with the cooperation of the Strategic Planning Register Planning Team which included the removal of six trees due to failure. An additional six trees have been short listed as replacements. All of the trees have been assessed.		



Mordialloc Creek Dredging Commences

Kingston commenced dredging around Lambert Island in July 2011 and completed this section in November 2011. The dredging work coincided with mooring works. Council provided \$2 million for these projects. Dredging of the main channel of the creek commenced in June 2012 and is scheduled to be completed in November 2012. This dredging stage is being funded by a grant of \$6 million provided by the State Government spread over three years. The non-dredging works are being funded by Council and will cost just under \$1 million. Council has worked closely with many State agencies involved in the creek including Melbourne Water, EPA and Parks Victoria.


2011/12 Milestone	Responsible Department	Progress
2.3.9 Provide information and opportunities for the community to participate and connect with the environment, including:		
Assisting schools to achieve 5 star ResourceSmart accreditation	City Strategy	 100%
Developing a Kingston industrial waste management education program	City Strategy	 100%
Growing the Foreshore's Future (GFF) program	Parks, Recreation and Depot Services	 100%
Supporting Clean Up Australia Day	City Strategy	 100%
Supporting Friends Groups	Parks, Recreation and Depot Services	 100%
Garage Sale Trail	City Strategy	 100%
Educating the community on environmental matters and events in Council's newspaper, Kingston Your City	City Strategy	 100%

Progress Comments: The Environmental Education Officer continues to support the Kingston Schools Network in relation to environmental education including with the resource smart accreditation program. The teacher network meeting was held in May 2012 and communication with teachers will continue. Growing the Foreshore Future nursery/plant propagation days were held with groups such as local friends groups, Mordialloc/Mentone Lions Club and employees from ANZ. The Clean Up Australia Day was held on the 4th March 2012 with 38 registered sites within the municipality and in excess of 250 volunteers. The Garage Sale Trail was held on 5th May 2012 with 67 households and two community groups participating, similar to participation in 2011. Ongoing stories are reported in KYC and other media promoting Growing the Foreshore's Future planting days, National Tree Day, Friends Days and community involvement opportunities.

Council Plan Strategy 2.4 A leader in sustainable practices

2011/12 Milestone	Responsible Department	Progress
2.4.1 Continue high quality municipal waste collections, recycling services and education programs		
Continue high quality municipal waste collections, recycling services and education programs	Infrastructure	 100%
Progress Comments: School waste education programs were delivered throughout 2011/12 and included a range of organic waste diversion and recycling topics. Conducting community waste education sessions are ongoing and in the future may include the installation of compost bins and garden improvement projects. Recycling programs have been extended to sporting clubs within Kingston. Regular articles appear in KYC on upcoming programs such as compost and waste wise shopping workshops, as well as the impact of carbon pricing.		
2.4.2 Respond to challenges associated with climate change and the drought, including:		
Consolidate strategies to maintain sports ovals including educating users of facilities on the impact of climate change	Parks, Recreation and Depot Services	 100%
Implement warm season grass conversion program	Parks, Recreation and Depot Services	 100%

Progress Comments: Sportsground maintenance plans have been developed for each ground. These include programs to implement Warm Season Grass conversion at nominated sites. Informal on-site meetings have occurred resulting in greater engagement with the sporting clubs and the ongoing maintenance of these sites.

2.4.3 Participate in implementation of projects from the Regional Economic Strategy particularly the Purple Pipe project for recycled water and the Innovation Precinct Project		
Participate in the Purple Pipe project for recycled water	Parks, Recreation and Depot Services	 100%

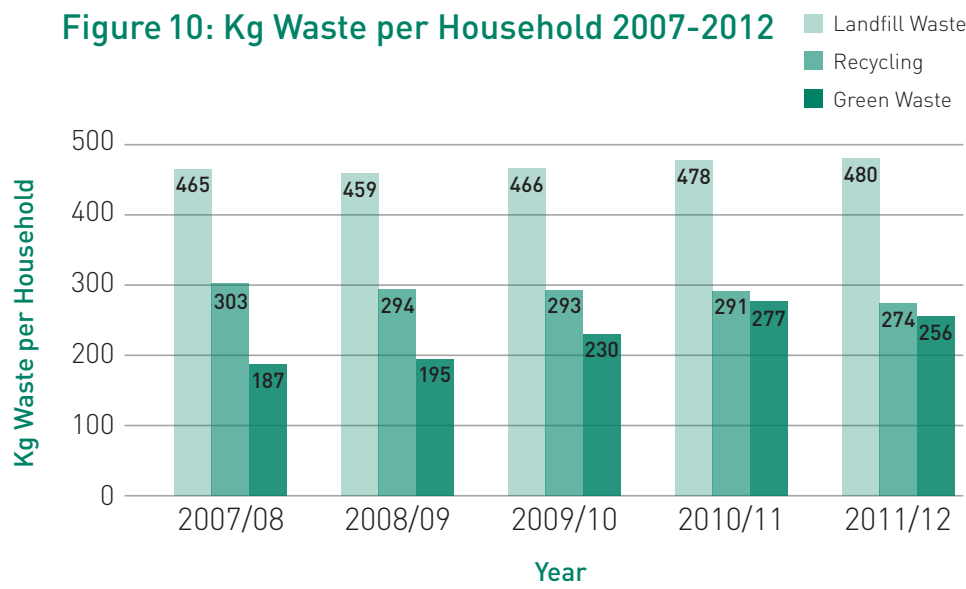
Progress Comments: The implementation of the stormwater harvesting projects for irrigation purposes at Namatjira Park and Heatherton Recreation Reserve are ongoing while Jack Grut Reserve has been completed. Unfortunately Kingston's Stormwater Harvesting and Reuse Grants application to provide funding for various reserves was unsuccessful. Kingston is investigating a number of opportunities with our open space to treat and improve stormwater and make it available to irrigate reserves and ovals.

Triple Bottom Line Results for Outcome 2

Triple Bottom Line refers to a range of economic, social and environmental indicators that Council uses to monitor the wellbeing of the community. These indicators are detailed below.

Environmental indicator:	Diversion of waste from landfill
Responsibility:	Kingston City Council
Council Plan target:	To achieve 50% or greater diversion of waste from landfill

Kingston is committed to waste reduction for approximately 60,000 residential properties. In 2011/12, Kingston achieved a 49.9% diversion of waste from landfill. This result meets the Council Plan target of 50%. Unfortunately the green waste processing facility was closed over the Christmas holiday season and over that period Green Waste was taken to landfill. If all collected green waste had been processed then Council diversion rate would have been 51.8%. It should be noted that collected recycling materials have decreased by 5.1% (17,108 tonnes in 2010/11 compared to 16,304 tonnes in 2011/12). This reduction is due to less paper being collected in recycling bins as newspapers are becoming more readily accessible via technology like tablets and smartphones. Collected Green waste has reduced by 7.2% (16,385 tonnes in 2010/11 to 15,203 tonnes in 2011/12). This is due to a change in moisture conditions over the summer months. Landfill waste has remained constant only increasing 1% in the last 12 months. Overall, Kingston’s diversion of waste from landfill rate compares favourably with neighbouring Councils.



Source: Council’s Infrastructure Department records.

Environmental indicator:	Greenhouse gas emissions
Responsibility:	Kingston City Council, International Council for Local Environment Initiatives (ICLEI), and Cities for Climate Protection Program
Council Plan target:	Decrease 2000 Greenhouse Gas Emissions levels of 18,700 tonnes of CO² by 20%

Monitoring of emissions has not been a focus for Kingston in 2011/12. The development of the Federal Government Clean Energy Future package, which includes the introduction of a price on carbon in 2012/13 will see changes to the National Greenhouse and Energy Reporting Scheme (NGERS). Kingston City Council is exempt from reporting, and any future monitoring and reporting should align with NGERS reporting requirements.

Environmental indicator:	Condition of waterways
Responsibility:	State Government (Melbourne Water, Parks Victoria, and Department of Environment and Sustainability) and Kingston City Council
Council Plan target:	Monitor condition of waterways

Kingston was a key contributor to the Environment Protection Agency (EPA) and Melbourne Water’s plan entitled ‘Better Bays and Waterways: A Water Quality Improvement Plan for Port Phillip Bay and Westernport’. This plan sets out a series of catchment based actions for Councils and other stakeholders, to improve the health of their waterways. These actions include litter reduction, promoting the installation of household rain gardens and designing natural processes into the stormwater system to improve water quality. This year Kingston also partnered with the Dolphin Research Institute to deliver the ‘i sea, i care’ catchment education program to ten primary schools.

Source: Council’s City Strategy Department records.

Environmental indicator:	Beach water quality
Responsibility:	State Government (Environment Protection Authority Victoria)
Council Plan target:	Monitor beach water quality

Environment Protection Authority (EPA) Victoria found good bacterial water quality during fine weather at Port Phillip Bay beaches, including Carrum, Aspendale North, Mordialloc and Mentone beaches. The majority of weekly bacterial water quality results measured during 28 November 2011 and 12 March 2012, indicated that beaches were suitable for swimming. When bacterial levels did exceed bacterial water quality triggers, it was on occasions when there had been persistent wet weather over consecutive days or heavy rain events. Melbourne’s summer weather patterns have changed dramatically over the last two years, with more persistent wet weather and heavy rain events becoming more common. The above average rainfall this summer resulted in frequent stormwater run-off and river flows into the bay, and subsequent trigger exceedances and/or swim advisories. Long-term beach water quality at the 36 monitored beaches reflected increased rainfall over the 2010/11 and 2011/12 summers, with an increase in the number of beaches not meeting the objective for these seasons. Results from 2011/12 continue to emphasise that rain can temporarily cause poor water quality at bay beaches. Overall, long-term trends indicate good water quality during fine weather. As a general precaution, EPA advises against swimming near stormwater drains, rivers, streams and other outlets into Port Phillip Bay during heavy rainfall events and for 24-48 hours afterwards. Three of the weekly readings for Carrum, and two readings at both Aspendale North and Mordialloc indicated enterococci results or bacterial levels exceeded the investigation trigger value (>400 org/100mL). In one of the readings at both Carrum and Aspendale North beaches, levels exceeded 1000 org/100mL. Water quality levels at Mentone beach may be considered higher whereby enterococci results or bacterial levels did not exceed the trigger value of >400 org/100mL.

FURTHER READING: EPA Victoria Beach Report 2011/12 visit www.epa.vic.gov.au/beachreport/



Environmental indicator: **Appearance of public places**

Responsibility:	Kingston City Council
Council Plan target:	70% resident satisfaction with appearance of public places

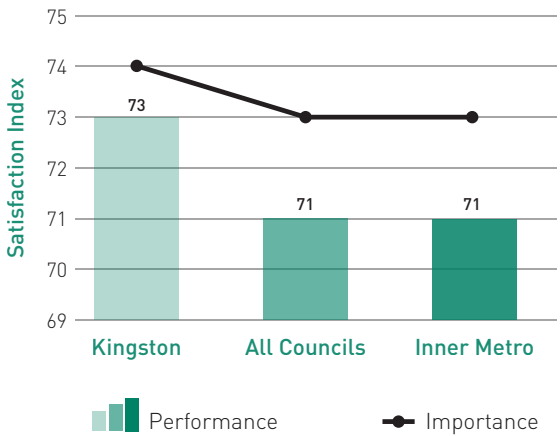
Local Government Victoria introduced methodological and content changes to the Department of Planning and Communit Development (DPCD) Community Satisfaction survey in 2012. These changes were made to provide the sector with more reliable and meaningful results to inform decision making and support strategic planning. These improvements in 2012 included increasing the sample size up to 400 respondents and ensuring that the sample reflects the demographic composition of a municipality. The survey also allows for respondents to be “residents over 18 years of age” instead of restricting respondents to “head of household.”

These changes together with revisions to the performance scale and scoring have improved the useability of the survey. A new index calculation has also been used in 2012 which changes the weighting applied to responses. For these reasons, direct comparisons with previous survey results are not possible. The DPCD have advised that the most appropriate comparison is to the All Victorian and Inner Metropolitan Melbourne Council groupings using this years results as a new benchmark. In future years we will show trends against Kingston’s performance as well as All Victorian/ Inner Metropolitan Melbourne performance.

The City of Kingston understands that the appearance of public places is very important to the community. Satisfaction with the appearance of public places is measured through the annual survey run by DPCD. Although our Council Plan target is to achieve 70% resident satisfaction, given the change in methodology with the survey in 2012, these targets can no longer be directly compared with the reported index score of 73. This target will be reassessed before the next survey is conducted in 2013 and included in the development of the new Council Plan for 2013.

Kingston resident satisfaction has consistently been comparable to other Councils from 2007 to 2011 with no significant difference across the groups. As shown in Figure 11, whilst not statistically significant the resident satisfaction among Kingston residents is higher compared to satisfaction at other Inner Metropolitan Melbourne Councils and All Victorian Councils.

Figure 11: Satisfaction with appearance of public places



Source: 2012 DPCD Community Satisfaction Survey.



Turner Road Reserve, Highett

Environmental indicator: **Status of existing biodiversity**

Responsibility:	Kingston City Council
Council Plan target:	Monitor habitat by type and area

This year has seen the implementation of Kingston’s Biodiversity Strategy including identifying existing and potential wildlife corridors, undertaking works to meet five-year vegetation management targets for all of Kingston’s Natural Resource Areas, and continuing to support community and school groups working to maintain and enhance biodiversity. Further habitat hectare assessment of Kingston’s Foreshore reserve is being conducted as a high priority action to provide a baseline inventory for future monitoring. Ecological Vegetation Class lists have been updated to provide details of the plant species appropriate for Council’s Natural Resource Areas.

‘Growing the Foreshore’s Future’ is an annual project that involves local residents and community groups volunteering to grow native foreshore plants at Council’s indigenous nursery. The plants are then planted at selected sites along the foreshore over a number of special planting days. In 2011/12, 15 residents and the Central Bayside Adult Community Options participated in the project and have grown over 2,500 seedlings for the foreshore. Since the project’s commencement in 2004, volunteers have grown more than 27,500 seedlings which have been planted along Kingston’s coastline.

In addition to Council biodiversity initiatives, Kingston is a partner in the Dandenong Living Links program coordinated by the Port Phillip and Westernport Catchment Management Authority. The program contributes to major Local, State and Commonwealth programs to improve public amenity, condition of waterways and achieve a series of green corridors along linear parks and waterways.

The internal review process involves officers going through the existing strategy to confirm what actions have been completed and what information needs to be updated. Once this is complete the Climate Change and Biodiversity Reference Group will be consulted before going to the wider community.

Source: Council’s Parks, Recreation and Depot Services Department records.

Volunteers regularly help plant native foreshore plants along the foreshore over a number of special planting days.



Outcome 3: Healthy, strong and connected communities

We are striving to build stronger and healthier communities by delivering services and programs which strengthen and have a positive impact on the well being and security of our community

About this Outcome: Health, happiness and security are central to community wellbeing. Council’s ongoing programs include aged care, community engagement, social support, community safety, children, youth and family services, library services, environmental health services, animal management, fire prevention, enforcement of parking and local laws, and sporting, arts and culture.

This year Council invested \$65.9 million in the wellbeing of the community. This is an increase of 11.3% on the 2010/11 figure of \$59.2 million.

Family and Children’s Services Strategy

The Draft Family and Children’s Strategy was endorsed by Council and released for public comment. Integrated Children’s Centre Grant Application and an Early Learning Facility Upgrade Grant Application submitted through the DEECD Children’s Capital Grants Program were both successful with a total of \$1.8 million awarded to Council to develop the Parkdale Hub and to renovate and extend the Evesham Rd Kindergarten.



Kingston Harmony Soccer Cup

Young people representing new and emerging communities participated in the Kingston Harmony Soccer Cup and Family Fun Day in November which aimed to build good relationships between emergency services and these communities. The day featured a five a side soccer match, soccer clinic with Melbourne Heart Football Club, free Lions BBQ, Emergency Services Displays, MFB Smoke Busters Bus, Victoria Police vehicle, CFA Community Education Trailer, Coast Guard, and Future Roots African Sound System. Kingston is committed to reducing violence against women through raising awareness and working collaboratively with the community. During the half time break in the game communities made a large white ribbon on the oval with balloons to highlight the Preventing Violence Against Women Project (www.whiteribbon.org.au).

Our major achievements in 2011/12

We have continued to provide opportunities for people to connect, express themselves, share information and enjoy lifelong learning opportunities. Kingston works directly with the community to strengthen the linkages and networks through dedicated arts and culture events, library and information services, support services for older people, new parents and socially disadvantaged members of the community. Highlights of our progress during 2011/12 include:

- Ongoing implementation of the Municipal Public Health and Wellbeing Plan, including planning for the development of the new 2013-16 Plan
- Supporting and providing assistance to families and young people through programs such as National Youth Week, parenting programs and the development of community education programs
- Immunisation rates that are currently above the national averages
- Implementation of the Community Festival and Events Strategy to ensure a plan that facilitates long term sustainability and direction for the calendar of festivals and events is delivered by the City of Kingston
- Building collaborative relationships with local schools and community organisations to ensure maximum community benefits and the use of joint facilities
- Undertaking a range of activities and training to ensure compliance with State and Commonwealth reforms in the Early Years Services.
- Securing funding to enhance Vacation Care programs for all
- Implementation of the good living project to promote better health
- Enhancing library services through technology

More detail on the progress of these achievements and many others achieved during 2011/12 can be found on pages 69 to 81.

Challenges we experienced

- The new National Education and Care Services National Law Act 2010 and Regulations 2012 came into operation on 1st January 2012, under the Commonwealth National Reform Agenda for Early Childhood Education and Care. The Law and associated regulations require a range of reforms that facilitate consistent quality standards across all early childhood education and care services, including long day care, family day care, school aged child care and kindergarten. Council staff have been undertaking a range of training, audits, planning and policy reviews to ensure compliance is achieved. Similarly support and advice has been provided to external kindergarten providers across the municipality.
- Increasing numbers of young families seeking help with homelessness as well as families with vulnerabilities intensifies the demand for support and services that are often difficult to meet.
- The opening of the Glen Eira Sports and Aquatic Centre provides direct competition to Council's aquatic and gym offering at Waves and to a lesser extent Don Tatnell Leisure Centre.
- Complexities in attracting and recruiting suitably qualified staff and volunteers coupled with challenges of staff retention, an ageing workforce and a limited early years professional pool.
- Responding to an evolving community profile, an increasing demand for services and associated cost pressures but not receiving commensurate government funding.
- Limited space and resources to facilitate programs and services to meet the emerging needs of young people and their families within Kingston's current facilities.
- Dealing with increasing and dynamic compliance requirements of funding bodies and other levels of Government.
- Ageing infrastructure and limited opportunities to obtain funding from other levels of government for building upgrades.
- Environmental Health Services continued implementation of the Food Act legislative changes including State reporting requirements, infringements and temporary food premises processes. These changes will require extra training over the next 12 months, along with additional data entry and collection to meet the requirements of the Department of Health.

Plans for the next 12 months

- Subject to approvals, Council’s Northcliffe Lodge will be transferred to a new operator and location.
- Implement a number of strategies including the Positive Ageing Strategy, Family and Children’s Strategy, Kingston Youth Strategy, Active Youth Strategy, Community Festival and Events Strategy, and the Arts and Cultural Strategy.
- Continue to encourage people to achieve their full potential by engaging and connecting with them through various actions identified in Council Plans, including the Municipal Public Health Plan, the Active Leisure Plan, and Kingston’s Domestic Animal Management Plan.
- Develop and implement specific place based programs for disadvantaged communities.
- Continue to provide an extensive and high quality range of services to support children, young people, families and our elders to ensure quality of life is enjoyed by all in the Kingston community.
- Continue to ensure local communities are connected through knowledge and information.

Fast Facts

		2011/12	2010/11	Change	% Change
People attracted to Waves and Don Tatnell Leisure Centres		661,488	620,094	41,394	6.7%
Number of community events that were facilitated		138	114	24	21.1%
Online ticket sales for arts and cultural events	\$	\$54,769	\$43,768	\$11,001	25.1%
	% of sales	31%	24%	7%	29.2%
Number of new library members enrolled		6,084	6,184	-100	-1.6%
Number of school children involved in library class visits		7,036	1,931	5,105	264.4%
Percentage of Kingston residents who are library members		57%	53%	4%	8.4%
New babies born in Kingston		2,040	2,005	35	1.7%
Maternal and Child Health visits		28,127	28,700	-573	-2.0%
Number of Kindergarten Central Enrolment applications received		1,176	1,271	-95	-7.5%
Attendances at before and after school care programs during the 40 weeks of operation and vacation care that opened over 38 days		56,961	56,985	-24	0.0%
Number of young people who accessed youth services		17,035	7,103	9,932	139.8%
Family day care program	Hours of care provided	400,118	431,235	-31,117	-7.2%
	Number of children	787	794	-7	-0.9%
Meals on wheels	Number of meals provided	95,816	114,989	-19,173	-16.7%
	Number of residents who received meals	914	939	-25	-2.7%
Domestic, personal and respite care services provided:	Hours	164,216	157,185	7,031	4.5%
	Number of residents who received assistance	4,611	5,432	-821	-15.1%
Number of premises inspected by Environmental Health Officers		1,889	1,480	409	27.6%
Number of Infringement Notices issued by the Parking Contractor		27,874	26,461	1,413	5.3%
Number of animals registered with Council	Dogs	19,435	19,393	42	0.2%
	Cats	7,477	7,647	-170	-2.2%
Number of animals impounded	Dogs	560	653	-93	-14.2%
	Cats	290	254	36	14.2%
Number of dog attacks investigated		156	223	-67	-30.0%

How we performed against the Council Plan – Our scorecard

The tables below reflect the progress of our key work during 2011/12. Each milestone is linked to the strategies and priorities set in the 2009/13 Council Plan. The progress at the end of the financial year against each milestone has been represented by:

Completed On track Slightly delayed Delayed

Council Plan Strategy 3.1
Promoting family and community wellbeing and participation in community life

2011/12 Milestone	Responsible Department	Progress
3.1.1 Work in partnership with the community to build supportive and nurturing environments for children and families in the early years of development by implementing the Municipal Early Years Plan		
Implement the Family and Children’s Services Strategy	Family , Youth and Children’s Services	100%

Progress Comments: The Draft Family and Children’s Strategy was endorsed by Council and released for public comment. Integrated Children’s Centre Grant Application and an Early Learning Facility Upgrade Grant Application submitted through the DEECD Children’s Capital Grants Program were both successful with a total of \$1.8 million awarded to Council to develop the Parkdale Hub and to renovate and extend the Evesham Rd Kindergarten.

3.1.2 Promote the health, wellbeing and independence of older adults, people with a disability and their carers by implementing the Positive Ageing Strategy and community care services		
Implement the Positive Ageing Strategy and community care services	Access Care Southern and Community and Aged Services	100%

Progress Comments: Positive Ageing Strategy 2012 Actions were all on track. The delivery of community care services is being undertaken in accordance with the Funding and Service Agreements that Council has with the funding bodies.

3.1.3 Promote healthy living and lifestyles for better health by implementing the Municipal Public Health Plan and initiatives including:		
The ‘Kind 2 Mind’ Mental Health Program	Community and Aged Services	100%
Participation in the Kingston-Bayside Primary Care Partnership	Community and Aged Services	100%

Progress Comments: One Mental Health Workshop was conducted. A Mental Illness Fellowship has been contracted by Council to deliver a series of mental health workshops. The Kind 2 Mind grants program has been established and advertised, with \$28,000 available for programs that use social media to improve mental health and wellbeing. Three grant applications are currently being reviewed. Council officers have been active in regularly supporting partnership activities, including the provision of expertise for the establishment and launch of the Bayside Medicare Local. Council is receiving \$566,000 for a three year project ending March 2015 entitled “Good Living.” The project aims to improve the engagement of residents in healthy eating and physical activity and to reduce obesity and dietary related disease – particularly amongst those not in the workforce.

3.1.4 Support people with significant multiple and complex needs through a range of intensive support services:		
Undertake a strategic review of Council’s residential care facilities to optimise the quality of care and accommodation	Access Care Southern and Community and Aged Services	100%









Progress Comments: Council has been considering options for the future of Northcliffe Lodge leading to Council resolving at the May 2012 Council meeting to partner with Gold Age Pty Ltd and transfer Northcliffe’s 60 bed licences to it, subject to all approvals. Gold Age propose to construct a new residential aged care facility.

2011/12 Milestone	Responsible Department	Progress
3.1.5 Assist children, young people and their families' access information and support services they need to lead healthy, active and safe lives		
Continue to support the needs of young people within our community	Family , Youth and Children's Services	 100%
Progress Comments: Supporting and providing assistance to families and young people continues to be a priority. A number of programs were successfully delivered, including South East Skate League community event, celebrations coinciding with National Youth Week, six-week family support parenting programs, and the development of community education programs for Clarinda and Chelsea.		
3.1.6 Monitor the immunisation rate of children living in the municipality to achieve national targets		
Continue to monitor immunisation rates	Family , Youth and Children's Services	 100%
Progress Comments: Kingston's immunisation rates are currently above the national averages. At June 2012, 12-15 month cohort Kingston 94.0%, national 91.9%; 24-27 month cohort Kingston 92.5%, national 92.3%; 60-63 month cohort Kingston 93.8%, national 90.5%.		
3.1.7 Promote investment in Kingston's Charitable Fund		
Continue to promote Kingston's Charitable Fund	Communications and Public Affairs	 100%
Progress Comments: Promotion is ongoing. Recent fundraising initiatives include supporting the annual art show and the new seat sponsorship program delivered in conjunction with the Shirley Burke Theatre. Final stage preparations are underway for annual fundraising dinner in August 2012. A fundraising strategy is being finalised and explores opportunities to develop a corporate donor program with local businesses.		
		
3.1.8 Consider the need for a community bus service linking major places of interest across Kingston		
Review community bus service	Parks, Recreation and Depot Services	 100%
Progress Comments: The community bus service is continually reviewed to ensure eligible client needs are serviced and to ensure runs are operating at capacity. Additional capacity is created when a run ceases due to a destination such as a senior citizens club closing. Commercial bus lines currently provide services linking major places of interest.		
3.1.9 Strengthen integration between community sport and health promotion		
Implement relevant actions of the Community Health and Wellbeing Plan	Leisure and Culture	 100%
Progress Comments: Ongoing implementation of the Municipal Public Health and Wellbeing Plan in collaboration with a range of Council Departments, including Sport and Recreation. Also see page 79 for details relating to the Chelsea Sportswomen's Centre.		

Council Plan Strategy 3.2 Strong, cohesive and engaged communities

2011/12 Milestone	Responsible Department	Progress
3.2.1 Strengthen the leadership, resourcing, collaboration, and capacity of community organisations and networks to support the development of healthy, active and socially connected communities including strategic grant making		
Participate in strategic grant making	Community and Aged Services	 100%
Progress Comments: 210 applications were received from the community via the Community Grants program. This program supports community organisations and groups to deliver a wide range of programs and activities for the Kingston community (see page78 and 126 for more information on this program).		
3.2.2 Build strong relationships with community organisations and academic institutions to foster productive partnerships which will develop services, access funding opportunities in response to identified community needs		
Develop services and access funding opportunities in response to identified community needs	Family, Youth and Children's Services, and Community and Aged Services	 100%
Progress Comments: Council in partnership with other Community Service Organisations and an academic entity was awarded recurrent funding for an innovative respite holiday program to address a service gap in the support of children with disabilities and complex needs. Other initiatives include a network forum which engaged over 70 representatives from local community organisations to discuss current and emerging needs and opportunities. Various actions have emerged from this process to strengthen the work of such groups in the community.		
3.2.3 Facilitate the provision of local festivals and events that support community involvement and promote creativity and celebration by implementing the community festival and events strategy		
Implement the Community Festival and Event Strategy	Communications and Public Affairs	 100%
Progress Comments: All actions from the Festivals and Events Strategy have been implemented or are underway. Successful delivery of the four major festivals has occurred. Three supplier bulk purchase arrangements have been implemented and another two are in development to ensure cost efficiencies.		
3.2.4 Through a partnership approach, reduce inequity and social disadvantage by developing and implementing specific placed based programs for disadvantaged groups within the community		
Implement the Chelsea Community Renewal Project and Clayton Community Strengthening Project	Community and Aged Services	 100%
Progress Comments: The Chelsea Community Renewal Project and the Clayton Clarinda Strengthening Project continue to be successfully implemented. The Committees meet regularly. The Chelsea project is set for completion in June 2013 and the current focus is on sustainability of the community benefits that have been gained over the life of the project.		
A 'Taste of the Arts' family day was held at the Clayton Community Centre in March 2012.		

2011/12 Milestone	Responsible Department	Progress
3.2.5 Ensure access and equity principles are promoted and encouraged throughout the community		
Continue to promote access and equity principles	Community and Aged Services	 100%
Progress Comments: Council's Access and Equity Committee aims to promote access and equity in the Kingston community. The committee is comprised of three subgroups: multicultural, indigenous and disability. The committees have successfully undertaken a range of initiatives including Refugee Week and Reconciliation activities. The Access and Equity Committee also distributed grants to the value of \$11,500 to 11 disability and multicultural groups. The Disability Action Plan and State funded Metro Access program continue to be successfully implemented. Initial planning for the redevelopment of the Disability Action Plan has commenced.		
3.2.6 Assist our community to become more active, confident and resilient through volunteering		
Develop a volunteer policy	Community and Aged Services	 100%
Progress Comments: A draft Volunteer policy has been developed by an interdepartmental working group. Staff feedback has also been integrated. Once this policy is adopted, this will be used as a platform to support external groups to manage volunteering processes. A range of committees, projects and activities are being undertaken on a regular basis to facilitate volunteering and community participation.		
3.2.7 Monitor the status of community strength and wellbeing		
Attend community group networks	Community and Aged Services	 100%
Progress Comments: The Community Development Team provides support to multicultural groups in Clayton South/Clarinda. The Team acts as the liaison point for all Community Centres and Neighbourhood Houses and undertakes governance work with senior citizens centres, Probus and Service Club Networks. The Community Development Team and Chelsea Community Renewal Team are in regular contact with a range of community groups that provide ongoing feedback to Council regarding community wellbeing.		
3.2.8 Facilitate the development and enjoyment of arts and cultural opportunities for artists, community groups and individuals through the implementation of the Arts and Cultural Strategy		
Implement the Arts and Cultural Strategy	Communications and Public Affairs	 100%
Progress Comments: The Arts and Cultural Strategy has been adopted by Council. The Strategy defines the direction for growth of arts and culture in Kingston over the next five years across five key priority areas of communication, leadership, partnerships, communities, and places and spaces. Priorities have been identified and are currently being implemented, including development of a communications plan, exploration of funding opportunities, and working with community partners to deliver flagship arts projects. This is an ongoing process and will be reviewed annually.		
3.2.9 Strengthen our arts and cultural facilities to enable vibrant and diverse arts and cultural activities to be performed and displayed		
Strengthen our arts and cultural facilities	Property, Arts and Leisure Services	 100%
Progress Comments: Shirley Burke Theatre successfully launched its new performance and gallery space. Works at Kingston City Hall have included renovation of toilets with foyer works to commence in 2012/13. See pages 80 and 81 for further details.		

2011/12 Milestone	Responsible Department	Progress
3.2.10 Implement actions listed in Kingston's Domestic Animal Management Plan, including:		
Investigate improved provision for on-line registration and payment	Statutory Education and Compliance	 100%
Trial mobile technology	Statutory Education and Compliance	 100%
Develop a new four year 2012-16 Domestic Animal Management Plan	Statutory Education and Compliance	 95%
Upgrade dog exercise park Kevin Hayes Reserve to promote dog socialisation and training and reduce inappropriate dog behaviour	Statutory Education and Compliance	 100%
Progress Comments: Online registration has been investigated and is currently not an option for first time (new) registrations. This is due to the statutory requirement for the provision of additional documentation and registration form needs to be signed by pet owner. Online payments will be reviewed in the final year of the current Domestic Animal Management Plan. Mobile tablets trialled and now purchased for all operational Officers. On line access is directly to corporate systems and customer requests. This has improved operational efficiency. Currently investigating the use of ergonomic keyboards and in-vehicle printers. First round of public consultation completed, research undertaken and data gathered and draft Domestic Animal Management Plan completed. Council has now put the draft document out for final public comment. Final report will be presented to Council in August 2012. Research on equipment and design commenced at Kevin Hayes Reserve in November 2011 and installation was completed in June 2012.		
3.2.11 Implement the Triennial Events Grant program to support community groups deliver quality festivals that attract over 1,000 people		
Implement the Triennial Events Grants program	Communications and Public Affairs	 100%
Progress Comments: One group (the Chelsea Flower Show) has withdrawn from the program and the two other groups (Big Band Sunset Festival and the Hellenic Festival) have continued to deliver successful events in 2011/12.		
3.2.12 Promote community and stakeholder engagement, participation in service and policy planning and development; service delivery and evaluation		
Continue to promote community engagement and participation	Community and Aged Services	 90%
Progress Comments: Community Engagement has continued to maintain a Kingston Have Your Say Website which provides a central location on which all Council's consultations are listed. A draft Community Engagement Framework has also been developed in consultation with staff from across the organisation that will assist staff undertaking community consultation. The Community Engagement Team also facilitates a broad range of community committees to ensure participation and direct input into Council activities / policy development.		
3.2.13 Appropriately protect aboriginal heritage sites, including:		
Work with Inter-Council Aboriginal Consultative Committee (ICACC) and the local Indigenous community to identify sites	Parks, Recreation and Depot Operations and Community and Aged Services	 100%
Provide Cultural Heritage training to identified Council officers	Parks, Recreation and Depot Operations and Community and Aged Services	 100%
Progress Comments: On-site cultural training within the Natural Reserves was undertaken by staff in November 2011. Further Cultural Awareness Training was delivered to key staff in February 2012. Cultural Heritage training to staff is an ongoing process.		

Council Plan Strategy 3.3
Local communities connected through knowledge and information

2011/12 Milestone	Responsible Department	Progress
3.3.1 Through local libraries create safe, accessible and enticing spaces and services that:		
Facilitates access to sound knowledge and information	Library and Education Services	<div><div></div></div> 100%
Promotes social connectedness and a place to meet	Library and Education Services	<div><div></div></div> 100%
Provides recreational opportunities	Library and Education Services	<div><div></div></div> 100%
Builds collaborative relationships with local schools and community organisations	Library and Education Services	<div><div></div></div> 100%

Progress Comments: Programs and services offered through Kingston’s local libraries continue to attract community members. Examples of key statistics include Items borrowed = 1,206,452; Hits on Library web pages 398,753; Visits = 618,607; Volunteer hours = 1,957; Story time attendances of babies, toddler, carers = 16,038; School visits = 7,036; Community service hours provided to the community = 295; Maternal and Child Health and Preschool visits = 412.

2011/12 Milestone	Responsible Department	Progress
3.3.2 Manage the scope, costs and implementation associated with the expansion of the Clarinda Library		
Manage the scope, costs and implementation associated with the expansion of the Clarinda Library	Library and Education Services	<div><div></div></div> 100%



Clarinda Library re-opens

The Clarinda Library was officially ‘re-opened’ on 17 February 2012 after undergoing an impressive refurbishment. The \$833,000 refurbishment program now provides 112 sqm additional space. The refurbishment includes a reworking of the multipurpose room to offering versatile and flexible community space, a newspaper reading area, more seated spaces, and a dedicated children’s area. Additional funding of \$40,000 Local Priority money was also provided from the DPCD which enabled the Library to renew the 30 year old shelving. This building provides further evidence of Council’s commitment to Libraries and the provision of community infrastructure in Clarinda. Clarinda library is an integral part of the Community Hub which includes community halls and meeting spaces, multipurpose spaces, access for seniors groups, playgroups, and community health services. For more information, please visit <http://library.kingston.vic.gov.au> or call the Kingston Library Service on 1300 135 668.

2011/12 Milestone	Responsible Department	Progress
3.3.3 Protect and share the community’s unique cultural heritage and create a legacy for future generations through the City Historian and other key stakeholders		
Protect and share the community’s unique cultural heritage and create a legacy for future generations through the City Historian and other key stakeholders	Library and Education Services	<div><div></div></div> 100%

Progress Comments: Historical website updated with two articles on a monthly basis, with 20 updates this year. Historian continues to work with Historical societies and the Community to preserve local heritage.

3.3.4 Continue to support the active participation of children, young people and families in the Kingston community through their involvement in committees, programs, services, events and consultation activities. Continue to deliver the Family Youth and Children’s Services seminars and workshops for parents and professionals		
Continue to deliver the Family, Youth and Children’s Services seminars and workshops for parents and professionals	Family, Youth and Children’s Services	<div><div></div></div> 100%

Progress Comments: A range of seminars are currently being planned. These include a parenting session to be held in October 2012 and a professional development opportunity to support the staff of community operated Occasional Care services. In addition, a survey is currently being developed to identify relevant topics for future parenting seminars.


Council Plan Strategy 3.4
Monitor and plan for the changing needs and aspirations of the community

2011/12 Milestone	Responsible Department	Progress
3.4.1 Strengthen the quality and scope of information and data to support strategic social planning and policy development by developing effective planning partnerships/ networks and information systems to:		
Identify and respond to key issues impacting on the community	Community and Aged Services	<div><div></div></div> 100%
Identify emerging health and social issues	Community and Aged Services	<div><div></div></div> 100%
Support appropriate targeting and allocation of resources through development of Integrated Local Area Social Plans that consider demographic profiles, review the service system and social infrastructure to promote community wellbeing	Community and Aged Services	<div><div></div></div> 100%

Progress Comments: The result of substantial research regarding the adequacy of services and facilities to meet community needs was presented to Council. This work will significantly contribute to the prioritisation of future projects and the development of a services and facilities strategic plan. A community survey is underway to identify community views on electronic gaming and primary health care in the region. Work continues in developing relationships with community groups to plan for facility use, seniors programs, community safety and project implementation through Council’s Community Grants process.

3.4.2 Ensure currency of existing policies, plans and strategies to support our community achieve a strong, healthy and active life		
Ensure currency of existing policies, plans and strategies to support our community achieve a strong, healthy and active life	Community and Aged Services	<div><div></div></div> 100%

Progress Comments: Planning for the review of Council’s Community Health and Wellbeing Plan, Disability Action Plan and Community Safety Strategy has commenced.

