



City of  
**KINGSTON**

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## welcome

The City of Kingston is proud to present the 2016/17 Annual Report to our community. The report describes Council's operations, accomplishments and challenges over the last financial year.

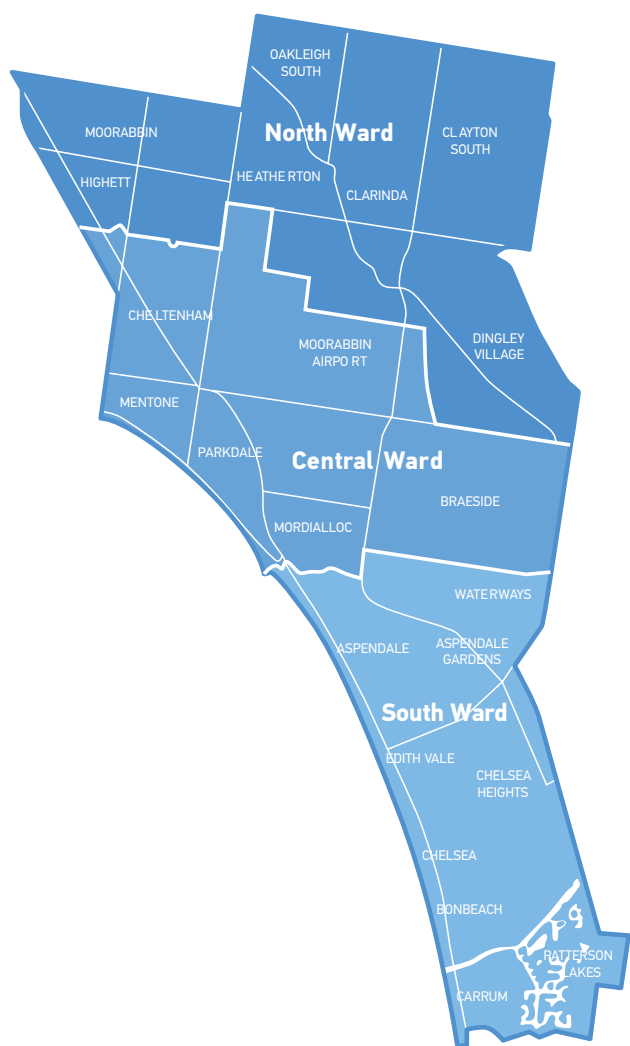
Council measures its performance in compliance with the *Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

The Annual Report benchmarks our performance against strategic objectives set in the Council Plan 2013-17 and our long-term financial plan.

For further information and to provide your feedback, contact Customer Service on 1300 653 356.

We are a city of contrast, home to a large industrial area, an airport, world-class golf courses and areas of high environmental value, such as the Ramsar wetlands in Edithvale/Seaford, the Green Wedge and 13 km of Port Phillip Bay coastline.

The City of Kingston is located in the middle southern suburbs of Melbourne, approximately 20 km south of the Melbourne CBD. Every suburb in Kingston offers something different – from diverse businesses, housing, shops and restaurants, to beaches, bushland, parks and playgrounds.



## Who we are

Kingston is a diverse community, with a current estimated resident population of 159,023<sup>1</sup> spanning a wide range of ages, household types and cultures. Our community is constantly growing – by 2036, Kingston's population is expected to reach 185,000, occupying an anticipated 77,300 dwellings.

Consistent with national trends, Kingston's oldest residents comprise the fastest growing population group in the municipality. Ongoing planning will explore how services will cope with the greater demand caused by this increase.

The changing cultural make-up of Kingston is reflective of immigration trends across Australia, with the Italian and Greek population ageing, and an increase in people arriving from India and China. About 30 per cent of Kingston's population was born overseas, with 22 per cent of households speaking a language other than English, including Greek, Mandarin, Russian, Italian and Cantonese.

## What we do

The City of Kingston is one of Victoria's major employment centres, and our industrial sector is one of the largest and most concentrated in the state.

We have a multi-skilled labour force. Just over 70,000 of Kingston residents are employed, with almost 30 per cent of residents working locally, enjoying shorter travel times and improved work/life balance.

Kingston is home to approximately 15,500 businesses, many of which are small-to-medium enterprises.

Our community is well served by retailers. We have several major activity centres including Moorabbin, Cheltenham, Mentone, Mordialloc and Chelsea, and numerous smaller local and neighbourhood shopping precincts.

When we are not shopping, working or studying, we spend time in our open spaces, leisure centres, libraries and community centres. We also enjoy an impressive calendar of performing, visual and cinematic arts events and activities.

Our inviting beaches are popular all year round, with active residents swimming, sailing and kayaking in the bay, while others walk, jog, skate and cycle along our increasingly connected foreshore and park pathways and trails.

<sup>1</sup> Australian Bureau of Statistics, *Regional Population Growth, Australia* (3218.0).

## a message from the Mayor

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On behalf of my fellow Councillors, I am pleased to present the Kingston Council 2016/17 Annual Report.

In 2016/17, we continued to deliver quality services to our community and began the first steps of a number of exciting initiatives, including enhancing the Mordialloc coastal precinct by opening the new Mordialloc Life Saving Club, investigating improvements to bike and walking trails in the city, and continuing development of the Green Wedge, including opening the new Spring Road Reserve on a former landfill site in Dingley Village. We also continued to efficiently deliver our core services, such as rubbish and recycling collection and maintaining Kingston's roads and footpaths with inclusion of online services such as Help Me Plan and Near Me.

Kingston continues to make incredible improvements to the services we provide for children and young people. We relocated the Chelsea Kindergarten to new, purpose-built premises, opened the new \$4 million Carrum Family and Children's Centre, and have just completed the construction of the \$9 million Westall Hub which will be opening in late 2017.

Council continued to support Kingston's diverse range of community groups, with the refurbished Learn to Swim pool at Waves and making great progress at the Ben Kavanagh Reserve Pavilion to improve facilities for local sports clubs. In the past year, Kingston has also awarded Community Grants of \$1.25 million to 166 community groups.

Where Council is not the responsible decision-making authority, we proudly lobby other tiers of government on behalf of our community. This year, we successfully lobbied the Victorian Government for nine local level crossing removals, advocated to the Victorian Government and Level Crossing Removal Authority for the inclusion of pedestrian and cyclist facilities as part of the level crossing removals, lobbied the Victorian Government for an upgrade to Moorabbin Station, and advocated for the new Southland Station which is due for completion in late 2017.

It is vital that Council is in touch with your views on a range of important matters. We regularly engage with the community, and in 2016/17 consulted on issues such as the Moorabbin Reserve Draft Park Plan 2016-24, Kingston's Bay Trail, the Level Crossing Removal Project – Draft Open Space Priorities Plan, Keeley Park – New Playground and Park Upgrade, proposed dog off-lead area at Spring Road Reserve in Dingley, and more. We will continue to maximise opportunities for you to have your say and incorporate your feedback into Council's decision making as much as possible.

Finally, we could not deliver our high-quality services without the hardworking frontline staff and volunteers who always put our community first. Thank you for making Kingston a place where people want to live and do business.

I would also like to thank my fellow Councillors and the Chief Executive Officer and his team for the contribution they make every day to Kingston. We are lucky to have so many committed people serving our community for the benefit of this great city.

A handwritten signature in black ink, appearing to read 'David Eden'.

Cr David Eden  
**Mayor**

## a message from the CEO

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Our great city continued to thrive in 2016/17, with a range of significant capital works completed, new community facilities opened and another excellent result in the annual local government satisfaction survey.

We continue our work to deliver our core services, maintain Kingston's vast assets and plan for our future under the pressure of a growing population. Financial responsibility is more important than ever in today's climate, particularly in light of the Victorian Government's rate capping legislation. Despite future rate increases capped at inflation, we are well placed to continue to serve our community effectively and ensure that ratepayers receive the best value for their money.

In 2016/17, Council achieved an operating surplus of approximately \$42.3 million and we invested \$46.7 million in capital works to improve, maintain and renew \$2.2 billion of community assets. In this financial year, we were successful in securing over \$40 million of grants from the Victorian and Commonwealth governments to fund local projects and services without increasing the financial burden on our ratepayers.

We were very proud to open the Westall Community Hub in Clayton South in late 2017. The hub is an outcome of years of planning and community advocacy for this fantastic, multipurpose centre in the municipality's north. With maternal and child health, kindergarten and library services all under one roof, the Westall Hub is a one-stop shop for our North Ward citizens and will continue to well serve this diverse community into the future.

Council also commenced works to improve a range of our sporting facilities across the city, including upgrading netball courts at Dales Park in Oakleigh South, new running surfaces for GR Bricker Reserve in Moorabbin and a pavilion at Gerry Green Reserve in Parkdale.

It's imperative that our community gets to have a voice when it comes to the projects and initiatives that Council undertakes throughout the year, so I was proud when we launched *Your Kingston Your Say*, our new online community engagement portal in early 2017. *Your Kingston Your Say* adds to a vast list of services that we now provide online, including the CityWatch app, our LiveChat service and a range of ways to pay your rates and other fees via the web.

Our residents continue to be satisfied with Council's day-to-day performance. Compared with our Victorian counterparts, we scored seven points higher than the state-wide average for overall performance on the 2017 Local Government Satisfaction Survey. We also performed strongly in the key areas of waste management and recreational facilities. Every year, this survey provides an opportunity to hear where we can do better, as there is always room for improvement. Your feedback is vital in improving how we serve the community.

I take pride in commending the organisation for its outstanding work during 2016/17 and acknowledge the leadership and support of our 2016 Mayor Cr Tamsin Bearsley, our 2017 Mayor Cr David Eden and Councillors.

A handwritten signature in black ink, appearing to read 'John Nevins'.

John Nevins  
**CEO**

# operational performance

The 2016/17 Annual Report measures Council's performance against what we said we would do in our 2013-2017 Council Plan. The following table summarises Council's achievements and results in 2016/17 against these six goals. A more detailed report of the goals can be found from page 13.



Goal	Goal 1	Goal 2	Goal 3
	<b>Facilities and assets that are well used and effectively managed</b>	<b>A sustainable natural and built environment</b>	<b>Healthy, strong and connected communities</b>
<b>Major achievements</b>	<ul style="list-style-type: none"> <li>▶ Resurfaced 5 km of roads and renewed 9 km of footpaths during the year.</li> <li>▶ Nearly completed the relocation of the Chelsea Kindergarten to new, purpose-built premises.</li> <li>▶ Opened the new \$4 million Carrum Family and Children's Centre.</li> <li>▶ Continued construction and commissioning of the \$9 million Westall Hub.</li> <li>▶ Made good progress on upgrading the Ben Kavanagh Reserve Pavilion to improve facilities for local sports clubs.</li> <li>▶ Contributed \$2.5 million to redeveloping the Moorabbin Reserve Pavilion, currently under construction.</li> <li>▶ Upgraded the GR Bricker Reserve athletics track.</li> <li>▶ Investigated improvements to bike and walking trails in the city.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Continued development of the Green Wedge, including opening the new Spring Road Reserve on a former landfill site in Dingley Village.</li> <li>▶ Progressed remediation of the Elder St landfill in preparation for a new public park.</li> <li>▶ Enhanced the Mordialloc coastal precinct by opening the new Mordialloc Life Saving Club.</li> <li>▶ Protected Kingston from flooding with effective flood mitigation drainage programs.</li> <li>▶ Improved the delivery of planning and building services with online services Help Me Plan and Near Me.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Developed the new Public Health and Wellbeing Plan 2017-21.</li> <li>▶ Awarded Community Grants of \$1.25 million to 166 community groups.</li> <li>▶ Raised awareness of domestic violence and promoted gender equality by hosting family violence awareness and gender equity workshops.</li> <li>▶ Facilitated residents volunteering in a range of community programs, including delivered meals, libraries and parks.</li> <li>▶ Refurbished the Learn to Swim pool at Waves.</li> </ul>



Goal 4	Goal 5	Goal 6
A prosperous and dynamic city	An effective voice	A well-managed and effective organisation
<ul style="list-style-type: none"> <li>▶ Reviewed the Community Local Law.</li> <li>▶ Convened the Business and Economic Development Advisory Committees.</li> <li>▶ Published Guidelines for Public Safety and Amenity when Building In the City of Kingston.</li> <li>▶ Convened 11 CEO Roundtable forums.</li> <li>▶ Implemented 'one-stop shop' processes for construction management plans.</li> <li>▶ Hosted the fourth International Youth Silent Film Festival in October 2016.</li> <li>▶ Introduced digital 'Launchpads' at Kingston Libraries – with educational games for young children.</li> <li>▶ Held the annual Kingston Pet Expo in March 2017.</li> <li>▶ Revitalised the public space area at Central Avenue/ Tuck Street in the Moorabbin Activity Centre.</li> <li>▶ Adopted the Domestic Animal Management Plan 2016–2021.</li> <li>▶ Supported local businesses with a range of professional development opportunities.</li> <li>▶ Got primary school kids walking and cycling in the 'Walk and Wheel Once a Week' program.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Successfully lobbied the Victorian Government for nine local level crossing removals.</li> <li>▶ Advocated to the Victorian Government and Level Crossing Removal Authority for the inclusion of pedestrian and cyclist facilities as part of the level crossing removals.</li> <li>▶ Advocated for the new Southland Station.</li> <li>▶ Lobbied the Victorian Government for an upgrade to Moorabbin Station.</li> <li>▶ Engaged with 22 local schools for the Resilient Youth Australia 2016 survey, with over 4,000 responses.</li> <li>▶ Consulted broadly on a range of issues important to the community and launched the Your Kingston Your Say online engagement portal.</li> <li>▶ Received \$40,681,611 in grants from the Victorian and Federal governments.</li> </ul>	<ul style="list-style-type: none"> <li>▶ Performed well in the Local Government Community Satisfaction Survey, 2017 compared to other metropolitan and state-wide councils.</li> <li>▶ Managed the 2016 General Council election and appointment of new Councillors.</li> <li>▶ Implemented Kingston's Enterprise-Wide Risk Management Framework.</li> <li>▶ Launched quarterly customer service satisfaction surveys.</li> <li>▶ Increased our ability to process customer requests and payments online.</li> </ul>

Long-term financial sustainability is a key objective of Council's financial plan. With careful planning, the community can be assured that Council has the financial resources to achieve the Council Plan objectives in all areas, including community wellbeing and prosperity, environmental sustainability, asset management, advocacy, and quality leadership and governance.

## 2016/17 Financial Performance summary

- ▶ Council had an operating surplus of \$42.3 million, \$21.5 million favourable to the budgeted surplus of \$20.8 million (compared to a \$48.0 million surplus in 2015/16). This was influenced by:
  - ▶ Grants – the operating surplus is \$4.1 million favourable to budget. A major contributor to this result was AccessCare, which is largely favourable due to the timing of receipts as well as receiving unbudgeted additional packages that were delivered last financial year (\$1.8 million favourable). The Victorian Grants Commission also brought half of its 2017/18 payment forward into the 2016/17 financial year (\$2.2 million favourable).
  - ▶ \$4.9 million of cash contributions from developers.
  - ▶ materials and services \$3.5 million favourable to budget primarily due to a lower than budgeted amount of the capital program being expensed to the Income Statement.
- ▶ Council's total capital works expenditure was \$46.7 million (compared to \$43.3 million in 2015/16).
- ▶ Rates and charges comprised \$130.1 million (61%) of the total operating budget of \$212.9 million (compared to \$125.9 million (58%) of \$217.3 million in 2015/16).
- ▶ Cash holdings (including financial assets) increased by \$25.2 million to \$113.4 million (compared to a \$24.3 million increase to \$88.2 million in 2015/16).
- ▶ Council's net assets were \$2.3 billion. This included total land (\$1,436 million), infrastructure (\$530 million) and buildings (\$277 million).

A generally accepted definition of financial sustainability is whether local governments have sufficient current and prospective financial capacity to meet their current and prospective financial requirements.

To be sustainable, local governments need to have sufficient capacity to be able to manage future financial risks and shocks without having to radically adjust their current revenue or expenditure policies.

The Victorian Auditor General reports to Parliament each year. The following indicators are used in their report to reflect short and long-term sustainability, and are measured by whether local governments:

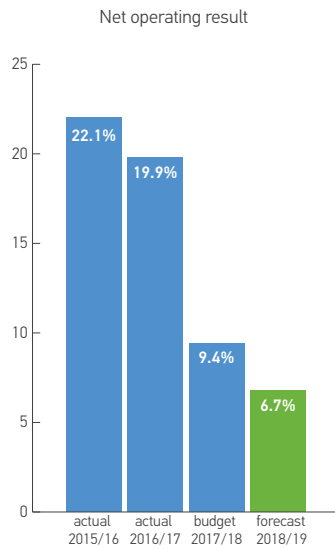
- ▶ generate enough revenue to cover operating costs (including the cost of replacing assets reflected in depreciation expense) – net operating result
- ▶ have sufficient working capital to meet short-term commitments – liquidity
- ▶ are not overly reliant on debt to fund capital programs – indebtedness
- ▶ generate sufficient operating cash flows to invest in asset renewal and repay any debt it may have incurred in the past – self financing
- ▶ have been replacing assets at a rate consistent with their consumptions – capital replacement and renewal gap.

These indicators are represented in the following graphs and are based on the last two years of actual results, along with the forecast for the next two years from our Strategic Resource Plan (adopted by Council in June 2017).