2011/12 Milestone	Responsible Department	Progress
3.4.3 Maintain awareness of and respond as appropriate to relevant commonwealth and state legislation, policies and strategies		
Identify and respond to relevant legislation	Family , Youth and Children's Services and Community and Aged Services	 100%

Progress Comments: Early Years Services has continued to undertake a range of activities and training to ensure compliance with State and Commonwealth Government reforms in this area. Council staff have contributed to the planning of the newly formed Bayside Medicare Local and they are continuing to monitor policy developments associated with the Productivity Commission's reports on Disability and Aged Care. Council's application for funding under the Commonwealth Government's Healthy Communities strategy was successful with approval being received for \$566,000 over 18 months.



Kingston Youth Strategy Launch

The 2012 -2016 Kingston Youth Strategy was officially launched on 17th April 2012 during National Youth Week. The development of a new five year Strategy follows community consultation with young people, parents and service providers, data analysis, literature review including current policy context and on line surveys. The Kingston Youth Strategy 2012-16 aims to promote the development of well-connected, healthy and positive young people for the next five years. The Strategy provides a model for the implementation of services to young people, now and into the future, ensuring that all services delivered are of high quality, innovative and relevant to emerging needs of young people. For a copy of the 2012 – 2016 Kingston Youth Strategy or for more information please contact Youth Services on 1300 36 94 36.

Triple Bottom Line Results for Outcome 3

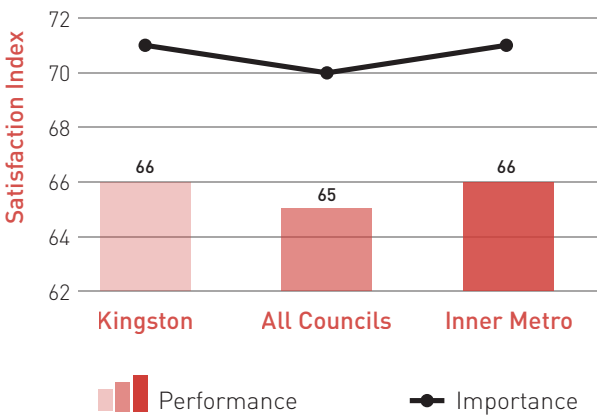
Triple Bottom Line refers to a range of economic, social and environmental indicators that Council uses to monitor the wellbeing of the community. These indicators are detailed below.

Social indicator:	Enforcement of local laws
Responsibility:	Kingston City Council
Council Plan target:	65% resident satisfaction with enforcement of local laws.

As shown in Figure 12, resident satisfaction with the enforcement of local laws measured 66 and is comparable to satisfaction at other Inner Metropolitan Melbourne Councils and All Victorian Councils with no statistically significant differences according to the DPCD Community Satisfaction Survey results. Although our Council Plan target is to achieve 65% resident satisfaction, given the change in methodology with the survey in 2012, these targets can no longer be directly compared with the reported index score of 66.

Kingston resident satisfaction with enforcement of local laws has consistently been comparable to other Inner Metropolitan Melbourne Councils and All Victorian Councils from 2007 to 2011 with no significant difference across the groups during this period. Currently all residents surveyed across the different groups of Victorian Councils, including Kingston, rate Importance for this measure as being higher than Performance.

Figure 12: Satisfaction with enforcement of local laws



Source: 2012 DPCD Community Satisfaction Survey.



Kingston's Education Officer introduced a new community education program, 'Ranger Talks' aimed at promoting responsible pet ownership.

Social indicator:	Engagement of volunteers in community programs
Responsibility:	Kingston City Council
Council Plan target:	More than 20,000 donated hours and more than 500 volunteers participating

Council is fortunate to have volunteers assisting in a number of areas supporting its capacity to deliver a range of services and programs. More than 1200 volunteers donated over 28,000 hours to Kingston community programs including Library, Aged Care Hostels, Meals on Wheels, Transport, Youth and Family Services, Environment, Community Engagement and Arts Centre. Kingston is fortunate to have volunteers assisting in a range of areas supporting its capacity to deliver community programs and services. (See page 20 to 22 for more information about our volunteers).

Social indicator:	Council support for community groups
Responsibility:	Kingston City Council
Council Plan target:	More than 300 community groups supported by Council

Each year Kingston allocates substantial funds to assist the community through groups such as neighbourhood houses, community groups and sporting clubs. Kingston’s Village Committees also receive funding to assist the local projects that they consider worthy of assistance. This is a highly successful program that benefits hundreds of deserving community groups. The Community Grants program enables not for profit organisations to deliver services, programs, host special events and other community activities that would otherwise not occur.

In 2011/12, a total of \$1,182,428 was distributed through the Community Grants Program to assist not-for-profit organisations to deliver services and associated activities. This figure compares to \$1,131,547 in 2010/11 which is a 4.3% increase. A total of 370 groups and individuals received funding through the Grants Program this year. Successful applications that received funding through the program included 105 Village Committee applications, 31 Triennial grant applications, two Triennial Event Grant applications, 58 City Wide grant applications, 102 Individual Development Grant applications, 49 Schools Awards and 23 Access and Equity Grants. (See page 126 for more information about our Community Grants).

Source: Council’s Community and Aged Services Department records.

Social indicator:	Clients accessing Family, Youth and Children’s Services provided by Council
Responsibility:	Kingston City Council
Council Plan target:	32,000 clients

Kingston’s systems currently capture data on the level of support provided to youth, families, and babies. In 2011/12, Kingston provided support to 17,275 youth aged 12 to 25 years. Kingston facilitates a range of social health and well being, recreation and youth participation programs across the municipality. Youth Services also works with young people in schools, provides psychological counselling services and information and referral services.

In relation to the support provided by Kingston to families with children, a total of 787 families accessed Kingston’s family day care and long day care services and 2,000 children accessed Kingston’s school aged care services. For our Maternal and Child Health and Immunisation services, the child is recorded as the client rather than the family unit. Kingston’s Maternal and Child Health Nurses supported families with 1,916 new babies and have provided 28,172 consultations in 2011/12. In total, Kingston provided support for 49,600 clients, exceeding our target of 32,000.

Source: Maternal and Child Health and Immunisation, Family Youth and Children’s Services Department records.

Social indicator:	Use of Family, Youth and Children’s Services provided by Council
Responsibility:	Kingston City Council
Council Plan target:	147,000 client contacts

Kingston’s systems capture data about the significant number of instances of individual client contacts which occur. Kingston’s Immunisation team administered 15,247 vaccinations to infants and children in 2011/12 which contributed to Kingston’s immunisation rates being maintained above the national averages. See page 70 for immunisation rates.

Council processed 1,176 kindergarten enrolments on behalf of sessional kindergarten providers within the municipality. In regards to direct service delivery, Council provided 25,930 episodes of Long Day Care, 19,500 Family Day Care sessions and 53,700 sessions of School Aged Care. Council’s Youth and Family support team provided 753 family consultations in addition to the 17,646 instances of youth support and counselling sessions. In total, Kingston provided services through 165,586 client contacts, exceeding our target of 147,000.

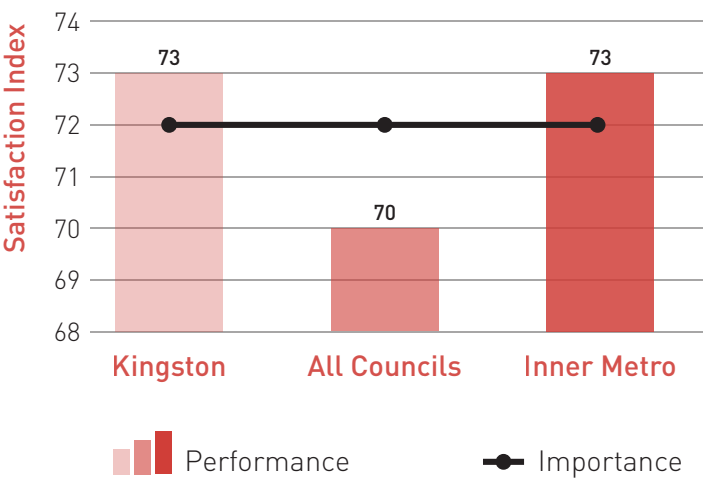
Source: Maternal and Child Health and Immunisation, Family Youth and Children’s Services Department records.

Social indicator:	Recreation facilities
Responsibility:	Kingston City Council
Council Plan target:	75% resident satisfaction with recreational facilities

Kingston achieved an index score of 73 resident satisfaction with recreational facilities according to the 2012 DPCD survey. This was the same result found across other Inner Metropolitan Melbourne Councils but was significantly higher than the score of 70 found across All Councils, as shown in Figure 13. Between 2007 and 2011, Kingston residents have rated satisfaction with recreation facilities significantly higher than that found at All Councils, but satisfaction has remained similar to other Inner Metropolitan Melbourne Councils.

In relation to recreational facilities, Kingston’s performance was rated higher than residents’ perception of importance, suggesting we are meeting or exceeding community expectations with our recreational facilities. Kingston continues to take pride in the exceptional recreational facilities offered to the community, as shown by Bicentennial Park winning the best designed play space award during 2011/12 at the annual Parks and Leisure Australia conference (see pages 52 to 53 for more detail). Although our Council Plan target is to achieve 75% resident satisfaction, given the change in methodology with the survey in 2012, these targets can no longer be directly compared with the reported index score of 73.

Figure 13: Satisfaction with recreational facilities



Source: 2012 DPCD Community Satisfaction Survey.

Social indicator:	Community support provided through Council’s Aged and Disability Services program
Responsibility:	Kingston City Council
Council Plan target:	153,827 hours of service to 5,500 eligible residents

Kingston’s Aged and Disability Services program provides support to residents who are frail aged or who have a disability and their carers, to assist them to remain living at home and connected with their community. Eligible residents receive support subject to their needs as identified through the assessment process which focuses on maintaining and regaining the capacity to participate in routine activities of daily living. Assistance from the Aged and Disability Services and Depot and Home Maintenance Services programs can include assessment and care coordination, social support, domestic help, personal and respite care, home maintenance, community transport and delivered meals. In 2011/12, the hours of service provided exceeded the set targets in all areas. In total 176,556 hours were delivered to 5,551 residents.

Source: Community and Aged Services Department records.

Celebrating the opening of Chelsea Sportswomen’s Centre

Chelsea Sportswomen’s Centre has undergone an impressive upgrade, with the bigger and better facilities officially opened in November 2011 The Centre is the only female-specific facility in the south of Kingston and the impressive upgrades are set to continue. The \$991,000 upgrade was funded with \$585,000 from Kingston Council’s Capital Works Program, \$310,000 of State Government funding from Sport and Recreation Victoria’s Major Facilities Grants, \$50,000 funding from Chelsea Community Renewal, and \$45,600 of contributions from Chelsea and District Netball Association and the Chelsea Callisthenics Club.

Social indicator:	Residential care services provided through Council's Aged Care Hostels
Responsibility:	Kingston City Council
Council Plan target:	89% of maximum bed days occupied

Of the three aged care services, Nixon Hostel and Corben House are maintaining an occupancy rate of 98% and 99% respectively, which exceeds the indicator target. This high occupancy rate is mainly due to these facilities having reasonably new buildings and large rooms. In comparison, Northcliffe Lodge is an older facility with much smaller rooms and maintained a lower occupancy rate at an average of 76%. Overall, for 2011/12, the average occupancy rate for Hostels was 91%.

Source: Community and Aged Services Department records.

Social indicator:	Number of residents supported through Council's Aged Care Hostels
Responsibility:	Kingston City Council
Council Plan target:	170 residents supported

The number of residents supported during 2011/12 was 156, compared to 166 in 2010/11. The reduction is due to lower occupancy at Northcliffe which is not attracting new residents. There are currently 142 beds within Kingston Hostels. The total average occupancy in 2011/12 was 91%. This compares to 94% occupancy in 2010/11.

Source: Community and Aged Services Department records.

Social indicator:	Library community contact
Responsibility:	Kingston City Council
Council Plan target:	700,000 physical visits to libraries; 500,000 unique visits to website

In 2011/12, there were 808,224 visits to the library website (compared to 757,800 in 2010/11) and 618,607 physical visits to libraries (compared to 671,116 in 2010/11). This is a 6.2% increase in website visits but a 7.8% decrease in physical visits. There were also 1,206,452 loans in 2011/12 compared to 1,298,014 in 2010/11, a decrease of 7.1%. While the decline in physical visits and borrowings is the current trend being experienced across other Victorian libraries, part of the decline is also the result of the Clarinda Library (Kingston’s fourth largest library in terms of visits and loans) undergoing refurbishment for six months during 2011/12. It is anticipated that physical visits and loans will return to normal levels in 2012/13.

Source: Library and Education Services Department records.

Social indicator:	Kingston cultural activities
Responsibility:	Kingston City Council
Council Plan target:	Total annual attendance of 66,000 from all events at the Kingston Arts Centre and Kingston City Hall

During 2011/12, a total of 98,217 people attended events held at the Kingston Arts Centre and Kingston City Hall which is a significant increase on the 80,912 who attended in 2010/11. Shirley Burke Theatre and Kingston’s third visual arts gallery opened in April 2012 and has proven to be a great success with theatre and gallery patrons. Professional shows touring Victoria and nationally that were presented at the Kingston City Hall attracted large audiences such as The Dusty Springfield Show (800 patrons), Motherhood the Musical (400), James and the Giant Peach (700), Peter Rabbit (750). Sell out shows at the Shirley Burke Theatre have been Urban Display Suite, Stop Rewind and Let the sunshine.

Source: Property, Arts and Leisure Services Department records.

Shirley Burke Theatre refurbishment

The City of Kingston unveiled the \$1.7 million transformation of the historic Shirley Burke Theatre in April 2012 to an overwhelming positive response from the public. Council contributed \$1.3 million to the redevelopment and an additional \$400,000 through Arts Victoria has helped the refurbishment get well underway. The impressive contemporary design of the Theatre includes new seating for 166 patrons, the creation of a new sprung floor, rehearsal space, a box office and bar/ kiosk, a new-media visual art gallery, public spaces in the foyer and lounge area and a refit of all interiors whilst paying homage to the building’s rich history and art deco vintage.



Outcome 4: A prosperous innovative business city

We are supporting prosperous and innovative businesses for sustainable local economic growth, employment opportunities and wealth generation that are fundamental to a globally competitive community

About this Outcome: Together, we're supporting prosperous and innovative businesses for sustainable local economic growth, employment opportunities and wealth generation that are fundamental to a globally competitive community. Our on-going programs provide local companies with support so that they can deliver sustainable economic growth, employment opportunities and wealth generation for the broader community. Kingston businesses employ over 66,600 people, with 19,500 of those jobs in manufacturing and contribute an estimated \$25 billion per annum in total output to the Australian economy, with \$13 billion coming from manufacturing.

This year Council invested \$3.0 million in developing economic outcomes for Kingston which is the same amount invested in 2010/11.

Business sustainability group program

Funding was obtained from the Department of Business and Innovation to create a Business Sustainability Group Program to assist companies reduce costs associated with the rising price of energy, water, waste removal and transport. The program also provided an opportunity for the Kingston business community to improve their environmental performance as well as manage the impacts on business of shifting supply chain requirements. The Program content focussed on sustainable business practices and carbon management. It enabled small to medium sized businesses to observe and develop better business sustainability practices and to share challenges, experiences and insights. Outcomes focused on achieving tangible savings through a customised action plan which was tailored to reduce individual businesses operating costs.



South East Melbourne Innovation Precinct (SEMIP) initiative

The South East Melbourne Innovation Precinct (SEMIP) initiative, a collaboration including Kingston, won a national economic development award in October 2011. SEMIP's primary objective is to connect local small to medium enterprises with larger companies and leading researchers to foster collaboration on new and emerging technologies. The region has a total Gross Regional Product of approximately \$36.5 billion and provides employment for almost 300,000 people, with 26% of those jobs being in manufacturing. While the SEMIP region has 18.6% of metropolitan Melbourne's total jobs, it has 35% of the manufacturing jobs. The region is focussed on the high end and growth sectors, such as chemicals, polymers, machinery and equipment, applications in transport, health, construction and the environment. The project works to expand the innovation capabilities of the region, which includes CSIRO, Monash University, the Australian Synchrotron, the Small Technologies Cluster, neighbouring municipalities and local businesses. The City of Kingston has always viewed regional co-operation as fundamental to a vibrant local economy. At Council we understand that municipal boundaries are basically irrelevant to businesses and that residents also travel to neighbouring municipalities for work. We therefore need to work together to support a regional economy which in turn supports the well being of our communities.

Our major achievements in 2011/12

Despite an uncertain economic climate in 2011/12, Kingston continued to work with local business and industry groups as well as the State and Federal governments to ensure the city is best placed to take advantage of opportunities here and abroad. Despite the downturn, Council was able to help boost the local economy by:

- Undertaking capital works improvements at Westall Shopping Centre and planning and consulting for future works in other centres
- Establishing neighbourhood business hubs in key industrial precincts to provide an opportunity for local businesses to meet their Kingston neighbours and develop strategic alliances
- Developing Kingston's Business Sustainability Framework with the assistance of funding from the State Government to assist businesses becoming more sustainable
- Facilitating Kingston's Mentor Partners Program, CEO Roundtable and Business Women's Network to link businesses together for networking and business development opportunities

More detail on the progress of these achievements and many others achieved during 2011/12 can be found on pages 86 to 89.

Challenges we experienced

- The review of Kingston's Footpath Trading Policy and entrance signage strategy for retail centres were deferred due to other commitments and will now be undertaken during 2012/13
- Local businesses facing a difficult economic climate will impact on all aspects of the local economy and may include a rise in the level of unemployment within the community.
- Transport and road network limitations within key industrial precincts.
- Balancing the approach to land use, residential amenity, business development and environmental issues.
- Traffic and parking management across the City of Kingston.
- The impact of globalisation, climate change and emerging technologies on local businesses.
- The ageing industrial precincts coupled with limited greenfield land supply.

Plans for the next 12 months

- Strategic Economic Planning and Policy Development
- Create Vibrant Activity Centres and Neighbourhood Hubs
- Implement the Business Sustainability Framework
- Develop Partnerships to Support Collaborative Initiatives
- Deliver Business Development Services
- Develop Supportive Business to Business Relationships
- Review Kingston's Footpath Trading Policy.

Fast Facts

	2011/12	2010/11	Change	% Change
Number of people attending business development activities and events	945	689	256	37.2%
Number of businesses Kingston's quarterly business newsletter was distributed to	6,500	6,500	0	0.0%
Number of business development and networking sessions for local businesses that were facilitated	36	26	10	38.5%
Number of new mentors accredited for the Business Mentor Partners Program	3	5	-2	-40.0%
Number of Farmers Markets held	12	11	1	9.1%
Number of Business Starters Kits distributed	45	117	-72	-61.5%

How we performed against the Council Plan – Our scorecard

The tables below reflect the progress of our key work during 2011/12. Each milestone is linked to the strategies and priorities set in the 2009/13 Council Plan. The progress at the end of the financial year against each milestone has been represented by:

Completed On track Slightly delayed Delayed

Council Plan Strategy 4.1
Enhance amenity and viability of retail centres and industrial precincts

2011/12 Milestone	Responsible Department	Progress
4.1.1 Plan for and undertake capital works improvements at retail shopping precincts, including:		
Implement improvements at Westall Shopping Centre as identified in the 2009 Precinct Condition Report of all neighbourhood and local strip shopping centres	Economic Development	100%
Commence consultation and design of the 2012-13 priority centre	Economic Development	100%

Progress Comments: The Westall Shopping Centre upgrade, including extensive landscaping, footpath replacement and new street furniture has been completed. The streetscape works in Rosebank Ave, Clayton South cost \$320,000 and has given this neighbourhood centre a great new feel. Major works are now underway in the Mordialloc shopping centre and will be completed in the 2nd half of 2012.



The shopping centre on the corner of Lower Dandenong Rd and Warren Rd will be upgraded in 2012/13. Survey work has been completed. Base plan has also been prepared and initial design work has commenced. Initial consultation with business operators has occurred. Urban design work is almost complete. Concept plan is being prepared for consultation with business operators in first quarter 2012/13.

4.1.2 Identify critical infrastructure and traffic requirements in older industrial precincts to proactively plan and prioritise future capital and amenity improvements		
Identify critical infrastructure and traffic requirements in older industrial precincts to proactively plan and prioritise future capital and amenity improvements	Economic Development	60%

Progress Comments: Current industrial capital works focused on Mordialloc precinct in the Spray and Beach Ave areas. Capital work priorities in older industrial areas are currently under review.

4.1.3 Develop new entrance Signage Strategy for retail centres		
Develop new entrance signage strategy for retail centres	Economic Development	30%

Progress Comments: Capital budget to commence this signage project was deferred and has been allocated for the 2012/13 financial year.

2011/12 Milestone	Responsible Department	Progress
4.1.4 Establish neighbourhood business hubs in key industrial precincts for local networking and to encourage supplier alliances		
Establish neighbourhood business hubs in key industrial precincts for local networking and to encourage supplier alliances	Economic Development	100%

Progress Comments: This financial year four “Meet your Mates” events were held in industrial precincts. The inaugural event was held in Moorabbin in July, with a similar event in Braeside in November. The Clayton South / Oakleigh South event was held in March and a second Moorabbin event was held in June. These activities have been well received by the business community and will therefore continue on an annual basis in each precinct. The strategic purpose is to provide an opportunity for local businesses to meet their neighbours and develop alliances.

4.1.5 Implement updated Footpath Trading Policy		
Implement updated Footpath Trading Policy	Economic Development	30%

Progress Comments: Internal consultation has taken place for the Footpath Trading Policy. However, external consultation and further policy development has been postponed until after the elections in October 2012.

Council Plan Strategy 4.2 Inform and network our local business community

2011/12 Milestone	Responsible Department	Progress
4.2.1 Implement actions that support Kingston’s business sustainability framework		
Implement actions that support Kingston’s business sustainability framework	Economic Development	100%

Progress Comments: Kingston’s Business Sustainability Framework has been developed. Funding was obtained from the State Government to conduct a group program to assist businesses become more sustainable. This program was completed in December 2011. Further funding has been obtained to replicate this program in 2012/13. Two business forums have been conducted with the Australian Industry Group. The first in September focused on Energy and Resource saving and the second conducted in March 2012 focused on the implications of carbon pricing. A further carbon pricing forum was held on 23rd May 2012, in partnership with The Shaper Group, which explored the risks and opportunities to businesses.

4.2.2 Facilitate Mentor Partners Program linking small businesses with volunteer mentors		
Facilitate Mentor Partners Program linking small businesses with volunteer mentors	Economic Development	100%

Progress Comments: Total number of Kingston businesses matched in 2011/12 was 16. The total number of Kingston applicants pending a match was 9. New applications are currently being assessed. Regular Mentor Network meetings were conducted.



2011/12 Milestone	Responsible Department	Progress
4.2.3 Trial social media tools for business communication and networking		
Trial social media tools for business communication and networking	Economic Development	<div><div></div></div> 100%
Progress Comments: Linked In (the networking website for people in professional occupations) was successfully established for CEO Roundtable, Kingston Business Women's Network and Kingston Industry groups.		
4.2.4 Facilitate CEO Roundtable to provide business owners with peer to peer support		
Facilitate CEO Roundtable to provide business owners with peer to peer support	Economic Development	<div><div></div></div> 100%
Progress Comments: Monthly meetings continue to be well attended. A new group for younger business operators was established in 2011 and is growing. All but one member of the CEO Roundtable has elected to continue participation in 2012/13.		
4.2.5 Facilitate the Kingston Business Women's Network and provide other business development opportunities:		
Facilitate the Kingston Business Women's Network and provide other business development opportunities:	Economic Development	<div><div></div></div> 100%
Progress Comments: Bi monthly network meetings were held and were well attended. The second Kingston Business Women's luncheon for this financial year was held on 15th May 2012 in conjunction with the Kingston Art Show. Over 2011/12 Economic Development held a total of 17 business development workshops/seminars, 11 CEO Roundtable meetings, 11 Rising Stars meetings, four "Meet Your Mates" forums, eight facilitated sessions with businesses in the Chelsea and Moorabbin shopping precincts and six Kingston Business Women's networking events.		

Council Plan Strategy 4.3 Support informed business decision making

2011/12 Milestone	Responsible Department	Progress
4.3.1 Participate as an active member in the South East Melbourne Innovation Precinct (SEMIP) project		
Participate as an active member in the SEMIP project	Economic Development	<div><div></div></div> 100%
Progress Comments: The SEMIP initiative is a partnership between the Cities of Kingston, Greater Dandenong, Monash and Knox and includes CSIRO, Monash University, The Australian Synchrotron and the Small Technologies Cluster. SEMIP aims to improve the relationship between the publicly funded research institutions and the business community, particularly advanced manufacturers. In 2011/12, SEMIP has facilitated four Leadership luncheons, five Innovation workshops and a large Innovation Showcase that was held on 30th March 2012. The last two events for 2011/12 were held in May. Monash University hosted a forum on New World Technologies for the Real World, while a forum at the Synchrotron explained how businesses can use the Synchrotron to develop innovative ways to improve their products and services. See page 85 for further details.		
4.3.2 Support the implementation of the Regional Economic Strategy for Melbourne's South East		
Support the implementation of the Regional Economic Strategy for Melbourne's South East	Economic Development	<div><div></div></div> 100%
Progress Comments: Work continues on a regional basis. This is a long term strategy to ensure that Melbourne's South East continues to be one of the premier economic regions in Australia.		

Triple Bottom Line Results for Outcome 4

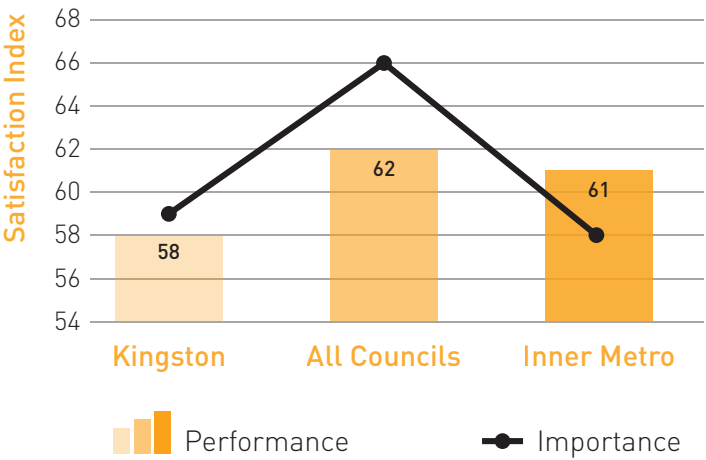
Triple Bottom Line refers to a range of economic, social and environmental indicators that Council uses to monitor the wellbeing of the community. These indicators are detailed below.

Economic indicator:	Economic support services
Responsibility:	Kingston City Council
Council Plan target:	90% satisfaction with business education initiatives

Kingston's Economic Development Team supports businesses through a range of strategies and development programs including workshops, seminars, mentoring program and various network groups. Surveys at Council-run workshops revealed 96% of participants rated the workshop as excellent or good. This rating is the same as the 96% from 2010/11.

As shown in Figure 14, Kingston achieved a satisfaction index score of 58 based on the DPCD Community Satisfaction Survey. In comparison to other Inner Metropolitan Melbourne and All Councils in the survey, Kingston's satisfaction score is significantly lower. Between 2007 and 2011, Kingston's comparative satisfaction scores for economic development have achieved mixed results. Kingston's performance was significantly lower than other Metropolitan Melbourne Councils in 2007 and 2008 but significantly higher than All Councils in 2011. With Kingston's heavily industrialised industry, perhaps Kingston's disappointing result for economic development is a result of resident concern for employment opportunities given the recent downturn in the local and global economies. However, job creation and employment programs are the responsibility of State and Federal Governments and Kingston does not provide these programs as a direct service. Kingston will continue to identify opportunities to support residents and businesses gain access to appropriate programs.

Figure 14: Satisfaction with business and community development and tourism



Source: Economic Development Department workshop evaluation forms and 2012 DPCD Community Satisfaction Survey.

National Broadband Network

Council was very active in lobbying for Kingston to receive the National Broadband Network early in the roll-out stage. The City of Kingston is strongly of the view that an area as economically important as the south east of Melbourne must be given priority as the NBN is rolled out around the country to ensure that local companies remain globally competitive. The Broadband network is fundamental to advanced manufacturing and the adoption of new technologies. We were very pleased with the announcement that the southern area of Kingston will receive the NBN within the next 12 months and the Cheltenham, Mentone and Parkdale areas within the next 3 years.



Outcome 5: Community Inspired Leaders

We are engaging with the community to encourage and support its development and strength through exemplary leadership and advocacy

About this Outcome: We are exceeding our community's expectations by building and supporting a culture of service delivery. Our aim is to focus on inspired innovation based on a shared vision for a better future. Quality leadership and governance is driven through Executive Services, Communications and Promotions, Information Services and Technology, Financial Accounting and Rates Services, Procurement and Contract Management, Customer Services, Governance, Organisational Planning, and People and Culture.

This year Council invested \$39.1 million in this outcome. This is a significant increase of 59.6% on the 2010/11 figure of \$24.5 million. In part this large increase is a result of an unbudgeted Vision Super Defined Benefit call of \$10.4 million which was recorded as an expense in 2011/12.

Community festivals and events

Events and festivals are an important part of Kingston, and bring the community together to celebrate what is special about our municipality. Council stages a broad range of free community events that attract more than 100,000 people annually, such as the Globe to Globe World Music Festival (pictured here) held in January each year.



Living Kingston 2035

Work has commenced on Living Kingston 2035 to create a long term vision for Kingston. The vision provides an opportunity for the Kingston community to describe their needs, interests and aspirations for the next 25 years. At the end of June 2012, 1,275 community members have participated in the project, with a further 188 Kingston app downloads and 1,246 visits to www.livingkingston.com.au

Our major achievements in 2011/12

We have continued to invest heavily in projects, programs and our people which ensures comprehensive consultation, engaging and informing the community, develop advocacy programs on behalf of our community, and creating a safe workplace for our employees.

We will draw our inspiration from the community, understanding and embracing our role as custodian of their shared resources and provider of important services. Our success will be derived from how we respond and our ability to demonstrate our outstanding leadership. Highlights of our progress during 2011/12 include:

- Work has commenced on Living Kingston 2035 to create a long term vision for Kingston. The vision provides an opportunity for the Kingston community to describe their needs, interests and aspirations for the next 25 years. At the end of June 2012, 1,275 community members have participated in the project, with a further 188 Kingston app downloads and 1,246 visits to www.livingkingston.com.au
- Implementation of the new customer service strategy and action plan from customer service to customer care is on track to reduce call wait times and improve first point contact resolution rates
- The adoption of the Information Services Strategy will ensure ICT projects are in line with corporate objectives. The Strategy includes the implementation of the Asset Management System and testing Kingston's disaster recovery plan

- Implementation of various systems across the organisation to improve operational efficiencies, including SafetyMax (OHS reporting and monitoring system), Comensura (third party broker for temporary agency staff), complete hardware rollout for Phase 1 of Council's new telephone system, Strategic Plan and Action Management Reporting System, and establishment of a preferred print supplier panel and implementation of a centralised print management system
- Employee Opinion Survey was implemented indicating employee satisfaction is 76%, and achieved a response rate of 61%
- Implementing advocacy campaigns on behalf of the community including funding for foreshore works, improving the amenity and appearance of Mentone Pipes, improvements along Mordialloc Creek, discouraging illegally dumped rubbish, and calling for greater action against landfill operators breaching odour limits
- Positive audit result from the Local Government Investigations and Compliance Inspectorate Audit confirms there are no concerns with the implementation of legislative framework and therefore ensure public confidence in Kingston's Governance framework

More detail on the progress of these achievements and many others achieved during 2011/12 can be found on pages 95 to 103.

Challenges we experienced

- Staying abreast of the increasing complexity of legislation impacting local government and maintaining effective governance frameworks is an ongoing challenge. During 2011/12 there continued to be changes to the Local Government Act and other legislation impacting Council. Interpreting this legislation can be challenging across the sector where multiple interpretations are made as occurred with Long Service Leave. The increasing complexity of both the legislative environment and the decisions being made by Council creates challenges in managing the impacts of compromise, balancing diverse opinions and transparent decision making within a robust governance framework.
- When trying to upgrade Kingston's critical system storage to increase capacity and enhance functionality to allow for the increase in Council systems, there was a significant system failure for several days in August 2011. The primary storage component for the backend systems had failed due to a software bug/fault. It failed at our primary site and at our secondary sites, commonly referred to our Disaster Recovery site. This fault caused a 12 month delay to all IT Infrastructure works along with several corporate application upgrades such as TRIM, Outlook email upgrade and network login upgrade.
- Ensuring Kingston keeps abreast of advancing technologies while managing sometimes conflicting departmental priorities.
- Whilst OHS incidents are declining, the impact of greater training and proactive management has not translated into

premium reductions as the premium is impacted by a number of significant claims during 2011/12 and the performance over the last three years.

- Implementing online compliance training in areas with limited access to computers during work hours given approximately 50% of Kingston's workforce does not have access to a computer, necessitating delivery of some face-to-face training
- Advocating on behalf of the Kingston community on issues Council does not directly control such as public transport, airport development, management of waterways, and managing odour from local landfills.
- Establishment of a new team structure to deliver Council's Governance responsibilities to create a stronger Governance framework for Kingston, policy development, and with the upcoming October 2012 elections. However, in an environment where Governance employees are difficult to attract and maintain, staff departures were initially challenging to manage. All roles have now been filled.
- In 2011/12 the Festivals and Events and Arts and Cultural Services Teams joined the Communications and Public Affairs Department. The structural change, combined with staff turnover presented some challenges to service delivery, however these were effectively managed and the Department is now better aligned to deliver on Council's objectives.
- Due to the current financial climate there have been some challenges in securing sponsorships for the four major festivals.

Fast Facts

	2011/12	2010/11	Change	% Change
Citizenship Ceremonies held	5	5	0	0.0%
Telephone calls to Customer Service	134,704	140,744	-6,040	-4.3%
Over the counter contacts with customers at service centres	82,599	90,101	-7,502	-8.3%
Percentage of requests actioned through the Customer Request Management System within service standards	90.2%	n/a	n/a	n/a
New Resident Kits provided	2,330	2,352	-22	-0.9%
Media releases written	228	334	-106	-46.5%
Unique visitors to Kingston’s website	784,000	709,000	75,000	9.6%
Number of meetings provided for	1,359	1,416	-57	-4.2%
Number of external mail items processed for collection	260,056	260,992	-936	-0.4%
Top four requests for action:				
Waste	10,784	11,025	-241	-2.2%
Tree Pruning	5,759	5,554	205	3.7%
Local Laws	6,596	4,562	2,034	44.6%
Reserves/Parks	4,590	4,669	-79	-1.7%
Freedom of Information Requests	30	29	1	3.4%
Number of Privacy Requests responded to	346	326	20	6.1%
Number of IT Help Desk Calls responded to	8,473	7,750	723	8.5%
Number of Documents registered:				
Inwards Documents	87,525	84,881	2,644	3.1%
Internal Documents	39,625	63,357	-23,732	-37.5%
Outwards Documents	92,419	75,887	16,532	21.8%
Number of staff who attended an Information Services training course	584	550	34	6.2%

Plans for the next 12 months

- Complete community consultation and finalise Living Kingston 2035 vision document in order to inform the new Council’s four year Council Plan
 - Complete commencement and induction program for new Councillors and develop new 2013-2017 Council Plan
 - Develop and implement an Advocacy Action Plan to champion important issues on behalf of the community
 - Improve the City of Kingston’s branding recognition across all events and services
 - Implement the Customer Service Framework which aims to embed focus on effective customer care into all interactions across Kingston
 - Embed sound risk management frameworks to mitigate strategic and operational risks to Council
- Continue to implement and embed Take Care Take Control - Health, Safety and Wellbeing framework to deliver improved OHS and WorkCover Services
 - Key work includes implementing the early intervention program will be undertaken as a priority in the first quarter of 2012/13
 - Complete work on the new Enterprise Agreement
 - Enhance the delivery of People and Culture services and advice which balances legislative, industrial and good practice demands
 - An action plan will be developed to further build on our strengths following the employee survey results
 - Implement systems and processes to enhance organisational capability, including final stages of AMS, HRIS, and a new version of TRIM
 - Implement Council’s Information Services Strategy

How we performed against the Council Plan – Our scorecard

The tables below reflect the progress of our key work during 2011/12. Each milestone is linked to the strategies and priorities set in the 2009/13 Council Plan. The progress at the end of the financial year against each milestone has been represented by:

Completed On track Slightly delayed Delayed




Strategy 5.1 Be community centric

2011/12 Milestone	Responsible Department	Progress
5.1.1 Develop and implement advocacy programs to champion community needs for:		
State and Commonwealth funding for foreshore works and renourishment funding	Parks, Recreation and Depot Services	100%
State Government funding for maintenance and mowing of roads, railway lines and roundabouts	Parks, Recreation and Depot Services	100%
Obtain direction from Council in relation to the development of an Affordable Housing Strategy	City Strategy	85%
Progress the options for improving the amenity and appearance of Mentone beach, including the Mentone Pipes	Parks, Recreation and Depot Services	100%
Funding for environmental and amenity improvements along Mordialloc Creek	Parks, Recreation and Depot Services	100%
Guidance and leadership from State and Federal Governments to address and/or mitigate climate change issues for our local environment, society and economy	City Strategy	100%
Improvements in the manner in which Airport Land Use and Aviation Planning is undertaken at a Commonwealth and State Level	City Strategy	75%
State Government agencies for implementation of Kingston’s Traffic Studies	Infrastructure	100%


Progress Comments: In partnership with Melbourne Water, three foreshore drainage outfalls have been removed by consolidating them into the Marina Road drain. Council has been successful in receiving funding from DSE to renourish beaches at Aspendale and Mentone. Work will commence in July 2012. See page 34 for further details. For erosion works along Carrum Foreshore see page 57 for further details and for improvements along Mordialloc Creek see pages 35 and 58. Changes to roadside vegetation maintenance responsibilities with VicRoads have been finalised and become operational. The objective is to improve overall standards whilst containing costs, with improvements in presentation already noticeable. The Affordable Housing Taskforce was reconstituted, Councillors on the Taskforce requested officers undertake further work in this area in 2012/13. The Environmental Planning Team continues to examine the impact on climate change on the Kingston community, including reviewing procurement contracts to partner other agencies in examining coastal inundation issues. Council made a submission to the National Airports Safeguarding Framework in relation to the draft guidelines which have been released. Officers also participated in the first Planning Co-ordination Forum for the Moorabbin Airport. See page 35 for further details. Council’s Infrastructure Department continues to liaise with State Government Agencies such as VicRoads and the RTA on traffic and safety related issues. Kingston advocates for the adoption of the South East Transport Strategy. The annual program review meeting was held with VicRoads regional senior management and an additional forward planning meeting was also conducted to look at the impact of various strategic plans. Funding for the Dingley Bypass was confirmed in the State budget.




Mordialloc beach and pier

2011/12 Milestone	Responsible Department	Progress
5.1.2 Inform the community's overall participation and knowledge by:		
Updating public websites and ensuring continuous improvements to provide the community with timely information	Communications and Public Affairs	 100%
Inform the media of Council news and events	Communications and Public Affairs	 100%
Support all Council departments to promote Council programs, activities and events	Communications and Public Affairs	 100%

Progress Comments: Kingston's website is continually updated with new information and news items. Recent upgrades include improvements to the planning register to allow residents to search for planning applications online. The addition of a central social media page that makes it easier for residents to link to Council's various social media applications. Each year, Kingston also publishes 11 editions of KYC. The Communications and Public Affairs Team helps keep the community informed about the organisation's programs, activities and events through the development and implementation of targeted communications plans. Some of the major communications plans delivered in 2011/12 include the potential sale of Northcliffe Lodge bed licences, promotion of Living Kingston 2035 project, Carrum Lifesaving Club redevelopment and foreshore landscaping, advocacy for better management of odour from landfill sites, and the Green Wedge Management Plan consultation.

5.1.3 Continue to implement the new customer response systems		
Continue to implement the new customer response systems	Customer Service and Performance Planning	 85%


Progress Comments: Implementation of Phase 2 of Pathway Customer Request Management System (CRM) significantly completed. Planning delayed in line with work on planning application development due for completion in September 2012. Community Buildings 'go live' linked to Asset Management System (AMS) roll out and will be completed prior to November 2012 as the AMS and CRM systems are integrated. Investigations into the expansion of the customer contact process have been completed and revised workflows in CRM are expected to be completely implemented by September. Additional training will be rolled out with Kingston's new System Trainer.

5.1.4 Implement the new customer service strategy and action plan "from customer service to customer care"		
Implement the new customer service strategy and action plan "from customer service to customer care"	Customer Service and Performance Planning	 100%


Progress Comments: Customer Commitment training commenced for the entire organisation and is expected to be completed in August 2012. New Phone system will go live 6th August 2012. Additional customer care staff currently being recruited to reduce call wait times and improve first point contact resolution rates. Customer Request System being finalised. Additional work on increasing first point resolution by identifying areas where customer care staff could take and resolve calls has commenced and will continue across 2012/13 as we implement the Customer Service Strategy.

Customer commitment training commenced, focusing on seven key commitments for staff to follow.




2011/12 Milestone	Responsible Department	Progress
5.1.5 Improve the Council meeting process and community access to Council business information by implementing an Agenda Management System		
Improve the Council meeting process and community access to Council business information by implementing an Agenda Management System	Governance	 50%

Progress Comments: Specification scoping with preferred supplier has commenced and product implementation will occur during 2012/13. The Agenda Management System will significantly reduce the time taken to complete weekly Council agendas.

5.1.6 Implement a web-based request system and information database for Councillors		
Implement a web-based request system and information database for Councillors	Governance	 90%



Progress Comments: Councillors Online was introduced and includes an online Councillor request logging facility. New website Content Management System will further enhance web content material for Councillors and it is expected to be introduced by the end of 2012.

Strategy 5.2 Create a shared vision for the future.







2011/12 Milestone	Responsible Department	Progress
5.2.1 Actively engage with the community to develop a new Community Plan and Vision		
Develop a Community Vision	Customer Service and Performance Planning	 100%







Progress Comments: Community Vision Reference Panel meetings are held monthly and Community Vision Steering Group meetings are held as required. Our naming competition generated over 180 ideas and 1,147 votes. A total of 62 participants have registered for the Ambassador Program, 655 participants have completed a survey, and over 200 ideas have been submitted via the project website (www.livingkingston.com.au). A range of communication and marketing activities have been put in place, including numerous community briefings. The name selected for the project is 'LivingKingston2035'. New branding has been developed and has a distinctive 'K'. The City of Kingston app has been developed and available for free download since April 2012 in iPhone and Android versions. 10 theme-based community forums and 2 staff forums were held in May/June and professionally facilitated by consultants with over 180 in attendance in total. Additional forums and facilitated sessions are planned for later in 2012.

Strategy 5.3 Sound governance and responsible financial leadership.

2011/12 Milestone	Responsible Department	Progress
5.3.1 Continue to participate in cross-municipal resource sharing forums and negotiations, including:		
Across Councils	All Departments	 100%
Across Community Groups	All Departments	 100%

Progress Comments: The Family and Children's Strategy will be launched in July 2012. There has been a hold up with this strategy due to policy changes from the Council of Australian Government that is out of our control. Once launched, the Family and Children's Services Partnership will undergo a review of its purpose and consider any role it may have in the implementation of the strategy. Partnerships have been established with Government departments such as the Department of Health and the DPCD to fund cross municipal activities including Chelsea Community Renewal initiatives, Kingston/Bayside Primary Care Partnership activities, and Strengthening Clayton and Clarinda Project initiatives.

2011/12 Milestone	Responsible Department	Progress
5.3.2 Maintain interdepartmental working groups to develop, review and develop asset management plans, in consultation with the community, including within:		
Infrastructure	Infrastructure	 100%
Community and Aged Services	Community and Aged Services	 100%
Progress Comments: The implementation of the AMS is continuing and will see the progressive review, update and renewal of asset management plans for all asset classes up to June 2013. The implementation team is advised by the interdepartmental working groups. As the asset management plans are moved to a service delivery rather than condition based framework (National Asset Management Framework), community consultation will be sought on service standards.		
5.3.4 Continuously improve health and safety by implementing the Take Care Take Control Strategic Plan		
Implement the Take Care Take Control Strategic Plan	Customer Service and Performance Planning	 90%
Progress Comments: Organisational training program is continuing with the aim of ensuring all employees across Council receive appropriate training and refreshers. Incident/ injury management and workcover system is being implemented. Pilot programs for OHS training in Aged Care and Parks that commenced in June 2011 are slightly behind schedule. An early intervention program is being developed and initial discussion with providers has been undertaken. However further work is required to ensure that this project is implemented in first quarter of 2012/13 as a priority with a new program leader. Senior management refresher training in Health and Safety has been undertaken. Deloitte OHS Audit (March 2011) recommendations being actioned with majority of actions now completed. See page 130 to 133 for further details.		
5.3.5 Develop and implement effective reporting systems, including:		
Strategic Plan and Action Management Reporting System	Customer Service and Performance Planning	 85%
Develop an annual analysis to highlight the trends and profile of the organisation and measuring results of internal programs.	People and Culture	 100%
Continuously improve the existing monthly "organisational health" reports	Customer Service and Performance Planning	 100%
Progress Comments: Planning and Reporting system is in place and was first used for quarterly reporting in March 2012. Integrated Project Management module commenced implementation in May 2012 and is expected to go live in November 2012 in line with the annual capital works process. Refinement of Monthly Finance reports currently underway and this will go live for the July 2012 monthly report. Analysis has been finalised and used for human resource planning matters. Plans have been developed to replicate the report for 2011/12 to identify trends in organisational health. A monthly organisational health indicator report is produced each month. The report is discussed quarterly with the corporate leadership group for any areas which require intervention.		

2011/12 Milestone	Responsible Department	Progress
5.3.6 Establish the capability to achieve effectiveness and efficiency improvements in key organisational processes including:		
Introduce mechanisms to reduce Kingston's Workers Compensation Premium and the rate of Lost Time Injuries	Customer Service and Performance Planning	 95%
Introduce a centralised agency and temporary staff advisory and brokerage service for the organisation	People and Culture	 100%
Implement a centralised publishing advisory and brokerage service for the organisation	Communications and Public Affairs	 100%
Progress Comments: A number of processes are currently in place to reduce lost time injuries and premium. Changes to recruitment practices, development of an early intervention program and regular review of return to work opportunities are all in place. A strong focus on health and safety in the workplace is also in place and a number of interventions in high incidence areas, such as Parks and Aged Care, are underway to work with teams to reduce the frequency and severity of incidents. A centralised agency and temporary staff brokerage system went live using Comensura on 26th March 2012. Initial reports from Comensura have shown good utilisation and take up of the system. A major supplier of temporary staff to the Aged and Disability Department is yet to formally sign up with Comensura, which has delayed full use of the system. A preferred print supplier panel has been established for Council to improve quality and consistency of print materials and achieve cost savings. To complement this, a centralised print and design ordering service has also been established. A style guide and panel of graphic designers to manage overflow is currently in development.		
5.3.7 Maintain Long-Term Financial Strategy that is integrated with Council's Asset Management Strategy		
Maintain Long-Term Financial Strategy that is integrated with Council's Asset Management Strategy	Financial Services	 100%
Progress Comments: This is on target as part of the budget process. The budget was presented to Council on 16th April 2012 and was tabled at Council on 7th May 2012.		
5.3.8 Improve Kingston's culture of accountability and ethical behaviour by revising the Employee Code of Conduct		
Revise the Code of Conduct	People and Culture	 75%
Progress Comments: An initial re-draft of the Code of Conduct has been completed. Further work is required to align with other policies and procedures, and present the document in an appropriate manner. No further update has been made to this policy as the Enterprise Agreement negotiations commenced and took precedence.		
5.3.9 Prepare Annual statutory audited Standard Statements and Financial Statements		
Prepare annual statutory audited standard statements and financial statements	Financial Services	 100%
Progress Comments: Unqualified Audit report received for the 2010/11 Standard Statements and Financial Statements in September 2011.		

Strategy 5.4 Inspired, dynamic and accountable people..

2011/12 Milestone	Responsible Department	Progress
5.4.1 Ensure the right people are in the right job at the right time, grow people and embed the Community Inspired Leadership culture through implementing the People Strategy:		
Develop a culture of zero tolerance of discrimination and harassment	People and Culture	<div><div></div></div> 75%
Commence work on the new Enterprise Agreement (EA)	People and Culture	<div><div></div></div> 100%
Implement and review LINK plans and processes	People and Culture	<div><div></div></div> 100%

Progress Comments: EEO and Discrimination policy and Workplace Violence, Bullying and Harassment policies have been drafted and external advice has been sought. Online EEO awareness training has been delivered throughout the organisation and an EEO Intranet page is being developed. Further on line training courses have been added to strengthen the organisation’s commitment including Bullying Prevention and Ethics and Conduct which are to be completed by all full time and part time staff by the end of 2012. Meerkin and Appel (Lawyers) facilitated the EA negotiation advisory forum to understand trends in EA negotiations within the local government sector. Consultation was undertaken with CLG, the Staff Consultative Committee and Team Leaders and Managers. The Kingston Management representatives were finalised. Trade unions were notified of the timetable of negotiations. The Intranet page for the EA was updated. Staff information sessions commenced and were promoted throughout the organisation, including Staff Representational Rights. LINK review of 2010/11 cycle has been completed. The review is awaiting finalisation by new staff in People and Culture. On line performance management systems were also investigated as part of the Human Resource Information System (HRIS) tender process. Close out conversations commenced in May. A recording spread sheet has been developed to capture completion rates.

5.4.2 Develop a specification and complete the tender evaluation process for a HRIS		
Complete the tender evaluation process for a HRIS	People and Culture	<div><div></div></div> 100%

Progress Comments: Tenders closed for the HRIS in February 2012. Initial assessment and evaluation has been completed. Demonstrations of short listed tenders were completed in May. Reference checks including site visits have been undertaken on preferred tenderer. The Evaluation Committee, Reference Group and Steering Committee have met throughout the quarter.

5.4.3 Continue to reduce Kingston’s impact on the environment through the ‘Our Place’ program, including:		
Identify one environmental focus per month and focus on changing staff behaviour	City Strategy	<div><div></div></div> 100%
Provide environmental information to staff regularly through a variety of media including Connect Magazine, Connect on-line and email	City Strategy	<div><div></div></div> 100%

Progress Comments: The Our Place Program has been run throughout 2011/12 with selected themes picked for each month and promoted through the Intranet, EcoReps and Connect Newsletter. Events have been generally well attended and feedback has been positive. Our Place regularly has a one page feature in Connect Magazine and a strong on line presence. Email is used sparingly, most frequently to promote upcoming events. Yammer is more commonly used for information sharing. In addition the ‘Our Place’ Program is a consistent feature of the staff induction program.

2011/12 Milestone	Responsible Department	Progress
5.4.4 Create a focus on internal communication to inform and inspire employees by:		
Updating the organisation’s intranet to ensure continuous improvements to provide employees with timely information	Communications and Public Affairs	<div><div></div></div> 100%
Supporting all Council departments to promote internal and external programs, activities and events	Communications and Public Affairs	<div><div></div></div> 100%

Progress Comments: Intranet continually updated with new information, news items updated weekly and new features are being developed. The increase of video news items is proving to be popular with staff. New developments include a social media centre to provide staff with a central point on the intranet to access information, policies and training around social media tools. Internal communications plans have included the Employee Opinion Survey, EA process, budget and Customer Service Commitment.

5.4.5 Continue the development and implementation of Council’s Information Services, including:		
Implementation of AMS	Infrastructure	<div><div></div></div> 60%
Complete test of Kingston’s disaster recovery environment	Information Services	<div><div></div></div> 75%
Review and complete new three-year Information Services Strategy	Information Services	<div><div></div></div> 100%
Commence e-Services for planning	Information Services	<div><div></div></div> 100%
Review of processes in line with the Evidence Act	Information Services	<div><div></div></div> 50%

Progress Comments: AMS contracts and tenders were established in July 2011 with Leases and Licenses following in November 2011. Property and Building Asset Registers have mostly been achieved including integrations with corporate systems and is now delayed until November 2012. While there have been some delays due to technical difficulties with integration, other functions of the AMS are progressing on track. The completion of a full test in the disaster recovery plan has not been possible due to a problem with the server hardware in August 2011. Random testing of various applications has consistently been undertaken as a component of the requirements of a full disaster recovery test. The Information Services Strategy has been presented to CLG and approved. CLG ensure that ICT projects are in line with the corporate objectives. This process has been extended to include a monthly status update of the major current projects which are completed by the line departments. With agreement and commitment to implement the SPEAR process an implementation strategy including applicable timeframes now needs to be developed by Planning/Building. A review of the requirements of the Evidence Act has commenced and requires the new version of TRIM (Kingston’s document management system). This process was on hold until a determination could be made on the ability of some of Council’s existing systems to integrate with newer versions of TRIM. A meeting will be held with the software vendor in mid July 2012 to develop a project plan for the implementation of TRIM Version 7.2.

Dan Palmer from Very Edible Gardens gave a detailed presentation on vegetable gardening as part of the ‘Our Place’ staff workshops. Dan is pictured with Michael and Emily from Council.



Our Place
Kingston’s environmental behaviour change program has continued for the third year under the Our Place title, this year expanding from a staff focus to the community Greening Our Place, Greening Kingston series. The Our Place program aims to provide useful information to assist and inspire people to make simple changes to their lives that reduce environmental impacts. In 2011/12 twenty workshops were held on a range of topics included Green Cleaning, Raising Backyard Chicken and Draught Sealing. Over 240 staff attended lunchtime sessions in the 12 months and over 155 community people attending sessions in the six months since Greening Our Place, Greening Kingston was launched.

Triple Bottom Line Results for Outcome 5

Triple Bottom Line refers to a range of economic, social and environmental indicators that Council uses to monitor the wellbeing of the community. These indicators are detailed below.

Economic indicator:	Financial viability
Responsibility:	Kingston City Council
Council Plan target:	111.03% working capital ratio

Refer to pages 11 to 12 for the Chief Financial Officer’s Report and page152 in financial statements (key strategic indicators).

Economic indicator:	Insurance risk rating
Responsibility:	Not directly monitored, surveyed or controlled by Council
Council Plan target:	Maintain Risk Liability Assessment

Kingston is committed to effectively managing risk and the cost of insurance. Kingston received a score of 80% in the Liability Mutual Insurance Risk Management Audit 2011/12 – the state average was 80%. Refer to the section on Risk Management on page 117 for further details.

Source: Liability Mutual Audit Report 2010-2012

Economic indicator:	Organisational capability
Responsibility:	Kingston City Council
Council Plan target:	Increase satisfaction with Kingston as an employer above 70%

As a part of Kingston’s commitment to the continuous improvement of the organisation, an Employee Opinion Survey was completed in May 2012 by 61% of employees (809 employees). This compares to a 43.2% participation rate in June 2010 when the survey was last completed by 549 employees. The organisation achieved an overall satisfaction rating of 76%, an improvement on the 74% in employee satisfaction levels from the previous survey conducted in 2010. This feedback will now be used as the basis for ongoing discussions and program development over the next 12 months. The next Employee Opinion Survey will be conducted in 2014. (Refer to the Our Employees section on pages 16 to 19 for further details).

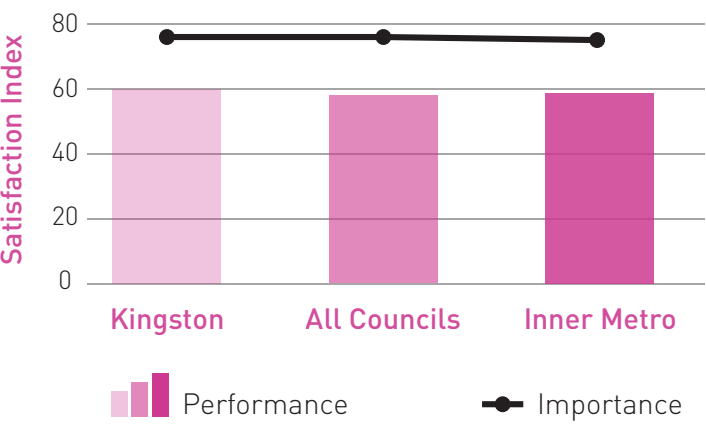
Source: Insync Surveys for Kingston Council 2012

Social indicator:	Satisfaction with community engagement
Responsibility:	Kingston City Council
Council Plan target:	72% resident satisfaction with community engagement.

Kingston engages the community in planning for the future and making decisions about their local areas. Community consultation and engagement is measured annually through the DPCD survey. As shown in Figure 15, in 2012 Kingston’s satisfaction index was 60 and was higher than satisfaction found at other Inner Metropolitan Melbourne Councils and significantly higher than satisfaction at All Councils. Kingston residents also rated the importance of community consultation and engagement as higher than the other groups. Kingston resident satisfaction with community engagement has consistently been similar to other Inner Metropolitan Melbourne Councils from 2007 to 2011 and in 2010 and 2011 was significantly higher than satisfaction found across All Councils surveyed. Kingston will continue to work hard in 2012/13 to improve this area for our residents. One of the major projects being implemented to encourage community engagement and partnership is the Living Kingston 2035 Community Vision. See page 97 for further details.

Although our Council Plan target is to achieve 72% resident satisfaction, given the change in methodology with the survey in 2012, these targets can no longer be directly compared with the reported index score of 60. This target will be reassessed before the next survey is conducted in 2013 and included in the development of the new Council Plan for 2013.

Figure 15: Satisfaction with community consultation and engagement



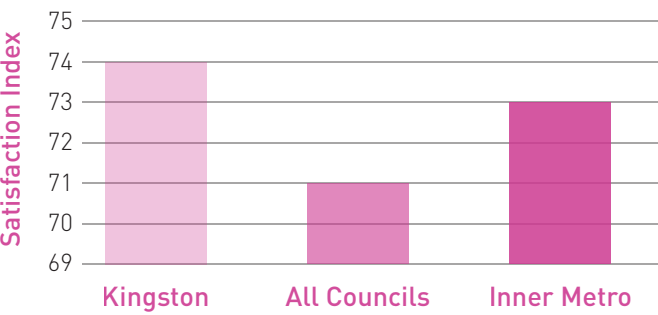
Source: Liability Mutual Audit Report 2010-2012

Social indicator:	Satisfaction with service contract
Responsibility:	Kingston City Council
Council Plan target:	80% resident satisfaction with service contact.

Kingston is committed to service and complaint management across all services. Satisfaction with customer contact is a measure sourced from the DPCD survey and includes only the satisfaction of the 64% of respondents who have had actual contact with Council in the last 12 months. Contact by telephone was the most popular form of contact (44%) followed by in person (30%) and in writing (10%). The DPCD survey benchmarks and gauges residents’ expectations and views regarding Kingston’s service provision. As shown in Figure 16, in 2012, the result of 74 indicates Kingston residents have a higher level of satisfaction compared to other Inner Metropolitan Melbourne Councils and All Councils surveyed, although these differences are not significant. Importance of customer service contact is not measured in the DPCD survey. Between 2007 and 2011, Kingston residents rated satisfaction as similar to that found at other Inner Metropolitan Melbourne Councils and All Councils with no significant differences found. One of the ways Kingston aims to improve service includes implementing the new customer service strategy and action plan “from customer service to customer care” and customer response systems.

Although our Council Plan target is to achieve 80% resident satisfaction with service contact, given the change in methodology with the survey in 2012, these targets can no longer be directly compared with the reported index score of 74. This target will be reassessed before the next survey is conducted in 2013 and included in the development of the new Council Plan for 2013.

Figure 16: Satisfaction with customer contact with Council



Source: 2012 DPCD Community Satisfaction Survey.



Governance



Democracy in Kingston

Local Government is the third tier of Government in Australia after Federal and State, and it is also regarded as the closest level of Government to the community. Working in partnership with Federal and State, and other agencies, it plays a vital role in providing over 100 services and programs to the community, and also in advocating on behalf of local residents on a wide range of issues.

Kingston is one of 79 Councils in Victoria operating in accordance with the Local Government Act 1989 which sets out its authority, powers, duties, functions and the process for Council elections. Victorian Councils spend over \$4 billion annually to provide services, programs and facilities for their communities.

Council Wards

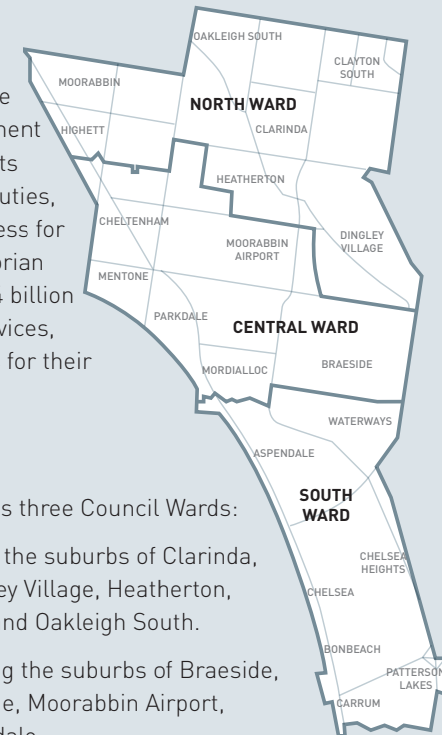
The City of Kingston has three Council Wards:

- North Ward covering the suburbs of Clarinda, Clayton South, Dingley Village, Heatherton, Highett, Moorabbin and Oakleigh South.
- Central Ward covering the suburbs of Braeside, Cheltenham, Mentone, Moorabbin Airport, Mordialloc and Parkdale.
- South Ward covering the suburbs of Aspendale, Aspendale Gardens, Bonbeach, Carrum, Chelsea, Chelsea Heights, Patterson Lakes, and Waterways.

Each Ward is represented by three Councillors who were each elected for a four year term through postal voting in November 2008. Councillors work together with the community, the CEO the Council administration to set Kingston's strategic direction.

They make important decisions regarding the whole municipality and in doing so, they consider the views of, and consult with, the community.

Refer to Our Councillors section on page 13 for more details.



FURTHER READING:

Kingston's website at www.kingston.vic.gov.au/councillors to learn more about:

- Councillors' Code of Conduct
- Council Ward Boundaries
- Ensuring unbiased democratic decision making

Mayor's Role

Each December, Council elects a Mayor for a 12 month term who will:

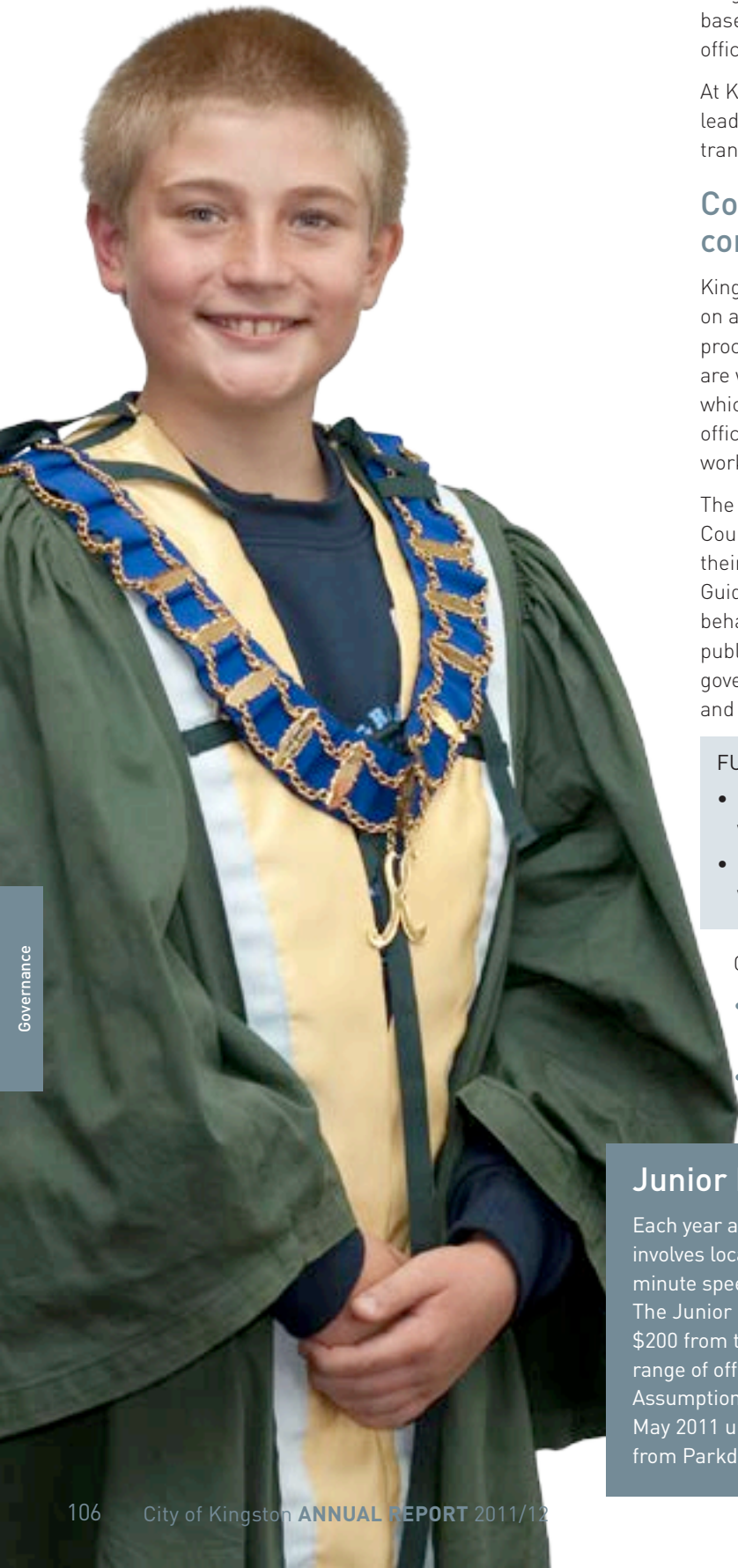
- Lead, inspire and support the team of Councillors
- Chair Council meetings, encourage Councillors to participate and work together, and enhance good governance
- Promote civic pride and goodwill
- Support and engage the community
- Advocate to other levels of government on key issues on behalf of the community
- Work with the CEO to ensure Council achieves its objectives

Cr Ron Brownlees served as Mayor until 30 November 2011, upon which time Cr John Ronke was elected Mayor.

FURTHER READING:

Kingston's website at www.kingston.vic.gov.au as well as www.mav.asn.au and www.vlga.org.au to learn more about the roles of Mayor and Councillors.

Our Governance System



Good governance is important as it ensures that Councils operate effectively, efficiently, impartially and with integrity and compassion. Kingston adopts good governance principles by making decisions based on proper processes and systems, and ensuring that Council officers carry out these decisions appropriately.

At Kingston, good governance incorporates the key principles of leadership, integrity, participation, engagement, accountability, transparency (openness) and responsiveness.

Code of conduct, business conduct and conflicts

Kingston's Code of Conduct for Councillors provides advice on appropriate Councillor behaviour, conflicts of interest and procedures for resolving disputes between Councillors. These Codes are well supported by the document 'Guide to Business Conduct' which was developed by Council to encourage and help Council officers, contractors, representatives and volunteers undertake their work with honesty and integrity.

The Guide recognises that employees and representatives of Council are individuals who are responsible and accountable for their behaviour, actions and the ethical use of public resources. The Guide is designed to reduce the risk of unacceptable or unlawful behaviour, and real or perceived conflicts between private and public interests. It is part of Council's commitment to accountable governance and ensuring that the right systems, processes, skills and behaviours are in place.

FURTHER READING:

- Code of Conduct:
www.kingston.vic.gov.au/Files/Councillor_code_conduct.pdf
- Guide to Business Conduct:
www.kingston.vic.gov.au/Files/Guide_to_Business_Conduct.pdf

Good governance involves two types of governance:

- Democratic governance (elected Councillors and the authority they have to make decisions); and
- Corporate governance (the way in which the Council is run and the framework in which its systems and processes operate).

Junior Mayor

Each year a Junior Mayor is elected in Kingston. The election process involves local primary schools nominating one pupil who presents a two minute speech and the remaining students vote for the best presentation. The Junior Mayor, who receives junior mayoral robes and chains and \$200 from the Chelsea Rotary Club, is called on to assist the Mayor at a range of official Council events. Olivia Guhl, a student from Our Lady of the Assumption Primary School in Cheltenham, was Junior Mayor from early May 2011 until April 2012. In April, 2012 Matthew Bergin, a student from Parkdale Primary School, was elected as Junior Mayor.

Democratic Governance

Council Meetings

Kingston's Ordinary Council Meetings are held on the fourth Monday of each month at 1230 Nepean Highway, Cheltenham and commence at 7pm unless otherwise advertised. These meetings are open to the public and agendas are available from Council's website from the prior Friday. There is an opportunity at these meetings for residents to submit written questions to Council for consideration.

Special Council Meetings are called when there is an urgent item requiring a Council resolution which the item cannot wait until the

next Ordinary Council Meeting. The dates for these meetings are advertised in The Age newspaper and on Council's website. There were 14 Special Council Meetings held in 2011/12.

Closed sessions occur during a Council Meeting when the information to be discussed is of a sensitive or confidential nature as defined in the Local Government Act 1989. Some, or all of the reports considered during closed sessions, are not accessible to the general public.

Council Meetings held in 2011/12

Ordinary Meetings of Council	Planning Committee Meetings	Special Meetings of Council
25/7/2011	17/8/2011	4/7/2011
22/8/2011	21/9/2011	11/7/2011
26/9/2011	22/2/2012	12/9/2011
24/10/2011	21/3/2012	19/9/2011
28/11/2011	18/4/2012	10/10/2011
19/12/2011	20/6/2012	14/11/2011
27/2/2012		30/11/2011
26/3/2012		20/2/2012
23/4/2012		22/2/2012
28/5/2012		10/4/2012
25/6/2012		14/5/2012
		18/6/2012
		20/6/2012
		25/6/2012

Councillor	Ordinary Council Meetings attended	Planning Committee Meetings attended	Special Council Meetings attended
Cr Arthur Athanasopoulos (North Ward)	10/12	4/6	12/14
Cr Ron Brownlees (Central Ward) Mayor until 30 November 2011	12/12	6/6	14/14
Cr Lewis Dundas (Central Ward)	12/12	6/6	14/14
Cr Dan Moloney (South Ward)	11/12	6/6	14/14
Cr Paul Peulich (North Ward)	12/12	4/6	14/14
Cr John Ronke (South Ward) Mayor since 30 November 2011	11/12	5/6	11/14
Cr Trevor Shewan (South Ward)	12/12	4/6	14/14
Cr Steve Staikos (North Ward)	11/12	5/6	14/14
Cr Rosemary West OAM (Central Ward)	12/12	6/6	14/14

Councillor Committees

Councillors participate in a number of internal and external committees throughout the year. These committee meetings provide a valuable opportunity for communicating with residents, other Councils and agencies, and other levels of Government. See pages 123 to 124 for further details on Councillor representation on Committees.

Councillor Remuneration

The Minister for Local Government approved an annual adjustment of 2.5% to take effect 1 December, 2011. The annual allowance for the Mayor is \$78,526 and Councillors are remunerated \$26,175 per annum.

In addition to their allowances, Councillors receive a mobile phone, laptop computer and a phone/fax for Council use. They can also claim expenses incurred while performing their duty as Councillors and utilise office administration and support.

Ward Fund donations by Councillor	Amount (\$)
Cr Arthur Athanasopoulos	
Dingley Lions Club	\$300.00
Kingston Historical Societies Network	\$200.00
Fill a fridge Program for Homeless Kids	\$110.00
Friends of Manatuto	\$200.00
Cheltenham Secondary College	\$235.00
Thalassemia Charity Cocktail Party	\$100.00
Animalia Wildlife Shelter	\$250.00
Heatherton Christian College	\$134.00
Chelsea Bowling Club	\$300.00
School Crossings Victoria	\$50.00
Thalassemia Foundation	\$100.00
Minus 18 Formal	\$350.00
Heatherton Christian College	\$133.00
Chelsea Bowling Club	\$300.00
School Crossings Victoria	\$50.00
Cr Ron Brownlees OAM	
Dingley Lions Club	\$200.00
Kingston Historical Societies Network	\$200.00
Dingley Baseball Club	\$500.00
Southern Suburbs Hockey Club	\$1,500.00
Fill a Fridge Program for Homeless Kids	\$120.00

The Mayor receives a vehicle for the duration of his/her term, a dedicated office and support from an Executive Assistant.

Councillor Ward Funds

‘Ward Fund’ donations are discretionary funds that Councillors can allocate to individuals, community groups or local initiatives. To be eligible for a Ward Fund donation, individuals or community groups must meet the criteria as outlined in Council’s Ward Fund Policy which is available on Council’s website. In some cases, it may be more appropriate for community groups to apply for funding through Council’s Community Grants Program (refer to page 126 for further details). The annual allocation of Ward Funds is \$7,000 per Councillor. In 2011/12 all Councillors had unexpended monies from previous years and these amounts were carried forward.

The Ward Fund donations made in 2011/12 by Councillors are shown in the table below.