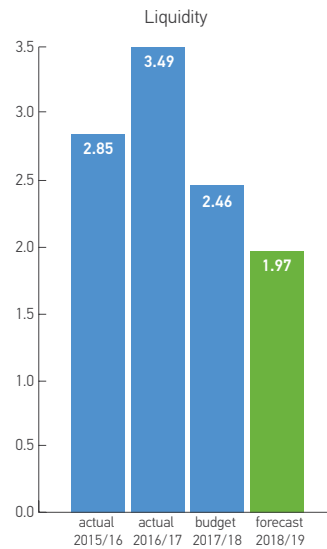
They highlight Kingston's financial sustainability as assessed by the Auditor-General, and show that our overall financial risk is rated as low.

The financial sustainability of each Council is assessed using the risk criteria which can be found at [audit.vic.gov.au](http://audit.vic.gov.au).

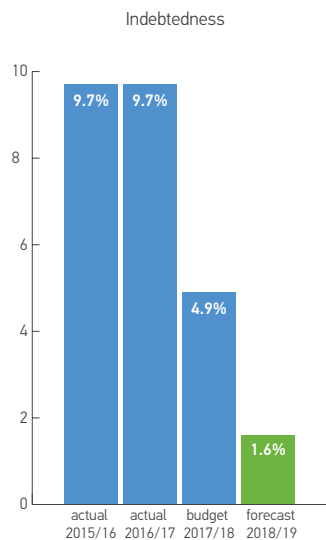




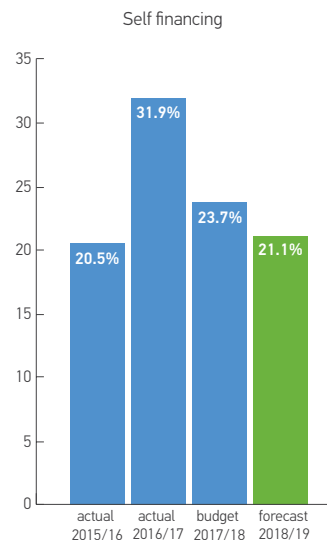
- Net operating result highlights if Council can generate enough revenue to cover operating costs (including the cost of replacing assets reflected in depreciation expense). The 2016/17 result of 19.9% is a strong result. Sustaining a positive net operating result is a critical financial strategy that provides capacity to renew the \$2.3 billion of community assets under Council's control.



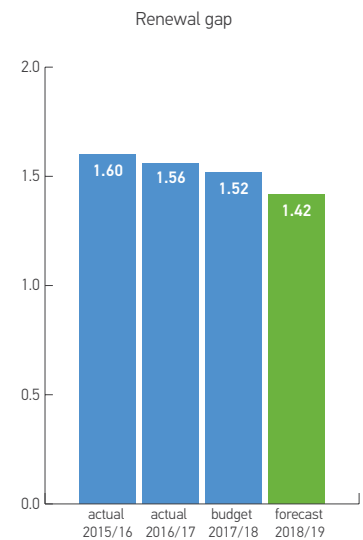
- Liquidity ensures that Council has sufficient working capital to meet short-term commitments. The liquidity result for 2016/17 was 3.49 times which is an indicator of excellent financial position and exceeds the target of 2.1 times.



- Indebtedness measures how reliant on debt Council is to fund capital programs. The 2016/17 result of 9.7% is low which demonstrates that Council is in a very stable position and not reliant on debt and the expected trend is downwards as debt gets paid off.



- Self financing measures how well Council can generate sufficient operating cash flows to invest in asset renewal and repay any debt it may have incurred in the past. The 2016/17 result of 31.9% is higher than the target of 24% which indicates that Council is in a strong position of generating cash to finance operations.



- Council's renewal gap represents the maintenance of existing assets at a consistent rate. A score of more than 1 indicates a low risk of insufficient spending on our asset base. Council has a score of 1.56 for 2016/17 which indicates assets are being well maintained.

# Kingston Councillors



## Cr Tamara Barth

Cr Barth was first elected to Council in October 2012 and re-elected in October 2016. She lives in Kingston with her young family. Cr Barth has worked for many years in the higher education sector and is committed to ensuring residents – particularly children, youth and seniors – have access to the health,

wellbeing and educational support and services they need.

Cr Barth's highlights have included:

- ▶ major construction for the new Westall Community Hub which will offer a new library, kindergarten and maternal child health centre
- ▶ revitalising the public space at Central Avenue/Tuck Street in the Moorabbin Activity Centre, including a new communal table, plaza and plantings
- ▶ engaging with 22 local schools in the Resilient Youth Australia survey to help support young people.



## Cr Tamsin Bearsley

Cr Bearsley was first elected to Council in October 2012 and re-elected in October 2016. She lives in Aspendale Gardens with her husband and two children. She was motivated to join Council to improve community consultation. Cr Bearsley served as Kingston's 19th Mayor from November 2015 to November

2016. As a primary school teacher, she has a particular interest in supporting community groups and residents' associations, improving local amenity and strengthening budget controls.

Cr Bearsley's highlights have included:

- ▶ supporting a range of community-led initiatives, including Chelsea's Parkrun
- ▶ approval of four new netball courts to meet growing demand in the South Ward
- ▶ upgrades to a number of local kindergartens, including Talab Court Reserve in Chelsea Heights and Third Avenue Playground.



## Cr Ron Brownlees OAM

Cr Brownlees OAM has been a Kingston Councillor from 1997 to 2003 and 2008 to the present. He is married with three children and has been a Cheltenham resident for over 40 years. Cr Brownlees OAM is active in Rotary and was awarded the Centenary Medal by the Australian Government in 2001 and Order of

Australia Medal in 2012. Cr Brownlees' highlights have included:

- ▶ completion of the new Mordialloc Life Saving Club and Indigenous Gathering Place
- ▶ approval of a new neighbourhood character study, including improvements to the guidelines for new residential developments
- ▶ ongoing investment to improve and replace outdated facilities and equipment at our sporting reserves and playgrounds.



## Cr David Eden

Cr Eden was first elected to Council in 2012 and is studying Law at Deakin University while managing his local artificial plant business. He was elected by fellow Councillors as the City of Kingston's 20th Mayor in November 2016. Cr Eden is committed to encouraging community participation in all areas of

Council decision making, and improving the accountability and accessibility of Council by adopting modern approaches to good governance. Cr Eden's highlights have included:

- ▶ opening the fantastic new Carrum Family and Children's Centre
- ▶ launching the Kingston Jobs portal to connect local jobseekers and employers
- ▶ Council receiving funding for the new Inner Harbour Jetty at Patterson Lakes to provide a new public mooring place to attract visitors to the area.



## Cr Geoff Gledhill

Cr Gledhill was first elected to Council in October 2012, is a resident of Central Ward and is heavily involved in the local community. He is a volunteer lifesaver at Mordialloc and an active Rotarian supporting projects such as the Sandringham Hospital expansion.

Cr Gledhill's highlights have included:

- ▶ construction of the new pavilion and facilities at the Ben Kavanagh Reserve in Mordialloc
- ▶ working closely with the local community to successfully advocate for their preferred level crossing removal solutions at Mentone and Cheltenham, which were agreed to by the Victorian Government
- ▶ establishing Council's close working relationship with the Les Twentyman Foundation in support of younger people facing disadvantage and various other challenges.



## Cr George Hua

Cr Hua was elected to Council in October 2016 and lives in the municipality. Cr Hua runs his own business helping Australian and Chinese companies do business together, with a focus on smart technology. Cr Hua's highlights have included:

- ▶ Council joining the Australia China Business Council to help boost trade opportunities for local businesses
- ▶ beginning construction on the Moorabbin Reserve Pavilion redevelopment and community consultation on the \$1 million parkland upgrade
- ▶ the annual Kingston Pet Expo in Dingley which attracts hundreds of community members each year for a great day out.



### Cr Georgina Oxley

Cr Oxley was elected to Council in October 2016. She is studying a Bachelor of Commerce at Deakin University, majoring in Commercial Law. She works in a small business in finance, marketing and web design and is also a local basketball referee. Cr Oxley's highlights have included:

- ▶ construction of the \$1.4m Bicentennial Skate Park and Youth Plaza, providing a great new meeting place for young people
- ▶ recording and archiving of Council's confidential meetings to increase transparency
- ▶ Council securing funding for the new \$3.4m Edithvale Life Saving Club and beginning design work on the new facility.



### Cr Steve Staikos

Cr Staikos is passionate about social participation, multiculturalism, the environment and the arts. He also works as the Policy and Public Affairs Officer for the Community Housing Federation of Victoria. Cr Staikos' highlights have included:

- ▶ opening a new park at the former landfill site at Spring Road Reserve, Dingley Village in July 2016, and introducing a new dog off-lead area
- ▶ approval of two new playing fields in Dingley and commencement of search for a suitable site
- ▶ supporting four major festivals and many other community events to help bring the community together and celebrate.



### Cr Rosemary West OAM

Cr West OAM, a resident of Kingston for over 30 years, has served on Council since March 2003. Prior to joining Council, Cr West was a noted journalist, working for *The Age* for 15 years, and has received the Order of Australia Medal for services to disadvantaged groups in the community and to journalism.

She was elected by Councillors as the City of Kingston's Deputy Mayor in November 2016. Cr West's highlights have included:

- ▶ increasing prosecutions of illegal activities in the Green Wedge to protect this important area
- ▶ responding to strong community feedback and refusing the Mentone Hotel four-storey application
- ▶ pressing ahead with the Bay Trail, while minimising the loss of native vegetation and parking.

### Junior Mayor

Council's Junior Mayor Program has run for over 50 years. Each Kingston primary school is invited to participate in the Junior Mayor election. Kingswood Primary School student Isaac Madafferi was Junior Mayor from April 2016 to April 2017. He was followed by Parkdale Primary School student Tess Ashley, who was inducted as the 2017/18 Junior Mayor and will assist the Mayor at a range of official Council events.

### Cr John Ronke

Cr Ronke served as Councillor from 1997 to November 2016. Cr Ronke was Kingston's longest serving Councillor, having been elected following Council amalgamations in 1997.

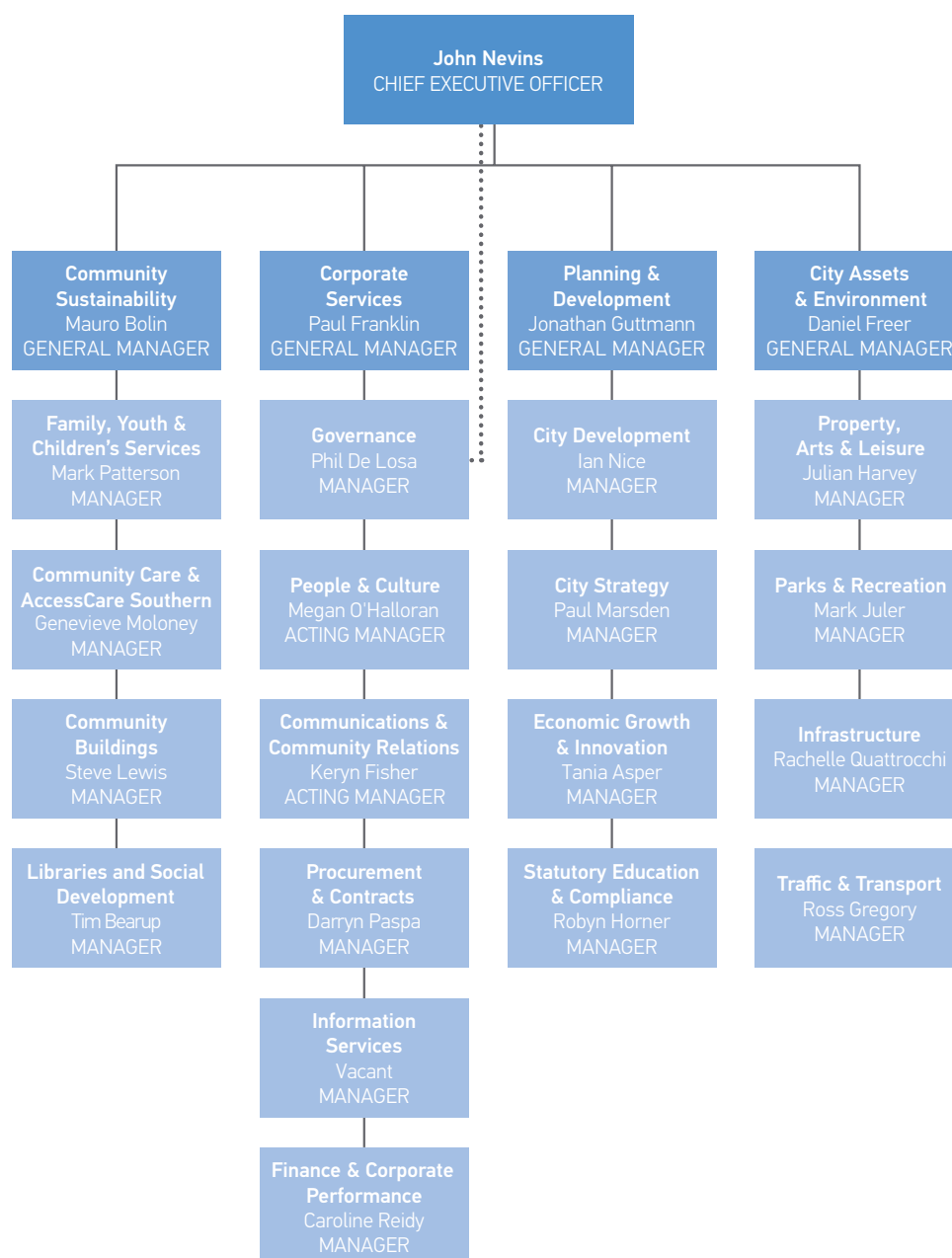
### Cr Paul Peulich

Cr Peulich served as Councillor from 2008 to November 2016, serving as Mayor from November 2013 to November 2014.

# our organisation

The City of Kingston's organisational structure is made up of four divisions: Planning and Development, City Assets and Environment, Community Sustainability, and Corporate Services.

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.



## Our organisational culture

Our organisation is guided by six values – accountable, community centric, dynamic, future orientated, expert and celebrate. These values underpin the work we do and guide us in our day-to-day activities. We are committed to creating a workplace that represents the diversity of the community and our stakeholders. We are also committed to providing our employees with a workplace that is free from discrimination, harassment and bullying.

In 2016, we celebrated the spirit of these values through our Community Inspired Leadership Awards.

The Community Inspired Leadership Award for an individual was awarded to Sarah Atkins for her leadership in the development of an online registration portal for the Before and After School Care program.

The Community Inspired Leadership Award for a team went to Lynn Whittham and Bridget Geers for their collaborative effort in establishing a system that automatically generates property history research for notices, orders and permits – a system that created significant resource efficiencies.

## Building our culture and capacity

As a part of Kingston's commitment to continuous improvement, we continued our successful Breakthrough Leaders Program, with 18 employees participating to develop their leadership and business skills to help achieve Council's purpose and vision. This takes the total number of staff participating in the program to nearly 150 employees over eight years. Participants receive a Diploma of Management upon completion.

Internal learning programs provided ongoing professional development of our people. Over 100 learning programs were conducted through Kingston's Learning and Development program, including business systems, induction programs, health and wellbeing, and leadership development programs, as well as a range of compliance programs, including equal opportunity and bullying.

## Our people profile

As at 30 June 2016, Kingston employed 1,297 people in a diverse range of positions, including community and aged services, engineering, customer service, maternal child health, finance, youth and children's services, sport and recreation, parks and gardens, planning and arts.

Tables 1 and 2 (Appendix 1) show the total number of Kingston employees is made up of 450 full-time, 494 part-time and 353 casual employees. Approximately 70 per cent of our workforce is female and 30 per cent male.

## Our OHS performance

A summary of Council's occupational health and safety performance can be found in Appendix 2.

# strategic planning and reporting framework

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Every Council is required to prepare and adopt a Council Plan by 30 June in the year following a general election.

Kingston's Council Plan 2013–17 has underpinned and guided our work and actions over the past four years. The 2017–21 Council Plan was adopted in June 2017.

Progress against the Council Plan is measured in quarterly performance reports and the Annual Report. The quarterly performance reports can be viewed on Kingston's website at **[kingston.vic.gov.au](http://kingston.vic.gov.au)**.

## Know Your Council

Know Your Council (also called the Local Government Performance Reporting Framework) is a mandatory system of performance reporting introduced by the Victorian Government to ensure that all councils are consistently measuring and reporting on their performance. It comprises a set of performance measures and a governance and management checklist. These results can be found under each goal summary in this Annual Report.

For more information, and to compare Kingston to other Victorian councils, visit **[knowyourcouncil.vic.gov.au](http://knowyourcouncil.vic.gov.au)**.

## About this report

The Annual Report describes Council's operations for the financial year from 1 July 2016 to 30 June 2017 in relation to the six goals in the Council Plan 2013–17.

We present our services, notable achievements, challenges and indicators of success. The report includes the service performance indicators required by Know Your Council and other legislatively required information.

We also describe our major initiatives and capital works projects, and report on Council's financial operations during the year in relation to the 2016/17 Budget.

1



## facilities and assets that are well used and effectively managed

Council will manage and maintain safe and accessible facilities and assets that are fit for purpose for today's community, as well as future generations.