Ward Fund donations by Councillor	Amount (\$)
Cr Ron Brownlees OAM (continued)	
Friends of Manatuto	\$200.00
Mordialloc Rotary Club – LEEP	\$200.00
Junior Mayor Fundraiser	\$200.00
Sandringham Hospital	\$500.00
Thalassemia Foundation	\$100.00
St Patrick’s Primary School	\$200.00
Animalia Wildlife Shelter	\$100.00
2012 Marathon Challenge	\$200.00
Moorabbin Hellenic Community	\$500.00
Cheltenham Football Club	\$500.00
Chelsea Bowling Club	\$300.00
School Crossings Victoria	\$50.00
Parkdale Tennis Club	\$500.00
Mentone Pre School	\$250.00
Elly Kay Nursing Home	\$300.00
Lighthouse Foundation - The Pines Cheltenham	\$500.00
St Bedes Mentone Football Club	\$500.00
Cheltenham Junior Football Club	\$500.00
Mordialloc & District Historical Society	\$200.00
Cheltenham Community Centre	\$250.00
Farm Road Pre School	\$250.00

Ward Fund donations by Councillor	Amount (\$)
Cr Ron Brownlees OAM (continued)	
Parkdale Vultures Football Club	\$500.00
Mordi Braiside Junior Football Club	\$500.00
Acacia Avenue Pre-School	\$250.00
Parkdale Pre-School Association	\$250.00
Mentone Life Saving Club	\$300.00
Mordialloc Life Saving Club	\$300.00
Kingston Heath Cricket Club	\$300.00
4th Mentone Sea Scouts	\$250.00
Mentone Scouts - Levanto St	\$250.00
Southern Football League - Ben Kavanagh Reserve	\$500.00
Cr Lewis Dundas	
Dingley Lions Club	\$300.00
Kingston Historical Societies Network	\$200.00
Fill a Fridge for Homeless Kidgs	\$110.00
Mordialloc community Nursing home	\$750.00
Mentone Surf Life Saving Club	\$750.00
Mordialloc Surf Life Saving club	\$750.00
Parkdale Yacht Club	\$750.00
Mentone Library (Brindisi St)	\$750.00
Historical Society	\$750.00
Friends of Manatuto	\$200.00
Mordialloc Rotary Club - LEEP	\$200.00
Thalassemia Foundation	\$100.00
Chelsea Bowling Club	\$300.00
School Crossings Victoria	\$50.00
Cr Dan Moloney	
Dingley Lions Club	\$100.00
AGRA	\$600.00
Chelsea Benevolent Society	\$500.00
Aspendale Gardens Community Centre	\$500.00
Bonbeach Primary School	\$125.00
Aspendale Primary School	\$300.00
Kingston Historical Societies Network	\$200.00
Chelsea Community Support Services	\$500.00
Fill a Fridge for Homeless Kids	\$110.00
VIEW Club Mentoring Program	\$250.00
Patterson Lakes Kindergarten	\$333.00

Ward Fund donations by Councillor	Amount (\$)
Cr Dan Moloney (continued)	
Chelsea Netball Club	\$250.00
Friends of Manatuto	\$200.00
Mordialloc Rotary Club - LEEP	\$200.00
Carrum Life Saving Club	\$500.00
Aspendale Primary School	\$100.00
St Louis Primary School Aspendale	\$250.00
Carrum Primary School	\$200.00
Thalassemia Foundation	\$100.00
Chelsea Primary School	\$230.00
Animalia Wildlife Shelter	\$250.00
Chelsea Bowling Club	\$300.00
School Crossings Victoria	\$50.00
Chelsea Concert Band	\$333.00
Chelsea Life Saving Club	\$200.00
Carrum Senior Football Club	\$500.00
Aspendale Junior Football Club	\$500.00
Chelsea City Hall Enterprises Volunteers	\$250.00
Cr Paul Peulich	
Dingley Lions Club	\$300.00
Kingston Historical Societies Network	\$200.00
Kingston Soccer Club	\$500.00
Fill a Fridge Program for Homeless Kids	\$110.00
Friends of Manatuto	\$200.00
Mordialloc Rotary Club - LEEP	\$200.00
Cheltenham Secondary College	\$235.00
Moorabbin Senior Citizens Club	\$1,000.00
Moorabbin Hellenic Community	\$500.00
Thalassemia Foundation	\$100.00
Heatherton Christian College	\$133.00
Hellenica Grammatica	\$2,000.00
Moorabbin Dog Obedience School	\$2,000.00
Chelsea Bowling Club	\$300.00
School Crossings Victoria	\$50.00
Bentleigh Greens Soccer Club	\$1,600.00
Chelsea City Hall Enterprises Volunteers	\$250.00
Leading Dramatic Society	\$800.00
Springvale Fire Brigade	\$500.00

Ward Fund donations by Councillor	Amount (\$)
Cr John Ronke	
Dingley Lions Club	\$100.00
Cheslea Heights Football Club	\$500.00
Aspendale Gardnes residents Association	\$600.00
Kingston Historical Societies Network	\$200.00
Chelsea Community Support Services	\$500.00
Fill a Fridge Programfor Homeless Kids	\$110.00
VIEW Club Mentoring Program	\$250.00
Patterson Lakes Kindergarten	\$334.00
Chelsea Netball Club	\$250.00
Friends of Manatuto	\$200.00
Mordialloc Rotary Club - LEEP	\$200.00
Lighthouse Foundation	\$200.00
Carrum Primary School	\$200.00
Thalassemia Foundation	\$100.00
Chelsea Primary School	\$460.00
Aspendale Gardens Community Centre	\$100.00
Chelsea Bowling Club	\$300.00
School Crossings Victoria	\$50.00
Chelsea Occasional Care	\$2,000.00
Rockbank Enterprises Pty Ltd	\$260.00
Chelsea Concert Band	\$334.00
Chelsea City Hall Enterprises Volunteers	\$250.00
Cr Trevor Shewan	
Dingley Lions Club	\$100.00
Aspendale Gardens Residents Association	\$600.00
2011 Twilight Festival Aspendale	\$300.00
Bonbeach Primary School	\$125.00
Kingston Historical Societies Network	\$200.00
Chelsea Community Support Services	\$500.00
Fill a Fridge Program for Homeless Kids	\$110.00
VIEW Club Mentoring Program	\$250.00
Patterson Lakes Kindergarten	\$333.00
Chelsea netball Club	\$250.00
Friends of Manatuto	\$200.00
Defenders of South East Green Wedge	\$500.00
Kingston Conservation and Environment Coalition Inc	\$500.00
Mordialloc Beaumaris Conservation League	\$500.00
Chelsea Heights Earth Carers	\$500.00
Carrum Primary School	\$200.00
Thalassemia Foundation	\$100.00
Chelsea Primary School	\$230.00
Animalia Wildlife Shelter	\$250.00
Melbourne Classroom Canines team	\$250.00

Ward Fund donations by Councillor	Amount (\$)
Cr Trevor Shewan (continued)	
Chelsea Bowling Club	\$300.00
School Crossings Victoria	\$50.00
Chelsea Concert Band	\$333.00
Chelsea City Hall Enterprises Volunteers	\$250.00
City of Kingston	\$2,000.00
Cr Steve Staikos	
Dingley Lions Club	\$300.00
Kingston Historical Societies Network	\$200.00
Kingston City Soccer Club	\$500.00
Fill a Fridge for Homeless Kids	\$110.00
Friends of Manatuto	\$200.00
Mordialloc Rotary Club - LEEP	\$200.00
Cheltenham Secondary College	\$235.00
DVCA	\$300.00
Bruthen Street Kindergarten	\$500.00
Animalia Wildlife Shelter	\$250.00
Thalassemia Foundation	\$100.00
Minus 18 Formal	\$350.00
Heatherton Christian College	\$133.00
Chelsea Bowling Club	\$300.00
School Crossings Victoria	\$50.00
Cr Rosemary West OAM	
Dingley Lions Club	\$300.00
Kingston Historical Societies Network	\$200.00
Fill a Fridge for Homeless Kids	\$110.00
Friends of Manatuto	\$200.00
Mordialloc Rotary Club - LEEP	\$200.00
Cheltenham RSL	\$500.00
Mentone Public Library	\$100.00
Righteous Pups Australia Autism Assistance Dog	\$500.00
Gretel Kelly	\$500.00
Mordialloc Beaumaris Conservation League	\$500.00
Kingston Conservation & Environmental Coalition	\$500.00
Defenders of the South East Green Wedge	\$500.00
Carrum Indigenous Nursery	\$250.00
Greenlink Indigenous Nursery	\$250.00
Kingston Arts Network	\$500.00
Union of Australian Women	\$500.00
Moorabbin Airport Residents Association	\$200.00
Friends of Bradshaw Park	\$150.00
Friends of Braeside Park	\$150.00
City of Kingston	\$2,000.00

Reimbursement of Expenses of Councillors

Council is required to reimburse a Councillor for expenses incurred in the performance of his/her duties (Section 75 of the Local Government Act). Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The Councillor Support and Expenditure Policy serves to provide clear expectations in relation to out of pocket expenses and support for Councillors. It aims to ensure accountability and transparency in relation to expenses claimable by Councillors.

The Policy requires the reimbursement of Councillor expenses be published in the Annual Report, on a quarterly basis on Council's website and broken down into specific categories as follows:

- Councillor and Mayoral Allowance
- Training, Conferences and Education
- Travel Intrastate
- Overseas and Interstate Travel
- Communications
- Other Expenditure

The reimbursement of Councillor allowances and expenses for the 2011/12 financial year is shown in the table below:

Details of Councillors	Councillor Allowance*	Communications mobile phones / wireless**	Travel intrastate	Travel Interstate	Travel Overseas	Training, Conferences and Education	Other Expenditure
Cr Arthur Athanasopoulos	\$28,240.76	\$1,736.17					\$38.00
Cr Ron Brownlees OAM (Mayor until 30 Nov. 2012)	\$51,437.19	\$2,619.26				\$375.00	\$500.00
Cr Lewis Dundas	\$28,240.76	\$1,767.38					
Cr Dan Moloney	\$28,240.76	\$2,582.82					
Cr Paul Peulich	\$28,240.76	\$2,904.52				\$990.00	
Cr John Ronke (Mayor since 30 Nov. 2012)	\$50,927.45	\$1,454.16				\$1,080.00	
Cr Trevor Shewan	\$28,240.76	\$2,414.66	\$1,083.55			\$1,080.00	\$104.00
Cr Steve Staikos	\$28,240.76	\$2,690.06	\$40.51	\$16.00		\$2060.00	
Cr Rosemary West OAM	\$28,240.76	\$1,405.79					

Note:

*Councillor Allowance - Kingston is a Category Three Council and must set allowances in line with the Local Government Act 1989. An annual adjustment under section 73 B of the Local Government Act 1989 is made annually and is gazetted by the Minister.
**Communications mobile phones/wireless - Communications expenses include standard Blackberry costs (~\$89 per month), and standard wireless internet costs (~\$108 per month). Cr West and Cr Ronke do not have a Council provided Blackberry. Cr Dundas has an ADSL connection (~\$140 per month).

Corporate Governance

Chief Executive Officer (CEO) and delegations

Kingston’s CEO, John Nevins, is the only member of staff directly appointed by, and responsible to, Council. The CEO is responsible for implementing Council decisions, ensuring Council achieves its Council Plan objectives, and managing the day-to-day operations of the organisation. The CEO has delegated powers which include the awarding of contracts to the value of \$750,000. The CEO’s performance is reviewed annually by the Council.

Senior executive performance and remuneration

Senior executives’ performance plans are reviewed annually by the CEO. The established aims, objectives and targets in these performance plans flow on to annual service delivery and performance plans for all employees.

In accordance with Section 11 of the Local Government (General) Regulations 2004, remuneration of all Senior Officers is available for public inspection. As at 30 June, 2012 the City of Kingston had 23 Senior Officers. The total remuneration for Senior Officers during the 2011/12 financial year was \$4,120,454. A Senior Officer is an officer of Council who has management responsibilities, reports directly to the CEO and total annual remuneration exceeds \$127,000.

Accessing planning and reporting

Delivering appropriate and ‘value for money’ services to the community is a priority for Kingston. To enable this to occur an emphasis is placed on:

- **Assessment**
Assessing the needs of the community through research, community consultation and engagement, and benchmarking with other Councils and community services. Council’s tender process ensures Council secures the best value for outsourced services. Auditing (by an independent auditor) ensure services, programs and processes are effective and transparent.
- **Planning**
Planning for services at both the strategic and operational level is undertaken through the Council Plan, Council’s six Best Value Principles (see page 117), the Capital Works program (see pages 23 and 48), Departmental Business Plans, Departmental Budgets (which combine for the overall Council Budget), Personal Performance Plans (for each member of staff), and Community Plan priorities.
- **Reporting**
Reporting enables Council to monitor its progress against the Council Plan objectives and review strategy where necessary. Reporting also communicates this progress to the community and interested stakeholders. Kingston’s methods of reporting include:
 - Quarterly Reports which monitor the achievement of strategic priorities in the Council Plan.
 - Management Quarterly Reports which monitor achievement of Departmental Business Plans, management indicators, risks, issues and resource management.
 - A half yearly budget review which examines expenditure and adjusts financial resources to meet the end of year budget expectations.
 - The Annual Report which reports on Council’s performance against the Council Plan.
 - Monthly Financial Reports to inform CLG of Council’s financial performance compared to the adopted Operating Budget.

Citizenship ceremonies

During 2011/12, over 700 people received Australian Citizenship in five separate ceremonies organised by Kingston and held at Kingston City Hall.

Kingston’s Mayor of the day attended all five ceremonies (including a special Australia Day ceremony on 26 January 2012) to confer citizenship on the new citizens. Local members of State and Federal Government and Kingston’s Junior Mayor assisted with the ceremonies. Families and friends of the new citizens were invited to the ceremonies to join in the celebrations.

Kingston would like to thank the following rotary clubs, community bands and singers for their assistance during Citizenship Ceremonies in 2011/12:

- Rotary Club of Moorleigh – Moorabbin
- Chelsea Concert Band
- Southern Area Concert Band, and
- The Australian Electoral Commission

Citizenship Ceremonies are co-ordinated by Kingston’s Customer Service Department on behalf of the Department of Immigration and Citizenship and in liaison with the Australian Electoral Commission which co-ordinates the electoral enrolment process for new citizens.

FURTHER READING: Department of Immigration and Citizenship website at www.immi.gov.au

The Australia Day breakfast is a popular event with over 600 community members and new citizens attending the event at the Kingston City Hall.



Statutory Information

Charter of Human Rights

Effective 1 January, 2008, as a result of the Charter of Human Rights and Responsibilities Act 2006, all Councils must consider relevant human rights when making a decision and must act in a manner that is compatible with human rights.

The Charter applies to all people in Victoria (but not corporations). It protects 20 Basic Human Rights (e.g. cultural rights, recognition and equality before the law, freedom of expression), and these rights are aimed at assisting people to live with freedom, respect, equality and dignity. Laws and policies can place reasonable restrictions on human rights, but the limitations should be capable of being reasonably justified. Some Kingston initiatives in relation to the Charter of Human Rights implemented in 2011/12 include:

- Continued facilitation of the Access and Equity Committee. This Committee meets regularly to provide advice to Council in relation to addressing equity issues so that people with disabilities, multicultural communities and indigenous residents can effectively participate in the life of the community
- Providing an on-line learning module to train all Council staff in regards to Equal Employment Opportunity
- Using White Ribbon campaign activities to raise awareness and promote a clear message that violence against women is not acceptable
- Continued support for the 'Kingston for Human Rights' organisation which undertakes activities to raise public awareness of the Universal Declaration of Human Rights. See website: www.kfhr.com.au
- Promoting Fair Trade purchasing within Council and progressing Council's commitment to obtain Fair Trade registration

As at the end of June, no Charter related complaints had been made to Kingston.

FURTHER READING:
Kingston's website at www.kingston.vic.gov.au/charterhumanrights as well as www.justice.vic.gov.au and www.humanrightscommission.vic.gov.au

Documents available for public inspection

Kingston is committed to open and transparent governance and in accordance with the Local Government Act 1989 and Section 11 of the Local Government (General) Regulations 2004, the following documents are available for public inspection:

- Mayor and Councillors' allowance
- Senior officers' remuneration
- Overseas or interstate travel in an official capacity by Councillors or Council officers (excluding interstate travel by land for less than three days)
- Names of Councillors and Council officers required to submit a return of interest during 2011/12 and the dates submitted
- Agendas and minutes for 2011/12 Ordinary and Special Council meetings (excluding closed sessions)
- Special Committees established by Council (under Section 86 of the Act) and minutes for meetings (excluding closed sessions). Also Special Committees that ceased to function during 2011/12
- Register of Delegations kept under Sections 87, 88 and 98 of the Act
- Submissions received in accordance with Section 223 of the Act during the previous 12 months.
- Agreements to establish regional libraries under Section 196 of the Act
- Details of property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles Council entered into
- Register of authorised officers appointed under Section 224 of the Act
- Donations and grants made by the Council during 2011/12
- Names of the organisations which Council was a member during 2011/12 and details of fees and services provided to Council
- Contracts valued at \$100,000 or more that Kingston entered into during 2011/12 without first engaging in a competitive process and that are not contracts referred to in Section 186(5) of the Act.

In accordance with Section 222 of the Local Government Act 1989 inspection of these documents can be arranged by contacting the Governance Department on 1300 653 356 or visiting Kingston's headquarters at 1230 Nepean Highway in Cheltenham during business hours.

INFORMATION MANAGEMENT

Information privacy

Council's Information Privacy Policy is based on principles outlined in the Information Privacy Act 2000 and the Health Records Act 2001, and governs Council's approach to managing personal information. It states that personal information is only used and disclosed for Council purposes or where required or allowed by other laws. The information is held securely and is protected from inappropriate disclosure. Enquiries about access to personal information should be addressed to: Privacy Officer, City of Kingston, PO Box 1000, Mentone VIC 3194.

In 2011/12 Council received 346 requests for personal information compared to 326 received in 2010/11 and 428 in 2009/10.

The Information Privacy Policy is reviewed annually by the Privacy Committee. This Committee approves Council's privacy statements, oversees privacy-related complaints (three were received in 2011/12) and provides input into the format and content of privacy training. Kingston offers quarterly introductory privacy training sessions and bi-annual training on the Health Records Act to all Council officers.

Freedom of Information

The following section contains information that is required to be published annually under Part II of the Freedom of Information Act 1982 (the FOI Act). Certain documents or parts of documents kept by Council are exempt from disclosure under Part IV of the FOI Act when they fit into one of the following exemption categories:

- Some internal working documents
- Law enforcement documents
- Documents considered by the Council at a closed meeting including any deliberations or decisions (Section 38a)
- Documents covered by legal professional privilege, such as legal advice
- Documents containing personal information about other people
- Documents containing information provided to an agency in confidence
- Documents containing information provided to an agency by a business where disclosure would cause unreasonable disadvantage
- Documents covered by secrecy provisions in other legislation
- Categories of documents**
Kingston holds information relating to the management and delivery of a wide range of services to the community including:
 - Strategic planning and monitoring performance targets

- Investigations, correspondence, complaints and consultations with communities or groups, businesses and other government agencies
- Adherence to policy, legislation and industry standards
- Internal administrative and operational documents
- Internal policy and procedural documents
- Financial records
- Personnel documents

Certain documents, depending on their content, are regularly destroyed or transferred to the Public Records Office of Victoria in accordance with the Public Records Act 1973.

- Documents available for inspection**
A range of documents and publications may be downloaded from Kingston's website, www.kingston.vic.gov.au. These documents include newsletters, policies, plans and projects. If there are other documents currently not available via Kingston's website that members of the public would like to inspect, they should contact 1300 653 356.
- Accessing records**
Council's FOI Officer responds to requests for access to documents held by Kingston. Applicants seeking access to documents are required under the Act to:

- Submit their requests in writing and indicate it is being made under the FOI Act 1982
 - Specify which document/s they seek and in what form they are required (eg. copy or inspection)
 - Include name, address and contact number(s)
- Alternatively, a request can be made using Council's FOI Request Form. The request form and other information relating to fees and charges, timeframes, appeals, relevant legislation and useful sources are available via Kingston's website.

- **Amendments**
A request for correction or amendment of personal information contained in a document held by Kingston must be made in writing.
- **Fees and charges**
When making an FOI request, an application fee of \$25.10 (effective from July 1, 2013) is required under the Act unless evidence of hardship is provided. Other charges (search time, photocopying, inspection time) may be made in accordance with the FOI (Access Charges) Regulations 2004.
- **Submitting applications**
Requests should be addressed to the: Freedom of Information Officer, City of Kingston, PO Box 1000, Mentone VIC 3194. The FOI Officer is available by telephoning 1300 653 356 for enquiries and to provide assistance on making a valid application.
- **Appeals**
Applicants should consult Part IV of the FOI Act for information about appeal rights.

Fees increase annually effective 1 July.

Freedom of Information (FOI) requests

The FOI Act provides the opportunity for public access to Council documents. The below table lists requests received during 2011/12:

FOI requests to Council	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
Total number of requests	30	20	20	25	25	29	30
Requests where access was granted in full	6	2	1	5	7	2	4
Requests where access was granted in part	14	12	15	13	11	13	16
Other*	8	3	3	6	2	10	5
Requests refused in full	2	1	1	1	0	1	1
Requests still under consideration	4	2	0	3	5	3	4
Number of internal reviews	1	0	2	0	2	4	2
Number of appeals lodged at VCAT	0	0	0	0	0	1	1
Total fees and charges collected	\$980	\$1,400	\$1,068	\$774	\$1,082	\$1,276	\$1,562

*The category ‘Other’ refers to requests that were withdrawn, not proceeded with, where the Act does not apply, not processed, where no documents were found, were outside the Act or not finalised yet.

Whistleblowers Protection

An avenue exists for residents and employees to report alleged corrupt conduct by Council Officers through a protected disclosure under the Whistleblowers Protection Act 2001. The procedures for handling a Whistleblowers disclosure can be found on Kingston’s website, www.kingston.vic.gov.au. Any concerned member of the public should contact Kingston’s Protected Disclosure Coordinator on 1300 653 356 or the Victorian Ombudsman.

The Whistleblowers Protection Act 2001 requires Kingston to report against the nine criteria which are listed in the table below:

Whistleblowers Protection Act 2001 Reporting Criteria	Number	Type
Disclosures made to the public body during the year	0	
Disclosures referred during the year by the public body to the Ombudsman for determination as to whether they are public interest disclosures	0	n/a
Disclosed matters referred to the public body during the year by the Ombudsman	0	n/a
Disclosed matters referred during the year by the public body to the Ombudsman to investigate	0	n/a
Investigations of disclosed matters taken over by the Ombudsman from the public body during the year	0	n/a
Requests made under Section 74 during the year to the Ombudsman to investigate disclosed matters	0	n/a
Disclosed matters that the public body has declined to investigate during the year	0	n/a
Disclosed matters that were substantiated on investigation and the action taken on completion of the investigation	0	n/a
Any recommendations of the Ombudsman under this Act that relate to the public body	0	n/a

Risk Management

Risk Management Framework

Kingston’s Risk Management framework was adopted by the CEO in December 2009. The Policy direction is based upon Australian Standard/NZS 4360:2004 and is guided by the following four principles:

- Add value by maximising the organisation’s ability to achieve objectives and deliver efficient and effective services to the community
- Be an intrinsic part of our organisational culture and integrated with our day-to-day activities
- Build increased awareness and a shared responsibility for risk management at all levels of the organisation, and
- Not stand alone, but rather underpin a number of processes that work together to effectively manage risks faced by Council.

Best Value

The Local Government Act 1989 requires Councils to comply with six Best Value principles and to report to the community at least once a year on how they have achieved this.

These principles are based on:

- Quality and cost standards
- Responsiveness to community needs
- Accessibility
- Continuous improvement
- Community consultation
- Reporting to the community

Rather than treat Best Value as a separate compliance obligation, Kingston has adopted a ‘whole of organisation’ approach to embedding the six Best Value principles into all Council operations. These principles are also linked strongly to our Community Inspired Leadership approach and Strategic Planning Process.

This Annual Report contains many examples which demonstrate Council has responded to the Best Value Principles. For example (but not limited to):

- Quality and cost standards are reported on and demonstrated within the Financial Report.
- An example of ‘responsiveness to community needs’ would be Council’s advocacy projects (refer to pages 34 to 35 for details).
- Accessibility is demonstrated in the work of Kingston’s MetroAccess Officer and through the delivery of actions in the Access and Equity Strategy.

In 2012 Kingston has identified a consolidated list of eight key strategic risks which form the basis of an ongoing internal Audit Program. These risks have active treatment plans in place to reduce likelihood or consequence of negative impacts to the community and organisation.

In 2011/12 departments identified their top five safety risks which have been consolidated into the eight key risks and treatments plans are being developed to mitigate these risks.

Business planning and reporting tools were also implemented in 2011/12 to manage operational and strategic risks.

These include risks identified during business planning, internal audit management and safety risks. 2012/13 will see further improvements in the management and reporting against risks and treatment plans.

- Continuous improvement is demonstrated throughout the report where comparisons are made to previous years and commented upon.
- Community consultation examples are presented in the ‘Consulting with our Community’ section on page 34 and include inviting feedback on the Council Budget and Council Plan, placing documents on public display and our Village Committees (see pages 114 and 125).
- Reporting to the community examples are presented in the ‘Connecting with our Community’ section on page 27 and include our monthly newspaper entitled ‘Kingston Your City’, local media, Kingston’s website, Council and community meetings.

In addition to this ‘whole of Council’ approach, Council has undertaken specific Best Value reviews for:

- The integration of new corporate systems with all policies, procedures, processes and delegations.
- Health Safety and Wellbeing systems review, development and training to ensure a strong focus on Occupational Health and Safety culture, employee wellbeing, reduction in injuries, increasing opportunities for injured staff to return to work and working towards a reduction in insurance premiums

To ensure ongoing value for money, tendering for major services and works is undertaken in line with Council Policy to ensure that the community receives the Best Value for the services provided by Council.

The Audit Committee

Kingston has in place a strong Audit Committee that has in 2011/12 undertaken a thorough and comprehensive review of many of Council’s higher risk profile systems and processes. It has also continued to oversee the activities of Council’s contracted Internal Auditor and External Auditor who is appointed by the Auditor-General. 2011/12 also saw Council adopt an updated Charter for the Audit Committee to guide the work of the Committee.

The activities of 2011/12 have been guided by the Strategic Internal Audit Plan which over a rolling three year period continues to examine higher risk areas of Council’s operations to give a level of assurance that Council’s stewardship of the Kingston community’s assets is maintained at the highest level.

The Audit Committee met on five occasions throughout 2011/12: 18 August 2011, 28 September 2011, 14 December 2011, 21 March 2012 and 20 June 2012. Minutes of meetings are available to Councillors.

The Audit Committee comprises of the following members:

Name	Qualifications	Role	Period	Attendance
Mr Ray Liggett	BSc, MBA	Ind. Member & Chair	July 2011-March 2012	3 of 4 meetings
Mr Hugh Parkes	BA, MBA, FCA, CISA	Ind. Member & Chair	July 2011-March 2012	5 of 5 meetings
Mr Bruce Potgieter	FCA - Australia ICA - South Africa	Independent Member	July 2011-June 2012	5 of 5 meetings
Ms Claire Filson	LLB; MBA	Independent Member	June 2012	1 of 1 meeting
Mr John Ronke	Mayor, Councillor	Internal Member	December 2011-June 2012	3 of 3 meetings
Cr Ron Brownlees OAM	Mayor, Councillor	Internal Member	July 2011-November 2011	2 of 2 meetings
Cr Paul Peulich	Councillor	Internal Member	July 2011-June 2012	4 of 5 meetings

Below are some detailed comments on how the Audit Committee has responded to its Charter. This is primarily achieved through the consideration of reports that are provided by both Management and the Internal Auditor, and monitoring the effectiveness of the Internal Audit program. (Note that some reports will appear in more than one heading).

1. The enhancement of the credibility and objectivity of internal and external financial reporting

To achieve this outcome the Audit Committee considered and commented on the following reports:-

- Consideration of the 2010/11 Annual Statements
- CAATs Review – 2010/11
- Annual Accounts Progress
- 2010-2011 Year-End Management Letter
- VAGO Audit Engagement Letter
- 2011/12 External Audit Strategy
- 2011/12 Annual Accounts Timetable
- Draft 2012/13 Annual Budget
- Final Terms of Reference – CAATs Review

2. Effective management of Council’s strategic risks and the protection of Council assets

To achieve this outcome the Audit Committee considered and commented on the following reports:-

- Final Terms of Reference: Cash Handling Review
- Terms of Reference – Tendering Process
- Final Internal Audit Report on Cash Handling
- Update on recent IT event
- Pool Compliance Orders – Status Update
- Final Internal Audit Report on Accounts Payable
- Terms of Reference – Road Management Act Review
- Terms of Reference – Fraud Review
- Terms of Reference – Aged Care Review
- Final Internal Audit Report on Anti-Fraud Procedures
- Final Terms of Reference – CAATs Review
- Final Internal Audit Report – Tendering Processes

3. Monitoring of Council’s Business Continuity Plans and Processes

- Update on IT Event
- Revised Information Architecture Diagram
- Final Internal Audit Report on IT Governance

4. The Efficiency, Effectiveness and compliance of Significant Council Programs

- Municipal Inspectorate Audit Outcomes
- Final Internal Audit Report of Tendering Processes
- Final Internal Audit Report of Anti-Fraud Procedures
- Draft Internal Audit Plan FY 2013 – FY 2015
- Terms of Reference – Aged Care Review
- Final Internal Audit on Accounts Payable

5. Compliance with laws and regulations as well as use of best practice guidelines

To achieve this outcome the Audit Committee considered and commented on the following reports:-

- Auditor General’s Report on Compliance with Building Permits
- Auditor General’s Report on Management of Road Bridges
- Auditor General’s Report on Business Planning for Major Capital Works and Recurrent Services in Local Government
- Auditor General’s Report on Victorian Public Sector ICT enabled projects
- Auditor General’s Report on Managing Contaminated Sites
- Auditor General’s Report on the results of the 2010/11 Local Government Financial Audits
- Victorian Independent Broad Based Anti-Corruption Commission
- Conflict of Interest – A Guide for Members of Council Committees

6. The effectiveness of the audit function

• Internal Audit

Council’s current Internal Auditors are Deloitte who have extensive experience in the Local Government sector as Internal Auditors at other municipalities.

Deloitte commenced their contract in August 2008 for an initial three year period, with an option to extend the contract for two further 12 month periods. Upon commencement of this contract, in consultation with Senior Management at Council, an organisational risk assessment was undertaken. This formed the basis of the Internal Audit Strategic Plan, which is reviewed by Internal Audit and Management and then adopted by the Audit Committee annually. The Internal Audit program that the Committee has overseen is in place to assist both Council and Management to achieve sound control over all Council activities. Internal Audit is not involved in the day to day internal transaction checking but provides an independent and objective assurance that the appropriate processes are in place. The Audit Committee also formally reviews the performance of the Internal Auditor each year.

• External Audit

Council’s current External Auditor is the Victorian Auditor-General. The Auditor-General has elected to contract this activity for 2011/12 to Mr Mark Peters of HLB Mann Judd. Mr Peters is responsible for providing a recommendation to the Auditor-General that the Annual Financial Statements of Council present fairly and in accordance with applicable Accounting Standards. Representatives of HLB Mann Judd met with the Audit Committee during March to brief the Committee on how they would be conducting the annual audit and again in August to report on the findings of his examination of Council’s financial records. It is normal practice for the External Auditor to review the Internal Audit program to better understand the internal control framework that exists at Council.

Victorian Local Government Indicators

The Minister for Local Government under the authority of the Local Government Act 1989 requires every Council to present a report on the following indicators:

Category	Measure	Annual business plan target 2011/12	Actual result 2011/12	Annual business plan target 2010/11	Actual result 2010/11	Actual result 2009/10
Overall performance	Community satisfaction rating for overall performance generally of the Council (indexed mean)	67% Note 1	65	Note 2	Note 2	Note 2
Advocacy	Community satisfaction rating for Council's advocacy and community representation on key local issues (indexed mean)	64% Note 1	55	Note 2	Note 2	Note 2
Engagement	Community satisfaction rating for Council's engagement in decision making on key local issues (indexed mean)	63% Note 1	60	Note 2	Note 2	Note 2
All rates	Average rates and charges per assessment	\$1,460.65	\$1,464.98	\$1,373.54	\$1,365.55	\$1,261.77
Residential rates	Average operating expenditure per assessment	\$1,304.16	\$1,298.64	\$1,224.66	\$1,223.79	\$1,123.74
Operating costs	Average operating expenditure per assessment	\$2,135.43	\$2,404.72	\$2,054.00	\$2,092.66	\$1,988.31
Capital expenditure	Average capital expenditure per assessment	\$549	\$517.21	\$471.47	\$677.26	\$332.27
Infrastructure	Renewal Renewal & Maintenance	1.25 1.74	1.21 2.11	1.11 1.63	0.82 1.75	0.70 1.24
Debts	Average liabilities per assessment	\$693.72	\$836.04	\$320.48	\$632.00	\$345.32
Operating result	Operating result prior to capital funding (deficit) per assessment	\$108.83	\$112.22	\$91.84	\$1,365.55	\$354.04

Note 1: The methodology of the DPCD Community Satisfaction Survey changed significantly in 2011/12 to provide more meaningful and reliable information to Councils. Council's Annual Business Plan targets were set based on the old survey methodology and it is for this reason that direct comparison between the Actual Result and the Annual Business Plan Target is not a reliable comparison.

Note 2: Given the methodological changes, it is no longer possible to compare results from previous years.

Asset Management

Asset Management Policy and Strategy

Council's Asset Management Policy and Asset Management Strategy provide the framework and direction for the management of Kingston's diverse asset portfolio, which has a total renewal value in excess of \$1.1 billion. Council's asset renewal strategy is aligned to budget provisions of the Corporate Long Term Financial Plan (LTFP) to provide a long term and sustainable management plan.

An independent benchmarking survey from DPCD returned positive indices rating, an indicator Kingston has in place a sustainable management plan over its 15 year outlook. The Asset Management Policy is to be reviewed and updated in 2012 in preparation for reconfirmation after the 2012 Council election.

Asset Management Plans – AMP's

Asset Management Plans consider operational, renewal and development costs. They focus on data quality, asset condition, responsibility, maintenance and renewal expenditure requirements over a 10 year period.

They also take into consideration issues that affect delivery of service outcomes, statutory compliance, strategy development plans, life cycle, disposal, service standards, risk management, and Occupational Health and Safety (OHS). Assets are grouped in three main overarching AMP's

- Transport and Drainage Civil based infrastructure including roads, pavements, footpaths, kerbs, bridges and drains.
- Community Facilities Buildings and Structures used by the community and to deliver Council services. Includes libraries, preschools, pavilions, community centres, senior citizens, etc
- Recreational Spaces Active and Passive Recreational Infrastructure, Includes, sport fields, playgrounds, picnic facilities, irrigation, fencing, etc

Kingston's first generation AMP's were confirmed by Council in March 2008. These plans were largely focused on establishing a sustainable long term strategy to address a substantial annual renewal funding gap.

Four years on, Kingston is in a position to move to second generation AMP's which shift the focus from the asset to service standard outcomes. i.e. managing and developing assets for the purpose of delivering services at a defined standard. These second generation plans are to be developed over 2012/13 for Council consideration.

National Asset Management Assessment Framework (NAMAF)

The National Asset Management Assessment Framework (NAMAF) was established in 2010 and consists of an annual survey with 143 assessment questions designed to determine and benchmark performance criteria for financial management, reporting and asset management nationally, across the Local Government sector. The MAV continues to support Victorian Council's asset management development through coordination of the State's response to NAMAF.

Kingston's asset management policy, strategy and asset management plans are consistent with the objectives of NAMAF. A detailed review of documentation is planned for 2012/13 to tighten procedural linkages between corporate financial management, reporting and asset management to further improve Kingston's response to NAMAF survey.

Asset Management System

Kingston purchased asset management software in February 2011. An implementation strategy is in place to progressively develop and make available core functionality of the system to asset managers by July 2013. Achievements to date include development of Contracts & Tenders Register and administrative workflow in Aug 2011; Property & Building asset registers established in Nov 2011; Lease Register and administrative workflow in March 2012; and the building and testing of functional elements such as Works Management and Inspections.

While there have been difficulties and delays experienced establishing integrations with other corporate systems such as financials and customer requests, the overall implementation strategy is largely on track to achieve its objectives. Road & Drainage asset registers are to be established in Nov 2012 with Parks asset registers to follow in March 2013.

Full go-live of Works Management functionality is scheduled for June 2013.

The establishment of centralised corporate asset management software systems will provide significant operational and administrative benefits to Council and will also assist with the improvement of Kingston's NAMAF maturity rating.

National Competition Policy Compliance

A key objective of National Competition Policy (NCP) is the promotion of more efficient public resource allocation decisions by all levels of Government. When the NCP was introduced in 1995, the Federal Government developed principles requiring reform of government monopolies, separation of a government’s regulatory and business functions, removal of legislative restrictions on competition and the adoption of pricing reforms to recognise and offset the public ownership advantages enjoyed by government businesses.

NCP requires Kingston to be compliant in three areas:

- Trade Practices (Competition Code, Competition Policy Reform Act 1995)
- Local Laws
- Competitive Neutrality

Kingston continues to recognise its obligations to comply with the Trade Practices Act Part IV (Competition Code in Victoria). During 2011/12, there were no complaints to Kingston or any referrals or investigations by the Australian Competition and Consumer Commission related to Trade Practices matters.

Kingston is also required to review its local laws to ensure they do not restrict competition. The primary purpose of a review is to determine whether a restriction exists and if so, ascertain if the benefits to the community of any restriction identified outweigh the costs and that the objective of the local law can only be achieved through such a restriction. Refer to page 129 for further information on Local Laws.

Kingston recognises its obligations towards competitive neutrality in accordance with the requirements of the statement of Victorian Government Policy, National Competition Policy and Local Government (Revised 2011). Kingston’s compliance involves public interest considerations being taken into account in deciding whether competitive neutrality should apply. Kingston believes that all principles of competitive neutrality have been correctly applied and no complaints were received during the year ended 30 June 2012.



Community Consultation And Representation

Kingston has a comprehensive program of consultation that occurs through a variety of mechanisms, including Councillor representation on a range of committees.

Councillor representation on Committees

Each December at a Statutory meeting Councillors are usually appointed as Council representatives on a range of special interest committees and networks. In 2011/12 this Statutory meeting was held on 30 November 2011. Councillors also regularly attend Village Committee meetings.

Councillor Committee appointments for 2011/12 were as follows:

Section 86 or Special Committees *	2011/12 Appointee/s
Planning Committee	All Councillors

* Formal notification of meetings and minutes is required to be kept in accordance with the Local Government Act.

Councillor Only Advisory Committees

Kingston Councillor Only Committee **	2011/12 Appointee/s
Foreshore Sub-Committee	All Councillors
Kingston Council Green Wedge Plan Steering Committee	Crs Athanasopoulos, Brownlees, Staikos and West

** If one or more Councillors is present (irrespective of officers) then an Assembly of Councillors Record is required and will be attached to the next practicable Council Meeting and included in the minutes.

Advisory Committees with Officer and/or community representatives

Advisory Committees *	2011/12 Appointee/s
Audit Committee	Mayor and Cr Peulich
Fine Food, Wine and Music by the Bay Festival	Crs Brownlees, Moloney and Ronke
Access and Equity Committee	Crs Peulich and Staikos
World Globe to Globe Festival Committee	Cr Peulich
Kingston Harvest Festival Committee	Crs Moloney, Ronke and Shewan
Australia Day Committee	Crs Brownlees and Staikos
Municipal Emergency Planning Committee	Cr Ronke
Kingston Youth Advisory Committee	Crs Peulich and Staikos
Arts and Culture Reference Group	Crs Peulich and Staikos
L F Payne Hall Usage Committee	Crs Moloney, Ronke and Shewan
Positive Ageing Steering Group	Cr Brownlees
Chelsea Community Renewal Project	Crs Moloney, Ronke and Shewan
Kingston Charitable Trust Community Grants Panel	Mayor and Cr Staikos
Climate & Biodiversity Reference Group	All Councillors
Historical Societies Network	Crs Dundas and West
Clayton Community Strengthening Project	Cr Staikos
Kingston Interfaith Committee	Cr Staikos
Community Vision Steering Group	Mayor, Cr Staikos and Cr Brownlees
Sport and Recreation Reference Group	Cr Peulich (Chair)and Cr Athanasopoulos
Mordialloc Creek Advisory Committee	Mayor, Cr Brownlees and Cr West

* Formal notification of meetings and minutes is required to be kept in accordance with the Local Government Act 1989.

External or Other Agencies Committees with Councillor Representation

External/Other Groups/Agencies with Councillor Representation	2011/12 Appointee/s
Australian Mayoral Aviation Council	Mayor
Moorabbin Airport Consultative Committee	Crs Brownlees and West
Association of Bayside Municipalities (ABM)	Cr Dundas
Local Government Waste Management Forum	Cr Athanasopoulos
Municipal Association of Victoria (MAV)	Mayor
Patterson Lakes Advisory (Melbourne Water) Committee	Cr Shewan
Victorian Local Governance Association (VLGA)	Cr Staikos
Metropolitan Transport Forum	Cr Shewan
Inter Council Aboriginal Consultative Committee	Cr West
MAV Strategic Environment Advisory Group	Cr Shewan
Melbourne Water Eastern Treatment Plant Community Liaison Committee	Cr Moloney
Municipal Association of Victoria Planning Committee	Cr West
State Government Kingston Green Wedge Task Force	[Note: Committee in abeyance]
Friends of Manatuto Committee	Cr West

Ask the Mayor

Residents are welcome to ask a question of the Mayor to make a suggestion on improving a Council service through an online form available via Kingston’s website or through the Mayoral blog, also available on the Kingston website. This process assists Council to receive important feedback from the community.

Requests made through ‘Ask the Mayor’ are responded to by the Mayor or by a relevant staff member, as appropriate. This service is intended only for broad suggestions and comments to the Mayor. Specific customer service enquiries should be directed to our Customer Service Action Line on 1300 653 356 for resolution.



Children of the Manatuto kindergarten, that commenced operation in East Timor thanks to fundraising from the Friends of Manatuto.

Village Committees

Village Committees comprise residents, property owners and representatives of sporting, educational, business and other community organisations. They provide Kingston with feedback on major Council projects and goals and bring to Council’s attention issues of local interest related to minor maintenance and service delivery. Village Committees also make recommendations to Council regarding Village Committee grants to local groups, organisations and capital projects.

Council’s nine Village Committees represent the following areas:

- Aspendale / Edithvale / Aspendale Gardens*
- Chelsea / Chelsea Heights / Bonbeach*
- Cheltenham*
- Clarinda / Clayton South / Oakleigh South**
- Dingley / Heatherton**
- Mentone / Parkdale*
- Moorabbin / Highett**
- Mordialloc*
- Patterson Lakes / Carrum*

*Meets monthly **Meets bi-monthly
**Council endorsed the merger of the Clarinda/Oakleigh South and Clayton South Village Committees at its meeting on 26 March 2012.
The newly merged committee commenced bi-monthly meetings on 4 April 2012.

In 2011/12, 76 Village Committee meetings were held. There were no meetings held in December 2011 and January 2012.

Highlights of Village Committee meetings and feedback are included in Ordinary Council Meeting agendas during the year. Members have a fixed term membership and Council invites members of the community to join Village Committees in September each year. To be eligible applicants must work, live or own property in Kingston, or be associated with an educational, sporting or cultural community organisation in Kingston.

Village Committees are governed by Council’s Village Committee Policy, a copy of which can be accessed via Kingston’s website or requested from Kingston’s Governance Department.

Village Committee Chairs

- Aspendale/Edithvale/Aspendale Gardens - Ken Carney, Kevin Griffiths*
- Chelsea/Chelsea Heights - Nigel McGillivray, John Bainbridge*
- Cheltenham - Joseph Astbury, Simon Russo*
- Clarinda/Oakleigh South - Veeda Oakley - now part of Clarinda/ Clayton South/Oakleigh South Village Committee
- Clayton South - Chris Frangopoulos - now part of Clarinda/ Clayton South/Oakleigh South Village Committee
- Clarinda/Clayton South/Oakleigh South – Gael Mizzi*
- Dingley/Heatherton - Allan Harris, Anne Caprackas*
- Mentone/Parkdale - Claire Houston, Barbara Taylor*
- Moorabbin - Daniel Leipnik, Les Heimann*
- Mordialloc - Allan Locke, David Van Pelt*
- Patterson Lakes/Carrum/Bonbeach - Patrick King, Don Reed*

*Current Chairperson

Network Groups

Council has established and/or supports a range of community networks. These networks help to build strong communities and contribute to advocacy, policy development, local community projects and service improvements. These networks include the Access and Equity Committee, Faith Network, Senior Citizens Network, Community House Network, Service Club Network, Historical Society Networks, Kingston Conservation and Environment Coalition, life saving clubs, golf and bowling clubs, neighbourhood houses, municipal bands and schools.

Community Grants

Kingston invites not-for-profit community groups that are based in Kingston, or that service the area, to apply annually for financial assistance through Community Grants to deliver services, programs, events and other activities of community benefit.

In 2011/12, a total of \$1,182,428 was distributed through the Community Grants Program to assist not-for-profit organisations to deliver services and associated activities. A total of 370 groups and individuals received funding through the Grants Program this year.

Successful applications that received funding through the program included 105 Village Committee applications, 31 Triennial grant applications, two Triennial Event Grant applications, 58 City Wide grant applications, 102 Individual Development Grant applications, 49 Schools Awards and 23 Access and Equity Grants.

Requests for community support were strong from a cross-section of the community including community service groups requesting support for underprivileged community members; kindergartens for equipment; sporting clubs for provision of equipment upgrades and minor capital works; seniors groups for funding towards celebrating specific activities; and a range of multicultural groups to support their recreation and social activities.

Triennial Grants

\$437,670 was distributed to Community Centres and Neighbourhood Houses in Kingston. A further \$306,352 was distributed to support other Kingston organisations that provide highly valued services to the Kingston community such as Community Advice Bureaus and emergency services.

Triennial Events Grants

\$22,500 was distributed in Triennial Events Grants to support the production of the Big Band Sunset Festival and the holding of the Hellenic Festival, both for the wider Kingston community to enjoy.

Village Committee Grants

The Village Committee Grants are provided to groups and organisations to support initiatives that achieve local benefit in Kingston's 10 Village Committee areas. Village Committee Grants totalling \$184,161 were distributed to the community this year.

City Wide Grants

The City Wide Grants are provided to groups and organisations to support initiatives that primarily have a Kingston-wide focus. Council distributed \$134,570 through the program this year.

Individual Development Grants

Individual Development Grants are provided to assist eligible residents of Kingston to achieve their full potential in their particular pursuit such as arts and culture; sports and recreation; environmental or humanitarian initiatives; and academic achievement. 102 individuals shared a total of \$33,150 in Individual Development Grants this year.

Access and Equity Grants

\$21,536 was allocated in Access and Equity Grants through recommendations from Council's Access and Equity Advisory Committee. These grants are designed to assist community groups and organisations deliver services and programs to people with disabilities and people from multicultural and indigenous backgrounds to:

- Celebrate and support the diversity of Kingston through financial support to community groups and social clubs
- Provide support for new groups starting up with members who are residents of Kingston
- Facilitate the participation of multicultural, disability and indigenous communities in community life of Kingston.



The Kingston Toy Library was one of the many community groups to benefit from the Community Grants Program in 2011/12.

Customer Service Management

Council places a strong focus on customer service and responding to the needs of the community in a timely, efficient and courteous manner. In May 2011 Kingston launched a new customer relationship management database that has enabled staff at the first point of call to be able to record details of customer requests in full, thereby allowing field based staff to concentrate on what they do best. Council has committed additional resources to its customer care centre to reduce wait times and enhance customers' overall contact experience. In addition, Kingston will be implementing a new phone system and rolling out customer commitments to all residents by July 2012.

Customer Service Centres

Kingston's Customer Service Centres are located as follows:

- Cheltenham: 1230 Nepean Highway, Cheltenham. Melways Ref: 86 J2. Open Monday to Friday, 8.30am to 5.30pm.
- Mentone: 34 Brindisi Street, Mentone. Melways Ref: 86 K6. Open Monday to Friday, 9am to 5pm.
- Chelsea: 1 Chelsea Road, Chelsea (co-located with library). Melways Ref: 97 B1. Open Monday to Friday, 10am to 4.30pm.

Council's Customer Service team assists with:

- All first contact telephone calls and counter enquiries
- All payments
- Rate enquiries (including Pension Rebate application forms)
- Animal control and registrations
- Beach resident parking passes
- Garbage details and bookings for tree pruning collections
- Vehicle crossover permits
- Road opening permits
- Health and immunisation information
- Bookings for school holiday program and kindergarten enrolments
- Bookings for street stalls and halls
- Arrangements of Council services such as Meals on Wheels, Home Help and Handyman
- Permit applications for Local Laws, Building, and Planning

Residents are welcome to visit the Customer Service Centres during opening hours. If a resident wishes to speak to a particular Council officer it is advisable to telephone in advance and make an appointment.

Customer Contacts

In 2011/2012 Council's Customer Service team received over 210,000 customer contacts over the counters and via telephone. This included:

- 134,704 telephone calls actioned
- 82,599 counter customer queries actioned
- 2,330 New Residents Kits provided
- 134 changes to entries in the Community Directory
- 260,056 external mail items processed for collection
- Customer contacts resulted in approximately 39,900 requests for action. Some examples of the types of requests logged are:
- 10,582 waste requests
- 4,450 local laws requests
- 5,759 tree pruning requests
- 4,590 reserve maintenance requests
- 959 traffic engineering requests
- Five Citizenship ceremonies were conducted throughout the year resulting in over 700 Kingston residents becoming Australian citizens

Our Service Commitments

Kingston has a Service Commitment that outlines how residents can contact us, the service standards they can expect, how they can help us and who to contact if things go wrong.

Contacting Council

Kingston’s Customer Service Action Line can be contacted on weekdays between 8.30am and 5.30pm on 1300 653 356, except for public holidays. For emergency situations, simply call our Customer Service Action Line on 1300 653 356 and you will be transferred to a duty officer.

We provide up-to-date customer information sheets, which are written in plain language on our most popular services. This information is available in all Customer Service Centres, and via Kingston’s website, www.kingston.vic.gov.au

Our Service Commitments

- Take the time to understand your needs
- Respond with care and courtesy
- Make it easy to contact us
- Be reliable
- Provide clear and consistent information
- Work with you to find a solution
- Value your opinion

Working Together

Residents can help us to help them by:

- Letting us know if they cannot keep an appointment.
- Having relevant information ready when making an inquiry (such as details of invoice, date of service required).
- Providing suggestions to improve Kingston services and facilities.

Issue Resolution

Residents who lodged an enquiry with Council and feel that they have not been effectively responded to within the agreed timeframe can escalate the issue by requesting to speak to the Team Leader and/or Manager of the relevant department.

If after following the above procedure the resident is still not satisfied with the way the enquiry has been handled they can contact Council’s Issue Resolution Officer via

- 1300 653 356
- In writing to the Issue Resolution Officer
City of Kingston, PO Box 1000 Mentone 3194
- Info@kingston.vic.gov.au

The Issue Resolution Officer will contact the resident to acknowledge the complaint and will aim to respond fully within 10 working days. They may be contacted for extra details or to discuss progress of the complaint, particularly if there any problems responding within the 10 working days.

Council handles personal information in accordance with privacy laws and will use that information only for the purposes of handling the complaint unless the resident gives express permission for it to be used for other Council purposes.

Statutory Education And Compliance

Kingston’s Statutory Education and Compliance Department is responsible for education and enforcement of State Acts, Regulations and Codes of Practices related to Animal Management, Fire Prevention, Environment Protection, Public Heath, Food Production and Sale, Council’s Local Laws, Prosecutions, Parking Enforcement, Children’s Crossing and complaint investigation and resolution.

Local Laws

There are seven Local Laws available for viewing at all Customer Service Centres and via Kingston’s website:

Local Law No. 1 Public Health

Local Law No. 2 Roads and Traffic

Local Law No. 3 Management of Council Property

Local Law No. 4 Foreshore Reserves

Local Law No. 5 Environment and Amenities

Local Law No. 6 Birds, Animals, Poultry, Rodents and Bees

Local Law No. 7 Meeting Procedures

The Statutory Education and Compliance Department comprises three teams who cover Local Laws, Environmental Health Services and Parking and Prosecutions. The major achievements were:

- Public consultation undertaken on domestic animal management and information fed into the development of the new draft Domestic Animal Management Plan 2012-2016 awaiting adoption by Council.
- Introduced various amendments to Local Laws including the provision for Victoria Police to impound illegally used recreation vehicles.
- Exceeded the minimum Food Act requirements for number of inspections conducted and food samples analysed
- Introduced new statutory reporting to Department of Health
- Animal registration audit completed.

The Department continued to implement staged changes of the Food Act 1984, including reporting and registration requirements.

Local Laws Officers Monika (on left) and Nicola doorknock in the Kingston area to check on registered pets.



Our Health, Safety and Wellbeing

The health, safety and wellbeing of our employees is a key focus for Kingston. During 2011/12 Kingston's '2010/13 Health, Safety and Wellbeing Strategic Plan' was implemented.

Framework

Kingston is currently governed by the Victorian Occupational Health and Safety Act 2004 although National Workplace Health and Safety legislation has been implemented in a number of states. This has not yet been implemented in Victoria. Kingston will continue to develop our health and safety management system so that we will be in a position to comply with National legislation should it be implemented in the future.

Under the banner 'Take Care, Take Control', in November 2010 Kingston commenced a three year program to progressively align our OHS Management System with Australian Standard 4801 Occupational health and safety management systems. Once completed, the alignment process will place Kingston at the forefront of Local Government in relation to health and safety.

Structure

Kingston has six Health and Safety Committees that cover the entire organisation and comprises management representatives and employee elected health and safety representatives in accordance with the Occupational Health and Safety Act 2004. The Health and Safety Committees and the Staff Consultative Committee structures form the framework for OHS consultation with health and safety representatives and employees. These Committees provide an effective vehicle for consulting with representatives and staff on occupational health and safety matters. The coordination and management of safety strategies and initiatives is driven by the Risk Management and Workplace Safety Team within the Organisational Development and Governance Division. Kingston's OHS Committee structure is depicted below.

- 1

Local Laws and Health Services
- 2

Aquatic and Leisure Centres Arts Centre
- 3

Aged and Disability/ Hostels
Maternal Child Health and Immunisation
Child Care/ Family Day Care centres
Family Youth and Children's Services
Access Care Southern
- 4

Cheltenham Office – 1230 Nepean Hwy
- 5

Libraries and Education Services
- 6

Parks Depot Services

Incident / Injury Data

Kingston's strong focus on actively promoting the reporting and thorough investigation of all incidents, no matter how minor, continued in 2011/12. This pro-active approach is starting to see the beginnings of what will be a sustained reduction in Lost Time Injuries with a reduction in 2011/12 from 51 to 48, or a decline of 5.9%, a further reduction on the 1.9% in 2010/11, as shown in Figure 17.

Figure 17 is a chart of Lost Time Injuries (LTIs) over the previous four years. LTIs are defined as an incident resulting in lost time from work of one day or one shift or more. Although Figure 17 indicates an overall upwards trend over the previous four years there has been a 7.7% reduction in LTI's between 2009/10 and 2011/12. Increases in LTI's in 2009/10 may be due in part to Kingston focusing staff attention on the importance of reporting all incidents and injuries. In 2011/12, these 48 LTIs equated to 337 lost days.

Figure 18 is a chart of LTIs for 2011/12 by Mechanism of Injury. As shown, 23 of the 48 LTIs (or 48%) are related to manual handling issues. It was also noted that Slips / Trips and Falls collectively accounts for 12 of the 48 LTIs (or 25%). A further 4 of the 48 (or 8%) of LTIs are related to Psychosocial (stress) issues.

Figures 19 and 20 show the number of days lost through workplace injuries by mechanism of injury and the average number of days lost per LTI by mechanism of injury (respectively).

Figure 19 indicates that 152 of 337 days lost (or 45%) are related to manual handling issues which correlate directly with the most frequent mechanism of injury for LTIs. Figure 19 also shows that 124 of 337 days lost (or 37%) are related to psychosocial (stress) issues, though these only account for 4 of the 48 LTIs (or 8%).

Figure 20 indicates that LTIs associated with psychosocial (stress) issues result in an average of 31 days absence from the workplace. This is significantly higher than the most frequent source of LTIs (manual handling) with an average absence from the workplace of seven days. Although manual handling is commonly acknowledged as the most frequent source of injuries for Kingston as it is for most organisations, psychosocial (stress) may be emerging as a significant health and safety issue.

Figure 21 shows the number of LTIs by body part injured and shows that 12 of the 48 injuries (or 25%) are to the back, the majority of which are related to manual handling. It should be noted that 4 of the 6 LTIs to the head (or 67%) are related to psychosocial (stress).

FIGURE 17: LTI's

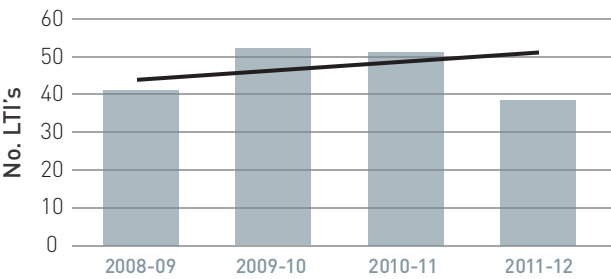


FIGURE 18: LTI's BY MECHANISM OF INJURY

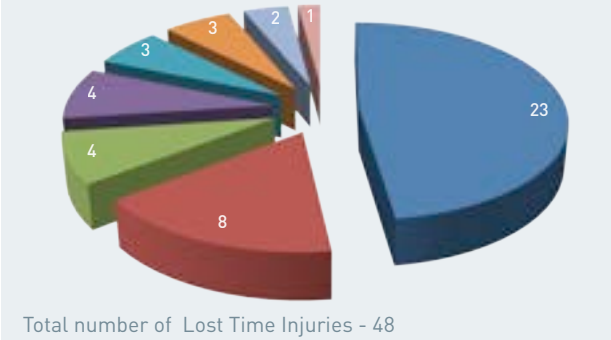


FIGURE 19: DAYS LOST BY MECHANISM OF INJURY

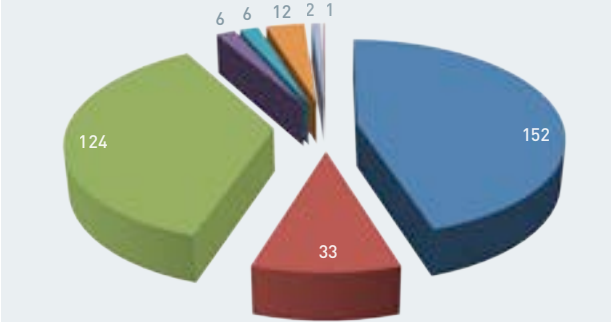


FIGURE 20: AVERAGE DAYS LOST PER LTI BY MECHANISM OF INJURY



FIGURE 21: LTI's BY PART OF BODY INJURED



As shown in Table 9, in addition to the 5.9% decline in LTIs between 2010/11 and 2011/12, there was a 52.2% decline in Medical Treatment Injuries (MTIs - an incident that results in external medical treatment by a registered medical practitioner) from 46 to 22, and an increase in Non-Lost Time Injuries (an incident resulting in no external medical treatment or lost time that exceeds one day or one shift or more) by 16.1% from 118 to 137. These results are generally encouraging given the level of training and investment in Health and Safety.

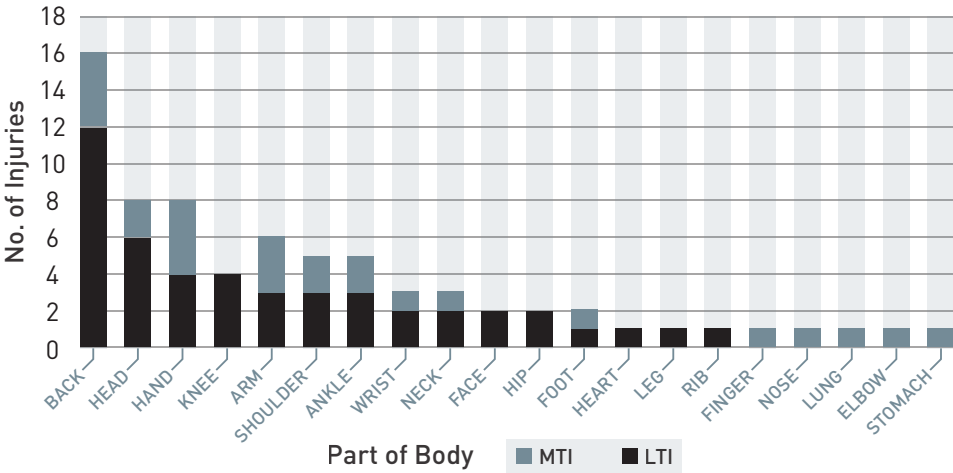
Table 9

	2010/11	2011/12	% change
Lost Time Injuries	50	48	-4.0%
Medical Treatment Injuries	46	22	-52.2%
Non Lost Time Injuries	118	137	16.1%
Hazard/ Near Miss Reports	161	119	-26.1%
Notifiable Incident (employees)	15	4	-73.3%
Notifiable Incident (Non-employee)	7	4	-42.9%

In terms of injuries, the greatest number of MTIs and LTIs were back related, followed by head and hand as shown in Figure 22. As a result of this continuing trend, a large amount of our Health, Safety and Wellbeing training programs focus on manual handling to ensure employees are performing tasks in the safest way possible.

Our Health, Safety and Wellbeing (continued)

FIGURE 22: PART OF BODY INJURED - JULY 2011 - JUNE 2012



Highlights from 2011/12

In line with Kingston’s strong focus on workplace health and safety a number of initiatives have been implemented in an attempt to reduce workplace injuries, including:

- a planned OHS training program for all levels of staff in 2011–2012. The training reinforces (amongst other things) the importance of prompt reporting and investigation of incidents to identify the causes and implement risk controls to prevent similar incidents occurring. The training also stresses the importance of managing injuries to prevent them escalating into LTI’s.
- development of on-line training courses for all staff in manual handling, EEO, bullying prevention and workplace health and safety
- task specific manual handling training in specific operation areas
- manual handling risk assessments
- manual handling and workplace bullying, harassment and violence policies
- Employee Assistance Program

Training Course	Participants
Core OHS Training for all Parks and Depot employees	70
Five-day course for Health and Safety Representatives	8
Health and Safety Representatives Refresher course	12
OHS Training for Managers	5
OHS Refresher Training for Managers	15
Ergonomic Assessment Training	12
On-line training: Manual handling, EEO, bullying prevention	All staff

OHS Week highlights

In addition to OHS training, Health Safety and Wellbeing Week ran from the 24th to the 28th October 2011. In addition to free employee health checks that were conducted at Mentone and Cheltenham offices, activities included a cooking demonstration in how to prepare fast and healthy lunches, fruit delivery to all departments, and body balance and pilates exercise classes. Hazcon also presented sessions on the Work Health and Safety Act and a UV awareness session for Outdoor Workers. The week culminated in the annual BBQ and Health, Safety and Wellbeing Awards for the best solution by a work team for a recognised OHS issue. The best solution for 2011 was awarded to Libraries and Education Services for their manual handling tables solution.

Rehabilitation and Work Cover

Kingston provides assistance to all injured employees through the active management of their recovery plans. The number of Workcover claims decreased from 54 in 2010/11 to 38 in 2011/12. This is a 29.3% decline and is consistent with the fall in LTIs and fall in MTIs. As at 30 June 2012, 21 people had return-to-work plans resulting from work-based injuries, compared to 12 in 2010/11. In 2012/13 Kingston will be developing an early intervention program that aims to deal with minor musculoskeletal injuries prior to them become a lost time injury.

WorkCover Premium

Kingston’s WorkCover Insurance premium for 2011/12 was \$1,111,504 which was an increase of \$260,236 compared to \$851,268 paid in 2010/11.

Source: Customer Service and Performance Planning Department and People and Culture Department records.



Council Parks staff Matt (in the orange helmet) and Frank (in the white helmet) regularly conduct ecological burns which requires cutting of the coastal ti-tree.

Performance Statements:

We are building a financially sustainable City



Introduction to the Performance Statement For Year Ended 30 June 2012

Section 132 of the Local Government Act 1989 requires local government authorities to develop a performance accountability mechanism which allows for a consistent approach in the collection and reporting of information regarding financial performance, operating costs and community satisfaction.

The use of performance indicators by local government provides:

- an improved capacity to objectively measure council performance leading to a better set of relationships between state and local government; and
- better informed local communities.

A summary of the results are outlined in the table and commentary in the following pages.

Overview of 2011/12 Results

The published performance standards identified areas of customer satisfaction or financial goals by which Council sought to measure its performance. The following commentary explains major variations in actual results to the targets set by Council in the annual Council Plan.

The Operating Surplus is \$11.1 million, that is, \$2.1 million favourable to the budgeted surplus of \$9.0 million. This positive result is influenced by the following:

- Cash Developer Contributions of \$2.8 million being added to the Open Space Reserve.
- Developer Asset donations from new land estates totalled \$5.2 million, \$4.2 million favourable to budget, this primarily relates to the transfer of assets from the Waterways estate to Council.
- Grants and Subsidies received in advance amounting to \$2.5 million for 2012/13 financial year following an early payment by Victorian Grants Commission of half of the 2012/13 year grant. Accounting Standards require this revenue to be taken into account in the 2011/12 financial year.
- Non Recurrent Grants received in advance including an unbudgeted \$2 million grant for Mordialloc Creek dredging project.
- Found Assets of \$2.2 million are being recognised as Other Income in 2011/12 and include land (\$1.7 million) and drainage (\$0.5 million) as asset management systems continue to improve the quality of Council's data. Other Income also includes income of \$1.3 million as a fair value adjustment for investment property.
- Asset sales of \$0.3 million.
- Unbudgeted Vision Super Defined Benefit call of \$10.4 million which was recorded as an expense in 2011/12.

- Council's total Capital program expenditure was \$35.2 million of which \$0.6 million remains in work in progress (WIP) and \$27.9 million was capitalised. A total of \$7.2 million was expensed to the Income Statement (including \$0.4 million from last year's WIP). A further \$2.9 million of this total relates to the Mordialloc Creek dredging project being funded by the State Government (\$2.0 million grant)
- Adjusting for these items would indicate an "adjusted" Operating Surplus of \$10.0 million and this result yields an underlying favourable variance of \$1.0 million. This variance includes the following items:

Interest Income on Investments and Rates	\$0.6m F
User Fees	\$1.6m F
Increase in employee leave provisions due to reduced interest rates	\$1.3m U
Net movement in other Operating Accounts	\$0.1m F
Adjusted Variance v Budget	\$1.0m F

Facing page: Participants at the Globe to Globe World Music Festival held in January at Namatjira Park, Clayton South

Performance Statement For Year Ended 30 June 2012

2011/12 Results				
Statutory Business Plan – Actual performance compared to Annual Business Plan (ABP)				
Indicators	Actual Result 2011/2012	ABP Target 2011/2012	Variance	F/U
Key Strategic Activity 1: Infrastructure for a Safe & Active Community				
Average capital expenditure per assessment	\$517.21	\$549.00	(\$31.79)	U
Renewal and maintenance gap ratio	2.11	1.74	0.37	F
Safe Road & Pedestrian Travel *	341	< 352	11	F
Community satisfaction rating for overall performance of local roads and footpaths	66 Note 1	70%	-	-
Community satisfaction rating for overall performance of traffic management and parking facilities	60 Note 1	65%	-	-
Percentage of planned Council Capital Budget \$ program completed	94%	> 95%	-	-
Key Strategic Activity 2: A Sustainable Environment				
Community satisfaction index rating for Appearance of Public Places	73 Note 1	70%	-	-
Key Strategic Activity 3: Healthy, Strong & Connected Communities				
Community satisfaction with the overall performance of enforcement of bylaws	66 Note 1	65%	-	-
Community satisfaction rating for Recreation Facilities	73 Note 1	75%	-	-
Community satisfaction rating for health and human services	Note 2	85%	-	-
Activity rate of active registered library borrowers:				
- Number of physical visits per capita	618,607	700,000	(81,393)	U
- Number of website hits every unique visit per capita	398,753	500,000	(101,247)	U
Key Strategic Activity 4: A Prosperous, Innovative Business City				
Community satisfaction rating for performance of economic development	58 Note 1	70%	-	-
Key Strategic Activity 5: Community Inspired Leaders				
Average rates & charges per Assessment	\$1,298.64	\$1,304.16	\$5.52	F
Debt servicing costs to total revenue ratio	0.69%	1%	0.31%	F
Community satisfaction rating for overall performance generally of the Council	65 Note 1	80%	-	-
Community satisfaction rating for Council’s advocacy and community representation on key local issues	55 Note 1	75%	-	-
Community Engagement	60 Note 1	72%	-	-
Service Contact	74 Note 1	80%	-	-
# F = Favourable, U = Unfavourable				
* Source: Vic Roads				

Note 1: The methodology of the DPCD Community Satisfaction Survey changed significantly in 2011/12 to provide more meaningful and reliable information to Councils. Actual results for 2011/12 are based on an indexed score (based on a percentage in 2010/11) and Council’s ABP targets were set based on the old survey methodology. For these reasons, direct comparison between the Actual Result and the ABP Target is not a reliable comparison.

Note 2: Measurement not included in the DPCD 2012 Community Satisfaction Survey, therefore, no results are able to be reported.

Performance Statement For Year Ended 30 June 2012

2010/11 Results				
Statutory Business Plan – Actual performance compared to Annual Business Plan (ABP)				
Indicators	Actual Result 2010/2011	ABP Target 2010/2011	Variance	F/U
Key Strategic Activity 1: Infrastructure for a Safe & Active Community				
Average capital expenditure per assessment	\$677.26	\$549.00	(\$31.79)	F
Renewal and maintenance gap ratio	1.75	1.63	0.12	F
Safe Road & Pedestrian Travel *	352	<364	12	F
Community satisfaction rating for overall performance of local roads and footpaths	- Note 1	-	-	-
Community satisfaction rating for overall performance of traffic management and parking facilities	- Note 1	-	-	-
Percentage of planned Council Capital Budget \$ program completed	- Note 1	-	-	-
Key Strategic Activity 2: A Sustainable Environment				
Community satisfaction index rating for Appearance of Public Places	75% Note 2	70%	5%	F
Key Strategic Activity 3: Healthy, Strong & Connected Communities				
Community satisfaction with the overall performance of enforcement of bylaws	77% Note 2	65%	12%	F
Community satisfaction rating for Recreation Facilities	89% Note 2	75%	14%	F
Community satisfaction rating for health and human services	- Note 1	-	-	-
Activity rate of active registered library borrowers:				
- Number of physical visits per capita	-	-	-	-
- Number of website hits every unique visit per capita	- Note 1			
Key Strategic Activity 4: A Prosperous, Innovative Business City				
Community satisfaction rating for performance of economic development	84% Note 2	90%	(6%)	U
Key Strategic Activity 5: Community Inspired Leaders				
Average rates & charges per Assessment	\$1,223.79	\$1,224.66	\$0.87	F
Debt servicing costs to total revenue ratio	0.51%	0.06%	(0.45%)	U
Community satisfaction rating for overall performance generally of the Council	68% Note 2	67%	1%	F
Community satisfaction rating for Council’s advocacy and community representation on key local issues	63% Note 2	64%	(1%)	U
Community Engagement	63% Note 2	63%	-	F
Service Contact	73% Note 2	73%	-	F
# F = Favourable, U = Unfavourable				
* Source: Vic Roads				

Note 1: New target for 2011/12 therefore no prior year results available.

Note 2: The methodology of the DPCD Community Satisfaction Survey changed significantly in 2011/12 to provide more meaningful and reliable information to Councils. Council’s 2010/11 results and targets were based on the old survey methodology, therefore, users should not compare the 2011/12 results to the 2010/11 results.

Summary of the Performance Statement Results

Changes to the DPCD Community Satisfaction Survey methodology in 2012 were introduced to provide Councils with more meaningful and reliable information. However, these changes mean that Council will not be able to draw direct comparisons of this year's results with previous years' survey results or targets set in the budget. In this instance, improvements or declines in results this year will be to some extent due to the changes in the survey methodology and therefore Council has chosen not to comment on the variances in this year's Performance Statement.

A summary of the 2012 results of the indicators not related to the DPCD Community Satisfaction Survey are outlined below:

Key Strategic Activity 1: Infrastructure for a Safe and Active Community

Average capital expenditure per assessment of \$517.21 is \$31.79 unfavourable to the target of \$549.00 due to delays with expenditure of some capital expenditure particularly for major software purchases in the Information Services department.

94% of Council's capital budget was spent in 2011/12 which was 1% unfavourable to the target of 95%. This is a new indicator for 2011/12. The carried forward expenditure of \$2.3 million by the Information Services department contributes towards this variance.

The renewal and maintenance gap ratio of 2.1 is 0.37 favourable to budget due to higher than planned expenditure on renewal and maintenance for road infrastructure.

Key Strategic Activity 3: Healthy, Strong and Connected Communities

The number of physical visits to Council libraries was 618,607 which was 81,393 unfavourable to budget. The lower utilisation is consistent with the temporary closure of Clarinda Library resulting in reduced services.

The number of website hits at Council libraries was 398,753 which was 101,247 hits unfavourable to the target of 500,000 hits. The delayed launch of Council's new website has contributed to this unfavourable variance.

Key Strategic Activity 5: Community Inspired Leaders

The average rates and charges per Assessment is \$1,298.64 which is \$5.52 favourable to budget of \$1,304.16.

Debt servicing costs to total revenue ratio of 0.69% is 0.31% favourable to budget from lower than budgeted finance costs due to Council securing a special 12 month interest rate (5.22%) for its loan for the purchase of 1230 Nepean Highway. The budgeted interest rate was 8.15%. In addition, a further budgeted \$1 million loan for the lift refurbishment at 1230 Nepean Highway has not yet been borrowed.

Common Terms

The majority of the terms used in the performance statement are the same as those used in the financial statements, however some of the terms are different.

Short explanations of the “different” terms used are listed below:

- a) Assessments - or rate notices.
- b) Budget - refers to the originally published budget of the council.
- c) Capital expenditure - is the amount of expenditure on new assets and non recurrent projects which enhances an existing asset to provide a higher level of service or which increases the life of the asset beyond that which it had originally.
- d) Rates and charges - declared - are those declared as being receivable, in the calculations for the adopted rates, at the beginning of the year.
- e) Capital Funding - is Non-recurrent Grants and Subsidies.
- f) Operating Result – Total Operating Income less Total Operating Expenditure.

Certification of the Performance Statement For Year Ended 30 June 2012

CERTIFICATION OF THE PERFORMANCE STATEMENT

In my opinion, the accompanying performance statement of Kingston City Council in respect of 2011/12 financial year is presented fairly in accordance with the *Local Government Act 1989*.

Principal Accounting Officer

P. A. Franklin

Dated:

In our opinion, the accompanying performance statement of Kingston City Council in respect of 2011/12 financial year is presented fairly in accordance with the *Local Government Act 1989*.

The statement outlines the performance targets and measures set out in relation to the achievement of the business plan in respect of that year described in Council's Corporate Plan and describes the extent to which the business plan was met in that year having regard to those targets and measures.

As at the time of signing, we are not aware of any circumstance which would render any particular in the statement to be misleading or inaccurate. We were authorised by the Council on 27 August 2012 to certify the Performance Statement in its final form on behalf of the Council.

Mayor
J. Runkle

Dated _____

Councillor
P. Reulich

Dated

Chief Executive Officer
J. A. Nevins

Dated



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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Kingston City Council

The Performance Statement

The accompanying performance statement for the year ended 30 June 2012 of the Kingston City Council which comprises the statement, the related notes and the certification of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Kingston City Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989*. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the performance statement that is free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independence

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

Auditing in the Public Interest

Independent Auditor's Report (continued)

Auditor's Opinion

In my opinion, the performance statement of the Kingston City Council in respect of the 30 June 2012 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

Matters Relating to the Electronic Publication of the Audited Performance Statement

This auditor's report relates to the performance statement of the Kingston City Council for the year ended 30 June 2012 included both in the Kingston City Council's annual report and on the website. The Councillors of the Kingston City Council are responsible for the integrity of the Kingston City Council's website. I have not been engaged to report on the integrity of the Kingston City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE
12 September 2012

D D R Pearson
Auditor-General

Notes to the Standard Statements

Note 1: Basis of Preparation of Standard Statements

Kingston City Council is required to prepare and include audited Standard Statements within its Annual Report. The Standard Statements include the Income Statement, Cash Flow Statement, Balance Sheet and a Statement of Capital Works, together with explanatory notes.

These statements and supporting notes form a special purpose financial report prepared to meet the requirements of the Local Government Act 1989 and Local Government (Finance and Reporting) Regulations 2004.

The Standard Statements have been prepared on accounting bases consistent with those used for the General Purpose Financial Statements and the Budget. The results reported in these statements are consistent with those reported in the General Purpose Financial Statements.

The Standard Statements are not a substitute for the General Purpose Financial Statements. They have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

The Standard Statements compare council’s financial plan, expressed through its budget, with actual performance. The Local Government Act 1989 requires explanation of any material variances. One-off variances and all differences to budget by more than 10% are explained.

The budget figures included in the Statements are those adopted by Council on 11 July 2011. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet council’s business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The detailed budget can be obtained by contacting council or through the council’s website. The Standard Statements must be read with reference to these documents.

Income Statement

The Income Statement shows what has happened during the year in terms of revenue, expenses and other adjustments from all activities. The ‘Surplus/(Deficit)’ or ‘bottom line’ reflects the net contribution towards the financial position for the reporting period.

The Income Statement requires revenues to be separately disclosed where the item is of such a size, nature or incidence that its disclosure is relevant in explaining the performance of the Council.