Budget \$59.6M  
Expenditure \$54.6M

Our aim is to ensure that both new and existing facilities and assets have multiple uses, are well utilised, and support and promote an active and connected community.

### Capital works

- ▶ Building facilities:
  - ▶ renewal programs and upgrades – \$2,439,793 spent
  - ▶ major halls – \$62,256 spent
  - ▶ leisure centres – \$1,169,221 spent
  - ▶ public toilets – \$146,221 spent.
- ▶ Recreational and play spaces – \$2,460,751 spent
- ▶ Active sports facilities – \$5,095,394 spent
- ▶ Civil infrastructure – \$7,976,947 spent
- ▶ Westall Community Hub – \$6,935,826 spent
- ▶ Carrum Family and Children's Centre – \$905,772 spent.

### Our services

Services provided by Council to ensure Kingston's facilities and assets are well used and effectively managed to benefit the municipal population as a whole. They include:



leisure planning



maintaining and upgrading Council-owned buildings and facilities, including halls, pavilions, libraries, child care centres and club rooms



managing, maintaining and upgrading Council-owned assets, such as roads, bridges, drains and footpaths and cycling paths



planning for development and maintenance of sport and recreational facilities and playgrounds



property management



engineering design and maintenance of Council assets.

### Notable achievements

- ▶ Opened the Carrum Family and Children's Centre in December 2016.
- ▶ Continued construction and commissioning of the new Westall Hub.
- ▶ Contributed to the Moorabbin Reserve Pavilion redevelopment.
- ▶ Commenced upgrade of the GR Bricker Reserve athletics track.
- ▶ Built the Bicentennial Skate Park.
- ▶ Developed and maintained bike and walking trails in the municipality.

### Our challenges

- ▶ Managing our assets to meet the demands of a growing population that expects high-quality services and sustainable infrastructure.
- ▶ The growing need to provide local public open space for a diverse and increasing population.

# indicators of success

Council's achievement for Goal 1 of the Council Plan 2013–17 is detailed below:

## Asset Management Sustainability Index

**Target:** Achieve a score between 0.95 and 1.05.

2011/12	2012/13	2013/14	2015/16	2016/17
0.95	0.97	0.97	0.95	1.02

Council's proposed budget allocations in the capital works forward plan are within the range considered sufficient to maintain assets (based on asset renewal modelling), with an improved score since 2015/16.

## Building Facilities Assessment Rating

**Target:** Continue to improve the condition of Council's building stock.

2009/10	2011/12	2013/14	2015/16	2016/17
5.7	5.2	4.5	4.5*	3.4

Council's building stock condition has improved steadily over the last five years through a targeted investment programme (a lower rating indicates improvement).

\* Uses the 2013/14 rating, as the 2015/16 rating was postponed to allow development of a mobile app system in partnership with RMIT University and other councils.

## Community Satisfaction: Condition of local streets and footpaths

**Target:** Maintain or improve resident perception of performance.

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>65</b>	<b>68</b>	<b>63</b>	<b>66</b>
Kingston importance	76	76	78	78
<b>Metro performance</b>	<b>n/a*</b>	<b>64</b>	<b>63</b>	<b>62</b>
<b>State-wide performance</b>	<b>58</b>	<b>58</b>	<b>57</b>	<b>57</b>

Community satisfaction with local streets and footpaths has remained largely stable over the past few years. Kingston performs similarly to metropolitan Melbourne councils and well above the state average.

Source: Local Government Community Satisfaction Survey 2017

## Community Satisfaction: Performance of recreation facilities

**Target:** Maintain or improve resident perception of performance.

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>74</b>	<b>75</b>	<b>71</b>	<b>76</b>
Kingston importance	70	71	71	74
<b>Metro performance</b>	<b>n/a*</b>	<b>74</b>	<b>73</b>	<b>73</b>
<b>State-wide performance</b>	<b>71</b>	<b>70</b>	<b>69</b>	<b>70</b>

Community satisfaction with recreation facilities increased in 2017, reaching its highest result in five years. Kingston performs slightly above the metropolitan council average and well above the state average.

Source: Local Government Community Satisfaction Survey 2017



## Local Government Performance Reporting Framework

The Victorian Government's compulsory service measures for all Victorian councils relevant to Goal 1 are shown below:

Service Performance Indicators		Results			Material Variations and Comments
Service/indicator/measure	Unit	2014/15	2015/16	2016/17	
Roads					
Satisfaction of use					
Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads ] x100	Requests per km of sealed road	34.28	35.51	35.52	The result remains similar to previous years.
Condition					
Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	% per km of sealed road	98.00%	98.77%	98.92%	Council undertakes a road condition survey every three years to identify roads due for reconstruction. Resealing and reconstruction work undertaken during 2016/17 has ensured that 98.92 per cent of our road network is in good condition, not requiring intervention.
Service cost					
Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$ per square metre	\$81.18	\$85.00	\$87.84	Road reconstruction contracts are awarded following a tender process to ensure best value. Tender rates for 2016/17 were on average higher than the previous 12 months, resulting in a 3.34 per cent increased cost per square metre.
Service Cost					
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$ per square metre	\$20.59	\$19.28	\$19.55	The cost of road resealing has remained stable and within expectations.
Satisfaction					
Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	Rating out of 100	68	67	67	This rating is sourced from an annual Community Satisfaction Survey that is co-ordinated by State Government and conducted by an independent research company on behalf of Victorian councils. Kingston’s result is consistent with previous years, in line with other metropolitan councils and significantly higher than the statewide average of 53.

For more information, visit the Know Your Council website at [knowyourcouncil.vic.gov.au](http://knowyourcouncil.vic.gov.au).

## Major initiatives

The following statement reviews Council's progress in relation to major initiatives identified in the 2016/17 Budget. Many of the initiatives are also Council's capital works projects.

Major Initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Road renewal – resurfacing program	1,775,000	1,626,915	Completed	<p>Council's road resurfacing program maintains roads throughout the city and is a significant part of Council's annual capital budget. In 2016/17, 5 km of roads were resurfaced, meeting the annual target.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> Annual rolling program.</p>
Road renewal – roads reconstruction program	5,135,166	3,720,806	Completed	<p>As a significant part of Council's annual capital budget, the road reconstruction program for 2016/17 saw works completed at:</p> <ul style="list-style-type: none"> <li>▶ Rosella Road and Surf Street, Parkdale</li> <li>▶ Tonbridge Street, Carrum</li> <li>▶ Oakes Avenue, Wordsworth Avenue, and Main Road, Clayton South</li> <li>▶ Patterson Street, Bonbeach</li> <li>▶ Carrum Foreshore carpark.</li> </ul> <p>Traffic treatment projects were completed in Viney Street, Springs and Bunney Roads, Clarinda, and Mentone Parade, Mentone.</p> <p>The lower expenditure was largely offset by a large-scale drainage project in Fraser Avenue, Edithvale and the footpath renewal program.</p> <p><b>Grants:</b> Funding for 2016/17 included \$1,353,335 million grant income from the Commonwealth Government's Roads to Recovery initiative.</p> <p><b>Duration:</b> Annual rolling program.</p>
Footpath renewal program	1,200,000	1,713,000	Completed	<p>A significant part of Council's capital budget was spent on maintaining footpaths in the city, with 9 km of footpath renewed in 2016/17.</p> <p>The additional expenditure is derived from road reconstruction and drainage programs.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> Annual rolling program.</p>
Relocation of Chelsea Kindergarten to new, purpose-built premises	1,950,000	2,157,243	In progress	<p>Works for the relocation of Chelsea Kindergarten to a new, purpose-built centre in Glenola Rd, Chelsea commenced in September 2016.</p> <p>Problems with ground conditions caused a minor delay, requiring an extra \$350,000 to remedy. Completion is expected in August 2017.</p> <p><b>Grants:</b> Fully funded with a \$2 million contribution from the Victorian Government.</p> <p><b>Duration:</b> Two years: 2015/16–2016/17.</p>
Manage the construction and commissioning of the new Carrum Family and Children's Centre	1,750,000	905,772	Completed	<p>The new \$4 million Carrum Family and Children's Centre at Roy Dore Reserve was officially opened in December 2016.</p> <p>Less money was spent in 2016/17 because the works were completed ahead of schedule, with \$850,000 previously brought forward to 2015/16.</p> <p><b>Grants:</b> Council was awarded a \$1.6 million grant from the Victorian Government's Children's Facilities Capital Program towards the cost of construction.</p> <p><b>Duration:</b> Two years: 2015/16–2016/17.</p>

Major Initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Manage the construction and commissioning of the new Westall Hub	6,475,000	6,935,826	In progress	<p>Completion of the \$8.97 million facility was expected by June 2017. There was a slight delay due to poor ground conditions in the front carpark, with the centre expected to open in September 2017.</p> <p>\$340,000 was carried over from 2015/16 and \$100,000 has been carried over to 2017/18 for the final contractor payment.</p> <p><b>Grants:</b> A \$2.35 million contribution from the Victorian Government.</p> <p><b>Duration:</b> Two years for construction: 2015/16–2016/17.</p>
Ben Kavanagh Reserve – pavilion upgrade	1,370,000	1,239,478	On track	<p>The \$4.17 million project will provide a base for the Mordialloc Sporting Club and St John's Ambulance and offers improved facilities.</p> <p>The planned improvements are progressing well, with an expected completion date of March 2018.</p> <p><b>Grants:</b> Mordialloc Sporting Club will contribute \$150,000. There were no government grants.</p> <p><b>Duration:</b> Three-year project, with final construction 2015/16–2017/18.</p>
Manage the implementation of the Moorabbin Reserve Masterplan	950,000	30,895	Delayed	<p>A landscape plan developed in consultation with the community will integrate the public open space with the leased area of the St Kilda Football Club, and guide improvements, including improved pathways, seating, planting and community play spaces.</p> <p>The Moorabbin Reserve Park Plan Working Group met during the year and broader community consultation was also undertaken.</p> <p>Approval of the draft plan was delayed to allow for consideration of VicRoads plans for the South Road/ Linton Street intersection changes and the impact on the Reserve. Consequently, the balance of the funds has been carried over to 2017/18.</p> <p>Detailed design work will commence once Council adopts the plan in 2017, with construction later in 2017/18.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> 2016/17–2017/18.</p>
Work with stakeholders on the Moorabbin Reserve Pavilion redevelopment	1,000,000	2,502,000	On track	<p>St Kilda Football Club is managing this project to construct a new pavilion and a community football hub. Council funding will go towards the cost of the community football hub and indoor training court, which will be available for public use.</p> <p>Construction has commenced with scheduled works for 2017/18 completed.</p> <p>The north wing will be finished in the 2017/18 pre-season, and the south wing in September/October 2018.</p> <p>An allocation was brought forward from 2017/18 into 2016/17 in accordance with the funding agreement.</p> <p><b>Grants:</b> The Victorian Government provided a grant directly to the project owners.</p> <p><b>Duration:</b> Two-year project: 2016/17–2017/18.</p>

Major Initiatives	Budget (\$)	Actual (\$)	Progress	Comment
GR Bricker athletics track upgrade	1,175,000	64,464	In progress	<p>Following the award of tender, works have commenced to upgrade the GR Bricker Reserve Athletics Track by replacing the current bitumen surface with the modern rubber surface required in competitive racing.</p> <p>The project was delayed slightly for soil testing. The rubber surface needs to be applied in warmer weather, so works are expected to be completed in October 2017, with the balance of funds carried over to 2017/18.</p> <p><b>Grants:</b> The Victorian Government has contributed a \$300,000 grant from the Community Sports Infrastructure Fund.</p> <p><b>Duration:</b> Two-year project 2016/17–2017/18.</p>
Bonbeach Sports Reserve – Masterplan implementation	697,000	487,076	In progress	<p>Upgrades to meet the needs of users continued, with completed landscape work including coaches' boxes, path development, oval fencing and removal of scorers'/coaches' box.</p> <p>The carpark construction was deferred to allow consideration of netball courts, so the balance is being carried over to 2017/18.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> Four-year program of works.</p>
Dales Park Master Plan	545,230	13,459	In progress	<p>The Dales Park Masterplan guides facility improvements to assist with the park's use as a district netball facility and an important local recreation space. Upgrades will include improvements to the netball courts and car parking.</p> <p>The detailed design for the upgrades was finalised, with award of contract presented to Council in August 2017.</p> <p>The budget was largely unspent due to waiting for soil testing and the need to minimise disruption to netball court use during the winter playing season. The balance is being carried over to 2017/18 to complete the project.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> 2016/17–2017/18.</p>
Bike and walking trails	545,000	447	In progress	<p>Council explored opportunities to invest in Kingston's network of bike and walking trails. Key priorities are the connection of the shared path between Mentone and Cheltenham (and beyond), the enhancement of cyclist facilities along Station Street (Mordialloc to Carrum) and across the Patterson River, and connections from the Moorabbin Activity Centre through to the Moorabbin Reserve and TAFE precinct.</p> <p>The balance was carried over to 2017/18 in anticipation of the new Integrated Transport Strategy.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> Annual rolling program of \$150,000 – this funding is building up while the decision is made.</p>

#### Other initiatives and actions

For a complete list of the initiatives and actions funded in the 2016/17 Budget and reported in the quarterly report, please visit [kingston.vic.gov.au](http://kingston.vic.gov.au).

# 2



## a sustainable natural and built environment

A sustainable and balanced approach to our natural and built environment is important for managing and responding to an evolving city. We will continue to protect and enhance all areas of high environmental value.



Budget \$46.8M  
Expenditure \$41.6M

Our aim is to protect and enhance all areas of high environmental value in our city, with a sustainable and balanced approach to the natural and built environment.

### Capital works

- ▶ Landfill remediation program – \$480,149 spent
- ▶ Foreshore environment – \$2,840,463 spent
- ▶ Parks and open space – \$939,382 spent
- ▶ Sustainable City program – \$4,001,995 spent
- ▶ Drainage works for flood mitigation – \$4,971,471 spent.

### Our services

A sustainable natural and built environment benefits the whole community. To meet this goal, Council provides a range of services to the municipal population as a whole, including:



beach cleaning and patrols



building and design



parks and public open space maintenance



environmental planning



remediation of former landfills



protection of heritage sites



statutory and strategic planning



street sweeping



waste collection



waste minimisation through reuse and recycling



water conservation and recycling.

### Notable achievements

- ▶ Opened a new park at the former landfill site at Spring Road Reserve, Dingley Village in July 2016.
- ▶ Improved the delivery of planning and building services by launching online services including Help Me Plan and Near Me.
- ▶ Enhanced the Mordialloc coastal precinct with the new Mordialloc Life Saving Club, which opened in December 2016.
- ▶ Trialled a two-year pilot project offering flexible options for developers to meet stormwater management obligations and provide better environmental outcomes.
- ▶ Completed erosion control works along the foreshore at Edithvale, Aspendale and Chelsea.

### Our challenges

- ▶ Accepting a fair share of Melbourne's population growth in a well-planned way, centred on key activity centres and significant urban renewal sites.
- ▶ Accommodating more people without losing the special, much-loved character of our neighbourhoods.
- ▶ Providing sufficient open space to meet the needs of a diverse and growing community that is increasingly living in medium density housing.

Council's achievement for Goal 2 of the Council Plan 2013–17 is detailed below:

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: the appearance of public areas

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>74</b>	<b>74</b>	<b>73</b>	<b>75</b>
Kingston importance	71	73	73	75
<b>Metro performance</b>	<b>n/a*</b>	<b>73</b>	<b>72</b>	<b>72</b>
<b>State-wide performance</b>	<b>72</b>	<b>72</b>	<b>71</b>	<b>71</b>

Community satisfaction with the appearance of public areas has remained largely stable over the past few years, and is slightly above metropolitan Melbourne and above the state.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: Council's general town planning policy

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>58</b>	<b>57</b>	<b>52</b>	<b>56</b>
Kingston importance	70	72	71	73
<b>Metro performance</b>	<b>n/a*</b>	<b>55</b>	<b>54</b>	<b>53</b>
<b>State-wide performance</b>	<b>55</b>	<b>54</b>	<b>52</b>	<b>53</b>

Community satisfaction with Council's general town planning policy increased in 2017, and is similar to both metropolitan Melbourne and the state.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: Council's planning for population growth

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>58</b>	<b>58</b>	<b>48</b>	<b>54</b>
Kingston importance	70	74	72	77
<b>Metro performance</b>	<b>n/a*</b>	<b>54</b>	<b>51</b>	<b>51</b>
<b>State-wide performance</b>	<b>54</b>	<b>54</b>	<b>51</b>	<b>52</b>

Community satisfaction with Council's planning for population growth increased significantly over the past year, following a dip in 2016. With the Victorian Government's release of Plan Melbourne, Council is working closely with the community on a new Housing and Neighbourhood Strategy to help inform the application of the Residential Zones and to reinforce the community goal of preserving suburban areas while facilitating housing diversity.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

## Local Government Performance Reporting Framework

The Victorian Government's compulsory service measures for all Victorian councils relevant to Goal 2 are shown below:

Service Performance Indicators		Results			Material Variations and Comments
Service/indicator/measure	Unit	2014/15	2015/16	2016/17	
Statutory Planning					
Timeliness					
Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	Median number of days	85	93	101	The average time to decide planning applications has increased slightly. The number, type and complexity of planning applications during 2016/17 was greater than during the previous twelve months.
Service standard					
Planning applications decided within required time frames [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days)/ (Number of planning...made)] x 100	% decided	48.00%	53.94%	56.77%	From 1 July 2016 this indicator includes VicSmart planning applications which should be assessed within 10 days. 2016/17 saw an increase in the number of applications processed within statutory timeframes. Council continues to encourage its post-advertising planning consultation meetings, which, although adding to processing times, can reduce the likelihood of matters escalating to the Victorian Civil and Administrative Tribunal (VCAT).
Service cost					
Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]	\$ per planning application	\$2648.11*	\$2733.93*	\$2,706.31	The cost of the Statutory Planning service remains consistent and within budget.  *Results for 2014/15 and 2015/16 have been restated to ensure consistency in the method of reporting.
Decision making					
Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	% of decisions	63.00%	44.44%	35.71%	A high number of planning applications were required to be determined by Council in late 2016, in the period following the Council election. The incoming Council determined to refuse an increased number of smaller medium-density housing applications.  Despite the number of Council decisions overturned by the VCAT, many applications were successfully resolved prior to a hearing through the informal VCAT process of negotiation between the parties involved.