Income Statement	2011/2012 Actual \$(’000)	2011/2012 Budget \$(’000)	2011/2012 Favourable/ (Unfav) Variance \$(’000)	2011/2012 Favourable/ (Unfav) Variance%	Ref
REVENUE from ordinary operations:					
Rates and Charges	99,746	99,451	295	0.3%	
User Charges	24,720	23,062	1,658	7.2%	
Contributions, Reimbursements and Donations	9,144	1,206	7,938	658.2%	1
Grants and Subsidies – Operating	30,196	26,257	3,939	15.0%	2
Grants – Capital	3,455	1,610	1,845	114.6%	3
Interest	2,722	2,100	622	29.6%	4
Other Revenue	4,195	729	3,466	475.4%	5
TOTAL REVENUE	174,178	154,415	19,763	12.8%	
EXPENSES from ordinary activities:					
Employee Benefits	74,441	61,403	(13,038)	(21.2%)	6
Materials and Services	68,604	62,987	(5,617)	(8.9%)	7
Bad and Doubtful Debts	77	20	(57)	(285.0%)	8
Depreciation and Amortisation	19,077	19,450	373	1.9%	
Finance Costs	1,207	1,535	328	21.4%	9
TOTAL EXPENSES	163,406	145,395	(18,011)	(12.4%)	
Net Gain on Disposal of Infrastructure, Property, Plant and Equipment	324	-	324	-	10
SURPLUS FOR THE PERIOD	11,096	9,020	2,076	23.0%	

Standard Statements For Year Ended 30 June 2012

Income Statement Variance Explanation Report

Ref	Item	Explanation
1	Contributions, Reimbursements and Donations	Contributions, Reimbursements and Donations are favourable to budget by \$7.9 million due to cash contributions from developers (\$2.8 million) and \$5.2 million in asset contributions from developers from New Estates which were \$4.2 million more than the budget of \$1.0 million. Asset Contributions includes \$4.1 million of land, \$0.7 million of roads and drainage and \$0.4 million of Land Under Roads primarily from the assets transferred to Council in the Waterways Estate.
2	Grants - Operating	Operational Grants are \$3.9 million favourable due to the receipt of \$2.2 million in advance for 2012/13 Victorian Grants Commission Funding as well as higher than expected funding received for Community & Aged Services (\$0.7 million) and Environmental projects (\$0.2 million).
3	Grants - Capital	Capital Grants are \$1.8 million favourable to budget due to the receipt of \$2.0 million from the State Government for the Mordialloc Creek Dredging Project.
4	Interest	Interest received is \$0.6 million favourable. \$0.4 million of this favourable variance relates to interest on investments due to higher than anticipated cash holdings during the year and \$0.2 million for interest on rates.
5	Other Revenue	Other Revenue is favourable to budget by \$3.5 million due to unbudgeted Found Assets (\$2.2 million) including \$1.7 million of land and \$0.5 million of drainage assets. Found Assets represent assets which are discovered to be under the control of Council due to improved measurement techniques or more accurate data becoming available. Other Revenue also includes an unbudgeted \$1.3 million fair value adjustment for Investment Property in 2012.
6	Employee Benefits	Employee Benefits are \$13.0 million unfavourable largely due to the unbudgeted Defined Benefits Superannuation call from Vision super for \$10.4 million payable in July 2013. This amount is to top up a shortfall in the Defined Benefits Scheme Super Fund as at 31 December 2011. \$1.3 million is related to higher leave provisions due to lower interest rates compared to June 2011 and the balance partly related to increased funding from Grants and Subsidies and User Fees and Charges.
7	Materials and Services	Materials and Services total \$68.6 million and was\$5.6 million unfavourable to budget. This includes \$3.6 million related expenditures budgeted as capital works (\$7.2 million was taken to the Income Statement of the total capital works expenditure of \$35.2 million, compared to the budget of \$3.6 million, \$2.9 million of this variance relates to the expenditure for the Mordialloc Creek dredging project). .
8	Bad and Doubtful Debts	Bad and Doubtful Debts total \$77k and are \$57k unfavourable to budget due to the write off of a debt related to a previous catering contract at the Kingston Arts Centre (\$75k) as approved by Council.
9	Finance Costs	Finance Costs are \$0.3 million favourable to budget. This reflects the better than expected interest rate for the loan for 1230 Nepean Highway and a further \$1 million for the 1230 Nepean Highway lift refurbishment works has not yet been borrowed.
10	Net Gain on Disposal of Infrastructure, Property, Plant and Equipment	Net Gain on Disposal of Infrastructure, Property, Plant & Equipment includes unbudgeted profit on the sale of 6 vehicles, the Compulsory sale of land at Rosebank Avenue and Rahur St Clayton South (\$409k) and the loss upon demolition of a toilet at Victory Park (\$125k).

Standard Statements For Year Ended 30 June 2012

Cash Flow Statement

The Cash Flow Statement shows what has happened during the year in terms of cash. It explains what cash movements have resulted in the difference in the cash balance at the beginning and the end of the year.

The net cash flows from operating activities, shows how much cash remains, after paying for providing services to the community, which may be invested in things such as capital works.

The information in the Cash Flow Statement assists users in the assessment of the ability to generate cash flows, meet financial commitments as they fall due including the servicing of borrowings, fund changes in the scope or nature of activities and obtain external finance.

Cash Flow Statement	2011/2012 Inflows/ (Outflows) Actual \$(‘000)	2011/2012 Inflows/ (Outflows Budget \$(‘000)	2011/2012 Favourable/ (Unfav) Variance \$(‘000)	2011/2012 Favourable/ (Unfav) Variance%	Ref
Cash Flows from Operating Activities					
Receipts					
Rates and Charges	99,185	99,553	(368)	(0.4%)	
Grants and Subsidies	31,651	27,867	3,784	13.6%	1
Contributions, Reimbursements and Donations	3,954	206	3,748	1,819.4%	2
Interest	2,988	2,100	888	42.3%	3
User Charges	22,370	23,062	(692)	(3.0%)	
Other Receipts	709	729	(20)	(2.7%)	
	160,857	153,517	7,340		
Payments					
Employee Benefits	(61,512)	(61,403)	(109)	(0.2%)	
Materials and Services	(67,754)	(63,057)	(4,697)	(7.4%)	
	(129,266)	(124,460)	(4,806)		
Net Cash Provided by Operating Activities	31,591	29,057	2,534	8.7%	
Cash Flows from Investing Activities					
Proceeds from Sale of Infrastructure, Property, Plant and Equipment	482	200	282	141.0%	4
Payments for Infrastructure, Property, Plant and Equipment	(29,372)	(33,766)	4,394	13.0%	5
Net Cash Used In Investing Activities	(28,890)	(33,566)	4,676	13.9%	
Cash Flows from Financing Activities					
Finance Costs	(1,207)	(1,535)	328	21.3%	6
Proceeds from Interest Bearing Loans and Borrowings	331	1000	(669)	66.9%	7
Repayment of Interest Bearing Loans and Borrowings	(889)	(658)	(231)	(35.2%)	8
Increase/(Repayment) of Trust Funds and Deposits	292	1,100	(807)	(73.4%)	9
Net Cash used in Financing Activities	(1,473)	(93)	(1,380)	(1,483.7%)	
Net Increase (Decrease) in Cash and Cash Equivalents	1,228	(4,602)	5,830	126.7%	
Cash and Cash Equivalents at the Beginning of the Financial Year	39,443	33,745	5,698	16.9%	
Cash and Cash Equivalents at the End of the Financial Year	40,671	29,143	11,528	39.6%	

Standard Statements For Year Ended 30 June 2012

Cash Flow Statement Variance Explanation Report

Ref	Item	Explanation
1	Grants and Subsidies	Grants & Subsidies received are favourable to budget by \$3.8 million due to \$2.5 million of funding received in advance for 2012/13 projects including \$2.2 million received in June for 2012/13 Victorian Grants Commission Funding. Higher than expected funding was also received for Community & Aged Services (\$0.7 million) which is largely offset by increased salaries for this department.
2	Contributions, Reimbursements and Donations	Contributions, Reimbursements & Donations received are favourable to budget by \$3.7 million primarily due to cash contributions from developers of \$2.8 million. These contributions are allocated to reserves for Council's Open Space Development. Also included is \$0.2 million unbudgeted from Sundowner Neighbourhood House, \$0.1 million from Chelsea Senior Citizens Centre and \$0.2 million for Chelsea Community Renewal Implementation funding.
3	Interest	Interest received is favourable to budget by \$0.9 million due to higher than anticipated cash holdings resulting in more than expected interest on investments.
4	Proceeds from Sale of Infrastructure, Property, Plant and Equipment	Proceeds from the Sale of Infrastructure, Property, Plant & Equipment includes proceeds from the sale of 6 vehicles (\$44k), the Compulsory sale of land in Autumn Tce, Rosebank Ave and Rahur St Clayton South (\$424k) and proceeds from the sale of leased gym equipment (\$13k).
5	Payments for Infrastructure, Property, Plant and Equipment	Payments for Infrastructure, Property, Plant & Equipment are favourable to budget by \$4.4 million. This is offset by the higher than budgeted payments for materials and services (\$4.7 million) which includes \$2.9 million of expenditure for the Mordialloc Creek Dredging Project expensed to the income statement.
6	Finance Costs	Finance Costs are \$0.3 million favourable to budget. This reflects the better than expected interest rate for the loan for 1230 Nepean Highway and a further \$1 million for the 1230 Nepean Highway lift refurbishment works has not yet been borrowed.
7&8	Proceeds (Repayment) of Interest Bearing Loans and Borrowings	Interest Bearing Loans and Borrowings are \$0.7 million unfavourable to budget due to unbudgeted proceeds for the new Finance Lease (\$0.3 million) which commenced in February 2012 for new gym equipment at Waves and Don Tatnell Leisure Centre. In addition, the budgeted extra borrowings of \$1 million for the lift refurbishment works at 1230 Nepean Highway Cheltenham has not yet been borrowed.
9	Trust Funds and Deposits	Trust Funds & Deposits have an unfavourable cash variance of \$0.8 million predominately due to lower than expected bond receipts compared to refunds paid to outgoing residents. Trust fund balances fluctuate depending on resident turnover.

Standard Statements For Year Ended 30 June 2012

Balance Sheet

A Balance Sheet Statement shows a summary of the financial position as at the end of the financial year. It shows what Council owns as assets and what it owes as liabilities.

Net assets identify Council's net worth, which has been built up over many years.

Equity shows the accumulated surpluses built up over the years, the revaluation of fixed assets and the value of reserves.

The information in the Balance Sheet assists users in the assessment of the ability of assets to meet financial obligations.

Balance Sheet	2011/2012 Actual \$('000)	2011/2012 Budget \$('000)	2011/2012 Favourable/ (Unfav) Variance \$('000)	2011/2012 Favourable/ (Unfav) Variance%	Ref
Current Assets					
Cash and Cash Equivalents	40,671	29,144	11,527	39.6%	1
Trade and Other Receivables	11,274	4,828	6,446	133.5%	2
Assets Held for Resale	533	-	533	-	
Other Assets	1,145	-	1,145	-	
Total Current Assets	53,623	33,972	19,651	57.8%	
Non Current Assets					
Trade and Other Receivables	10	65	(55)	(84.6%)	2
Property, Infrastructure, Plant and Equipment	2,386,775	2,268,111	118,664	5.2%	
Investment Property	3,290	-	3,290	-	
Intangible Assets	1,245	-	1,245	-	
Total Non Current Assets	2,391,320	2,268,176	123,144	5.4%	
Total Assets	2,444,943	2,302,148	142,795	6.2%	
Current Liabilities					
Trade and Other Payables	11,689	8,153	(3,536)	(43.4%)	3
Provisions	12,209	9,302	(2,907)	(31.3%)	4
Interest Bearing Loans and Borrowings	842	781	(61)	(7.8%)	
Trust Funds and Deposits	11,797	12,362	565	4.6%	
Total Current Liabilities	36,537	30,598	(5,939)	(19.4%)	
Non Current Liabilities					
Provisions	1,763	2,111	348	16.5%	4
Interest Bearing Loans and Borrowings	20,005	20,969	964	4.6%	
Defined Benefits Superannuation Liability	10,415	-	(10,415)	-	5
Total Non Current Liabilities	32,183	23,080	(9,103)	(39.4%)	
TOTAL LIABILITIES	68,720	53,678	(15,042)	(28.0%)	
NET ASSETS	2,376,223	2,248,470	127,753	5.7%	
Equity					
Accumulated Surplus	1,201,756	1,204,031	(2,276)	(0.2%)	
Asset Revaluation Reserve	1,159,622	1,038,214	121,408	11.7%	6
Other Reserves	14,845	6,225	8,620	138.5%	
TOTAL EQUITY	2,376,223	2,248,470	127,753	5.7%	

Standard Statements For Year Ended 30 June 2012

Balance Sheet Variance Explanation Report

Ref	Item	Explanation
1	Cash and Cash Equivalents	The Cash and Cash Equivalents balance is \$11.5 million favourable to budget due to higher than anticipated cash received for grants and contributions (\$7.5 million) and the higher than anticipated cash position at the beginning of the financial year (\$5.7 million).
2	Trade and Other Receivables	Trade and Other Receivables are more than budgeted by \$6.4 million. \$5.3 million of the receivables balance relates to debts which are less than 30 days old including \$2 million invoiced to the State Government for funding towards Mordialloc Creek Dredging and \$1.2 million invoiced to DHS in June for the State Government Pension Rebate Reimbursement for January-June 2012. These current debts were paid in July 2012. A further \$0.6 million relates to increased rate debtors which includes legal costs applied in June 2012.
3	Trade and Other Payables	Trade and Other Payables are unfavourable to budget by \$3.5 million due to unbudgeted year end payables for Materials and Services expenditure. Payment for these payables will occur within the maximum 30 day terms.
4	Provisions	Overall Provisions are unfavourable to budget by \$2.6 million. This includes \$1.3 million for increased provisions related to reduced interest rates affecting the discount rate on provisions and a \$0.4 million adjustment as Long Service Leave is now 100% vested from 7 years of service (previously 10 years).
5	Defined Benefits Superannuation Liability	The Defined Benefits Superannuation Liability represents the shortfall in the Defined Benefits Scheme Superannuation Fund payable to Vision Super. Council is yet to consider its repayment strategy for this liability.
6	Asset Revaluation Reserve	The Asset Revaluation Reserve is favourable to budget by \$121.4 million due to the 2012 revaluation of Council's land under roads (\$75.9 million increment), buildings (\$19.6 million increment), land (\$69.2 million decrement), transport (\$5.3 million increment) and drainage (\$17.0 million increment). In addition, the 2011 revaluation was not taken into account when setting this budget which resulted in a revaluation increment of \$72.8 million.
7	Other Reserves	Other Reserves are favourable to budget by \$8.6 million. The reserves include \$7.4 million in Open Space reserve contributions, \$2.9 million for Aged Hostels Reserves and \$4.2 million in reserve contributions for the Kingston Foreshore Reserve and Green Wedge Reserve in 2011 and 2012 which are for the renewal and development of Councils foreshore and non-urban areas.

Standard Statements For Year Ended 30 June 2012

Capital Works Standard Statement

The Capital Works Statement lists the different categories of capital projects compared to budget and highlights the percentage that was completed in the financial year.

These capital projects are also categorised by the nature of the expenditure as to whether it is related to expansion, renewal, upgrade, non-recurring expenditure or road infrastructure renewal.

Capital Works	2011/2012 Actual \$('000)	2011/2012 Budget \$('000)	2011/2012 Favourable/ (Unfav) Variance%	Ref
Building Infrastructure	5,223	4,864	107%	
Economic Development	2,134	3,732	57%	1
Community Services	290	183	158%	
Library & Education	746	883	84%	
Leisure & Cultural Planning	4,692	4,084	115%	
Leisure Centres	1,404	1,463	96%	
Arts & Major Halls	1,434	1,469	98%	
Coastal Reserves	4,675	4,013	116%	
Parks & Urban Design	2,270	2,631	86%	
Information Services	800	3,100	26%	2
Road Resurfacing	1,448	1,400	103%	
Road Renewal	7,379	3,367	219%	3
Drainage	1,574	3,070	51%	3
Footpaths	920	2,200	42%	3
Car Parks	3	400	1%	3
Traffic Management	223	500	45%	3
Total Capital Program	35,215	37,359	94%	
Projects Represented by:				
Capital Expansion	4,442	6,426	69%	
Capital Renewal	16,113	17,876	90%	
Capital Upgrade	4,785	7,779	62%	
Road Infrastructure Renewal	6,877	3,380	203%	
Non Recurring Project Expenditure	2,998	1,898	158%	
Total Capital Program	35,215	37,359	94%	

Standard Statements For Year Ended 30 June 2012

Capital Works Variance Explanation Report

Ref	Item	Explanation
1	Economic Development	The Economic Development capital budget was only 57% spent due to delayed works on the renewal of Main Street Mordialloc (\$0.7 million) and the Moorabbin to Mordialloc Structure Plan Implementation (\$0.5 million).
2		Trade and Other Receivables are more than budgeted by \$6.4 million. \$5.3 million of the receivables balance relates to debts which are less than 30 days old including \$2 million invoiced to the State Government for funding towards Mordialloc Creek Dredging and \$1.2 million invoiced to DHS in June for the State Government Pension Rebate Reimbursement for January-June 2012. These current debts were paid in July 2012. A further \$0.6 million relates to increased rate debtors which includes legal costs applied in June 2012.
3	Information Services	The Information Services capital budget was 26% spent due to delays in the implementation of the new phone project (\$0.3 million), the VOIP Implementation (\$0.3 million), HRIS Software (\$0.3 million), the new Website Content Management System (\$0.2 million) and the Aged and Disability Software Replacement (\$0.3 million). The budget for these items is expected to be spent in the next financial year.
	Roadworks, Drainage, Footpaths, Car Parks and Traffic Management	Works were prioritised and reallocated throughout the year for all road, drainage, footpath and traffic capital works. Road Renewal was a focus for 2011/12. Total spend on all road and drainage infrastructure works was a total of 6% more than budgeted offsetting the 4.5% less than budget spent in 2010/11.

Certification of the Standard Statements For Year Ended 30 June 2012

CERTIFICATION OF THE STANDARD STATEMENTS

In my opinion, the accompanying standard statements of Kingston City Council in respect of 2011/12 financial year are presented fairly in accordance with the Local Government Act 1989 and the Local Government (Finance & Reporting) Regulations 2004.

The of Income Statement, Cash Flow Statement, Balance Sheet and Capital Works Standard Statements, are consistent with the Budget and are prepared on bases consistent with the Financial Statements.

Principal Accounting Officer 

P.A. Franklin

Dated: 3/9/2012

In our opinion, the accompanying standard statements of Kingston City Council in respect of 2011/12 financial year are presented fairly in accordance with the Local Government Act 1989 and the Local Government (Finance & Reporting) Regulations 2004.

As at the time of signing, we are not aware of any circumstance which would render any particular in the statements to be misleading or inaccurate. We were authorised by the Council on 27 August 2012 to certify the Standard Statements in their final form on behalf of Council.

 Dated 4.9.12
Mayor
J. Ronke

 Dated 3/9/12
Councillor
P. Peulich

 Dated 3.9.12
Chief Executive Officer
J.A. Nevins

Financial Report:

We are responding to our community's changing needs, expectations and lifestyles



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Comprehensive Income Statement

For the Year Ended 30 June 2012

	Note	2012	2011
		\$(` 000)	\$(` 000)
Income			
Rates and Charges	3	99,746	93,251
Grants - Recurrent	4	30,196	27,685
Grants – Non-recurrent	4	3,455	798
Contributions – Cash	5	3,954	2,581
Contributions – Non-monetary assets	5	5,190	560
User Fees, Charges and Fines	6	24,720	22,754
Interest Income	7	2,722	2,622
Other Income	7	4,195	2,628
Net Profit on disposal of Infrastructure, Property, Plant and Equipment	8	324	-
Total Income		174,502	152,879
Expenses			
Employee Benefits	9, 41	74,441	59,931
Materials and Services	10	68,604	62,241
Bad and Doubtful Debts	11	77	17
Depreciation and Amortisation	12	19,077	18,397
Finance Costs	13	1,207	784
Net Loss on disposal of infrastructure, property, plant and equipment	8	-	132
Impairment Loss – Bed Licences	14/22	-	1,534
Total Expenses		163,406	143,036
SURPLUS		11,096	9,843
Other Comprehensive Income			
Net asset revaluation increment	20/21/29/	48,649	72,759
COMPREHENSIVE RESULT	2	59,745	82,602

Balance Sheet

As at 30 June 2012

	Note	2012 \$ (` 000)	2011 \$ (` 000)
CURRENT ASSETS			
Cash and Cash Equivalents	15	40,671	39,443
Trade and Other Receivables	17	11,274	6,447
Non-Current Assets classified as Held for Sale	18	533	-
Other Assets	19	1,146	1,012
Total Current Assets		53,624	46,902
NON CURRENT ASSETS			
Trade and Other Receivables	17	10	59
Infrastructure, Property, Plant & Equipment	20	2,386,775	2,321,365
Investment Property	21	3,290	1,990
Intangible Assets	22	1,245	1,025
Total Non Current Assets		2,391,320	2,324,439
TOTAL ASSETS		2,444,944	2,371,341
CURRENT LIABILITIES			
Trade and Other Payables	23	11,688	10,293
Provisions	24	12,209	9,188
Leased Plant Liability	25	38	-
Interest Bearing Loans and Borrowings	25	804	641
Trust Funds and Deposits	26	11,797	11,705
Total Current Liabilities		36,536	31,827
NON CURRENT LIABILITIES			
Provisions	24	1,763	2,270
Interest Bearing Loans and Borrowings	25	19,738	20,766
Leased Plant Liability	25	269	-
Defined Benefits Superannuation Liability	9, 41	10,415	-
Total Non Current Liabilities		32,185	23,036
TOTAL LIABILITIES		68,721	54,863
NET ASSETS		2,376,223	2,316,478
EQUITY			
Accumulated Surplus		1,201,756	1,194,679
Asset Revaluation Reserve	28,29	1,159,622	1,110,973
Other Reserves	28,29	14,845	10,826
TOTAL EQUITY		2,376,223	2,316,478

Statement of Changes in Equity For the Year Ended 30 June 2012

2012	Note	TOTAL	ACCUMULATED SURPLUS	ASSET REVALUATION RESERVE	ASSET REPLACEMENT RESERVE	ASSET DEVELOPMENT RESERVE	OTHER RESERVES
		\$ (' 000)	\$ (' 000)	\$ (' 000)	\$ (' 000)	\$ (' 000)	\$ (' 000)
Balance at 1 July 2011		2,316,478	1,194,679	1,110,973	1,957	6,048	2,821
Surplus for the year		11,096	11,096	-	-	-	-
Net asset revaluation increment (decrement)	28,29	48,649	-	48,649	-	-	-
Transfers to Other Reserves	28,29	-	(5,941)	-	201	2,780	2,960
Transfer from Other Reserves	28,29	-	1,922	-	(187)	(1,509)	(226)
Balance as at 30 June 2012		2,376,223	1,201,756	1,159,622	1,971	7,319	5,555

2011	Note	TOTAL	ACCUMULATED SURPLUS	ASSET REVALUATION RESERVE	ASSET REPLACEMENT RESERVE	ASSET DEVELOPMENT RESERVE	OTHER RESERVES
		\$ (' 000)	\$ (' 000)	\$ (' 000)	\$ (' 000)	\$ (' 000)	\$ (' 000)
Balance at 1 July 2010		2,233,875	1,187,834	1,038,214	1,684	5,436	707
Surplus for the year		9,843	9,843	-	-	-	-
Net asset revaluation increment (decrement)	28,29	72,759	-	72,759	-	-	-
Transfers to Other Reserves	28,29	-	(4,621)	-	462	2,039	2,120
Transfer from Other Reserves	28,29	-	1,623	-	(189)	(1,427)	(6)
Balance as at 30 June	2011	2,316,478	1,194,679	1,110,973	1,957	6,048	2,821

Cash Flow Statement For the Year Ended 30 June 2012

	Note	2012 \$ (' 000) Inflows/(Outflows)	2011 \$ (' 000) Inflows/(Outflows)
Cash Flows from Operating Activities			
Rates and Charges		99,185	92,597
Grants and Subsidies		31,651	28,483
User Fees, Charges & Fines		22,370	23,943
Contributions, Reimbursements & Donations		3,954	2,581
Interest		2,988	2,438
Other Receipts		709	1,035
Payments to Suppliers		(67,754)	(62,326)
Payments to Employees		(61,512)	(59,506)
Net cash provided by operating activities	30	31,591	29,245
Cash flows from investing activities			
Payments for Infrastructure, Property, Plant and Equipment (i)	20/40	(29,372)	(43,350)
Proceeds from Sale of Infrastructure, Property, Plant & Equipment	8	482	129
Net cash used in investing activities		(28,890)	(43,221)
Cash flows from financing activities			
Finance Costs		(1,207)	(784)
Net Increase (Repayment) of Interest Bearing Loans and Borrowings (i)	25	(558)	18,917
Net Increase (Repayment) of Trust Funds and Deposits		293	(455)
Net cash used in financing activities		(1,472)	17,678
Net increase in cash and cash equivalents		1,228	3,702
Cash and cash equivalents at the beginning of the financial year		39,443	35,741
Cash and cash equivalents at the end of the financial year	31	40,671	39,443
Restrictions on Cash Assets	16	19,116	24,653

(i) 2011 includes the December 2010 purchase of Council’s main offices at 1230 Nepean Highway Cheltenham, increasing the payments for property and borrowings by \$21.5 million over 25 years.

NOTE 1 Significant Accounting Policies

Introduction

Kingston City Council was established by an Order of the Governor in Council on 15th December 1994 and is a body corporate. The Council's main office is located at 1230 Nepean Highway, Cheltenham Victoria.

This financial report is a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, and notes accompanying these financial statements. The general purpose financial report complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, and the Local Government (Finance and Reporting) Regulations 2004.

(a) Basis of Accounting

This financial report has been prepared on the accrual and going concern basis under the historical cost convention, except where specifically stated in 1(b), 1(h), 1(i).

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.

All entities controlled by Council that have material assets or liabilities, such as Special Committees of Management, have been included in this financial report. All transactions between these entities and the Council have been eliminated in full.

(b) Recognition and Measurement of Assets

Acquisition

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

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

The following classes of assets have been recognised and are reported on further in Notes 20, 21 and 22. In accordance with Council policy the threshold limits listed below have been applied when recognising assets within an applicable asset class and are consistent with the threshold limits in the prior year. Expenditure below the threshold limit is recorded as an expense in the year of recognition.

NOTE 1 Significant Accounting Policies (continued)

Class of Asset	Limit at which Recognised	
	Purchase/ Construction \$ ('000)	Asset Improvement \$ ('000)
Plant	5	N/A
Land & Buildings		
- Land	-	N/A
- Land Under Roads	10	N/A
- Buildings	-	20
- Leasehold Improvements	-	20
- Land Improvements (excluding Buildings)	N/A	20
Equipment	2	N/A
Transport		
- Roads	-	50
- Kerb & Channel	-	50
- Bridges	-	50
- Footpaths	-	50
- Street Furniture	10	10
- Traffic Control	10	10
Drainage Works	-	25
Heritage & Culture	1	25
Investment Property	-	N/A
Intangibles - Bed Licences	-	N/A
Intangibles - Software	50	N/A

Intangible Asset – Bed Licences

Approved provider aged care places (bed licences) are recorded at cost (zero) at 30 June 2012. Previous valuations were at 'fair value' but Council elected in 2011 to no longer recognise their value based on the recent ASIC finding that the strict criteria for an 'active market' is not fulfilled in the case of bed licences. Refer to note 22.

Intangible Asset – Software

Purchased software is recognised as an intangible asset if it meets the recognition threshold of \$50,000. Purchased software is measured at cost less accumulated amortisation and impairment costs over a finite life not exceeding five years. The purchase price and any directly attributable costs of preparing the software for operation are included in the cost of the intangible asset. All expenditure below the threshold and ongoing maintenance and fees related to the software is expensed when incurred. Operating software integral to the operation of a PC is recorded as property, plant and equipment.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets (other than Plant, Equipment, Asset Improvements, Bed Licences, Software and Library Books), are measured at their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. 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 is revalued. In addition, Council usually undertakes a formal valuation of land and building assets on a regular basis ranging from 2 to 4 years. A formal revaluation of land and building assets was performed in 2012. The valuation is performed by independent experts.

Constructed assets, namely Transport and Drainage Works, are recognised in this general purpose financial report and have been valued at the written down current cost of replacement of the asset in accordance with Australian Accounting Standard AAS 27 "Financial Reporting by Local Governments".

NOTE 1 Significant Accounting Policies (continued)

(b) Recognition and Measurement of Assets

Valuations for Transport and Drainage Works have been determined as at 30 June 2012. The valuation is performed by experienced council officers.

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

Land Under Roads
Council recognises land under roads it controls at fair value.

(c) Depreciation and Amortisation of Non-Current Assets

Buildings, land improvements, plant and equipment, infrastructure, heritage assets, and intangibles (software) 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. Straight line depreciation is charged based on the residual useful life as determined each year.

Major Depreciation and Amortisation periods are listed below:

Transport:	
Roads - Sub base	100 years
Roads - Sheet	25 years
Kerb & Channel	80 years
Footpaths	60 years
Bridges	100 years
Street Furniture, Traffic Control	10 years
Drainage Works:	
Drains	100 years
Heritage & Culture:	
Artefacts, Artworks, Monuments	100 years
Library Books	5 years
Equipment:	
Computers	3 years
Furniture, Office Equipment	5 years
Plant:	
Plant	3 to 10 years
Land & Buildings:	
Buildings	20 to 100 years
Leasehold Improvements	10 years
Land Improvements (excluding Buildings)	10 to 50 years
Intangibles:	
Purchased Software	5 years

The depreciation periods are consistent with those that applied in the previous year.

NOTE 1 Significant Accounting Policies (continued)

(d) Cash and Cash Equivalents

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

(e) Investments

Investments are measured at cost.

(f) Trust Funds and Deposits

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust funds until they are returned or forfeited (refer to note 26).

All Residential Aged Care accommodation Bond liabilities are recorded as Current Liabilities. Refer Note 26.

(g) Impairment of assets

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

(h) Investment Property

Investment property is land or buildings which are held to generate long-term rental yields. All tenant leases are on arms length basis. Investment property is measured initially at cost, including transaction costs. After initial recognition, 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. Rental income from the leasing of investment properties is recognised in the comprehensive income statement on a straight line basis over the lease term.

(i) Non-current Assets Classified as Held for Sale

A Non Current Asset Held for Sale is measured at the lower of its carrying amount and fair value less costs to sell, and not subject to depreciation. Non-current assets are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset’s sale is highly probable and is expected to be completed within 12 months from the date of classification.

(j) Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, being the Council’s operational cycle, or if the Council does not have an unconditional right to defer settlement of a liability for at least 12 months after the reporting date.

(k) Reportable Segment – Residential Aged Care Facilities

In compliance with the requirements of the Aged Care Act 1997 and the Department of Health and Ageing funding policy regarding Conditional Adjustment Payments, Council reports activities of Residential Aged Care facilities as a reportable segment in the notes accompanying the Financial Report. Refer Note 42.

NOTE 1 Significant Accounting Policies (continued)

(l) Employee Benefits

Wages and Salaries
Liabilities for wages and salaries and rostered days off are recognised and measured as the amount unpaid at balance date and include appropriate oncosts such as workers compensation and payroll costs.

Annual Leave
Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date. Annual leave expected to be paid within 12 months is measured at nominal value based on the amount, including appropriate oncosts, expected to be paid when settled. Annual leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Long Service Leave
Long service leave entitlements payable are assessed at balance date having regard to expected employee remuneration rates on settlement, employment related oncosts and other factors including accumulated years of employment, on settlement, and experience of employee departure per year of service. Long service leave expected to be paid within 12 months is measured at nominal value based on the amount expected to be paid when settled. Long service leave expected to be paid later than one year has been measured at the present value of the estimated future cash outflows to be made for these accrued entitlements. Commonwealth bond rates are used for discounting future cash flows.

Classification
An employee benefit liability is classified as a current liability if the Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the period. This would include all annual leave and unconditional long service leave entitlements.

Superannuation
A liability is recognised in respect of Council’s present obligation to meet the unfunded obligations of defined benefit superannuation schemes to which its employees are members. The liability is defined as the Council’s share of the scheme’s unfunded position, being the difference between the present value of employees’ accrued benefits and the net market value of the scheme’s assets at balance date.

The superannuation expense for the reporting year is the amount of the statutory contribution the Council makes to the superannuation plan which provides benefits to its employees together with any movements (favourable/unfavourable) in the position of any defined benefits schemes. Details of these arrangements are recorded in note 33.

Sick Leave
No provision is made for sick leave, as the cumulative entitlement is not paid on termination.

(m) Leases

Finance Leases
Leases of assets where substantially all the risks and benefits incidental to ownership of the asset, but not the legal ownership, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are amortised on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Leased assets were being amortised over a four year period which commenced in February 2012.*Operating Leases*

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred. (Note 36).

Leasehold Improvements
Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

NOTE 1 Significant Accounting Policies (continued)

(n) Revenue Recognition

Rates, Grants and Contributions
Rates, grants and contributions (including developer contributions) are recognised as revenues when the Council obtains control over the assets comprising these receipts.

Control over assets acquired from rates is obtained at the commencement of the rating year as it is an enforceable debt linked to the rateable property or, where earlier, upon receipt of the rates.

A provision for doubtful debts on rates has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

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

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 4. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council’s operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date.

User Fees and Fines
User fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs. A provision for doubtful debts is recognised when collection in full is no longer probable.

Sale of Infrastructure, Property, Plant and Equipment
The profit or loss on sale of an asset is determined when control of the asset has irrevocably passed to the buyer.

Rental
Rents are recognised as revenue when the payment is due or the payment is received, whichever occurs first. Rental payments received in advance are recognised as a prepayment until they are due.

Interest
Interest is recognised progressively as it is earned.

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

(o) Goods and Services Tax (GST)

Revenues, expenses, and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the taxation authority, it is recognised as part of the cost of acquisition of an asset or as part of an item of expense; or for Trade and Other Receivables or Trade and Other Payables which are recognised inclusive of GST. Cash flows are presented in the Cash Flow Statement on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(p) Repairs and Maintenance

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

NOTE 1 Significant Accounting Policies (continued)

(q) Borrowing Costs

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

(r) Change in Accounting Policies

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.

(s) Provision for Doubtful Debts

Provision for doubtful debts is calculated by conducting a debt by debt review taking into regard the age of each debt and the probability of collection.

(t) Financial Guarantees

Financial guarantee contracts are recognised as a liability at the time the guarantee is issued. The liability is initially measured at fair value, and if there is a material increase in the likelihood that the guarantee may have to be exercised, at the higher of the amount determined in accordance with AASB 137 Provisions, Contingent Liabilities and Contingent Assets and the amount initially recognised less cumulative amortisation, where appropriate. In the determination of fair value, consideration is given to factors including the probability of default by the guaranteed party and the likely loss to Council in the event of default.

(u) Rounding

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

(v) Pending Accounting Standards

The following Australian Accounting Standards have been issued or amended and are applicable to the Council but are not yet effective. They have not been adopted in preparation of the financial statements at reporting date.

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on Local Government financial statements
AASB 9: Financial Instruments and AASB 20010–11: Amendments to Australian Accounting Standards arising from AASB 9 [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 121, 127, 128, 131, 132, 136, 139, 1023 & 1038 and Interpretations 10 & 12]	<p>These standards are applicable retrospectively and amend the classification and measurement of financial assets. Council has not yet determined the potential impact on the financial statements. Specific changes include:</p> <ul style="list-style-type: none">* simplifying the classifications of financial assets into those carried at amortised cost and those carried at fair value;* removing the tainting rules associated with held-to-maturity assets;* simplifying the requirements for embedded derivatives;* removing the requirements to separate and fair value embedded derivatives for financial assets carried at amortised cost;* allowing an irrevocable election on initial recognition to present gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. Dividends in respect of these investments that are a return on investment can be recognised in profit or loss and there is no impairment or recycling on disposal of the instrument; and* reclassifying financial assets where there is a change in an entity's business model as they are initially classified based on:<ul style="list-style-type: none">a. the objective of the entity's business model for managing the financial assets; andb. the characteristics of the contractual cash flows.	Applicable for annual reporting periods commencing on or after 1 January 2013.	These changes are expected to provide some simplification in the accounting for and disclosure of financial instruments.

NOTE 1 Significant Accounting Policies (continued)

(v) Pending Accounting Standards (continued)

Standard / Interpretation	Summary	Applicable for annual reporting periods beginning or ending on	Impact on Local Government financial statements
Key Characteristics of the Public Sector with Potential implications for Financial Reporting	These standards detail with numerous non-urgent but necessary changes to accounting standards arising from the IASB's annual improvements project.	Applicable for annual reporting periods commencing on or after 1 January 2011.	These amendments are not expected to impact Council.
Amendments to Australian Accounting Standards – Financial Instruments: Disclosures, Recognition and Measurement [AASB 7, 139]	These standards detail the proposed changes to be made to the recognition, disclosure and measurement of impairment of financial instruments.	Applicable for annual reporting periods commencing on or after 1 July 2011 but before 1 July 2012.	These amendments are not expected to impact Council.

(w) Contingent Assets and Contingent Liabilities and Commitments

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively. Refer note 35.

Commitments are not recognised in the Balance Sheet, but are disclosed by way of note. Commitments are disclosed at their nominal value and inclusive of the GST payable. Refer note 34.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 2 Underlying Result

A key measure of financial sustainability is the Underlying Result. The Underlying Result, as defined by Council, identifies whether Council is generating enough revenue to cover operating expenses (including the cost of replacing assets reflected in depreciation expenditure). It is represented by the comprehensive result adjusted for any asset revaluations, non cash developer contributions and found assets, as well as any other one-off or non-recurrent transactions. These are transactions that affect the surplus and/or the comprehensive result, but the values can fluctuate significantly from year to year. Therefore, the Underlying Result should remain relatively consistent from year to year and best represents Council’s ability to remain sustainable and continue with normal day-to-day operations.

	2012 \$ (' 000)	2011 \$ (' 000)
Comprehensive Result	59,745	82,602
Net Asset Revaluation Movement	(48,649)	(72,759)
Surplus	11,096	9,843
One-off / Non-recurring adjustments:		
Non-Cash Developer Contributions	(5,190)	(560)
Found Assets	(2,186)	(1,513)
Non-recurring Grants *	(3,455)	(798)
Underlying Result	265	6,972

* Non-recurring grants includes \$2.0 million for the Mordialloc Creek Dredging and \$0.4 million for the Shirley Burke Theatre Redevelopment.

The Underlying Result is less favourable than in 2011 due to:

- A \$10.4 million defined benefits superannuation expense in 2012 to finance the shortfall in the Defined Benefits Scheme Fund.
- A \$1.3 million favourable adjustment to the fair value of Council’s Investment Property in 2012.
- A \$1.5 million write-down of Bed Licenses in 2011 (which was not in 2012).

NOTE 3 Rates and Charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. CIV approximates the market value of land and improvements.

The valuation base used to calculate general rates for 2011/12 was \$37.2 billion (2010/11 \$37.0 billion). The 2011/2012 declared rate in the dollar was 0.22230 cents (2010/11 0.20966 cents).

A Municipal charge is levied at the rate of \$100 (2010/11 \$100) per rateable property and a Waste Service fee is levied at the rate of \$114 to \$200 (2010/11 \$102 to \$181) per rateable property, for Waste Service choices A to F.