Service Performance Indicators		Results			
Service/indicator/measure	Unit	2014/15	2015/16	2016/17	Material Variations and Comments
<b>Waste Collection</b>					
<b>Satisfaction</b>					
<i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	Requests per 1,000 bins	112.25	128.76	130.48	The number of requests remains stable.
<b>Service standard</b>					
<i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	Missed bins per 10,000 bin lifts	5.85	6.62	6.10	Residents can report missed bins to Council by phone or online to arrange for a later collection.
<b>Service cost</b>					
<i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$ per bin	\$94.34	\$97.34	\$99.34	Costs remain stable and within budget.
<b>Service cost</b>					
<i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$ per bin	\$13.60	\$13.67	\$14.16	Costs remain stable and within budget.
<b>Waste diversion</b>					
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	% waste diverted	50.00%	48.85%	50.09%	There was a small increase in the proportion of collected recyclables and green waste in 2016/17 compared to 2015/16.

For more information, visit the Know Your Council website at [knowyourcouncil.vic.gov.au](http://knowyourcouncil.vic.gov.au).



## Major initiatives

The following statement reviews Council's progress in relation to major initiatives identified in the 2016/17 Budget. Some major initiatives are also Council's major capital works projects.

Major initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Green Wedge development	1,819,300	575,265	In progress	<p>Green Wedge development works completed over the past year include:</p> <ul style="list-style-type: none"> <li>▶ Spring Road Reserve opened in July 2016 on a former landfill site in Dingley Village</li> <li>▶ concept designs for a car park at Rowan Road</li> <li>▶ development of a masterplan for the Victory Road landfill site</li> <li>▶ gateway plantings on Boundary Road.</li> </ul> <p>Council continues to investigate and assess future utilisation and improvement opportunities for the Green Wedge arising from the Green Wedge Management Plan.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> Annual rolling program.</p>
Elder St Landfill remediation	2,150,000	98,022	On track	<p>In 2016/17, the site was filled with soil. Council partnered with Lantrak to provide free capping soil from the works at nearby level crossing removals, saving \$1 million.</p> <p>Following completion of the remediation works and environmental approval, a public park will be developed on the site.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> 2016/17–2018/19.</p>
Manage capital works to improve the foreshore environment including implementation of Coastal Management Plan actions and drainage improvements	1,020,000	414,000	Delayed	<p>The majority of scheduled works were completed during the year, including the Harding Avenue Bonbeach boardwalk, and the revegetation and erosion control fencing program.</p> <p>Some works have been carried into next financial year, largely due to contractor and supplier availability. These include the Gnotuk Avenue, Aspendale car space counter, Natal Avenue Edithvale boardwalk, Antibes St Parkdale promenade raising works, and Mordialloc Life Saving Club planting and fencing works.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> Annual rolling program.</p>
Enhance the Mordialloc coastal precinct	1,475,000	2,276,130	In progress	<p>The new Mordialloc Life Saving Club was opened in December 2016, with a new \$4 million building including a \$2.94 million contribution from Council.</p> <p>Carpark works were completed in February 2017, with landscape improvement works underway and due for completion by September 2017.</p> <p>The variance in budget is due to approximately \$900,000 of funds either not received or not required in 2015/16 that were carried over to 2016/17.</p> <p><b>Grants:</b> \$1 million Victorian Government grant in association with Life Saving Victoria and \$100,000 from the Mordialloc Life Saving Club.</p> <p><b>Duration:</b> Two years 2016/17–2017/18.</p>

Major initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Streetlight fittings replacement – energy efficiency	1,500,000	16,983	Delayed	<p>Replacement of around 7,000 streetlights across the municipality has been carried forward to 2017/18 as the original delivery model proposed for 2016/17 carried a high level of risk for Council.</p> <p>An alternative delivery model has been identified that reduces risk to Council and will also save between 5%–10% for installation costs, including the outlay on external expert consultancy.</p> <p>In the meantime, a new streetlight fitting has been approved for use that uses around 20% less power than the originally proposed model, which will deliver further ongoing savings to Council.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> 2015/16–2017/18.</p>
Drainage flood mitigation programs	3,000,000	4,971,471	Completed	<p>Key drainage improvement projects completed during 2016/17 include Beardsworth Avenue in Chelsea and Bondi Road in Bonbeach. The large Fraser Avenue drainage upgrade in Edithvale is close to completion.</p> <p>Council endorsed advancing a large-scale project at Fraser Avenue (\$2.4 million in 2016/17).</p> <p>The higher expenditure is largely offset by a reduction to road reconstruction activities in 2016/17.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> Annual rolling program.</p>

#### Other initiatives and actions

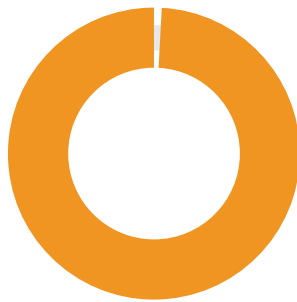
For a complete list of the initiatives and actions funded in the 2016/17 Budget and reported in the quarterly report, please visit [kingston.vic.gov.au](http://kingston.vic.gov.au).

# 3



## healthy, strong and connected communities

Kingston is home to a number of different communities of all ages and backgrounds. Our focus is to bring people together to strengthen a sense of community, celebrate diversity and improve quality of life.



Budget \$51.4M

Expenditure \$51M

Our aim is to have an inclusive city by promoting diversity, supporting community interaction, and providing accessible and equitable services.

### Capital works

There were no capital works funded under Goal 3 in 2016/17.

### Our services

To support healthy, strong and connected communities, Council provides a range of services to the municipal population as a whole, including:



aged and disability services, including delivered meals



community development and planning



family day care and child care



festivals and events



Indigenous and multicultural services



leisure centres



maternal and child health



sport and recreation



the Kingston Charitable Fund



youth services.

### Notable achievements

- ▶ Developed the Public Health and Wellbeing Plan 2017–21, including a survey of 500 residents.
- ▶ Raised awareness of domestic violence and promoted gender equality by hosting a series of family violence awareness and gender equity workshops.
- ▶ Facilitated residents volunteering in a range of community programs, including delivered meals, libraries and parks.
- ▶ Awarded Community Grants of \$1.25 million to 166 community groups in 2016/17.
- ▶ Reached out to vulnerable local families to ensure children receive the child health key ages and stages checks.
- ▶ Refurbished the Learn to Swim pool at Waves and the spas at Don Tatnell Leisure Centre and Waves.

### Our challenges

- ▶ Continuing to provide high-quality services to seniors in light of Commonwealth reforms to the aged services sector.
- ▶ Supporting the health and wellbeing of vulnerable members of our community.

# indicators of success

Council's achievement for Goal 3 of the Council Plan 2013–17 is detailed below:

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: family, youth and children's support services

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>69</b>	<b>69</b>	<b>68</b>	<b>70</b>
Kingston importance	75	76	75	74
<b>Metro performance</b>	<b>n/a*</b>	<b>68</b>	<b>69</b>	<b>68</b>
<b>State-wide performance</b>	<b>68</b>	<b>67</b>	<b>66</b>	<b>67</b>

This measure includes services such as maternal and child health, immunisation, family day care and support and activity groups. Resident satisfaction with Kingston's performance increased slightly in 2017.

Source: Local Government Community Satisfaction Survey 2017

\* There is no data available for this given year.

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: elderly support services

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>71</b>	<b>69</b>	<b>66</b>	<b>68</b>
Kingston importance	79	80	77	79
<b>Metro performance</b>	<b>n/a*</b>	<b>69</b>	<b>69</b>	<b>67</b>
<b>State-wide performance</b>	<b>70</b>	<b>69</b>	<b>68</b>	<b>68</b>

This measure includes services for elderly people and their carers and families, such as Meals on Wheels and home help. Satisfaction with Kingston's performance increased slightly in 2017.

Source: Local Government Community Satisfaction Survey 2017

\* There is no data available for this given year.

**Council target:** Maintain or improve resident perception of performance

## Family support service accreditation

Council maintained its accreditation in compliance with the Department of Health Human Services (DHHS) Standards and ISO 9001. The DHHS promotes empowerment, access, engagement, wellbeing and participation, while ISO 9001 is a series of standards developed and published by the International Organisation for Standardisation (ISO) that define, establish, and maintain a quality assurance system for manufacturing and service industries.

**Council target:** Maintain accreditation

## Residential aged care accreditation

In 2016, Council transferred operation of its aged care homes to Southern Cross Care (Victoria), so this indicator is no longer applicable.

**Council target:** Maintain compliance with the National Quality Framework (NQF)

## Victorian Government reviews against the National Quality Framework for children, youth and family services and community care

Council's child care, kindergarten, family day care and outside school age care services are regulated in accordance with the National Quality Framework for children, youth and family services and community care. All Council's programs have maintained an assessment of either 'meeting' or 'exceeding' the National Quality Framework Standards.

**Council target:** Maintain or improve engagement of volunteers

## Maintaining and improving engagement of volunteers

Council currently has over 300 community volunteers supporting the delivery of community care, libraries, community engagement, arts and events and family, youth and children's services. These numbers have been mostly stable, which is fortunate given their valuable contribution. Volunteer hours increased by 1,259 hours in 2016/17, to reach a total of 16,812 hours.

## Local Government Performance Reporting Framework

The Victorian Government's compulsory service measures for all Victorian councils relevant to Goal 3, are shown below:

Service Performance Indicators		Results			Material Variations and Comments
Service/indicator/measure	Unit	2014/15	2015/16	2016/17	
Aquatic Facilities					
Service standard					
Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	Inspections	3.00	2.00	2.50	Council Environmental Health Officers continue to undertake inspections and obtain pool water samples for analysis.
Health and Safety					
Reportable safety incidents at aquatic facilities [Number of WorkSafe reportable aquatic facility safety incidents]	Incidents	0.00	0.00	0.00	No Worksafe reportable incidents occurred at Kingston Leisure Centres during 2016/17.
Service cost					
Cost of indoor aquatic facilities [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	Cost per visit	\$1.29	\$1.41	\$1.22	The cost of indoor aquatic facilities has reduced, with growth in membership sales and swim school enrolments at Kingston's two centres.
Utilisation					
Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	Visits per resident	5.01	4.33	4.55	Visits to Kingston's two centres increased in 2016/17, with strong membership sales and swim school enrolments. The decrease in 2015/16 was due to a closure at Don Tatnell Leisure Centre during renovations.

Service Performance Indicators		Results			
Service/indicator/measure	Unit	2014/15	2015/16	2016/17	Material Variations and Comments
<b>Home and Community Care (HACC)</b>					
<b>Timeliness</b>					
<i>Time taken to commence the HACC service</i> [Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service]	Days	N/A	35.35	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Service standard</b>					
<i>Compliance with Community Care Common Standards</i> [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100	% of standards met	61.00%	61.11%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Service cost</b>					
<i>Cost of domestic care service</i> [Cost of the domestic care service / Hours of domestic care service provided]	\$ per hour	N/A	\$53.14	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Service cost</b>					
<i>Cost of personal care service</i> [Cost of the personal care service / Hours of personal care service provided]	\$ per hour	N/A	\$52.35	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Service cost</b>					
<i>Cost of respite care service</i> [Cost of the respite care service / Hours of respite care service provided]	\$ per hour	N/A	\$41.25	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Participation</b>					
<i>Participation in HACC service</i> [Number of people who received an HACC service / Municipal target population for HACC services] x100	% of target population	30.00%	30.00%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<b>Participation</b>					
<i>Participation in HACC service by CALD people</i> [Number of CALD people who receive an HACC service / Municipal target population in relation to CALD people for HACC services] x100	% of target population	25.00%	24.82%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.

Service Performance Indicators		Results			Material Variations and Comments
Service/indicator/measure	Unit	2014/15	2015/16	2016/17	
Maternal and Child Health (MCH)					
Satisfaction					
Participation in first MCH home visit [Number of first MCH home visits / Number of birth notifications received] x100	% births notified	99.00%	102.68%	103.03%	Kingston MCH has very high participation rates in the early Key Ages and stages visits.
Service standard					
Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	% births notified	98.00%	100.00%	100.00%	There has been a slight drop in the number of babies born in the last financial year, but uptake of the service remains high.
Service cost					
Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	\$ per hour	N/A	\$84.52	\$84.99	This result is consistent with expectations.
Participation					
Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	% of enrolled children	77.00%	78.59%	78.12%	The participation rate is stable. Those not attending council MCH services may be choosing to attend the four-year visit offered by their General Practitioner instead of council's 3.5-year assessment.
Participation					
Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	% of enrolled children identified as ATSI	85.00%	75.56%	71.21%	While disclosure of Aboriginal and Torres Strait Island (ATSI) status is voluntary, MCH nurses continue to encourage disclosure. Kingston MCH nurses encourage attendance by reminding all families of appointments and offer access to enhanced MCH services where needed.

For more information, visit the Know Your Council website at [knowyourcouncil.vic.gov.au](http://knowyourcouncil.vic.gov.au).

#### Major initiatives

There were no Major Initiatives applicable to this Goal in 2016/17.

#### Other initiatives and actions

For a complete list of the initiatives and actions funded in the 2016/17 Budget, please visit [kingston.vic.gov.au](http://kingston.vic.gov.au).

# 4



## a prosperous and dynamic city

We will continue to promote Kingston as a smart, creative and progressive city with well-planned, functional and attractive urban centres and hubs.



Budget \$22.1M  
Expenditure \$18.9M

Our aim is to be a culturally-rich city with diverse arts and cultural events and activities. We support a strong local economy by facilitating development opportunities for local businesses.

### Capital works

- ▶ Activity centres – \$623,685 spent
- ▶ Local shopping centre upgrades – \$63,934 spent
- ▶ Traffic and transport management capital program – \$763,605 spent
- ▶ Station Street (Aspendale to Carrum) VicRoads-funded blackspot program – \$100,000 spent.

### Our services

A prosperous and dynamic city that provides benefit to the whole community is achieved through the delivery of a range of Council services to the municipal population as a whole, including:

- planning for activity centres
- arts and cultural activities
- business development opportunities
- improving services and facilities in urban centres and retail precincts
- library services

- local laws and regulations
- supporting regional collaboration and partnerships
- traffic and parking management
- improving transport and road networks.

### Notable achievements

- ▶ Reviewed the Community Local Law.
- ▶ Convened the Business and Economic Development Advisory Committees.
- ▶ Published Guidelines for Public Safety and Amenity when Building In the City of Kingston.
- ▶ Convened 11 CEO Roundtable forums.
- ▶ Implemented 'one-stop shop' processes for construction management plans.
- ▶ Hosted the fourth International Youth Silent Film Festival in October 2016.
- ▶ Introduced 'Launchpads' at Kingston Libraries – digital devices pre-loaded with educational games for young children.
- ▶ Held the annual Kingston Pet Expo in March 2017.
- ▶ Revitalised the public space at Central Avenue/Tuck Street in the Moorabbin Activity Centre.
- ▶ Adopted the Domestic Animal Management Plan 2016–21 in July 2016.
- ▶ Supported local businesses with a range of professional development opportunities.
- ▶ Encouraged students from 11 local primary schools to regularly walk or cycle to school through the WoW Kingston (Walk and Wheel Once a Week) program.

### Our challenges

- ▶ Ensuring that transport accessibility and availability keeps pace with the growth of our population and meets the needs of local businesses and residents.



# indicators of success

Council's achievement for Goal 4 of the Council Plan 2013–17 is detailed below:

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: Performance in traffic management

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>63</b>	<b>64</b>	<b>56</b>	<b>56</b>
Kingston importance	73	74	74	78
<b>Metro performance</b>	<b>n/a*</b>	<b>57</b>	<b>56</b>	<b>56</b>
<b>State-wide performance</b>	<b>60</b>	<b>60</b>	<b>59</b>	<b>59</b>

Community satisfaction with traffic management remained stable in 2017.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: Performance in parking facilities

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>61</b>	<b>60</b>	<b>57</b>	<b>57</b>
Kingston importance	70	72	72	72
<b>Metro performance</b>	<b>n/a*</b>	<b>55</b>	<b>54</b>	<b>53</b>
<b>State-wide performance</b>	<b>57</b>	<b>57</b>	<b>56</b>	<b>55</b>

Community satisfaction with parking facilities remained stable in 2017, performing above the metropolitan Melbourne average and above the state.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: Arts centres and libraries

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>76</b>	<b>77</b>	<b>72</b>	<b>74</b>
Kingston importance	65	66	65	66
<b>Metro performance</b>	<b>n/a*</b>	<b>75</b>	<b>74</b>	<b>75</b>
<b>State-wide performance</b>	<b>75</b>	<b>73</b>	<b>72</b>	<b>73</b>

Community satisfaction with arts centres and libraries increased compared to the previous year.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

**Council target:** Maintain or improve resident perception of performance

### Community satisfaction: Community and cultural activities

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>72</b>	<b>74</b>	<b>69</b>	<b>72</b>
Kingston importance	60	62	62	62
<b>Metro performance</b>	<b>n/a*</b>	<b>71</b>	<b>71</b>	<b>70</b>
<b>State-wide performance</b>	<b>70</b>	<b>69</b>	<b>69</b>	<b>69</b>

Community satisfaction with Kingston's performance in community and cultural activities increased, remaining above the metropolitan and state average.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

**Council target:** Maintain or improve resident perception of performance

### Community satisfaction: Enforcement of local law

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>67</b>	<b>67</b>	<b>64</b>	<b>65</b>
Kingston importance	70	72	68	74
<b>Metro performance</b>	<b>n/a*</b>	<b>66</b>	<b>64</b>	<b>64</b>
<b>State-wide performance</b>	<b>66</b>	<b>66</b>	<b>63</b>	<b>64</b>

Kingston's performance in this measure is in line with metropolitan Melbourne and the state.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

## Local Government Performance Reporting Framework

The Victorian Government's compulsory service measures for all Victorian councils relevant to Goal 4, are shown below:

Service Performance Indicators		Results			Material Variations and Comments
Service/indicator/measure	Unit	2014/15	2015/16	2016/17	
Animal Management					
Timeliness					
Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	Days	N/A	1.58	1.66	Council Officers continued to respond to complaints within timeframes, ensuring risks are managed appropriately.
Service standard					
Animals reclaimed [Number of animals reclaimed / Number of animals collected] x100	%	69.00%	69.07%	55.93%	100% of registered dogs impounded for being at large were reunited with their owners. The decrease in the percentage of animals reclaimed is due to Kingston's environmental program of pro-actively trapping stray or feral cats. In 2016/17, more cats were collected than in 2015/16, and a significant number of feral cats were euthanized.
Service cost					
Cost of animal management service [Direct cost of the animal management service / Number of registered animals]	Cost per registered animal	\$31.99	\$26.66	\$46.22	The cost of animal services has increased and will continue to do so following substantial pound service fee increases.
Health and safety					
Animal management prosecutions [Number of successful animal management prosecutions]	Successful prosecutions	23.00	17.00	11.00	Council Officers proactively resolve animal-related issues directly with those involved, reducing the number of cases prosecuted in the magistrates court. A lower level of prosecutions may also indicate higher levels of compliance. Although there has been a reduction in prosecutions, Council continues to take community safety seriously and will prosecute where risk of harm to people or other animals is likely.

Service Performance Indicators		Results			Material Variations and Comments
Service/indicator/measure	Unit	2014/15	2015/16	2016/17	
Food Safety					
Timeliness					
Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	Days	N/A	1.49	1.61	Council Officers continued to respond to complaints within timeframes ensuring risks are managed appropriately.
Service standard					
Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	% of registered premises	100.00%	100.00%	99.90%	For the 2016 statutory period, one business was not inspected as it was closed for renovations. The number of premises requiring assessment is increasing each year and continues to be achieved with existing resources.
Service cost					
Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	Cost per registered premises	\$294.00	\$255.48	\$269.19	Council continues to provide the food safety service within the same levels of staff and resourcing as previous years, whilst the number of food businesses registered by Council or notified through Streatrader has continued to increase.
Health and safety					
Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	% followed up	100.00%	100.00%	100.00%	Major and Critical non-compliances continue to be treated as a matter of priority. The scheduling of follow-up inspections varies depending on the risk and severity of the items identified.

Service Performance Indicators		Results			Material Variations and Comments
Service/indicator/measure	Unit	2014/15	2015/16	2016/17	
Libraries					
Utilisation					
Library collection usage [Number of library collection item loans / Number of library collection items]	Loans per item	4.69	4.46	4.20	Kingston Libraries continue to make over one million loans annually; however, loans per item have fallen slightly.
Resource standard					
Standard of library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	% purchased within five years	67.00%	60.70%	58.83%	Kingston Libraries continue to renew and replace collection items as needed.
Service cost					
Cost of library service [Direct cost of the library service / Number of visits]	\$ per visit	\$8.15	\$8.61	\$8.54	Library costs have remained stable and within budget, whilst personal visits to Kingston Libraries have marginally increased. Virtual visits via online services (not included in this result) are increasing, which reflects the community's interaction with Council and Libraries in a variety of ways.
Participation					
Active library members [Number of active library members / Municipal population] x100	% of municipal population	17.00%	17.81%	16.88%	The result is consistent with prior years.

For more information, visit the Know Your Council website at [knowyourcouncil.vic.gov.au](http://knowyourcouncil.vic.gov.au).

### Major initiatives

The following statement reviews Council's progress in relation to major initiatives identified in the 2016/17 Budget. Some major initiatives are also Council's major capital works projects.

Major initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Traffic management projects	670,000	763,650	On track	Tenders have been issued for the Wilson Street, Cheltenham road narrowing, Warren Road, Parkdale pedestrian operated signals and Rosebank Avenue, Westall pedestrian crossing, with construction expected by the end of the calendar year. <b>Grants:</b> \$27,764 from VicRoads and \$117,565 developer contribution. <b>Duration:</b> annual rolling program.
Complete works to improve traffic flow at the intersection of Balcombe Road and Davies St, Mentone	840,000	81,096	Delayed	Work on the Balcombe Road/Davies Street intersection (part of the Mentone Renaissance project) will commence shortly. Work was delayed while waiting for the land transfer from Woolworths, which has now been processed. Advance payment for the signalisation was made to VicRoads in 2015/16, with the works to be delivered by VicRoads before the end of 2017. The remainder of the \$840,000 allocation for 2016/17 is being carried over for the next phase of the Mentone Renaissance project. <b>Grants:</b> \$250,000 from VicRoads. <b>Duration:</b> 2016/17–2017/18 for the signalisation program.

### Other initiatives and actions

For a complete list of the initiatives and actions funded in the 2016/17 Budget and reported in the quarterly report, please visit [kingston.vic.gov.au](http://kingston.vic.gov.au).

# 5



## an effective voice

We will champion the community's voice on issues that we cannot directly control, to influence those who can, through effective advocacy and strategic alliances.



Budget \$0.9M

Expenditure \$1M

Our aim is to seek out and listen to the diverse views of our community to inform decision making. We strive to be open about our decisions, how they are reached and the outcomes. Council champions the community's voice on issues that it cannot directly control.

### Notable achievements

- ▶ Successfully lobbied Victorian Government for nine level crossing removals and the new Southland Station.
- ▶ Engaged with 22 local schools in the Resilient Youth Australia 2016 survey, receiving over 4,000 completed responses.
- ▶ Consulted broadly on a range of issues important to the community and launched the Your Kingston Your Say online engagement portal.
- ▶ Began a review to improve the planning consultation process.
- ▶ Received \$40,681,611 in grants from the Victorian and Federal Governments.

### Our challenges

Many things the community is justifiably concerned about are outside Council's direct control (e.g. jurisdiction over some major roads, railways, the Victorian Civil and Administrative Tribunal, etc.). Being an effective voice for our community can be a complex process, as it often requires working with a number of other government departments at the same time, with disparate aims and ways of working.

### Capital works

There were no capital works funded under Goal 5 in 2016/17.

### Our services

To be an effective voice on behalf of our community, Council provides a range of services including:



communications and social media



community engagement and consultation



facilitating focus groups and committees



liaison and advocacy with the Victorian Government, Federal Government, other state governments, government organisations and other councils



providing submissions to relevant authorities.

# indicators of success

Council's achievement for Goal 5 of the Council Plan 2013–17 is detailed below:

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: How we are informing the community

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>63</b>	<b>62</b>	<b>59</b>	<b>61</b>
Kingston importance	74	75	74	78
<b>Metro performance</b>	<b>n/a*</b>	<b>64</b>	<b>63</b>	<b>61</b>
<b>State-wide performance</b>	<b>62</b>	<b>61</b>	<b>59</b>	<b>59</b>

Community satisfaction with how residents are informed has increased since 2016. This follows a communications campaign to inform the community about planning laws, population growth, major planning applications, and Council's actions on traffic management and parking. In addition, Council has improved access to Council Meeting agendas and minutes.

Source: Local Government Community Satisfaction Survey 2017

\* There is no data available for this given year.

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: Community consultation and engagement

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>60</b>	<b>60</b>	<b>55</b>	<b>59</b>
Kingston importance	69	71	72	74
<b>Metro performance</b>	<b>n/a*</b>	<b>58</b>	<b>58</b>	<b>57</b>
<b>State-wide performance</b>	<b>57</b>	<b>56</b>	<b>54</b>	<b>55</b>

Community satisfaction has improved over the past year, with Council implementing improved community consultation and engagement on key local issues, including ensuring that participants are informed of the outcome. In addition, Kingston Your City and other communications channels are being used to report back to the community on all consultations.

Source: Local Government Community Satisfaction Survey 2017

\* There is no data available for this given year.

**Council target:** Maintain or improve resident perception of performance

## Community satisfaction: Lobbying on behalf of the community

YEAR	2014	2015	2016	2017
<b>Kingston performance</b>	<b>60</b>	<b>59</b>	<b>55</b>	<b>59</b>
Kingston importance	66	68	66	70
<b>Metro performance</b>	<b>n/a*</b>	<b>58</b>	<b>56</b>	<b>56</b>
<b>State-wide performance</b>	<b>56</b>	<b>55</b>	<b>53</b>	<b>54</b>

Lobbying includes making representations to state and federal governments and other organisations on key issues that affect the local community. Community satisfaction with Kingston's performance has improved, with performance above metropolitan average and above the state. Council's lobbying is not always apparent to residents, so Council will continue publicise its lobbying activities more strongly.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

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### Local Government Performance Reporting Framework

There are no Local Government Performance Reporting Framework measures relevant to this goal.

### Major initiatives

There were no major initiatives applicable to this Goal in 2016/17.

### Other initiatives and actions

To view the performance of the initiatives and actions funded in the 2016/17 Budget and reported in the quarterly report, please visit **[kingston.vic.gov.au](http://kingston.vic.gov.au)**.

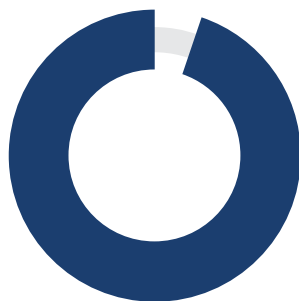


# 6



## a well-managed and effective organisation

Our organisation will focus on governing Kingston in a way that is well informed, responsive, accountable and transparent, which involves and draws inspiration from the community.



Budget \$25.2M  
Expenditure \$23.9M

We remain committed to improving the experience of our customers at every opportunity through effective organisational performance.

### Capital works

- Information systems development – \$1,244,495 spent.

### Our services

Council's services that support and foster a well-managed and effective organisation to support Council's direct service delivery include:



customer service



audit programs



Council and Councillor support and governance



financial systems and management



human resources



information and technology services



occupational health and safety



public relations and communications



risk management



strategic performance planning and reporting



training and education



procurement and purchasing.

### Notable achievements

- Performed well in the Local Government Community Satisfaction Survey in 2017, compared to other metropolitan and state-wide councils.
- Managed the 2016 general council election in October 2016 and provided a Victorian Electoral Commission candidate information session and Councillor Induction Program.
- Implemented Kingston's Enterprise-wide Risk Management Framework.
- Launched quarterly customer service satisfaction surveys.
- Made communications and payment options more accessible to the community.

### Our challenges

- Continuing to deliver excellent service to the community and provide value for money in a time of rising costs for waste disposal (landfill levies), energy, insurance and information technology and rate capping.

Council's achievement for Goal 6 of the Council Plan 2013–17 is detailed below:

## Underlying operating result

**Council target:** maintain net operating result.

Council's net operating results can be found on page 61.

## Liquidity

**Council target:** maintain or improve the liquidity ratio.

Council's liquidity ratio can be found on page 61.

## Capital replacement

**Council target:** maintain spending on capital renewal to ensure the long-term sustainability of Council's assets.

Council's expenditure on capital replacement and renewal can be found on page 61.

## Community satisfaction: The general overall performance of Council

**Council target:** Maintain or improve resident perception of performance

YEAR	2014	2015	2016	2017
Kingston performance	69	68	66	66
Metro performance	n/a*	67	66	64
State-wide performance	61	60	59	59

The result for Council's overall performance was stable compared to the previous year and above both the state and metropolitan Melbourne.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

## Community satisfaction: Overall customer service

**Council target:** Maintain or improve resident perception of performance

YEAR	2014	2015	2016	2017
Kingston performance	79	74	74	72
Metro performance	n/a*	73	73	71
State-wide performance	72	70	69	69

Council's performance has decreased compared to the previous year, while remaining above the rest of the state and similar to metropolitan Melbourne.

Source: Local Government Community Satisfaction Survey 2017

\*There is no data available for this given year.

## Satisfaction with Kingston as an employer

**Council target:** maintain satisfaction with Kingston as an employer above 70 per cent

As a part of Kingston's commitment to the continuous improvement of the organisation, an Employee Engagement Survey is scheduled to be completed every two years. The most recent employee survey was conducted in July 2015. The organisation achieved an overall engagement rating of 68 per cent, which reinforces that Kingston is a high-performing local government organisation.

Source: Employee Engagement Survey 2015.

## Local Government Performance Reporting Framework

The Victorian Government's compulsory service measures for all Victorian councils relevant to Goal 6, are shown below:

Service Performance Indicators		Results			Material Variations and Comments
Service/indicator/measure	Unit	2014/15	2015/16	2016/17	
Governance					
Transparency					
Council decisions made at meetings closed to the public [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors ] x100	% of decisions	5.34%	8.04%	5.99%	There has been an overall reduction in matters considered at closed meetings. In 2015/16, 34 resolutions were made at closed meetings compared to 22 confidential resolutions in 2016/17. A significant number of VCAT planning matters were considered in meetings closed to the public in 2015/16, a pattern that did not continue into 2016/17.
Consultation and engagement					
Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	Rating out of 100	60	55	59	This rating is sourced from an annual Community Satisfaction Survey that is coordinated by State Government and conducted by an independent research company on behalf of Victorian councils. It is positive to see an improved result in this area as community consultation is important to Kingston. A new online consultation platform has recently been launched and is being rolled out to the organisation to continue to improve on engagement with the community.
Attendance					
Councillor attendance at council meetings [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100	%	93.00%	87.72%	93.43%	High Councillor attendance in 2016/17 demonstrates a commitment by Councillors to fully engage in Council decision-making, noting no significant leave of absences were requested.
Service cost					
Cost of governance [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$ per Councillor	\$50,034.11	\$51,526.11	\$50,700.44	Expenditure is consistent with the prior year. Cost of governance includes allowances, training and professional development, communication costs (phone and data) and also includes costs associated with the employment of the Chief Executive Officer.
Satisfaction					
Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	Rating out of 100	58	58	60	This rating is sourced from an annual Community Satisfaction Survey that is coordinated by State Government and conducted by an independent research company on behalf of Victorian councils. Kingston's result for 2017 is two points higher than 2016 and compares to the State-wide average of 54 and the Metropolitan average of 58.

For more information, visit the Know Your Council website at [knowyourcouncil.vic.gov.au](http://knowyourcouncil.vic.gov.au)

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## Major initiatives

The following statement reviews Council's progress in relation to major initiatives identified in the 2016/17 Budget.

Major initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Implement the recommendations of the ICT Strategy 2016–2020	1,724,848	1,244,495	In progress	<p>The ICT Strategy was approved in March 2016 and focuses on mobility, customer service, use of cloud computing and improved IT governance.</p> <p>Work on the mobility project has commenced and, along with other projects to implement the strategy, will continue into 2017/18.</p> <p>Delays to the tendering of the Library Management System represent the underspending in 2016/17.</p> <p><b>Grants:</b> None.</p> <p><b>Duration:</b> 2016–2020.</p>

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## Other initiatives and actions

For a complete list of the initiatives and actions funded in the 2016/17 Budget and reported in the quarterly report, please visit [kingston.vic.gov.au](http://kingston.vic.gov.au).

Local government is the third tier of government in Australia and consists of democratically-elected councils having the functions and powers that the Victorian Parliament considers are necessary to ensure the peace, order and good government of each municipal district (section 74A(1) of the *Constitution Act 1975* (Vic)).

Council's role, powers and functions are primarily governed by the *Local Government Act 1989* (Vic) which specifies that the main objective of a council is to endeavour to achieve the best outcomes for the local community, having regard to the long-term and cumulative effects of decisions.

## Our governance system

At Kingston, governance incorporates the key principles of accountability, culture, information support, organisational performance, stakeholder relationships and risk management.