During 2011/2012 Council utilised for rating purposes within the municipal district, the general revaluation dated 1 January 2010. This valuation was first applied to the rating period commencing 1 July 2010. The date of the previous general revaluation of land for rating purposes within the municipal district was 1 January 2008. The date of the next general revaluation of land for rating purposes within the municipal district is 1 January 2012. This valuation will be first applied to the rating period commencing 1 July 2012.

Valuations were prepared by registered valuers K.A. Reed Group Pty Ltd under contract to Council.

	2012 \$ (' 000)	2011 \$ (' 000)
General Rates	82,932	77,492
Municipal Charges	6,813	6,776
Garbage Charges	10,001	8,983
	99,746	93,251

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 4 Grants

Grants were received in respect of the following:

	2012 \$(' 000)	2011 \$(' 000)
RECURRENT		
Corporate Services & Communications		
Victorian Grants Commission (i)	3,797	2,937
VGC Other (Local Roads Funding)	1,522	1,163
School Crossings	189	215
Tobacco Act Education and Enforcement	19	19
Litter Prevention	65	-
Arts & Festivals	56	52
	5,648	4,386
Environmental Sustainability		
Roads to Recovery	570	569
Beach Cleaning	227	265
Heritage	18	7
Storm Water	50	50
Planning & Industry Development	111	-
Victorian SES	30	29
Mordialloc Creek	20	20
Home Maintenance	465	451
	1,491	1,391
Community Sustainability		
Aged Hostels	3,545	3,603
Leisure	66	65
Graffiti Free Kingston Grant	5	-
Commonwealth Aged Care Packages (CACP)	2,046	1,987
Community Connection Program (CCP)	449	429
Child Care	696	438
Family Day Care	1,051	1,115
Family Support & Stronger Families	126	152
After School Care	248	196
Food Services	237	227
Home Care – Domestic/Specific	3,952	3,224
Home Care – Personal/General	1,964	1,828
Home Care – Respite Care	264	901
Immunisations	107	109
Library	834	842
AccessCare Southern	4,348	4,242
Maternal & Child Health	906	859
Nursing	291	240

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 4 Grants (continued)

	2012 \$(' 000)	2011 \$(' 000)
Social Support	302	250
Vacation Care	234	130
Veterans Affairs	472	474
Youth Development	81	44
Freeza Youth Events	24	24
Community Engagement	808	528
Other	1	1
	23,057	21,908
Total Recurrent	30,196	27,685
NON-RECURRENT		
Mordialloc Creek Dredging	2,000	-
Shirley Burke Theatre Redevelopment	400	-
Chelsea Redevelopment of Seniors Club	131	-
Climate Change Projects (HACC)	-	47
Park & Playground Upgrades	248	-
Sportsground Upgrade Grants	288	-
Various Capital Projects – Grants (Non Recurrent)	27	51
Living Rivers Funding	80	-
Chelsea Sportswomens Centre	266	28
JTAPP Bicentennial Park	-	216
Governor Road Shared Path	-	133
Carrum Foreshore Renewal	-	100
Cycling & Walking Paths	15	-
Kingston Athletic Tracks Renewal	-	193
Governor Road Boat Ramp	-	30
Total Non-Recurrent	3,455	798
Total Grants	33,651	28,483
Represented By:		
Commonwealth Funded Grants	13,056	9,652
State Funded Grants	20,254	18,477
Other	341	354
Total Grants	33,651	28,483

(i) Victorian Grants Commission funding includes the first two quarterly payments for 2012/13 which were received in June 2012. Total of \$2,171,093

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 4 Grants (continued)

Conditions on Grants

Grants recognised as revenue during the year that they were obtained on a condition that they be expended in a specified manner that had not occurred at balance date were:

	2012 \$(' 000)	2011 \$(' 000)
Kingston Athletic Track Renewals	-	176
Bay to Rail Project Stage 2	15	-
Living Rivers Funding	41	-
Chelsea Redevelopment of Seniors Club	130	-
Sports Lighting at Keys Rd Reserve	77	-
Environment/Stormwater Projects	-	100
Edithvale Recreation Reserve	-	10
Flood Relief Funding	70	-
NECC Emergency Management Funding	3	-
	336	286

Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:

Sportsground Water Efficiency Program	-	54
Aspendale Tennis Club Court Surface Conversion	-	29
Seniors Access IT Project	-	105
Dolomore Reserve Hammer Cages	-	41
Edithvale Recreation Reserve	10	65
Variety Club Grant for Liberty Swing	-	25
Chelsea Sportswomen’s Centre	-	50
Environment/Stormwater Projects	100	250
Kingston Athletic Track Renewals	176	-
	286	619
	50	(333)

Net increase (decrease) in restricted assets resulting from grant revenues for the year

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 5 Contributions

	2012 \$('` 000)	2011 \$('` 000)
CASH		
Monetary Donations/Contributions from Developers	2,780	2,039
Various Capital Projects - Contributions	228	327
Community Sustainability	509	36
Environmental Sustainability	274	157
Other	163	22
Total Cash Contributions	3,954	2,581
NON MONETARY (i)		
Land Under Roads	404	-
Road Asset Contributions from Developers	366	-
Drainage Asset Contributions from Developers	332	-
Land Asset Contributions from Developers (i)	4,088	560
Total non-monetary Contributions	5,190	560
Total Contributions	9,144	3,141

(i) Land Asset Contributions from developers in 2012 includes \$3.8 million of reserve land from the new Waterways Development - Land Titles have recently transferred to Kingston.

NOTE 6 User Fees, Charges & Fines

	2012 \$('` 000)	2011 \$('` 000)
Aged Services	4,437	4,383
Family and Children’s Services	2,752	2,679
Leisure and Recreation	6,197	6,316
Local Law Permits, Fees, and Fines	4,275	3,916
Planning and Building	2,776	2,816
Rental Income and Hire of Facilities (i)	2,578	1,415
Other	1,705	1,229
	24,720	22,754

(i) Lease payments commenced in September 2011 from Australian Pacific Touring for the lease of Level 3 & 4 of 1230 Nepean Highway Cheltenham.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 7 Other Income

	2012 \$('` 000)	2011 \$('` 000)
Interest on cash and investments	1,848	1,895
Interest on Rates	874	727
Found Assets (i)	2,186	1,513
Other (ii)	2,009	1,115
	6,917	5,250

(i) Found Assets in 2012 include land (\$1,670,352) and drainage assets (\$515,974). Found Assets are not newly purchased assets for the year, these represent assets which are discovered to be under the control of Council due to improved measurement techniques or more accurate data becoming available.

(ii) Other includes a \$1.3 million fair value increment to investment property

NOTE 8 Net Gain (Loss) on Disposal of Property, Infrastructure Plant & Equipment

	2012 \$('` 000)	2011 \$('` 000)
Proceeds from Disposal	482	129
Less: Written down value	(158)	(261)
Profit/(Loss) on Disposal of Infrastructure, Property, Plant & Equipment	324	(132)
Comprising:		
Profit on Disposal of Property, Plant & Equipment (i)	457	96
Loss on Disposal of Property, Plant & Equipment (ii)	(133)	(228)
	324	(132)

(i) Includes profit on the sale of 6 vehicles in 2011/12, the Compulsory sale of land at Rosebank Avenue and Rahur St Clayton South (\$409k) and profit on sale of gym equipment previously leased under a finance lease (\$13k).

(ii) Includes the loss on the compulsory sale of land sold at 33 Autumn Tce Clayton South (\$8k) and the demolition of a toilet at Victory Park (\$125k).

NOTE 9 Employee Benefits

	2012 \$('` 000)	2011 \$('` 000)
Wages & Salaries – Permanent Staff	48,400	44,362
Wages & Salaries – Casual Staff	5,467	5,192
Superannuation	4,512	4,337
Superannuation – Additional Call (i)	10,415	2,027
Annual Leave & Long Service Leave	4,091	2,437
Fringe Benefits Tax & WorkCover	1,519	1,353
Redundancy	37	223
	74,441	59,931
Average Employee Numbers During the Financial Year (Equivalent Full Time)	833	802

(i) The Local Authorities Superannuation Fund latest 31 December 2011 actuarial investigation identified an unfunded liability in the defined benefit fund of which we are a member. Council was made aware of this expected short fall through the year and was informed formally of their share of the shortfall on 1 August 2012 which amounted to \$10,414,533.19 including Contributions Tax of \$1,562,179.98 payable to the Federal Government. Council has recorded this as an expense in 2011/12. Following a call made by the Fund’s Trustees in late 2010, an additional contribution was also made in 2010/11 (\$2.0 million). Refer note 33 & 41.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 10 Materials and Services

	2012 \$(`000)	2011 \$(`000)
Infrastructure Works (i)	16,771	12,634
Community Buildings	2,540	2,885
Waste & Cleansing	9,839	8,750
Aged Services	7,770	7,894
Parks, Gardens & Reserves	8,131	8,415
Leisure & Culture	4,661	4,245
Accommodation Expense	1,170	908
Information Systems and Telecommunications	2,813	2,768
Family Services	2,104	2,121
Community Engagement	1,759	1,777
Enforcement	2,373	2,181
Procurement & Fleet Management	2,776	2,546
Council Business	807	769
Organisational Development & Governance	1,181	1,323
Finance & Legal	2,357	1,803
Other (ii)	1,552	1,222
	68,604	62,241

(i) Infrastructure Works includes \$2.9 million for costs associated with the Mordialloc Creek Dredging funded by a \$2.0 million grant from the State Government and a \$0.9 million contribution from Council.

(ii) Other includes expenditure in divisions such as Corporate Services and Organisational Development and Governance.

NOTE 11 Bad and Doubtful Debts

	2012 \$(`000)	2011 \$(`000)
Other Debtors (i)	77	17
	77	17

(i) 2012 Bad & Doubtful debts includes a \$75k write-off of debt for the previous catering contractors at the Kingston Arts Centre as approved by Council.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 12 Depreciation & Amortisation

	2012 \$(`000)	2011 \$(`000)
Land Improvements	442	356
Buildings	4,849	4,097
Building Improvements	114	93
Leasehold Improvements (i)	105	799
Drainage Works	1,984	2,465
Transport	8,302	7,733
Equipment	1,148	968
Heritage & Culture	16	16
Library Books	1,371	1,190
Plant	332	340
Software Amortisation	380	318
Finance Lease Amortisation	34	22
	19,077	18,397

(i) Leasehold improvements depreciation in 2011 includes \$693,333 write off of remaining leasehold improvements related to the lease of 1230 Nepean Highway Cheltenham which ceased in December 2010.

NOTE 13 Finance Costs

	2012 \$(`000)	2011 \$(`000)
Interest – Borrowings (i)	1,187	784
Interest – Finance Lease (ii)	20	-
	1,207	784

(i) New borrowings of \$21.5 million commenced in December 2010 for the purchase of Council’s main offices at 1230 Nepean Highway Cheltenham.

(ii) Council commenced a new finance lease in February 2012 for new gym equipment at Waves and Don Tatnell Leisure Centre with a value of \$326k over 4 years

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 14 Other Expenditure

	2012 \$(` 000)	2011 \$(` 000)
External Audit Fees - Auditor General *	55	54
Internal Audit Fees - Deloitte Touche Tohmatsu (i) *	134	113
Operating Lease Rentals (ii) *	1,464	2,883
Impairment Loss – Bed Licences (iii)	-	1,534
	1,653	4,584

* Audit fees & Operating Lease Rentals are included in the total Materials and Services expenditure on the Comprehensive Income Statement.

(i) Internal Audit fees are for the provision of internal audit services on behalf of Council.

(ii) Refer to note 36 for details of Councils Operating Lease Rental Expenditure.

(iii) Council’s bed licences were de-recognised in 2011 due to ASIC advice that bed licences don’t meet the active market criteria. The \$1.5 million impairment loss in the comprehensive income statement in 2011 represents the portion of Council’s bed licence value not held in surplus in the revaluation reserve.

NOTE 15 Cash and Cash Equivalents

	2012 \$(` 000)	2011 \$(` 000)
Cash on Hand	14	15
Cash at Bank	33,256	27,428
Interest Bearing Deposits	7,401	12,000
	40,671	39,443

Users of this financial report should refer to note 16 for restrictions on cash assets and note 33 for details of existing Council commitments.

NOTE 16 Restricted Assets

Council has the following cash and cash equivalents (Note 15) that are subject to legislative restrictions.

	2012 \$(` 000)	2011 \$(` 000)
Asset Development Reserve	7,319	6,048
Long Service Leave (i)	-	6,900
Trust Fund and Deposits (ii)	11,797	11,705
Total Restricted Assets	19,116	24,653
Total Unrestricted Cash and Cash Equivalents	21,555	14,790

(i) The new Local Government (Long Service Leave) Regulations 2012 no longer include a requirement to establish or maintain a “Long Service Leave Account”.

(ii) Refer to note 26 for details of all Trust Funds and Deposits.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 17 Trade and Other Receivables

	2012 \$(` 000)	2011 \$(` 000)
Current		
Rate Debtors	4,862	4,252
Net GST Receivable	1,086	941
Other Debtors (i)	5,082	1,091
Less Provision for Doubtful Debts	(158)	(155)
Parking Infringement Debtors	1,829	1,345
Less Provision for Doubtful Debts	(1,427)	(1,027)
	11,274	6,447
Non-Current		
Rate Debtors	10	59
Other Debtors	2	6
Less Provision for Doubtful Debts	(2)	(6)
	10	59
Total Trade and Other Receivables	11,284	6,506
Ageing of Trade and Other Receivables		
The ageing of the council’s trade and other receivables at reporting date was:		
1-30 Days (i)	5,334	1,344
31-60 Days	432	218
61-90 Days	325	319
90-365 Days (ii)	5,183	4,566
Over 1 Year	10	59
Total Trade and Other Receivables	11,284	6,506
Movement in Provision for Doubtful Debts		
Balance at the Beginning of the year	1,188	969
+ New provisions recognised during the year	403	227
- Amounts provided but recovered during the year	(4)	(8)
Balance at the end of the year	1,587	1,188

(i) Other Debtors for 2012 includes \$2 million invoiced to DSE in June for the Mordialloc Creek Dredging funding and \$1.2 million invoiced to DHS in June for the State Government Pension Rebate Reimbursement for January-June 2012. Both invoices have been paid in July 2012.

(ii) Balance comprises all current rate debtors of \$4,861,614 (\$4,252,754 in 2011)

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 18 Non-Current Assets Classified as Held for Sale

	2012 \$(' 000)	2011 \$(' 000)
Land (i)	533	-
Bed Licenses – at cost (ii)	-	-
Total	533	-

(i) Land held for sale includes land sold at Auction by Council at 11 Owen Street Mordialloc on 24 May 2012. Settlement is 6 months and will be finalised in November 2012.

(ii) From 30 June 2011, bed licenses were recorded at cost (zero). Council is in the process of selling 60 Bed Licences at Northcliffe Lodge which will be finalised in 2012/13, subject to various Statutory approvals. When effective this will enable residents to move into a new local facility to better meet their needs. Council will then determine the future use of the property.

NOTE 19 Other Assets

	2012 \$(' 000)	2011 \$(' 000)
Current		
Prepayments (i)	837	437
Accrued Income	309	575
Total	1,146	1,012

(i) Prepayments in 2012 include \$0.4 million prepaid for the 2012/13 contribution to MAV Insurance in respect to membership of the Liability Mutual Insurance Scheme.

NOTE 20 Infrastructure, Property, Plant & Equipment

SUMMARY:	2012 \$(' 000)	2011 \$(' 000)
At Cost	48,315	442,742
Less Accumulated Depreciation	(25,098)	(21,895)
	23,217	420,847
At Fair Value as at 30 June (i)	1,940,135	1,496,442
Less Accumulated Depreciation	(139,123)	(133,344)
At Council Valuation as at 30 June	784,418	735,608
Less Accumulated Depreciation	(221,872)	(198,188)
	2,363,558	1,900,518
Total	2,386,775	2,321,365

(i) All Land Under Roads is now valued at Fair Value as at 30th June.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 20 Infrastructure, Property, Plant & Equipment (continued)

DETAIL:	2012 \$(' 000)	2011 \$(' 000)
Motor Vehicles		
- at Cost	2,759	2,662
Less: Accumulated Depreciation	(1,922)	(1,712)
	837	950
Leased Plant		
- at Cost	327	221
Less: Accumulated Amortisation	(34)	(221)
	293	-
Leasehold Improvements		
- at Cost	1,052	1,052
Less: Accumulated Depreciation	(344)	(238)
	708	814
Land		
- at Fair Value (i)	1,130,032	1,193,728
	1,130,032	1,193,728
Land Improvements		
- at Cost	14,793	11,731
Less: Accumulated Depreciation	(1,057)	(615)
	13,736	11,116
Land Under Roads (ii)		
At Fair Value	476,156	399,860
	476,156	399,860
Buildings		
- at Fair Value (i)	332,231	301,027
Less: Accumulated Depreciation	(138,752)	(133,004)
	193,479	168,023
Building Improvements		
- at Cost	3,530	3,281
Less: Accumulated Depreciation	(321)	(207)
	3,209	3,074
Equipment		
- at Cost	13,234	12,143
Less: Accumulated Depreciation	(10,246)	(9,098)
	2,988	3,045
Transport		
- at Fair Value (iii)	551,643	538,876
Less: Accumulated Depreciation	(112,624)	(107,691)
	439,019	431,185

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 20 Infrastructure, Property, Plant & Equipment (continued)

DETAIL (continued):	2012 \$(' 000)	2011 \$(' 000)
Drainage Works		
- at Fair Value (iii)	232,775	196,732
Less: Accumulated Depreciation	(109,248)	(90,497)
	123,527	106,235
Heritage & Culture		
- at Fair Value	1,716	1,686
Less: Accumulated Depreciation	(371)	(340)
	1,345	1,346
Library Books		
- at Cost	12,007	11,097
Less: Accumulated Depreciation	(11,175)	(9,804)
	832	1,293
Works in Progress - at Cost	614	696
Total Infrastructure, Property, Plant & Equipment	2,386,775	2,321,365

(i) Valuations of Land (excluding land under roads) and Buildings were independently determined by K. A. Reed (Group) Pty Ltd. The valuation of buildings is at fair value based on current replacement cost less accumulated depreciation at the date of valuation. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. A full valuation was undertaken for all land and buildings as at 30 June 2012.

(ii) Land Under Roads is valued at fair value independently determined by K.A. Reed (Group) Pty Ltd. Valuations are as at 30th June 2012. Valuation is determined by using site values adjusted for: ‘englobo’ (discounting back to the raw land value before development or subdivision) values, access rights and private interests of other parties and entitlements of infrastructure assets and services.

(iii) Transport and Drainage assets are stated at fair value based on replacement cost less accumulated depreciation at 30 June 2012. Valuations of Transport and Drainage Works were determined by Council Engineer Mr T. Pell (Council Valuation).

(iv) All other purchased assets are valued at cost

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 20 Infrastructure, Property, Plant & Equipment (continued)

Reconciliation of Asset Movements by Class

2012	Balance at beginning of financial year	Acquisition of assets	Asset Donations and Developer Contributions	Revaluation increments (decrements)	Depreciation and amortisation	Written down value of disposals	Reclassification of assets	Balance at end of financial year
	\$(' 000)	\$(' 000)	\$(' 000)	\$(' 000)	\$(' 000)	\$(' 000)	\$(' 000)	\$(' 000)
Motor Vehicles	950	229	-	-	(332)	(10)	-	837
Leased Plant	-	327	-	-	(33)	-	-	293
Leasehold Improvements	814	-	-	-	(106)	-	-	708
Land	1,193,728	1,988	4,088	(69,216)	-	(23)	(533)	1,130,032
Land Improvements	11,116	3,063	-	-	(443)	-	-	13,736
Land Under Roads	399,860	-	404	75,892	-	-	-	476,156
Buildings	168,023	10,864	-	19,565	(4,848)	(125)	-	193,479
Building Improvements	3,074	250	-	-	(115)	-	-	3,209
Equipment	3,045	1,091	-	-	(1,148)	-	-	2,988
Transport	431,185	10,418	366	5,352	(8,302)	-	-	439,019
Drainage Works	106,235	1,902	332	17,041	(1,983)	-	-	123,527
Heritage and Culture	1,346	-	-	15	(16)	-	-	1,345
Library Books	1,293	910	-	-	(1,371)	-	-	832
Works in Progress	696	-	-	-	-	-	(82)	614
Total property, plant and equipment, infrastructure	2,321,365	31,041	5,190	48,649	(18,697)	(158)	(615)	2,386,775

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 20 Infrastructure, Property, Plant & Equipment (continued)

Reconciliation of Asset Movements by Class

2011	Balance at beginning of financial year	Acquisition of assets	Asset Donations and Developer Contributions	Revaluation increments (decrements)	Depreciation and amortisation	Written down value of disposals	Reclassification of assets	Balance at end of financial year
	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)
Motor Vehicles	839	483	-	-	(340)	(32)	-	950
Leased Plant	22	-	-	-	(22)	-	-	-
Leasehold Improvements	1,612	-	-	-	(798)	-	-	814
Land	1,138,248	3,539	560	51,381	-	-	-	1,193,728
Land Improvements	9,394	2,078	-	-	(356)	-	-	11,116
Land Under Roads	399,860	-	-	-	-	-	-	399,860
Buildings	142,975	23,691	-	5,683	(4,098)	(228)	-	168,023
Building Improvements	2,829	338	-	-	(93)	-	-	3,074
Equipment	2,596	1,417	-	-	(968)	-	-	3,045
Transport	377,589	8,998	-	52,331	(7,733)	-	-	431,185
Drainage Works	137,086	2,785	-	(31,171)	(2,465)	-	-	106,235
Heritage and Culture	1,313	48	-	-	(15)	-	-	1,346
Library Books	1,591	892	-	-	(1,190)	-	-	1,293
Works in Progress	720	-	-	-	-	-	(24)	696
Total property, plant and equipment, infrastructure	2,216,674	44,269	560	78,224	(18,078)	(260)	(24)	2,321,365

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 21 Investment Property

	2012 \$(` 000)	2011 \$(` 000)
Investment Property (at fair value as at 30 June)	3,290	1,990
	3,290	1,990
Balance at beginning of financial year	1,990	1,910
Acquisitions	-	-
Disposals	-	-
Fair value adjustments	1,300	80
Balance at the end of financial year	3,290	1,990
Rental Revenue		
Rental revenue received for Investment Property	330	302

Investment Property Assets consist of buildings at Peter Scullin Reserve, Mordialloc that are leased by a third party to operate a commercial restaurant and land and buildings at 42 Florence Street Mentone that are leased by a third party for office accommodation. Valuations of Investment Property was independently determined by K. A. Reed (Group) Pty Ltd as at 30 June 2012.

NOTE 22 Intangible Assets

	2012 \$(` 000)	2011 \$(` 000)
Software – Purchased (i)	1,245	1,025
	1,245	1,025
Gross Carrying Amount		
Balance at beginning of financial year	1,899	8,282
Revaluation	-	(7,000)
Additions	600	617
Balance at end of financial year	2,499	1,899
Accumulated Amortisation		
Balance at beginning of financial year	874	556
Amortisation Expense	380	318
Balance at end of financial year	1,254	874
Net Book Value	1,245	1,025

(i) Purchased software includes the capitalisation of all direct costs associated with the implementation of the new Technology One finance system, the Pathway Rates, Debtors and Receipting system & new Performance Planning Software from CAMM Management Solutions.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 23 Trade and other Payables

	2012 \$(`000)	2011 \$(`000)
Trade Creditors	6,138	4,503
Salary Accruals	2,070	1,688
Other Accruals	3,480	4,102
	11,688	10,293

NOTE 24 Provisions

Employee Benefits	2012 \$(`000)	2011 \$(`000)
Employee Benfits Current (i)		
Annual Leave	5,025	4,630
Long Service Leave	7,184	4,558
	12,209	9,188
Non-Current (ii)		
Long Service Leave	1,763	2,270
	1,763	2,270
Total Provisions	13,972	11,458

The following assumptions were adopted in measuring the present value of employee benefits:

	2012	2011
Weighted Average Increase in Employee Costs	4.75%	4.75%
Weighted Average Discount Rates	2.80%	4.88%
Weighted Average Settlement Period (years)	7.0	6.42
Average Employee Numbers During the Financial Year (Equivalent Full Time)	833	802

- i) Current

All annual leave and long service leave entitlements representing 7 or more years of continuous service.
- ii) Non-current

Long service leave representing less than 7 years of continuous service measured at present value using the assumptions noted above.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 25 Interest-Bearing Loans and Borrowings

Loans	2012 \$(`000)	2011 \$(`000)
Current		
Loans - secured	804	641
	804	641
Non-Current		
Loans - secured	19,738	20,766
	19,738	20,766
Total Loans (i)	20,542	21,407
The maturity profile for Council’s loans is:		
Not Later than One Year	804	641
Later than One Year and Not Later than Five Years	3,675	1,534
Later than Five Years	16,063	19,232
	20,542	21,407

Loans are secured over the general rates of the Kingston City Council.

(i) In December 2010, Council purchased its main Offices at 1230 Nepean Highway Cheltenham, increasing borrowings by \$21.5 million over 25 years.

Finance Leases

Council had the following obligations under finance leases for the lease of gym equipment (the sum of which is recognised as a liability after deduction of future lease finance charges). The current finance lease commenced in February 2012 for a period of 4 years (\$326k).

	2012 \$(`000)	2011 \$(`000)
Not later than One Year:	94	-
Later than One Year and Not Later than Five Years	374	-
Minimum Lease Payments	468	-
Less: Future Finance Charges	(161)	-
Recognised in the Balance Sheet as:	307	-
Current		
Finance Lease	38	-
	38	-
Non-Current		
Finance Lease	269	-
	269	-
Total	307	-
Aggregate Carrying Amount of Interest Bearing Loans and Borrowings:		
Current	842	641
Non Current	20,007	20,766
Total Interest Bearing Loans and Borrowings:	20,849	21,407

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 26 Trust Fund and Deposits

	2012 \$(' 000)	2011 \$(' 000)
Trust monies are held for the following purposes:		
Current		
Accommodation Bonds	9,958	10,322
Refundable Contract Deposits	1,559	1,083
Other Refundable Deposits	280	300
Total Trust Funds and Deposits	11,797	11,705

NOTE 27 Lease Incentive Liability

	2012 \$(' 000)	2011 \$(' 000)
Lease Incentive Liability	-	1,600
Amortisation	-	(1,600)

Council received a lease incentive (office fit-out contribution) to enter into the lease of its offices at 1230 Nepean Highway, Cheltenham in 2004/05. The liability was being amortised over the term (10 years) of the lease on a straight-line basis. However, due to Council purchasing the premises (and ceasing the lease) in December 2010, the total remaining on the lease incentive liability was fully amortised in 2011.

NOTE 28 Reserves

	2012 \$(' 000)	2011 \$(' 000)
Asset Revaluation Reserve (i)	1,159,622	1,110,973
Other Reserves		
Asset Replacement Reserve	1,971	1,957
Asset Development Reserve	7,319	6,048
Drainage Contributions	88	88
Special Rates	74	69
Aged Care Reserve	939	833
Foreshore Reserve	1,846	1,000
Green Wedge Reserve	2,346	831
Other Reserves	262	-
	14,845	10,826
	1,174,467	1,121,799

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 28 Reserves (continued)

The Asset Revaluation Reserve recognises the changes in non-current asset values following any reassessment of the carrying amount to the fair value of those assets.

The Asset Replacement Reserve is an appropriation to partially fund future replacement of assets at Council’s Aged Hostels.

The Asset Development Reserve recognises the cash contributions made by Developers, as well as pursuant to the requirements of the Subdivision of Land Act. Other Reserves represent appropriations provided by the community to be used for specific purposes. Total contributions of \$2,780,430 were received in 2011/12.

The Foreshore and Green Wedge reserves were newly created reserves in 2010/11 which will be used to accelerate the renewal and improvement to Council’s foreshore and non-urban area/ Green Wedge.

Other Reserves includes new reserves created in 2011/12 for Sundowner Neighbourhood House and Chelsea Senior Citizens Centre due to Council taking over the operation of these facilities.

(i) The asset revaluation reserve movement relates to a revaluation decrement for Council’s land (-\$69.2 million) and revaluation increments for Council’s buildings (\$19.6 million), Land Under Roads (\$75.9 million), transport (\$5.3 million), drainage (\$17.0 million) and heritage assets (\$15k).

See Note 29 for Reserve Movements and Note 20 for movements within classes of assets.

NOTE 29 Reserve Movements

a) Year Ended 30 June 2012	Balance 30 June 2011 \$(' 000)	Increment \$(' 000)	Decrement \$(' 000)	Balance 30 June 2012 \$(' 000)
Asset Revaluation Reserve				
- Transport	327,065	5,353	-	332,418
- Drainage	79,694	17,041	-	96,735
- Land	612,663	-	(69,216)	543,447
- Land Under Roads	-	75,892	-	75,892
- Buildings	86,342	19,564	-	105,906
- Heritage and Culture	1,243	15	-	1,258
- Other	3,966	-	-	3,966
	1,110,973	117,865	(69,216)	1,159,622
Asset Replacement Reserve	1,957	201	(187)	1,971
Asset Development Reserve	6,048	2,780	(1,509)	7,319
Other Reserves				
- Drainage Contributions	88	-	-	88
- Special Rates	69	4	-	73
- Aged Care	833	128	(22)	939
- Foreshore	1,000	1,050	(204)	1,846
- Green Wedge	831	1,516	-	2,347
- Other	-	262	-	262
	2,821	2,960	(226)	5,555
Total Reserves	1,121,799	123,806	(71,138)	1,174,467

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 29 Reserve Movements (continued)

b) Year Ended 30 June 2011	Balance 30 June 2010 \$(` 000)	Increment \$(` 000)	Decrement \$(` 000)	Balance 30 June 2011 \$(` 000)
Asset Revaluation Reserve				
- Transport	274,734	52,331	-	327,065
- Drainage	110,863	-	(31,169)	79,694
- Land	561,283	51,380	-	612,663
- Buildings	80,659	5,683	-	86,342
- Bed Licences	5,466	-	(5,466)	-
- Heritage and Culture	1,243	-	-	1,243
- Other	3,966	-	-	3,966
	1,038,214	109,394	(36,635)	1,110,973
Asset Replacement Reserve	1,684	462	(189)	1,957
Asset Development Reserve	5,436	2,039	(1,427)	6,048
Other Reserves				
- Drainage Contributions	88	-	-	88
- Special Rates	72	3	(6)	69
- Aged Care	547	286	-	833
- Foreshore	-	1,000	-	1,000
- Green Wedge	-	831	-	831
	707	2,120	(6)	2,821
Total Reserves	1,046,041	114,015	(38,257)	1,121,799

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 30 Reconciliation of Cash Flows from Operating Activities to Surplus for the year

	2012 \$(` 000)	2011 \$(` 000)
Surplus	11,096	9,843
Depreciation / Amortisation	19,077	18,397
(Profit)/Loss on sale of Property, Infrastructure, Plant and Equipment (refer Note 8)	(324)	132
Developer Asset Contributions and Donated Assets	(5,190)	(560)
Found Assets (refer Note 7)	(2,186)	(1,513)
Hostel Interest & Retention (not cash)	(201)	(462)
Fair value adjustments for investment property	(1,300)	(80)
Impairment Loss on Bed Licences	-	1,534
Borrowing Costs (included in profit but not in operation activities)	1,207	784
Changes in Assets and Liabilities:		
(Increase)/Decrease in Trade and Other Receivables	(4,777)	60
Increase/(Decrease) in Accrued Income	266	1,077
Increase/(Decrease) in Trade and other Payables	994	301
Increase/(Decrease) in Other Liabilities	10,415	(693)
Increase/(Decrease) in Employee Benefits	2,514	425
Net cash provided by operating activities	31,591	29,245

NOTE 31 Reconciliation of Cash and Cash Equivalents

	2012 \$(` 000)	2011 \$(` 000)
Cash and Cash Equivalents (see Note 15)	40,671	39,443
	40,671	39,443

NOTE 32 Financing Arrangements

	2012 \$(` 000)	2011 \$(` 000)
Bank Overdraft	5,000	5,000
Used Facilities	-	-
Unused Facilities	5,000	5,000

The municipality has an arrangement for offset of overdraft against bank balances including on-call accounts. As at balance date there was no use of the overdraft facility.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 33 Superannuation

Council makes employer superannuation contributions in respect of its employees to Vision Super. Obligations for contributions are recognised as an expense in profit or loss when they are due. The Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently.

Details of Employer contributions to superannuation funds during the year are as follows:

	2012 \$(' 000)	2011 \$(' 000)
Accumulation Superannuation Fund (a)		
(Vision Super Saver)	3,540	3,985
Defined Benefits Superannuation Fund (b)	346	352
Defined Benefits extra call (c)	10,415	2,027
	14,301	6,364

(a) Accumulation Superannuation Fund

The Fund’s accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Council contributions are normally based on a fixed percentage of employee earnings (9% required under Superannuation Guarantee Legislation). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund

There was a total of \$66,970.49 payable to Vision Super at balance date for June 2012 contributions for the Accumulation Superannuation Fund.

(b) Defined Benefits Superannuation Fund

The Fund’s Defined Benefit Plan is a multi-employer sponsored plan which closed to new members in 1993. As the Fund’s assets and liabilities are pooled and are not allocated by employer, the Fund’s Actuary is unable to reliably allocate benefit liabilities, assets and costs between employers. As provided under paragraph 32 (b) of AASB 119, Council does not use defined benefit accounting for these contributions. Council currently has 71 (June 2010, 85) active members participating in the Fund.

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund’s Actuary. Any calls advised by the Trustee acting on the advice of the actuary are to ensure that the Fund is not in deficit (ie, the Funds’ liabilities exceed its assets).

(c) Defined Benefits Extra Call

The Local Authorities Superannuation Fund latest 31 December 2011 actuarial investigation identified an unfunded liability in the defined benefit fund of which we are a member. Council was made aware of this expected short fall through the year and was informed formally of their share of the shortfall on 1 August 2012 which amounted to \$10,414,533.19 including Contributions Tax payable to the Federal Government of \$1,562,179.98. This amount is due and payable to the Local Authorities Superannuation Fund on 1 July 2013 with terms of up to 15 years available to Council. Council will consider how to meet this obligation during 2012/13 and formulate a repayment strategy as part of its 2013/14 Strategic Resource Plan and Annual Budget deliberations. Council has accounted for this short fall in the Comprehensive Income Statement in Employee Benefits (refer Note 9) and in the Balance Sheet as a non-current liability.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 34 Commitments

At the reporting date, the Council had entered into the following commitments:
All totals include GST.

	2012 \$(' 000)	2011 \$(' 000)
Finance Lease	307	-
Capital Expenditure		
- Buildings	3,881	4,995
- Transport	3,711	5,809
- Mordialloc Creek Dredging	5,294	-
Total Capital Expenditure	12,886	10,804
Not later than one year	12,886	10,018
Later than one year but not later than five years	-	786
	12,886	10,804

A new Finance Lease commenced in February 2012.

Recurrent Expenditure		
- Infrastructure Works (i)	6,940	3,877
- Parks, Gardens and Reserves (ii)	10,730	7,179
- Waste and Cleansing	35,648	33,851
- Community Sustainability	2,265	2,624
- Corporate Services	4,246	4,828
Total Recurrent Expenditure	59,829	52,359
Not later than one year	22,228	18,854
Later than one year but not later than five years	37,601	31,654
Later than 5 years	-	1,851
	59,829	52,359

(i) Infrastructure Works includes new contracts entered into during 2011/12 for Signs & Furniture Maintenance (\$0.4 million per year until 2015), Asphalt Paving Minor Works (\$0.7 million per year until 2015) and Drain Cleaning Services (\$0.7 million per year until 2015).

(ii) Parks, Gardens and Reserves includes a new contract for Foreshore Cleansing commencing in 2011/12 at \$1.5 million per year until 2015.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 35 Contingent Liabilities and Contingent Assets

Contingent Liabilities

a) Contingent Liabilities Arising from Public Liability

As a local authority with ownership of numerous parks, reserves, roads and other land holdings, the Council is regularly met with claims and demands allegedly arising from incidents which occur on land belonging to the Council. There are a number of outstanding claims against the Council in this regard. The Council carries \$400 million of public liability insurance and had an excess of \$10,000 on this policy in 2011/2012. Therefore, the maximum liability of the Council in any single claim is the extent of its excess. The primary insurer is Liability Mutual Insurance. There are no claims, which Council is aware of which would fall outside the terms of the Council’s policy.

b) Contingent Liability Arising from Professional Indemnity

As a local authority with statutory regulatory responsibilities, including the responsibility of issuing permits and approvals, the Council is met with claims and demands for damages allegedly arising from the actions of Council or its officers. The Council carries \$300 million of professional indemnity insurance and had an excess of \$10,000 on this policy in 2011/2012. Therefore, the maximum liability of the Council in any single claim is the extent of its excess. The primary insurer is Liability Mutual Insurance. There are no instances or claims, which Council is aware of which would fall outside the terms of the Council’s policy.

c) The Council has guaranteed the following loan and overdraft facility.

Council has guaranteed an overdraft facility up to \$30,000 in favour of the Commonwealth Bank of Australia supporting an overdraft limit of \$30,000 to Southern Community Broadcasters Inc.

d) Other Contingent Liabilities

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the increased volatility in financial markets the likelihood of making such contributions in future periods has increased. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

Contingent Assets

Developer contributions of drainage and transport assets to be received in respect of estates currently under development at 30 June 2012 total \$2,063,370 (\$1,566,290 at 30 June 2011).

Year Ended 30 June 2012			
2012/2013	2013/2014	2014/2015	Total
\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)
521	521	1,021	2,063

Year Ended 30 June 2011			
2011/2012	2012/2013	2013/2014	Total
\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)
522	522	522	1,566

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 36 Operating Leases

	2012 \$(` 000)	2011 \$(` 000)
(a) Operating Leases Actual Rental Expenses (Incl GST)	1,464	2,883

The lease of Council’s main offiches at 1230 Nepean Highway ceased in December 2010 due to the purchase of the building, thus reducing actual rental expenditure for 2012. Annual cost was \$2.6 million.

(b) Operating Leases Expense Commitments

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

	2012 \$(` 000)	2011 \$(` 000)
Not later than one year	1,197	1,231
Later than one year and not later than five years	1,044	1,181
Later than five years	1,026	1,034
	3,267	3,446

(c) Operating Lease Receivables (incl GST) (ii)

The Council has entered into commercial property leases. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 50 years. All leases include a CPI based revision of the rental charge annually.

At the reporting date, the municipality as lessor, had the following anticipated minimum revenues under non-cancellable operating leases:

	2012 \$(` 000)	2011 \$(` 000)
Not later than one year	1,823	1,671
Later than one year and not later than five years	6,535	6,861
Later than five years	3,138	4,630
	11,496	13,162

A new lease with Australian Pacific Touring (APT) is in place for level 3 and 4 of 1230 Nepean Highway plus car parks, with lease payments commencing in September 2011. The lease, combined with telecommunication rents, generates more than \$1 million annually.

NOTE 37 Related Party Transactions

(a) Identity of Responsible Persons

The Councillors of the City of the Kingston during the year were:		
R Brownlees OAM	Mayor	(1 July 2011 – 29 November 2011)
	Councillor	(30 November 2011 - 30 June 2012)
J M Ronke	Councillor	(1 July 2011 – 29 November 2011)
	Mayor	(30 November 2011 - 30 June 2012)
R A West OAM	Councillor	(1 July 2011 – 30 June 2012)
P Peulich	Councillor	(1 July 2011 – 30 June 2012)
A Athanasopoulos	Councillor	(1 July 2011 – 30 June 2012)
L Dundas	Councillor	(1 July 2011 – 30 June 2012)
T Shewan	Councillor	(1 July 2011 – 30 June 2012)
B Moloney	Councillor	(1 July 2011 - 30 June 2012)
S Staikos	Councillor	(1 July 2011 - 30 June 2012)

The Chief Executive Officer of the City of Kingston during the year was:

J A Nevins	Chief Executive Officer
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(b) Remuneration of Responsible Persons

Income Range:	2012	2011 *
	No.	No.
\$ 20,000-\$ 29,999	7	7
\$ 50,000-\$ 59,999	1	-
\$ 60,000-\$ 69,999		2
\$ 70,000-\$ 79,999	1	-
\$ 300,000-\$ 349,999	1	1
	10	10
Total Remuneration for the reporting year for Responsible persons included above amounted to*:	\$(`000)	\$(`000)
Responsible persons included above amounted to*:	658	642

* Total includes 9% super.

(i) No retirement benefits have been paid by the Council to a Responsible Person (2010/2011: Nil).

(ii) No loans have been made, guaranteed or secured by the Council for a Responsible Person during the reporting year (2010/2011: Nil)

(iii) Other related party transactions have been considered and there are no matters to report (2010/2011 nil).

NOTE 37 Related Party Transactions (continued)

(c) Senior Officer Remuneration

A Senior Officer other than a Responsible Person is an officer of Council who has management responsibilities and reports directly to the Chief Executive Officer or whose total annual remuneration exceeds \$127,000.

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

Income Range:	2012	2011 *
	No.	No.
\$127,000-\$129,999	3	1
\$130,000-\$139,999	4	3
\$140,000-\$149,999	5	3
\$150,000-\$159,999	4	5
\$160,000-\$169,999	2	1
\$170,000-\$179,999	1	-
\$180,000-\$189,999	-	-
\$190,000-\$199,999	-	2
\$200,000-\$209,999	1	-
\$210,000-\$219,999	1	1
\$220,000-\$229,999	1	1
	22	17
Total Remuneration for the reporting year of Senior Officers included above amounted to:	\$(`000)	\$(`000)
	3,447	2,721

* The above 2011 figures have been adjusted due to the increase in the remuneration threshold for a Senior Officer to \$127,000 (previously \$124,000).

NOTE 38 Financial Instruments

(a) Terms, conditions, and accounting policies

Council's accounting policies, including the terms and conditions of each class of financial asset and financial liability at balance date areas follows:

Financial Instruments	Note	Accounting Policy	Terms and Conditions
(i) Financial Assets			
Cash & Cash Equivalents	15	Cash on hand and at bank are valued at face value. Investment funds are valued at cost. Interest revenues are recognised as they accrue. Investments are held to maximise interest returns of surplus cash.	Cash on hand and at call returned an interest rate of between 4.5 % to 4.5% (2010/11 4.9% to 4.9%). Funds returned a fixed interest rate of between 3.9% to 5.9% (2010/11 5.0% to 6.0%)
Other Debtors	17	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debt is recognised when there is objective evidence that collection in full is no longer possible. Collectability of overdue amounts is assessed on an on-going basis.	Other Debtors are unsecured and interest free. Credit terms are usually up to 60 days.
(ii) Financial Liabilities			
Trade & Other Payables	23	Liabilities are recognised for amounts to be paid in the future for goods received and services provided to Council, whether or not invoices have been received.	Creditors are unsecured and not subject to interest charges. Liabilities are normally settled within 30 days of invoice receipt.
Interest-Bearing Loans & Borrowings	25	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and recognised as part of payables. Finance leases are accounted for at their principal amount with the lease payments discounted to present value using the interest rates implicit in the leases.	Borrowings are secured by a mortgage over the rate revenue of Council. The interest rate for individual loans is fixed for the period of the loan. Loans are repayable in equal instalments comprising interest plus principal. Interest is payable in arrears. Interest rates for general loans are in the range of 5.22% to 6.02% (2009/10 6.02% to 6.28%). As at balance date, the Council had a finance lease with a lease term of 4 years. The weighted average rate implicit in the lease is 7.55% (9.0% in 2010/2011).

NOTE 38 Financial Instruments (continued)

(b) Interest Rate Risk

Council's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities are as follows:

Year Ended 30 June 2012								
Financial Instrument	Note	Fixed Interest Maturing In:						Weighted Average Interest Rate
		Floating Interest Rate	1 Year or Less	Over 1 to 5 Years	Over 5 Years	Non Interest Bearing	Carrying Amount	
		\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	%
(i) Financial Assets								
Cash & Cash Equivalents	15	40,657	-	-	-	14	40,671	5.50%
Other Debtors	17	-	-	-	-	6,010	6,010	
Total		40,657	-	-	-	6,024	46,681	-
(ii) Financial Liabilities								
Trade & other Payables	23	-	-	-	-	11,688	11,688	-
Trust Funds & Deposits	26	-	-	-	-	11,797	11,797	-
Interest-Bearing Loans & Borrowings	25	-	842	3,944	16,063	-	20,849	5.22%
Total		-	842	3,944	16,063	23,485	44,334	-
Net Financial Assets (Liabilities)		40,657	(842)	(3,944)	(16,063)	(17,461)	2,347	-

Council's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities were as follows:

Year Ended 30 June 2011								
Financial Instrument	Note	Fixed Interest Maturing In:						Weighted Average Interest Rate
		Floating Interest Rate	1 Year or Less	Over 1 to 5 Years	Over 5 Years	Non Interest Bearing	Carrying Amount	
		\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	%
(i) Financial Assets								
Cash & Cash Equivalents	15	39,428	-	-	-	15	39,443	5.60%
Other Debtors	17	-	-	-	-	1,878	1,878	-
Total		39,428	-	-	-	1,893	41,321	-
(ii) Financial Liabilities								
Trade & other Payables	23	-	-	-	-	10,293	10,293	-
Trust Funds & Deposits	26	-	-	-	-	11,705	11,705	-
Interest-Bearing Loans & Borrowings	25	-	641	1,534	19,232	-	21,407	6.02%
Total		-	641	1,534	19,232	21,998	43,405	-
Net Financial Assets (Liabilities)		39,428	(641)	(1,534)	(19,232)	(20,105)	(2,084)	-

NOTE 38 Financial Instruments (continued)

(c) Net Fair Value

The aggregate net fair values of financial assets and financial liabilities as at balance date are as follows:

		2012		2011	
Financial Instrument	Note	Carrying Amount \$(' 000)	Net Fair Value \$(' 000)	Carrying Amount \$(' 000)	Net Fair Value \$(' 000)
(i) Financial Assets					
Cash & Cash Equivalents	15	40,671	40,671	39,443	39,443
Other Debtors	17	6,010	6,010	1,878	1,878
		46,681	46,681	41,321	41,321
(ii) Financial Liabilities					
Trade & other Payables	23	11,688	11,688	10,293	10,293
Trust funds & deposits	26	11,797	11,797	11,705	11,705
Interest-Bearing Loans & Borrowings	25	20,849	20,849	21,407	21,407
		44,334	44,334	43,405	43,405

The following methods and assumptions have been used to determine the net fair value of financial assets and financial liabilities:

Cash, Other Debtors, Other Financial Assets and Trade and other Payables, Trust funds and Deposits - the carrying amount approximates fair value because of the short term to maturity.

Interest-Bearing Loans and Borrowings - the carrying amount approximates the net fair value.

(d) Credit Risk

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Balance Sheet.

(e) Risks and Mitigation

Market Risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in market prices.

The Council's exposures to market risk are primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk. Components of market risk to which we are exposed are discussed below.

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. Interest rate risk arises from interest bearing financial assets and liabilities that we use. Non derivative interest bearing assets are predominantly short term liquid assets. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk.

Our loan borrowings are sourced from major Australian banks by a tender process. Finance leases are sourced from major Australian financial institutions. Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

We manage the interest rate exposure on our debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Department of Planning and Community Development each year.

NOTE 38 Financial Instruments (continued)

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

- conformity with State and Federal regulations and standards,
- capital protection,
- appropriate liquidity,
- diversification by credit rating, financial institution and investment product,
- monitoring of return on investment,
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

Credit Risk

Credit risk refers to the risk that a counter party will default on its contractual obligation resulting in financial loss to Council. We have exposure to credit risk on all financial assets included in our balance sheet. To help manage this risk:

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

Trade and Other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because apart from the Victorian Government we do not have any significant credit risk exposure to a single customer or groups of customers.

Ongoing credit evaluation is performed on the financial condition of our customers and, where appropriate, an allowance for doubtful debts is raised. Details of the ageing of receivables and doubtful debt movements are disclosed in note 17.

The carrying amount of financial assets recorded in the Balance Sheet, net of any provision for losses, represents Council's maximum exposure to credit risk. We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 35.

Liquidity Risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements:

- We will not have sufficient funds to settle a transaction on the date;
- we will be forced to sell financial assets at a value which is less than what they are worth; or
- we may be unable to settle or recover a financial assets at all.

To help reduce these risks we:

- 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 Councils exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 38 Financial Instruments (continued)

The table below lists the contractual maturities for Financial Liabilities. These amounts represent undiscounted gross payments including both principal and interest amounts.

2012	6 months Or less	6-12 months	1-2 years	2-5 years	Less than 5 years	Contracted Cash Flow	Carrying Amount
	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)
Trade and Other Payables	11,688	-	-	-	-	11,688	11,688
Trust Funds and Deposits	6,818	4,979	-	-	-	11,797	11,797
Interest Bearing Loans and Borrowings	976	976	1,952	5,855	21,408	31,167	31,167
Total Financial Liabilities	19,482	5,955	1,952	5,855	21,408	54,652	54,652

(e) Risks and Mitigation (continued)

2011	6 months Or less	6-12 months	1-2 years	2-5 years	Less than 5 years	Contracted Cash Flow	Carrying Amount
	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)	\$(` 000)
Trade and Other Payables	10,293	-	-	-	-	10,293	10,293
Trust Funds and Deposits	6,544	5,161	-	-	-	11,705	11,705
Interest Bearing Loans and Borrowings	1,125	930	1,859	5,578	36,257	45,749	45,749
Total Financial Liabilities	17,962	6,091	1,859	5,578	36,257	67,747	67,747

(f) Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management’s knowledge and experience of the financial markets, the Council believes the following movements are ‘reasonably possible’ over the next 12 months (Base rates are sourced from Reserve Bank of Australia):

- A parallel shift of +2% and -2% in market interest rates (AUD).

The table below discloses the impact on net operating result and equity for each category of financial instruments held by the Council at year-end, if the above movements were to occur.

2012	Carrying Amount Subject to Interest	Interest rate risk			
		-2% 200 basis points		2% 200 basis points	
	\$(` 000)	Profit \$(` 000)	Equity \$(` 000)	Profit \$(` 000)	Equity \$(` 000)
Financial Assets					
Cash & Cash Equivalents	40,657	[813]	[813]	813	813
Financial Liabilities					
Interest-Bearing Loans & Borrowings	20,849	417	417	[417]	[417]

2011	Carrying Amount Subject to Interest	Interest rate risk			
		-2% 200 basis points		2% 200 basis points	
	\$(` 000)	Profit \$(` 000)	Equity \$(` 000)	Profit \$(` 000)	Equity \$(` 000)
Financial Assets					
Cash & Cash Equivalents	39,428	[789]	[789]	789	789
Financial Liabilities					
Interest-Bearing Loans & Borrowings	21,407	428	428	[428]	[428]

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 39 Financial Ratios

	2012	2011	2010
Debt Servicing Ratio			
Debt Servicing Costs	1,207	784	256
Total Revenue	174,502	152,879	159,063
	0.69%	0.51%	0.16%

This ratio identifies the capacity of Council to service its outstanding debt. A decrease indicates an improvement in the ratio.

Debt Commitment Ratio			
Debt servicing and redemption costs	2,093	3,367	2,458
Rate revenue	99,746	93,251	85,631
	2.10%	3.61%	2.87%

This ratio identifies Council’s debt redemption strategy. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal. A decrease indicates an improvement in the ratio.

Revenue Ratio			
Rate revenue	99,746	93,251	85,631
Total Revenue	174,502	152,879	159,063
	57.16%	61.00%	53.83%

This ratio identifies Council’s dependence on non-rate income. An increase indicates an improvement in Council’s ability to raise revenue from its own sources.

Debt Exposure Ratio			
Total indebtedness	68,721	54,863	36,750
Total realisable assets	1,278,816	1,192,137	1,163,514
	5.37%	4.60%	3.16%

This ratio enables assessment of Council’s solvency and exposure to debt. A decrease indicates an improvement in the ratio.

Working Capital Ratio			
Current assets	53,624	46,902	44,250
Current liabilities	36,536	31,827	33,614
	146.77%	147.37%	131.64%

This ratio assesses Council’s ability to meet current commitments. An increase indicates an improvement in the ratio.

Adjusted Working Capital Ratio			
Current assets	53,624	46,902	44,250
Reduced Current liabilities (i)	29,352	27,269	29,256
	182.69%	172.00%	151.25%

This ratio assesses Council’s ability to meet current commitments. An increase indicates an improvement in the ratio.

(i) Current liabilities have been reduced to reflect the long service leave that is shown as a current liability because Council does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date, but is not likely to fall due within 12 months after the end of the period.

NOTE 39 Financial Ratios (continued)

Definitions:	
“Current Assets”	means cash or other assets of the entity that would in the ordinary course of the operations of Council be consumed or converted into cash within twelve months after the end of the last reporting period of Council.
“Current Liabilities”	means the total current liabilities as shown in the Balance Sheet
“Reduced Current Liabilities”	means the total current liabilities reduced to reflect the long service leave that is shown as a current liability because council does not have an unconditional right to defer settlement of the liability until at least 12 months after the reporting date, but is not likely to fall due within 12 months after the end of the period
“Debt Redemption”	includes the principal component of repayments on loans and finance leases and capital items purchased on vendor terms, and contributions to sinking funds.
“Debt Servicing Costs”	includes interest and charges on loans, overdrafts, finance leases, and interest on payments for capital items purchased on vendor terms.
“Rate Revenue”	includes revenue from general rates, municipal charges, special rates, special charges, service rates, and service charges.
“Total Indebtedness”	means total liabilities, both current and non-current, as shown in the Balance Sheet.
“Total Realisable Assets”	means total current and non-current assets, as shown in the Balance Sheet, that are not subject to any restriction and are able to be realised. Any liability represented by a restricted asset (note 16) is excluded from total indebtedness.
“Total Revenue”	means total revenue as shown in the Income Statement.

NOTE 40 Capital Expenditure

Capital Expenditure Areas:	Note	2012	2011
		\$(` 000)	\$(` 000)
Land		317	3,383
Land Improvements		3,063	2,078
Buildings (i)		10,864	22,762
Building Improvements		250	338
Plant		556	483
Library Books		910	893
Equipment		1,091	1,417
Transport		10,417	8,998
Drainage		1,386	2,355
Other		-	48
Total Capital Works		28,854	42,755
Represented by:	Note	2012	2011
		\$(` 000)	\$(` 000)
New Library Books		910	893
New Buildings		10,864	22,763
New Equipment		1,091	1,417
Capital Expansion	(a)	3,332	2,903
Capital Renewal	(b)	8,651	9,915
Capital Upgrade	(c)	4,006	4,864
Total Capital Works		28,854	42,755

(i) New buildings for 2011 includes the purchase of Council’s head office in December 2010 at 1230 Nepean Highway Cheltenham for \$21.5 million.

Property, plant and equipment, infrastructure movement

The movement between the previous year and the current year in property, plant and equipment, infrastructure as shown in the Balance Sheet links to the net of the following items:

	Note	2012	2011
		\$(` 000)	\$(` 000)
Total capital works		28,854	42,755
Other additions (including Found Assets)	7	2,186	1,514
Contributions – non-monetary assets	5	5,190	560
Asset revaluation movement	29	48,650	78,224
Depreciation/amortisation	12	(18,697)	(18,078)
Written down value of assets sold		(158)	(260)
Reclassification of Assets		(615)	(24)
Net movement in property, plant and equipment, infrastructure	20	65,410	104,691

NOTE 40 Capital Expenditure (continued)

(a) Renewal
Expenditure on an existing asset which returns the service potential or the life of the asset up to that which it had originally. It is periodically required expenditure, relatively large (material) in value compared with the value of the components or sub-components of the asset being renewed. As it reinstates existing service potential, it has no impact on revenue, but may reduce future operating and maintenance expenditure if completed at the optimum time.

(b) Upgrade
Expenditure that enhances an existing asset to provide a higher level of service or expenditure, that will increase the life of the asset beyond that which it had originally. Upgrade expenditure is discretionary and often does not result in additional revenue unless direct user charges apply. It will increase operating and maintenance expenditure in the future because of the increase in the council’s asset base.

(c) Expansion
Expenditure that extends an existing asset, at the same standard as is currently enjoyed by residents, to a new group of users. It is discretionary expenditure which increases future operating and maintenance costs, because it increases council’s asset base, but may be associated with additional revenue from the new user group.

NOTE 41 Events Occurring After Balance Date

The Local Authorities Superannuation Fund latest 31 December 2011 actuarial investigation identified an unfunded liability in the defined benefit fund of which we are a member. Council was made aware of this expected short fall through the year and was informed formally of their share of the shortfall on 1 August 2012 which amounted to \$10,414,533.19 including Contributions Tax payable to the Federal Government of \$1,562,179.98. This amount is due and payable to the Local Authorities Superannuation Fund on 1 July 2013 with terms of up to 15 years available to Council. Council will consider how to meet this obligation during 2012/13 and as part of its 2013/14 Strategic Resource Plan and Annual Budget deliberations. Council has accounted for this short fall in the Comprehensive Income Statement in Employee Benefits (refer Note 9) and in the Balance Sheet as a non-current liability.

Details of the adjustment are as follows:

Comprehensive Income Statement:
Employee Benefits: Increase of \$10,414,533.19.

Balance Sheet:
Non-Current Liabilities: Increase of \$10,414,533.19.

There are no further material non-adjusting events after the reporting date which require disclosure.

NOTE 42 Reportable Segment - Residential Aged Care Facilities

Residential Aged Care Facilities Income Statement For the Year Ended 30 June 2012

	Corben 2012 \$(’000)	Northcliffe 2012 \$(’000)	Nixon 2012 \$(’000)	Consolidated 2012 \$(’000)	Corben 2011 \$(’000)	Northcliffe 2011 \$(’000)	Nixon 2011 \$(’000)	Consolidated 2011 \$(’000)
INCOME								
Grants and Subsidies	1,242	1,106	1,195	3,543	1,139	1,185	1,279	3,603
User Charges	763	694	566	2,023	758	756	577	2,091
Interest	273	105	142	520	308	146	171	625
Retentions and Bond Interest	112	60	29	201	180	118	164	462
Total Income	2,390	1,965	1,932	6,287	2,385	2,205	2,191	6,781
EXPENSE								
Employee Benefits	1,751	1,726	1,715	5,192	1,604	1,639	1,774	5,017
Materials and Services	415	343	365	1,123	442	375	460	1,277
Corporate Overhead	147	192	115	454	147	192	115	454
Depreciation & Amortisation	4	150	93	247	122	118	122	362
Impairment Loss – Bed Licences	-	-	-	-	759	541	234	1,534
Total Expenses	2,317	2,411	2,288	7,016	3,074	2,865	2,705	8,644
SURPLUS (DEFICIT) FOR THE PERIOD	73	(446)	(356)	(729)	(689)	(660)	(514)	(1,863)

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 42 Reportable Segment - Residential Aged Care Facilities (continued)

Residential Aged Care Facilities Balance Sheet As at 30 June 2012

	Corben	Northcliffe	Nixon	Consolidated	Corben	Northcliffe	Nixon	Consolidated
	2012	2012	2012	2012	2011	2011	2011	2011
	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)
CURRENT ASSETS								
Cash and Cash Equivalents	5,119	2,146	1,902	9,167	5,076	2,748	986	8,810
Total Current Assets	5,119	2,146	1,902	9,167	5,076	2,748	986	8,810
NON CURRENT ASSETS								
Infrastructure, Property, Plant & Equipment	5,399	5,453	4,844	15,696	5,113	5,003	4,265	14,381
Total Non Current Assets	5,399	5,453	4,844	15,696	5,113	5,003	4,265	14,381
TOTAL ASSETS	10,518	7,599	6,746	24,863	10,189	7,751	5,251	23,191
CURRENT LIABILITIES								
Trade and Other Payables	11	7	8	26	8	12	11	31
Employee Benefits	198	175	145	518	164	93	147	404
Trust Funds	4,977	1,863	3,118	9,958	5,206	2,559	2,557	10,322
Total Current Liabilities	5,186	2,045	3,271	10,502	5,378	2,664	2,715	10,757
NON CURRENT LIABILITIES								
Employee Benefits	142	150	83	375	150	59	65	274
Total Non Current Liabilities	142	150	83	375	150	59	65	274
TOTAL LIABILITIES	5,328	2,195	3,354	10,877	5,528	2,723	2,780	11,031
NET ASSETS	5,190	5,404	3,392	13,986	4,661	5,028	2,471	12,160
EQUITY								
Accumulated Surplus	840	918	299	2,057	767	1,366	656	2,789
Asset Revaluation Reserve	3,949	3,953	2,760	10,662	3,393	3,067	1,358	7,818
Asset Replacement Reserve	401	533	333	1,267	501	595	457	1,553
TOTAL EQUITY	5,190	5,404	3,392	13,986	4,661	5,028	2,471	12,160

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 42 Reportable Segment - Residential Aged Care Facilities (continued)

Residential Aged Care Facilities Cash Flow Statement For the Year Ended 30 June 2012

	Corben	Northcliffe	Nixon	Consolidated	Corben	Northcliffe	Nixon	Consolidated
	2012	2012	2012	2012	2011	2011	2011	2011
	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)	\$(‘000)
	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)	Inflows/ (Outflows)
Cash flows from operating activities								
Grants and Subsidies	1,410	1,390	1,455	4,255	1,139	1,185	1,279	3,603
User Charges	763	694	666	2,123	758	756	577	2,091
Interest	273	105	192	570	308	296	171	775
Payments to Employees	(1,651)	(1,726)	(1,715)	(5,092)	(1,604)	(1,639)	(1,774)	(5,017)
Payments to Suppliers	(415)	(343)	(315)	(1,073)	(442)	(275)	(360)	(1,077)
Other Payments	(147)	(192)	(115)	(454)	(147)	(142)	(115)	(404)
Net cash provided by (used in) operating activities	233	(72)	168	329	12	181	(222)	(29)
Cash flows from investing activities								
Payments for property, infrastructure, plant and equipment	39	164	186	389	(150)	(166)	(187)	(503)
Net cash (used in) investing activities	39	164	186	389	(150)	(166)	(187)	(503)
Cash flows from financing activities								
Trust Funds	(229)	(696)	561	(364)	(748)	377	(261)	(632)
Net cash provided by financing activities	(229)	(696)	561	(364)	(748)	377	(261)	(632)
Net increase in cash and cash equivalents	43	(604)	915	354	(886)	392	(670)	(1,164)
Cash and cash equivalents at the beginning of the financial year	5,076	2,750	987	8,813	5,962	2,357	1,658	9,977
Cash and cash equivalents at the end of the financial year	5,119	2,146	1,902	9,167	5,076	2,749	988	8,813

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 43 Income, Expenses and Assets by Function/ Activity

The activities relating to the municipality’s components are as follows:-

Community Sustainability

Community Sustainability includes the departments of Family, Youth and Children’s Services, Community Services, Libraries and Education Services, Community Buildings and AccessCare Southern. The Family, Youth and Children’s Services department provides a diverse range of high quality services to meet the needs of families with children from birth to twenty five years. Community Services provides community-based support services to all people in the municipality including aged and disability support, community engagement and hostel care. Library Services provides support and education through the provision of library and information services to the community. AccessCare Southern is responsible for the delivery of a number of Victorian and Commonwealth funded aged and disability services.

Corporate Services

Corporate Services plays a pivotal role in co-ordinating Council’s financial, procurement, property and information services requirements. The Finance department is responsible for the reporting and management of Council’s finances and ensuring Council’s compliance with statutory financial and reporting obligations, preparation of the annual budget and five year financial plan. The procurement and contracts department are responsible for procurement and the purchasing, maintenance and administration of Council’s 200 vehicle fleet. The Information Services Department provides information systems and services that ensure the quality, security and accessibility of data and information to Council. Property Services manages Council’s property portfolio including commercial and community leases, acquisitions, disposals, title management and the Lease Register. The Property Services Manager is also now responsible for Arts and Cultural Services and Council’s Leisure Centres. In addition to corporate activities, Corporate Services is also responsible for the Statutory Education & Compliance department which includes the administration of health and local laws.

Executive Services and Organisational Development & Governance

Includes the Office of the CEO, People and Culture, Governance and Performance Planning, Customer Service and Council’s Communications and Promotions programs. People and Culture develop policies and provide advice and support on all employee related issues including induction, training, professional development and performance management. Governance promote and improve the effectiveness and probity of governance processes, OHS, Council and Community planning and performance reporting. The Communications and Public Affairs department are responsible for a community centric employee approach resulting in satisfying customer interactions. The Communications and Public Affairs department also includes the planning and delivery of major festivals and events as well as the development, implementation and management of strategies, programs and media relations to market Council services and programs and enhance the image and public perception of Kingston City Council.

Environmental Sustainability

Environmental Sustainability is responsible for assessing demand, priorities, service level achievement, and delivery methods for both Council and external service providers in the key segment areas of economic development, environment & infrastructure. Also included under this division is the maintenance of parks, gardens, drains, roads and footpaths; cleansing of streets and the foreshore. Environmental Sustainability also has responsibility for ensuring that economic development within the municipality occurs within an environmentally sustainable framework. The Environmental Sustainability Division also includes the Sport and Recreation team.

Central

This category represents items of a corporate nature such as rates income and depreciation.

Notes to the Financial Statements For the Year Ended 30 June 2012

NOTE 43 Income, Expenses and Assets by Function/ Activity (continued)

FUNCTIONS		GRANTS	OTHER	TOTAL INCOME		EXPENSES		PROFIT (LOSS) ARISING FROM OPERATIONS	TOTAL ASSETS
		\$(`000)	\$(`000)	\$(`000)	%	%	\$(`000)	\$(`000)	
Community Sustainability	2011	21,907	7,289	29,196	19	45,154	32	(15,958)	-
	2012	23,057	7,864	30,921	18	47,129	29	(16,208)	-
Corporate Services (i)	2011	236	12,856	13,092	9	25,134	18	(12,042)	-
	2012	273	19,002	19,275	11	27,095	17	(7,820)	-
Executive & Organisational Development	2011	50	261	311	-	6,918	5	(6,607)	-
	2012	56	287	343	-	7,332	4	(6,989)	-
Environmental Sustainability	2011	822	5,734	6,556	4	38,777	27	(32,221)	-
	2012	921	6,650	7,571	4	41,684	26	(34,113)	-
Central (ii)	2011	5,468	98,255	103,723	68	27,052	19	76,671	2,371,341
	2012	9,344	107,048	116,392	67	40,166	25	76,226	2,444,943
TOTAL	2011	28,483	124,395	152,878	100	143,035	100	9,843	2,371,341
	2012	33,651	140,851	174,502	100	163,406	100	11,096	2,444,943

(i) Corporate Services ‘Other Income’ includes \$5.2 million of asset contributions from developers (2010/11: \$560k).

(ii) ‘Central’ Other Revenue includes \$99.7 million of Rate Revenue (2010/11 \$93.2 million). ‘Central’ Expenses includes \$19.1 million of Depreciation and Amortisation expense (2010/11 \$18.4 million).

CERTIFICATION OF THE FINANCIAL REPORT

In my opinion the accompanying financial report has been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Finance & Reporting) Regulations 2004*, *Australian Accounting Standards* and other mandatory professional reporting requirements.

Principal Accounting Officer



P. A. Franklin

Dated:

3/9/2012

In our opinion, the accompanying financial report presents fairly the financial transactions of Kingston City Council for the year ended 30 June 2012 and the financial position of the Council as of that date.

As at the date of signing, we are not aware of any circumstances that would render any particulars in the financial report to be misleading or inaccurate. We have been authorised by the Council on 27 August 2012 to certify the Financial Report in its final form on behalf of the Council.

Mayor



J. Roche

Dated:

4.9.12

Councillor



P. Peulich

Dated:

3/9/12

Chief Executive Officer



J. A. Devins

Dated:

3.9.12

66

Independent Auditor's Report For the Year Ended 30 June 2012

VAGO

Victorian Auditor-General's Office

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Melbourne VIC 3000
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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Kingston City Council

The Financial Report and Standard Statements

The accompanying financial report for the year ended 30 June 2012 of Kingston City Council which comprises comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

The accompanying standard statements for the year ended 30 June 2012 of the Council which comprises standard income statement, standard cash flow statement, standard balance sheet, capital works standard statement, the related notes and the certification of the standard statement have been audited.

The Councillors' Responsibility for the Financial Report and Standard Statements

The Councillors of the Kingston City Council are responsible for the preparation and the fair presentation of:

- the financial report in accordance with *Australian Accounting Standards*, and the financial reporting requirements of the *Local Government Act 1989*
- the standard statements in accordance with the basis of preparation as described in Note 1 to the statements and the requirements of the *Local Government Act 1989*.

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

Auditor's Responsibility

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

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

- the appropriateness of the accounting policies used in the financial report
- the reasonableness of accounting estimates made by the Councillors
- the overall presentation of the financial report and standard statements.

Auditing in the Public Interest

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Independent Auditor’s Report (continued)

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

Independence

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

Opinion

In my opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of Kingston City Council as at 30 June 2012 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.
- (b) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in Note 1 to the statements and comply with the requirements of the *Local Government Act 1989*.


Basis of Accounting for Standard Statements

Without modifying my opinion, I draw attention to Note 1 to the standard statements, which describes the basis of accounting. The standard statements are prepared to meet the requirements of the *Local Government Act 1989*. As a result, the standard statements may not be suitable for another purpose.

Matters Relating to the Electronic Publication of the Audited Financial Report and Standard Statements

This auditor's report relates to the financial report and standard statements of the Kingston City Council for the year ended 30 June 2012 included both in the Kingston City Council's annual report and on the website. The Councillors of the Kingston City Council are responsible for the integrity of the Kingston City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report and standard statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and standard statements to confirm the information contained in the website version of the financial report and standard statements.

MELBOURNE
12 September 2012


D D R Pearson
Auditor-General

Advocacy: Publicly supporting or recommending programs or services on behalf of the community to other tiers of government or service providers for community benefit.

Best Value: State legislation that requires Council to review services to ensure community expectations and value for money.

Biodiversity: The variety of all living things including plants, animals and micro-organisms, their genes and the ecosystems of which they are a part.

Capital Works Program: Program of scheduled infrastructure works generally encompassing capital works for road, drainage and building assets.

Cities for Climate Protection: An international program that aims to reduce greenhouse gas emissions from local municipalities.

Connect: Kingston’s official employee newsletter.

Corporate Leadership Group (CLG): Kingston’s leadership team comprising of the four General Managers and Chief Executive Officer.

Corporate Plan: A document that sets the strategic priorities for Council for a set period.

Council Plan: The five year Plan for the way in which Council will deliver its five planned Outcomes.

Community Grants: Council allocates a sum of money for the Kingston Community Grants Program as part of the annual budget process. This funding is shared between various non-profit community groups, organisations in need and Village Committees.

Current assets: Cash or other assets of the entity that would in the ordinary course of the operations of Council be consumed or converted into cash within twelve months after the end of the last reporting period of Council.

Current liabilities: The total current liabilities as shown in the Balance Sheet.

Debt redemption: Includes the principal component of repayments on loans and finance leases and capital items purchased on vendor terms, and contributions to sinking funds.

Debt servicing costs: Includes interest and charges on loans, overdrafts, finance leases, and interest on payments for capital items purchased on vendor terms.

Diversity: Understanding that each individual is unique, and recognising our individual differences.

Greenhouse gas emissions: Generated from a large number of processes and from a range of sources. Key sources of greenhouse gases include energy sector (including stationary energy, transport and fugitive emissions), agriculture, land use change and forestry, industrial processes and waste.

Green Wedge: A non-urban area of Kingston defined in the State Government’s 2030 Strategy. The area is to be maintained as a predominantly green environment and used for agriculturally aligned industry.

Highways: State Highways are main routes linking interstate or to major regional centres that are managed by VicRoads.

Infrastructure: Stock of fixed capital equipment including roads, public buildings and footpaths.

Kingston Planning Scheme: Outlines State and local planning policies including zones, overlays and other provisions.

Kingston Your City: This publication is Kingston’s official journal and is delivered to all households and businesses in our city.

LINK: The “Lead, Inspire, and Negotiate at Kingston” review process that recognises employee efforts and achievements, assesses performance and allows for the negotiation of a plan for further development

Living Kingston 2035: This project will create a long term vision for Kingston. The vision provides an opportunity for the Kingston community to describe their needs, interests and aspirations for the next 25 years.

Landfill: Sites for disposal of non-recyclable waste.

Local roads: The municipal road network, which is maintained by Kingston City Council.

Masterplan: A plan which outlines a preferred future vision for a particular area. It is usually developed for an area being considered for redevelopment or redesign.

OAM: Order of Australia Medal.

Open Space Strategy: A Council planning tool that guides decisions relating to open space and recreation needs.

Outcomes: Results usually referring to overall benefits for the community.

Rate revenue: Includes revenue from general rates, municipal charges, special rates, special charges, service rates, and service charges.

Reduced current liabilities: Means the total current liabilities reduced to reflect the long service leave that is shown as a current liability because Council does not have an unconditional right to defer settlement of the liability until at least 12 months after the reporting date, but is not likely to fall due within 12 months after the end of the period.

Risk management: A policy and process for identifying business risks and controlling the likelihood and/or impact of a risk event occurring.

Structure Plans: A document that provides direction for planning and development of a defined precinct. Structure plans are subject to community consultation and may be incorporated into the Kingston Planning Scheme.

Sustainable: Meets present-day needs without compromising future generations’ ability to meet their own needs.

Total indebtedness: Total liabilities, both current and non-current, as shown in the Balance Sheet.

Total realisable assets: Total current and non-current assets, as shown in the Balance Sheet, not subject to any restriction and able to be realised.

Total revenue: Total revenue as shown in the Income Statement.

Triple Bottom Line: Measures community wellbeing by assessing the economic, social and environmental considerations.

Village Committees: Kingston has 10 Village Committees that provide a great opportunity for all residents to raise local issues with Council. Village Committee members represent a cross section of local residents, property owners and representatives of sporting, educational, cultural, business and charitable organisations.

Wellbeing: A general term to encompass health, happiness, welfare, security, comfort, quality of life and a sense of belonging.

Acronyms

ABS: Australian Bureau of Statistics
AMP: Asset Management Plans
AMS: Asset Management System
ARV: Aquatic Regional Victoria
CCP: Cities for Climate Protection program
CEO: Chief Executive Officer
CFO: Chief Financial Officer
CIL: Community Inspired Leadership
CIS: Councillor Information Session
CLG: Corporate Leadership Group
CRM: Customer Relationship Management
DEECD: Department of Education and Early Childhood Development
DEEWR: Department of Education, Employment and Workplace Relations
DET: Department of Education and Training
DHS: Department of Human Services
DIIRD: Department of Innovation, Industry and Regional Development
DOT: Department of Transport
DPCD: Department of Planning and Community Development
DSE: Department of Sustainability and Environment
EA: Enterprise Agreement
EE0: Equal Employment Opportunity
EPA: Environment Protection Authority
FOI: Freedom of Information
GFF: Growing the Foreshore’s Future Program
HRIS: Human Resource Information System
ICACC: Inter Council Aboriginal Consultative Committee
ICLEI: International Council for Local Environmental initiatives
IFMP: Integrated Fire Management Plan
JTAPP: Job Training and Accessible Parks Program
KYC: Kingston Your City newspaper
KYSS: Kingston Youth Services Supplement (youth magazine)
L2P: Learner driver mentor program funded by the Transport Accident Commission
LTFP: Long-Term Financial Plan
LTI: Lost Time Injury
MAV: Municipal Association of Victoria
MCH: Maternal and Child Health
MEMP: Municipal Emergency Management Plan
MTI: Medical Treatment Injury
NAMAF: National Asset Management Assessment Framework
NGERS: National Greenhouse and Energy Reporting Scheme
NRA: Natural Resource Area
OHS: Occupational Health and Safety
PLA: Parks and Leisure Australia
RCLIP: Regional and Local Community Infrastructure Program
SEMIP: South East Melbourne Innovation Precinct project

SES: State Emergency Services
SEW: South East Water
SLG: Senior Leadership Group
TAC: Transport Accident Commission
VAGO: Victorian Auditor-General’s Office
VCAT: Victorian Civil and Administrative Tribunal
VEC: Victorian Electoral Commission
VLGA: Victorian Local Governance Association
YCC: Youth Consultative Committee

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