Good governance involves two types of governance:

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

## Democratic governance

### 2016 Council Elections

Local government elections take place every four years, and the most recent election was held on 22 October 2016. The 2016 election involved a total of 45 candidates comprising 14 candidates in Central Ward, 18 candidates in North Ward, and 13 candidates in South Ward. Council's caretaker period commenced on 20 September 2016 and ended at 6pm on 21 October 2016. During this time, there are certain restrictions on what Council and Councillors can do. Section 93A of the *Local Government Act 1989* (Vic) prohibits Council, a special Committee or a person acting under a delegation given by the Council, from making a major policy decision during the election period.

The number of ballot papers counted (formal and informal) represented 75.99% of enrolled voters. This is compared with an average turnout of 75.67% for all postal elections across the State at the 2016 local government elections (excluding Melbourne City Council). Kingston City Council recorded a turnout of 71.26% at its last general election in October 2012.

North Ward had the highest voter participation with 77.05%, followed by South Ward 76.17% and Central Ward 74.81%. The next election will be held in October 2020.

The election results were declared on 2 November 2016 and the new Council was sworn in on 7 November 2016, comprising seven returned Councillors and two new Councillors.

### Council Induction Program

Following the election results, an induction program occurred consisting of a number of formal meetings, discussion and training opportunities offered by Council and other organisations such as the Municipal Association of Victoria (MAV) and the Victorian Local Governance Association (VLGA). This welcome program balances the needs of first-time Councillors and continuing Councillors to ensure everyone has an equal opportunity to participate.

The program consisted of four streams of activity:

- Councillor welcome meeting and briefing sessions
- Councillor workshops
- External Councillor networking and training
- Upcoming Council key events.

### Delegation of powers

A number of duties, functions and powers are conferred on Council through legislation, including the *Local Government Act 1989* (Vic). Council delegates the authority and powers necessary to comply with legislation and implement Council approved strategies to the Chief Executive Officer. The Chief Executive Officer further delegates powers to Council officers who carry out the functions of the Council on a daily basis. The powers, duties and functions delegated to officers must be exercised in line with previously established guidance or direction from the Council. Powers that Council cannot delegate include adopting the Council Plan and Council Budget. The Register of Delegations is available at [kingston.vic.gov.au/contact-us/documents-available](http://kingston.vic.gov.au/contact-us/documents-available).

### Council and committee meetings

Kingston's Ordinary Meetings of Council are held on the fourth Monday and Planning Committee Meetings are held on the third Wednesday of each month as required at 1230 Nepean Highway, Cheltenham, commencing at 7pm unless otherwise advertised. Council Meetings are open to the public and agendas are available from Council's website from the preceding Friday at **kingston.vic.gov.au/About-Us/Council-Meetings**.

Residents have an opportunity to submit written questions to Council on the night of an Ordinary Meeting of Council. Questions may be responded to either verbally at the meeting or later in writing. The question form is available at **kingston.vic.gov.au/about-us/council-meetings/public-question-time**.

Councillors sitting formally as Council make all decisions taken at Council level. Decisions are made through the formal Council Meeting or the formal delegation of powers to committees or officers. Council can only make decisions when it is sitting as Council. Outside of the Council Meeting, individual Councillors have no decision-making authority.

Council is sometimes required to discuss and consider confidential matters. Section 89(2) of the *Local Government Act 1989* (Vic) stipulates that councils can close meetings to discuss issues such as staffing, industrial relations, contractual matters, legal advice and matters affecting the security of Council property. If confidential reports are to be discussed by Council, the public is asked to leave the meeting during these discussions. Approximately 6% of decisions made by Council were during closed meetings, below the 2015/16 average for all Victorian councils.

In 2016/17, there were 11 Ordinary Meetings of Council and seven Planning Committee Meetings.

### Special Meetings of Council

Special Meetings of Council are called when an urgent item requires a Council resolution that cannot wait until the next Ordinary Meeting of Council. The dates for these meetings are advertised in *The Age* newspaper and on Council's website. In 2016/17, there were 10 Special Meetings of Council.

### Live streaming and recording of Council Meetings

All Ordinary, Special and Planning Committee Meetings are streamed live on Council's website. This allows residents to watch proceedings and decisions as they happen and provides access to Council Meetings for those who may be unable to physically attend.

The live stream and archives of previous streams can be found at **kingston.vic.gov.au/about-us/council-meetings/live-council-meetings**.

The Recording of Public Council Meetings Policy is available on Council's website at **kingston.vic.gov.au/about-us/plans-policies-publications/policies**.

Table: Councillor Attendance at Council Meetings

Councillor	Meetings of Ordinary Council attended	Special Meetings of Council attended	Planning Committee Meetings attended
<b>Current Councillors</b>			
Cr Tamara Barth	9/11	6/10	3/7
Cr Tamsin Bearsley	11/11	10/10	7/7
Cr Ron Brownlees OAM	10/11	10/10	7/7
Cr David Eden	10/11	8/10	7/7
Cr Geoff Gledhill	11/11	10/10	7/7
Cr Georgina Oxley	7/7	7/7	7/7
Cr George Hua	7/7	6/7	7/7
Cr Steve Staikos	11/11	10/10	7/7
Cr Rosemary West OAM	11/11	10/10	6/7
<b>Former Councillors</b>			
Cr Paul Peulich	4/4	3/3	2/3
Cr John Ronke	3/4	3/3	1/3

### Minutes of meetings

Council records the resolutions of each Ordinary, Special and Planning Committee meeting. Minutes can be viewed at [kingston.vic.gov.au/about-us/council-meetings](http://kingston.vic.gov.au/about-us/council-meetings).

### Mayor's role

At the annual Statutory Meeting of Council (which is a Special Meeting), Councillors elect a Mayor for a 12-month term. Council may resolve to elect a Mayor for a maximum term of two years, although the mayoral term at Kingston is usually one year. The Mayor is the leader of the Council and has a number of roles which are legislative and functional. The legislative requirements are prescribed in Section 73AA of the *Local Government Act 1989* (Vic).

The Mayor must chair all Council Meetings at which they are present. If the Mayor is absent, Council must appoint one of the Councillors to be acting Mayor. The Mayor's role also includes providing leadership, promoting positive relationships and modelling good governance. Cr Tamsin Bearsley served as Mayor until 22 October 2016. Cr David Eden was elected as Mayor on 7 November 2017 for a one-year term.

Cr Rosemary West OAM was elected as Kingston's Deputy Mayor on 7 November 2017. The predominant role of the Deputy Mayor is to support the Mayor as required during their mayoral term. The Deputy Mayor role is subordinate to the role of the Mayor and any duties or functions carried out by the Deputy Mayor must be in accordance with Deputy Mayor Position Policy, which is available at [kingston.vic.gov.au/About-Us/Plans-Policies-and-Publications/Policies](http://kingston.vic.gov.au/About-Us/Plans-Policies-and-Publications/Policies).

### Councillor information sessions

In addition to regular Council Meetings, information sessions are held to inform Councillors about important issues. These sessions provide Councillors and Council officers with an opportunity to discuss issues in detail, seek further information and to address questions and concerns in an open and frank environment. Information sessions are not a decision-making forum. They allow Councillors to explore options and better understand the matter/s in question. Council decisions can only be made during Council Meetings.

### Councillor representation on committees

Councillors were appointed as Council representatives on a range of special committees and networks as per the tables below.

#### Legislative committees

Legislative committees are established under the *Local Government Act 1989* (Vic). The Planning Committee is a Council decision-making forum with extensive delegated authority, while the Audit Committee, established under section 139 of the Act, has an advisory role.

Legislative Committees	2017 Appointee
Planning Committee	All
Audit Committee	Mayor Cr Eden, Cr Oxley
Municipal Emergency Planning Committee	Cr Gledhill

Advisory Committees	2017 Appointee
Access and Equity	Cr Barth
Arts and Culture	Cr Bearsley
Business and Economic Development	Cr Hua, Cr Gledhill
Community Safety	Cr Brownlees
Festivals and Events	Cr Staikos
Public Spaces and Environment	Cr West
Sport and Recreation	Cr Gledhill, Cr Brownlees, Cr Hua
Youth	Mayor Cr Eden, Cr Oxley

Consultative Committees	2017 Appointee
LF Payne Hall Usage Committee	Mayor Cr Eden, Cr Bearsley, Cr Oxley
Kingston Charitable Fund (KCF) Community Grants Panel	Mayor Cr Eden, Cr Bearsley
Kingston Interfaith Network	Cr Bearsley
Kingston Historic Network	Cr Gledhill

External committees/organisations	2017 Appointee
Association of Bayside Municipalities	Cr West, Cr Gledhill (alternate)
Friends of Manatuto Committee	Cr Staikos
Inter Council Aboriginal Consultative Committee	Cr Barth, Cr West (alternate)
Local Government Waste Management Forum	Cr Barth, Cr West (alternate)
Metropolitan South Eastern Region MAV Representatives and Mayors	Mayor Cr Eden
Metropolitan Transport Forum	Cr Gledhill, Cr West (alternate)
Moorabbin Airport Consultative Committee	Cr West
Municipal Association of Victoria	Mayor Cr Eden
Municipal Association of Victoria Strategic Environment Advisory Group	Cr West
Municipal Association of Victoria Planning Committee	Cr West
Victorian Local Governance Association	Cr Staikos

#### Conflict of interest

At the start of a Council or committee meeting, Councillors must disclose any direct or indirect conflict of interest that may impact on their impartiality. If a direct or indirect interest is disclosed, the Councillor must leave the meeting prior to the issue being discussed, debated or voted on. After the vote, the Councillor can return to the meeting.

#### Councillor remuneration

Councillors and Mayors are entitled to receive remuneration in the form of a Councillor allowance, with the upper and lower limits set by the Victorian Government. The Minister for Local Government approved an annual adjustment of 2.5 per cent, which took effect on 1 December 2016. The annual allowance for the Mayor is \$88,845 and for Councillors is \$29,615 plus an amount equivalent to the superannuation guarantee contribution (9.5%). In addition to their allowances, Councillors can elect to receive a mobile phone, iPad, laptop computer and a phone/fax for Council use. They can also claim expenses incurred while performing their duty as Councillors and use office administration and support. The Mayor receives a dedicated office and support from an Executive Assistant.

#### 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 1989* (Vic)). Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. Council adopted the Councillor Support and Reimbursement of Expenses Policy (the Policy) on 14 December 2015, which is available at [kingston.vic.gov.au/about-us/plans-policies-publications/policies](http://kingston.vic.gov.au/about-us/plans-policies-publications/policies).

The Policy requires the payment of Councillor expenses (whether paid directly by Council or reimbursed to the Councillor) to be published in the Annual Report and quarterly on the Council's website under the following categories:

- Councillor and Mayoral allowance
- carer expenses
- communication expenses
- training and education expenses
- intrastate travel expenses
- interstate and overseas travel expenses
- other expenses.



### Councillor allowances and expenses for 2016/17

All allowances and expenses are related to Councillors' roles as representatives and/or delegates of Council and have been incurred in the course of their duties as a Councillor.

	Councillor Allowances	Communications Expenses	Travel Intrastate	Travel Interstate	Travel Overseas	Training, Conferences & Education	Other Expenditure
Cr Tamara Bath	\$30,813	\$1,657					
Cr Tamsin Bearsley (Mayor to 22/10/16)	\$50,446	\$2,325				\$355	\$912
Cr Ron Brownlees OAM	\$30,813	\$1,275				\$355	
Cr David Eden (Mayor from 7/11/16)	\$72,807	\$1,460				\$16	\$55
Cr Geoff Gledhill	\$30,813	\$1,464				\$1,532	\$535
Cr George Hua	\$20,997	\$876		\$391		\$2,155	\$53
Cr Georgina Oxley	\$20,997	\$1,146					
Cr Steve Staikos	\$30,813	\$2,434	\$297	\$420		\$1,054	\$200
Cr Rosemary West OAM	\$30,813	\$1,666	\$526			\$359	
<b>Prior Councillors</b>							
Cr Paul Peulich	\$9,816	\$429					
Cr John Ronke	\$9,816	\$1,859					

## Governance and Management Checklist

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

### Governance and Management Checklist 2016-17

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

Column 1 Governance and Management Item	Column 2 Assessment
<b>1 Community engagement policy</b> (policy outlining Council's commitment to engaging with the community on matters of public interest)	Current policy in operation: 5/04/2014 ✓
<b>2 Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation: 16/01/2013 ✓
<b>3 Strategic Resource Plan</b> (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Plan adopted in accordance with section 126 of the Act: 13/06/2017 ✓
<b>4 Annual budget</b> (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with section 130 of the Act: 13/06/2017 ✓
<b>5 Asset management plans</b> (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Current plans in operation: Asset Management Policy 25/11/2013 Asset Management Plans: Drainage 01/03/2008; Transport 01/03/2008; Community Facilities 01/03/2008; Recreational Spaces 01/03/2008; Capital Works Forward Plan 26/06/2017 ✓
<b>6 Rating strategy</b> (strategy setting out the rating structure of Council to levy rates and charges)	The Rating Strategy is Section 15 of the Annual Budget 2017/18.  Current strategy in operation: 13/06/2017 ✓
<b>7 Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation: 24/08/2016 ✓
<b>8 Fraud policy</b> (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation: 4/10/2016 ✓
<b>9 Municipal emergency management plan</b> (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986: 15/02/2017 ✓
<b>10 Procurement policy</b> (policy under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the Local Government Act: 26/06/2017 ✓

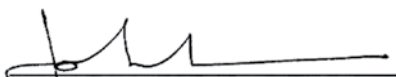
### Governance and Management Checklist 2016-17


Column 1 Governance and Management Item	Column 2 Assessment
<b>11 Business continuity plan</b> (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation: 13/06/2017 ✓
<b>12 Disaster recovery plan</b> (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation: 6/02/2017 ✓
<b>13 Risk management framework</b> (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation: 8/07/2016 ✓
<b>14 Audit Committee</b> (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Kingston's Audit Committee was established in 1997, prior to the legislative requirement that made Audit Committees mandatory. The current Audit Committee Charter was approved by Council on 22/02/2016.  Committee established in accordance with section 139 of the Act: 1/01/1997 ✓
<b>15 Internal audit</b> (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged: 1/07/2013 ✓
<b>16 Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Current framework in operation: 26/04/2017 ✓
<b>17 Council Plan reporting</b> (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Current reports: One Vision Council Plan Performance Reports: September 2016 - 28/11/2016; December 2016 - 27/2/2017; March 2017 - 22/5/2017 ✓
<b>18 Financial reporting</b> (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Quarterly statements presented to Council in accordance with section 138(1) of the Act: Quarterly Financial Statements: September 2016 - 28/11/2016; December 2016 - 27/2/2017; March 2017 - 22/5/2017; Financial Statements 2016/17 - 28/08/2017 ✓
<b>19 Risk reporting</b> (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports prepared and presented: Quarterly Strategic & Operational Risk Reports 15/08/2016, 07/11/2016 ✓

### Governance and Management Checklist 2016-17

Column 1 Governance and Management Item	Column 2 Assessment
<b>20 Performance reporting</b> (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Reports prepared and presented: ✓ One Vision Council Plan Performance Report as at December 2016 - 27/2/2017; Quarterly Financial Statements December 2016 - 27/2/2017; LGPRF Half Year Update 2016/17 - 15/03/2017
<b>21 Annual report</b> (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	Annual report considered at a meeting of Council in accordance with section 134 of the Act: 17/10/2016 ✓
<b>22 Councillor Code of Conduct</b> (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of conduct reviewed in accordance with section 76C of the Act: 13/02/2017 ✓
<b>23 Delegations</b> (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 98(6) of the Act: ✓ Instrument of Delegation by Council to CEO 23/09/2013; Instrument of Delegation by Council to Staff 22/7/2013
<b>24 Meeting procedures</b> (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act: 21/09/2015 ✓

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

  
**John Nevins**  
 Chief Executive Officer  
 Dated: 28.8.17

  
**Cr David Eden**  
 Mayor  
 Dated: 28/8/17

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## Corporate governance

### Chief Executive Officer (CEO) and delegations

Kingston CEO, John Nevins, is the only member of staff directly appointed by and responsible to Council. The CEO implements Council decisions, ensures Council achieves its Council Plan objectives, and manages the day-to-day operations of the organisation. The CEO's delegated powers include awarding contracts up to \$750,000. The CEO was reappointed in November 2014 for a term of four years and his performance is reviewed annually by Council.

### Senior Officers

A Senior Officer is the CEO or an officer of Council who has management responsibilities and reports directly to the CEO or any other member of Council staff whose total annual remuneration exceeds \$142,000.

## Statutory information

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

### Documents available for public inspection

In accordance with the *Local Government (General) Regulations 2015*, the following is a list of the prescribed documents that are available for inspection. Copies of the documents can be obtained for the purposes of section 222 of the *Local Government Act 1989* (Vic) at the municipal offices at 1230 Nepean Highway, Cheltenham during normal office hours. Inspection of these documents can be arranged by contacting the Governance department on 1300 653 356.

The documents include:

- agendas and minutes for Ordinary and Special Meetings held in the previous 12 months kept under section 93 of the *Local Government Act 1989* (Vic), except where such minutes relate to parts of meetings which have been closed to members of the public under section 89 of the *Local Government Act 1989* (Vic). These documents are available at **[kingston.vic.gov.au/about-us/ council-meetings/agendas-and-minutes](http://kingston.vic.gov.au/about-us/council-meetings/agendas-and-minutes)**
- register of delegations kept under sections 87 and 98 of the *Local Government Act 1989* (Vic). This register is available at **[kingston.vic.gov.au/contact-us/documents-available](http://kingston.vic.gov.au/contact-us/documents-available)**
- details of all leases involving land entered into by Council as lessor, including the lessee and the terms and the value of the lease
- register of authorised officers appointed under section 224(1A) of the *Local Government Act 1989* (Vic).
- a list of donations and grants made by Council in the previous 12 months, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant.

## Best value

The *Local Government Act 1989* (Vic) 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 compliance. These principles are based on:

- quality and cost standards
- responsiveness to community needs
- accessibility
- continuous improvement
- community consultation
- reporting to the community.

Kingston has adopted a 'whole of organisation' approach to embedding the Best Value principles into Council operations. These principles are also linked strongly to our Community Inspired Leadership approach and strategic planning process.

In 2016/17, Council's response to the Best Value Principles included:

- quality and cost standards demonstrated and reported in Council's Quarterly Reports, internal financial reporting and Annual Report. Council's rigorous approach to tendering for major services and works ensures that the community receives the best value for money
- the Annual Local Government Community Satisfaction Survey used to guide continuous improvement and determine community needs. This resulted in higher performance in 2017, compared to the previous year
- accessibility implemented through a range of social strategies and plans. Council also supports the Access and Equity Committee's disability, multicultural and Aboriginal subcommittees. In addition, the launch of public online access to planning and building functions has increased accessibility
- maintaining a strong focus on community engagement and customer service with the launch of a new engagement portal and comprehensive consultation undertaken in 2016/17
- reporting on Council's performance in Quarterly Reports and the Annual Report, and providing information on local issues through the website and in print media.

### **Charter of Human Rights**

The *Victorian Charter of Human Rights and Responsibilities Act 2006* ('Charter') sets out important human rights Council must consider when making a decision and must act in a manner that is compatible with human rights. In 2016/17, no Charter-related complaints were made to Kingston.

### **Carers Recognition Act 2012**

In accordance with the *Carers Recognition Act 2012*, Council is required to report in its Annual Report on how it met its obligations. In 2016/17, Kingston met its obligations in various ways, including:

- Carer needs were identified during Community Care & AccessCare Southern service assessments and review with appropriate services offered, including respite and, if necessary, referral for residential respite.
- Community Care & AccessCare Southern have Social Inclusion Officers who can spend time to understand the socialisation needs of people who are older and/or have a disability and their carers. Social Inclusion Officers remain informed about what is available and the referral pathways for services.
- Community Care & AccessCare Southern offer a group respite program for people who are older and/or have a disability and their carers.
- Council accepts the use of the Companion Card at the Kingston Arts centre for the Community Bus service and Leisure Centres.

### **Disability Act 2006**

Kingston's Disability Action Plan 2015-2019 was endorsed by Council in November 2014.

The implementation of this plan is guided by Council's Access and Equity Advisory Committee. The Action Plan has four key priority areas:

1. Access to Goods, Services and Facilities
2. Employment Opportunities
3. Encourage Inclusive Attitudes and Practices
4. Promote Inclusion and Participation.

Council continues to deliver outcomes for people with disabilities in Kingston in line with the requirements of the *Disability Act 2006*, by:

- liaising with and seeking advice from people with a disability and disability service providers through the Access and Equity Advisory Committee
- continuing to meet Australian Standards for accessibility when delivering new and renovated facilities
- including 'Changing Places' fully accessible toilet facilities in the Public Toilet Strategy and Design Guidelines
- including a 'Changing Places' fully accessible toilet facility in the plans for the Westall Hub
- including a 'Changing Places' fully accessible toilet facility at the Riding for the Disabled facility in Moorabbin
- using interpreters and providing 'Marveloo' accessible toilets at the 2016 Kingston Carols event
- providing grants to a number of disability support organisations through Council's Community Grants Program



- 
- issuing building permits in accordance with the Building Code of Australia which requires Disability Discrimination Act compliance
  - continuing to audit pedestrian and road access as issues are identified to ensure access for all
  - continuing to distribute Disabled Parking Permits through Council's Traffic and Transport Planning Department
  - delivering My Community Life, an online registration for community groups to advertise their group, events and volunteer opportunities, including up-to-date information on disability services
  - implementing beach matting at the Mordialloc foreshore through a partnership with Mordialloc Life Saving Club
  - facilitating the 'Big Break', a one-day event twice per year consisting of a range of art-based workshops for people with disabilities to participate in
  - implementing online training for staff to improve inclusion of people with disability in their programs and facilities called 'YouMeUs'. The training had been provided to Leisure Centres, community centres and neighbourhood houses, and was rolled out to businesses in 2016/17.

### **Domestic Animal Management Plan**

The *Domestic Animals Act 1994* requires all Victorian councils to have a plan in place for the management of dogs and cats within their municipality. At the Ordinary meeting of 23 May 2016, Council adopted the Domestic Animal Management Plan 2016–2021. This plan aims to facilitate co-existence of pets, pet owners and the general population whilst addressing the welfare and legislative issues relating to animal management in urban areas. The plan also aims to promote responsible pet ownership and enhance the experience of animal ownership within the community. The Domestic Animal Management Plan 2016–2021 is available on Council's website at [kingston.vic.gov.au/Community/Pets/Domestic-Animal-Management-Plan](http://kingston.vic.gov.au/Community/Pets/Domestic-Animal-Management-Plan).

All 2016/17 actions were completed during the year, including domestic animal business compliance inspections, and dangerous, menacing, restricted breed compliance inspections.

### **Food Act 1984**

In 2016/17, Council received no written direction from the Minister of Health in relation to any matter concerning the administration of the *Food Act 1984*.

### **Road Management Act 2004**

In 2016/17, Council received no direction from the Minister of Roads pursuant to section 22 of the *Road Management Act 2004* in relation to a function or exercise a power of the road authority under this Act.

### **Information Management**

#### **Information Privacy**

Council's Information Privacy Policy is based on principles outlined in the *Privacy and Data Protection Act 2014* and the *Health Records Act 2001*, and governs Council's approach to managing personal information. Enquiries about access to personal information can be made to Council's Privacy Officer by phoning 1300 653 356 or post to: Privacy Officer, City of Kingston, PO Box 1000, Mentone VIC 3194.

Further information is available at [kingston.vic.gov.au/contact-us/privacy](http://kingston.vic.gov.au/contact-us/privacy).

#### **Freedom of Information**

The *Freedom of Information Act 1982* provides the opportunity for public access to Council documents. In 2016/17, Council received 73 FOI requests.

Further information is available at [kingston.vic.gov.au/contact-us/freedom-of-information](http://kingston.vic.gov.au/contact-us/freedom-of-information).

### **Protected disclosure**

Kingston's Protected Disclosure Procedure establishes a system to facilitate the making of disclosures of improper conduct or detrimental action by Kingston or its employees. Such conduct can be reported to our Protected Disclosure Coordinator on 1300 653 356 or by emailing [protecteddisclosure@kingston.vic.gov.au](mailto:protecteddisclosure@kingston.vic.gov.au). Further details of the procedures are available at [kingston.vic.gov.au/Contact-Us/Protected-Disclosure](http://kingston.vic.gov.au/Contact-Us/Protected-Disclosure).

No Protected Disclosures were made in 2016/17.

### **Risk management**

Kingston has developed a Risk Management Framework which consists of the Enterprise Wide Risk Management (EWRM) Policy and EWRM System Procedure. Kingston has established a Strategic Risk Register, with each strategic risk evaluated against the risk consequence and likelihood definitions within the EWRM Procedure with an allocated owner for each risk.

### **Audit Committee**

The Audit Committee's role is to facilitate:

- the enhancement of the credibility and objectivity of internal and external financial reporting
- effective management of Council's strategic risks and the protection of Council assets
- monitoring of Council's business continuity plans and processes
- the efficiency and effectiveness of significant Council programs
- compliance with laws and regulations, as well as use of best-practice guidelines
- monitoring, reviewing and advising the Council on the standard of financial control, risk management and corporate governance
- the effectiveness of the audit functions.

The Audit Committee comprises three external independent members (Mr Hugh Parkes (Chair), Mr Bruce Potgieter and Ms Claire Filson), the current Mayor and one other Councillor nominated by Council.

Independent members are appointed for a three-year term and are eligible for reappointment by Council on the recommendation by the Chief Executive Officer.

The Audit Committee meets five terms per year. Internal Audit representatives, the Chief Executive Officer and the General Manager Corporate Services attend all Audit Committee meetings. During 2016/17, each of Council's General Managers attended in turn to brief the Committee on the current activities of their respective division within Council.

Further information, including a copy of the Audit Committee Charter is available on Council's website at [kingston.vic.gov.au/About-Us/Audit-Committee](http://kingston.vic.gov.au/About-Us/Audit-Committee).

### **Internal audit**

Council's current Internal Auditor, Pitcher Partners, commenced its contract in July 2013 for an initial three-year period. Following a review of their performance by the Audit Committee, the Committee recommended that Council exercise the option of a further three-year term of appointment for Pitcher Partners. The Internal Audit Strategic Plan, which is reviewed by Internal Audit and management, is adopted annually by the Audit Committee. The Internal Audit program that the Audit Committee oversees is in place to help Council and management achieve sound control over all Council activities.

The Audit Committee formally reviews the performance of the Internal Auditor each year.

Before accepting each report submitted by the Internal Auditor, the Committee examines the recommendations made in each report and management's comments. These reviews give the Audit Committee and Council a level of assurance on the systems, processes and procedures employed by Council in the governance and control of its daily operations. To enable the Committee to closely monitor the implementation of management's agreed actions to address the recommendations contained in the Internal Auditor's reports, a progress report from Management is provided at (or before) each meeting.

During 2016/17, the following reviews were reported on:

- Digital Engagement
- Fleet Management
- Legislative Compliance Management & Management of Privacy & Worksafe Notifiable Events – Family, Youth & Children's Services
- Leisure Centre Operations
- Permit Framework
- Risk Management.



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### **External audit**

Council's current External Auditor is the Victorian Auditor-General. The Auditor-General elected to contract this activity for 2016/17 to HLB Mann Judd who are 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. 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.

### **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. There were no issues raised by the community related to NCP in 2016/17.

### **Local Laws**

Council has two Local Laws – the Community Local Law and the Meeting Procedures Local Law – and both of these Local Laws can be viewed at **[kingston.vic.gov.au/About-Us/Local-Laws-and-Health/Local-Laws](http://kingston.vic.gov.au/About-Us/Local-Laws-and-Health/Local-Laws)**.

# performance statement

for the year ended 30 June 2017

The Local Government Performance Reporting Framework (LGPRF) was introduced in 2014/15. The primary objective of the LGPRF is to provide comprehensive performance information that meets the needs of stakeholders. This is an objective that seeks to balance the needs and expectations of a number of audiences. In meeting this objective:

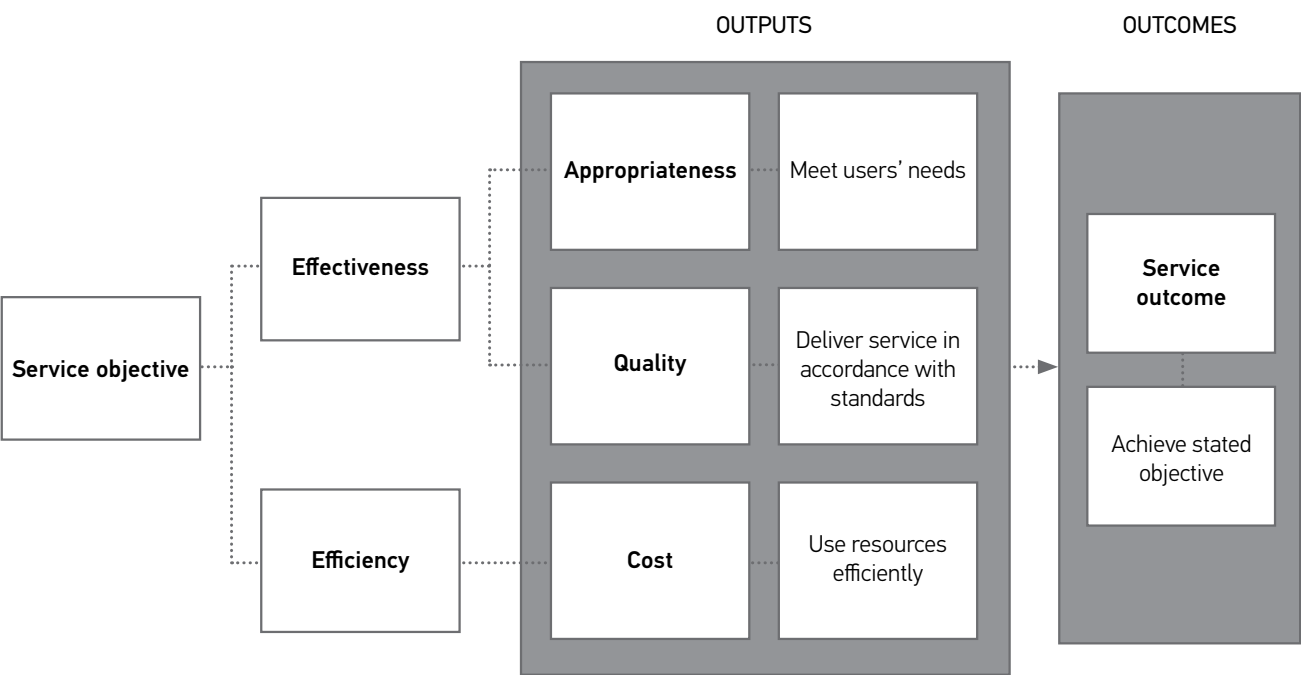
- councils will have information to support strategic decision-making and continuous improvement;
- communities will have information about council performance and productivity;
- regulators will have information to monitor compliance with relevant reporting requirements; and
- State and Commonwealth Governments will be better informed to make decisions that ensure an effective, efficient and sustainable system of local government.

To provide a comprehensive picture of council performance, four indicator sets covering service performance, financial performance, sustainable capacity and governance & management have been developed across three thematic areas: service performance, financial performance and sustainability.

The indicators will cover the Council service areas of:

- Governance;
- Statutory Planning;
- Economic Development;
- Roads;
- Libraries;
- Waste Collection;
- Aquatic Facilities;
- Animal Management;
- Food Safety;
- Home and Community Care;
- Maternal and Child Health.

## service performance framework



# dimensions of the service performance indicator framework

Dimension	Definition	Indicators/Measures
<b>Appropriateness</b>	Output indicators that measure the extent to which services <i>meet users' needs</i>	Participation rate Response time
<b>Quality</b>	Output indicators that measure the extent to which a service is delivered <i>in accordance with defined standards</i>	Resource standard Service standard
<b>Cost</b>	Output indicators that measure how <i>efficiently services use their resources</i> (inputs) to produce outputs	Average cost per unit (unit cost)
<b>Service Outcome</b>	Outcome indicators that measure how well the outcomes of <i>the service have achieved the stated objective</i>	Community satisfaction Health and safety

It is intended that measures that cover additional areas of Council Service will be added to the data requirements in future years.

Other measures included in the framework have been developed to examine:

- Overall Financial Performance;
- Sustainable Capacity; and
- Governance and Management.

## other information

### for the year ended 30 June 2017

#### Basis of preparation

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

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

The Performance Statement presents the actual results for the current year and for the prescribed financial performance indicators, the forecast results as adopted in Council's Strategic Resource Plan which forms part of the Council Plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the Performance Statement. The Strategic Resource Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

#### Our City

The City of Kingston is located in the middle southern suburbs of Melbourne, approximately 15 km south of the Melbourne CBD and covers an area of 91 square kilometres. Every suburb in Kingston offers something different, from diverse businesses, housing, shops and restaurants, to beaches, bushland, parks and playgrounds. Kingston is also home to over 114 parks and playgrounds; including the Bicentennial Park in Chelsea, Kingston Heath and the UFO Park at Grange Reserve in Clayton South.

Kingston is one of the state's main employment centres, having one of the largest and most concentrated industrial sectors in Victoria. There are approximately 16,000 businesses with over 70,000 people employed throughout the City of Kingston. Our significant industrial sector generates an annual economic output of about \$25 billion per annum.

Community and business networks play an important role in linking and supporting local businesses. Almost 30% of the community work locally and are able to enjoy shorter commuting times and an improved work-life balance.

Kingston's shopping amenities range from local neighbourhood shops and friendly village strips, to Southland Shopping Centre, DFO Moorabbin and major activity centres in Moorabbin, Cheltenham, Mentone, Mordialloc and Chelsea.

## 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.

## Population

Kingston is a diverse community with a current estimate resident population of approximately 157,000 spanning a wide range of ages, household types and cultures. Our community is constantly growing; by 2036 Kingston's population is expected to reach 185,000, making up an anticipated 77,000 dwellings.

Consistent with national trends, Kingston's oldest residents comprise the fastest growing population group in the municipality. Future planning will explore how services will cope with the greater demand caused by this increase.

Kingston is a culturally diverse city with residents from over 153 countries who speak over 132 languages. About 31% of Kingston's population was born overseas, with 26% from non-English speaking backgrounds including Vietnamese, Indian, Sri Lankan, Greek, Italian and Chinese societies.

A copy of the Council Plan, including the Strategic Resource Plan, can be obtained from [www.kingston.vic.gov.au](http://www.kingston.vic.gov.au).

The formulas used to determine the Results for 2016/17 are shown in the following tables.

# sustainable capacity indicators

for the year ended 30 June 2017

Indicator/measure	Results 2015	Results 2016	Results 2017	Material Variations and Comments
<b>Own-source revenue</b>				
<i>Own-source revenue per head of municipal population</i> [Own-source revenue/Municipal population]	\$980.41	\$1,152.22	\$1,059.19	The 2016/17 result is lower than 2015/16 due to the one-off \$13.5 million net gain on disposal of property and bed licences in 2015/16.
<b>Recurrent grants</b>				
<i>Recurrent grants per head of municipal population</i> [Recurrent grants/Municipal population]	\$216.37	\$209.29	\$234.07	The 2016/17 result is higher due to the early payment of \$2.2 million from the Victorian Grants Commission in June 2017 and additional grants received by aged care services.
<b>Population</b>				
<i>Expenses per head of municipal population</i> [Total expenses/Municipal population]	\$1,086.22	\$1,095.61	\$1,087.86	This is in line with expected results for 2016/17, with expenses of \$171 million remaining stable and an increased population of 156,754 up 1.5% on 2015/16.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure/Municipal population]	\$5,249.35	\$5,429.19	\$5,250.27	The result is consistent with expectations of increasing population in Kingston.
<i>Population density per length of road</i> [Municipal population/Kilometres of local roads]	249.03	252.00	254.71	The results demonstrate a gradual increase in population density as Kingston takes a share of Melbourne's growing population.
<b>Disadvantage</b>				
<i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	9	9	9	The result reflects a relatively low level of disadvantage within Kingston's diverse communities, which is in line with results for neighbouring municipalities.

Note that definitions are at the end of this document

# service performance indicators

for the year ended 30 June 2017

Service/indicator/measure	Results 2015	Results 2016	Results 2017	Material Variations and Comments
<b>Governance</b>				
<b>Satisfaction</b>				
<i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	58.00	58.00	60.00	This rating is sourced from an annual Community Satisfaction Survey that is coordinated by State Government and conducted by an independent research company on behalf of Victorian councils. Kingston's result for 2017 is two points higher than 2016 and compares to the State-wide average of 54 and the Metropolitan average of 58.
<b>Statutory Planning</b>				
<b>Decision making</b>				
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application/Number of VCAT decisions in relation to planning applications] x100	63.00%	44.44%	35.71%	A high number of planning applications were required to be determined by Council in late 2016 in the period following the Council election. The incoming Council has determined to refuse an increased number of smaller medium density housing applications.  Despite the number of Council decisions overturned by the VCAT, many applications have been successfully resolved prior to a hearing through the informal VCAT process of negotiation between the parties involved.
<b>Roads</b>				
<b>Satisfaction</b>				
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	68.00	67.00	67.00	This rating is sourced from an annual Community Satisfaction Survey that is co-ordinated by State Government and conducted by an independent research company on behalf of Victorian councils. Kingston's result is consistent with previous years, in line with other metropolitan councils and significantly higher than the state wide average of 53.
<b>Libraries</b>				
<b>Participation</b>				
<i>Active library members</i> [Number of active library members/Municipal population] x100	17.00%	17.81%	16.88%	The result is consistent with prior years.
<b>Waste Collection</b>				
<b>Waste diversion</b>				
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins/Weight of garbage, recyclables and green organics collected from kerbside bins] x100	50.00%	48.85%	50.09%	There was a small increase in the proportion of collected recyclables and green waste in 2016/17 compared to 2015/16.
<b>Aquatic Facilities</b>				
<b>Utilisation</b>				
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities/Municipal population]	5.01	4.33	4.55	Visits to Kingston's two centres have increased in 2016/17, with strong membership sales and swim school enrolments. The decrease in 2015/16 was due to a closure at Don Tatnell Leisure Centre during renovations

Service/indicator/measure	Results 2015	Results 2016	Results 2017	Material Variations and Comments
Animal Management				
Health and safety				
Animal management prosecutions  [Number of successful animal management prosecutions]	23.00	17.00	11.00	Council Officers proactively resolve animal-related issues directly with those involved, reducing the number of cases prosecuted in the magistrates court. A lower level of prosecutions may also indicate higher levels of compliance. Although there has been a reduction in prosecutions, Council continues to take community safety seriously and will prosecute where risk of harm to people or other animals is likely.
Food Safety				
Health and safety				
Critical and major non-compliance outcome notifications  [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up /Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100.00%	100.00%	100.00%	Major and Critical non-compliances continue to be treated as a matter of priority. The scheduling of follow-up inspections varies depending on the risk and severity of the items identified.
Home and Community Care (HACC)				
Participation				
Participation in HACC service  [Number of people that received a HACC service/Municipal target population for HACC services] x100	30.00%	30.00%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
Participation in HACC service by CALD people  [Number of CALD people who receive a HACC service/Municipal target population in relation to CALD people for HACC services] x100	25.00%	24.82%		Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
Maternal and Child Health (MCH)				
Participation				
Participation in the MCH service  [Number of children who attend the MCH service at least once (in the year)/Number of children enrolled in the MCH service] x100	77.00%	78.59%	78.12%	The participation rate is stable. Those not attending council MCH services may instead be choosing to attend the four-year visit offered by their General Practitioner instead of council's 3.5-year assessment.
Participation in the MCH service by Aboriginal children  [Number of Aboriginal children who attend the MCH service at least once (in the year)/ Number of Aboriginal children enrolled in the MCH service] x100	85.00%	75.56%	71.21%	While disclosure of Aboriginal and Torres Strait Island (ATSI) status is voluntary, MCH nurses continue to encourage disclosure. Kingston MCH nurses encourage attendance by reminding all families of appointments and offer access to enhanced MCH services where needed.

Note that definitions are at the end of this document

# financial performance indicators

for the year ended 30 June 2017

Forecasts are based on the Strategic Resource Plan adopted by Council in June 2017

Dimension/ indicator/measure	Results 2014/15	Results 2015/16	Results 2016/17	Forecasts				Material Variations and Comments
	2017/18	2018/19	2019/20	2020/21				
Operating position								
Adjusted underlying result								
Adjusted underlying surplus (or deficit)	9.68%	19.77%	18.22%	7.66%	6.08%	6.24%	5.43%	The 2015/16 result was higher primarily due to the sale of Kingston's bed licences and sale of Council property at Collins Street Mentone. The 2016/17 result remains positive and is supported by greater revenue than anticipated from Supplementary Valuations, Planning Application fees and Grants received in advance combined with lower overall Materials and Employee Costs. The Long Term Financial Strategy is expected to remain positive over the forecast years.
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100								
Liquidity								
Working capital								
Current assets compared to current liabilities	194.62%	284.73%	349.37%	245.78%	197.21%	222.70%	238.80%	The working capital ratio for 2016/17 is greater than last year due to higher cash holdings from the sale of Kingston's bed licenses and sale of Council property at Collins Street Mentone combined with some delayed capital expenditure. Over the next four years, Council's Working Capital Ratio will be in the range of 197% to 246% for the forecast period. Council's assured cash flows means that Council is confident it can pay its debts as and when they fall due. The current state-wide average for inner metropolitan Melbourne Councils for this indicator is approximately 229%.
[Current assets/ Current liabilities] x100								
Unrestricted cash								
Unrestricted cash compared to current liabilities	104.84%	209.26%	321.73%	220.01%	175.19%	199.88%	215.39%	The higher cash reserves over a consistent level of current liabilities across the two comparative financial years deliver a higher 2016/17 Unrestricted Cash ratio.
[Unrestricted cash/ Current liabilities] x100								

Dimension/ indicator/measure	Results 2014/15	Results 2015/16	Results 2016/17	Forecasts				Material Variations and Comments
	2017/18	2018/19	2019/20	2020/21				
Obligations								
Loans and borrowings								
Loans and borrowings compared to rates  [Interest bearing loans and borrowings/Rate revenue] x100	17.41%	15.76%	14.50%	10.00%	5.28%	1.25%	0.25%	The result for this measure has reduced to 14.5% from 15.76% last year which is in line with expectations and is expected to further decrease over the four-year period to 2020/21 as per Council's Long Term Financial Strategy. The decreasing forecast trend reflects the scheduled repayment of debt over the four-year period and the decrease in overall external debt levels.
Loans and borrowings repayments compared to rates								
[Interest and principal repayments on interest bearing loans and borrowings/Rate revenue] x100	2.94%	3.97%	3.60%	4.87%	4.74%	4.00%	1.00%	The 2016/17 result is in line with prior years' results and is consistent with the Long Term Financial Plan.
Indebtedness								
Non-current liabilities compared to own source revenue  [Non-current liabilities/Own source revenue] x100	13.01%	9.73%	9.65%	4.90%	1.60%	0.77%	0.57%	The lower 2016/17 result reflects a steady reduction in debt as per Council's Long Term Financial Strategy.
Asset renewal								
Asset renewal compared to depreciation  [Asset renewal expense/Asset depreciation] x100	112.66%	116.59%	109.29%	100.02%	94.25%	78.51%	85.06%	The 2016/17 result is consistent with preceding years with Council maintaining current assets renewal spend level in line with expectations and with the Long Term Financial Strategy.
Stability								
Rates concentration								
Rates compared to adjusted underlying revenue  [Rate revenue/Adjusted underlying revenue] x100	64.60%	59.45%	62.45%	67.10%	67.23%	67.41%	67.52%	The 2015/16 result is influenced by the one-off gain on sale of assets. The 2016/17 result and the forecast years are consistent with expectations.



Dimension/ indicator/measure	Results 2014/15	Results 2015/16	Results 2016/17	Forecasts				Material Variations and Comments
	2017/18	2018/19	2019/20	2020/21				
Rates effort								
Rates compared to property values  [Rate revenue/ Capital improved value of rateable properties in the municipality] x100	0.28%	0.29%	0.25%	0.25%	0.26%	0.27%	0.28%	The 2016/17 result is in line with preceding years and reflects budget expectations. The forecast reflects the Long Term Financial Strategy projections of rate revenue.
Efficiency								
Expenditure level								
Expenses per property assessment  [Total expenses/ Number of property assessments]	\$2,335.33	\$2,361.13	\$2,343.03	\$2,513.58	\$2,619.32	\$2,683.55	\$2,780.65	The 2016/17 result is lower than 2015/16 reflecting steady levels of expenditure being spread over a higher number of assessments.
Revenue level								
Average residential rate per residential property assessment  [Residential rate revenue/Number of residential property assessments]	\$1,584.47	\$1,658.81	\$1,716.68	\$1,826.39	\$1,862.91	\$1,900.17	\$1,938.18	The 2016/17 result is consistent with budget expectations. The forecast reflects the Long Term Financial Strategy.
Workforce turnover								
Resignations and terminations compared to average staff  [Number of permanent staff resignations and terminations/ Average number of permanent staff for the financial year] x100	11.53%	28.31%	13.00%	13.00%	13.00%	13.00%	13.00%	The 2016/17 result and forecast years are expected to be stable after the reduction of approximately 100 staff following Council's exit from residential aged care in 2016.

Note that definitions are at the end of this document

# definitions

Aboriginal child	means a child who is an Aboriginal person
Aboriginal person	has the same meaning as in the <i>Aboriginal Heritage Act 2006</i>
active library member	means a member of a library who has borrowed a book from the library
adjusted underlying revenue	means total income other than: <ul style="list-style-type: none"> <li>(a) non-recurrent grants used to fund capital expenditure; and</li> <li>(b) non-monetary asset contributions; and</li> <li>(c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)</li> </ul>
adjusted underlying surplus (or deficit)	means adjusted underlying revenue less total expenditure
annual report	means an annual report prepared by a council under sections 131, 132 and 133 of the Act
asset renewal expenditure	means expenditure on an existing asset or on replacing an existing asset that returns the service capability of the asset to its original capability
class 1 food premises	means food premises, within the meaning of the <i>Food Act 1984</i> , that have been declared as class 1 food premises under section 19C of that Act
class 2 food premises	means food premises, within the meaning of the <i>Food Act 1984</i> , that have been declared as class 2 food premises under section 19C of that Act
Community Care Common Standards	means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth
critical non-compliance outcome notification	means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
Culturally and Linguistically Diverse (CALD)	Means Culturally and Linguistically Diverse people born outside Australia in a country whose national language is not English
current assets	has the same meaning as in the Australian Accounting Standards (AAS)
current liabilities	has the same meaning as in the AAS
expenses	means expenses including employee costs, materials and services, bad and doubtful debts, depreciation and amortization, borrowing costs and other expenses.
food premises	has the same meaning as in the <i>Food Act 1984</i> and includes all street trader notifications
HACC program	means the Home and Community Care program established under the Agreement entered into for the purpose of the <i>Home and Community Care Act 1985</i> of the Commonwealth
HACC service	means home help, personal care or community respite provided under the HACC program
infrastructure	means non-current property, plant and equipment excluding land
local road	means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i>
MCH	means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
major non-compliance outcome notification	means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorised officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
non-current assets	means all assets other than current assets
non-recurrent grant	means a grant obtained on the condition that it be expended in a specified manner and is not expected to be received again during the period covered by a council's Strategic Resource Plan
non-current liabilities	means all liabilities other than current liabilities
own-source revenue	means adjusted underlying revenue other than revenue that is not under the control of council (including government grants)
population	means the resident population estimated by council
rate revenue	means revenue from general rates, municipal charges, service rates and service charges

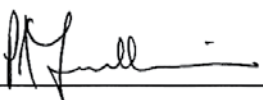
recurrent grant	means a grant other than a non-recurrent grant
relative socio-economic disadvantage	in relation to a municipality, means the relative socio-economic disadvantage, expressed as a decile for the relevant financial year, of the area in which the municipality is located according to the Index of Relative Socio-Economic Disadvantage (Catalogue Number 2033.0.55.001) of the Socio-Economic Indexes for Areas (SEIFA) published from time to time by the Australian Bureau of Statistics on its Internet website
residential rates	means revenue from general rates, municipal charges, service rates and service charges levied on residential properties
restricted cash	means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year
target population	has the same meaning as in the Agreement entered into for the purposes of the <i>Home and Community Care Act 1985</i> of the Commonwealth
unrestricted cash	means all cash and cash equivalents other than restricted cash
WorkSafe reportable aquatic facility safety incident	means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the <i>Occupational Health and Safety Act 2004</i> .

# certification of the performance statement

## Certification of the Performance Statement

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

Principal Accounting Officer  
**P.A. Franklin**



Dated:

28/8/2017

In our opinion, the accompanying performance statement of the Kingston City Council for the year ended 30 June 2017 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

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

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


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

Mayor  
**Cr D. Eden**

  
28/8/17

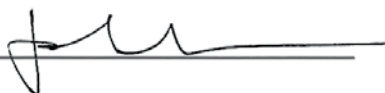
Dated:

Councillor  
**Cr G. Oxley**

  
28/8/17

Dated:

**J. Nevins**  
Chief Executive Officer

  
28.8.17

Dated:



Victorian Auditor-General's Office

## Independent Auditor's Report

### To the Councillors of Kingston City Council

#### Opinion

I have audited the accompanying performance statement of Kingston City Council (the council) which comprises the:

- description of municipality for the year ended 30 June 2017
- sustainable capacity indicators for the year ended 30 June 2017
- service performance indicators for the year ended 30 June 2017
- financial performance indicators for the year ended 30 June 2017
- other information and
- the certification of the performance statement.

In my opinion, the performance statement of Kingston City Council in respect of the year ended 30 June 2017 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the *Local Government Act 1989*.

#### Basis for Opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. My responsibilities under the Act are further described in the *Auditor's responsibilities for the audit of the performance statement* section of my report.

My independence is established by the *Constitution Act 1975*. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the performance statement in Australia and have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Councillors' responsibilities for the performance statement

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

<b>Auditor's responsibilities for the audit of the performance statement</b>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none"><li>• identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.</li><li>• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control</li><li>• evaluate the overall presentation, structure and content of the statement of performance, including the disclosures, and whether the statement of performance represents the underlying events and results in a manner that achieves fair presentation.</li></ul> <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
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MELBOURNE  
5 September 2017



Tim Loughnan  
*as delegate for the Auditor-General of Victoria*

# annual financial report 2016/17

for the year ended 30 June 2017

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### Certification of the Financial Statements

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# comprehensive income statement

for the year ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
<b>Income</b>			
Rates and charges	3	130,138	125,924
Statutory fees and fines	4	9,397	8,075
User fees	5	22,103	20,117
Grants – operating	6	35,338	30,656
Grants – capital	6	5,343	3,463
Contributions – monetary	7	6,148	5,166
Net Gain on disposal of property, infrastructure, plant and equipment	8	-	13,459
Interest income	9	2,384	1,929
Other income	9	1,965	6,805
Fair Value adjustment for investment property	21	47	1,682
<b>Total Income</b>		<b>212,863</b>	<b>217,276</b>
<b>Expenses</b>			
Employee costs	10	72,888	77,180
Materials and services	11	71,369	67,439
Bad and doubtful debts	12	43	13
Depreciation and amortisation	13	24,994	24,023
Borrowing costs	14	539	591
Net Loss on disposal of property, infrastructure, plant and equipment	8	693	-
<b>Total Expenses</b>		<b>170,526</b>	<b>169,246</b>
<b>Surplus for the year</b>		<b>42,337</b>	<b>48,030</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods:</b>			
Net asset revaluation increment/(decrement)	20/27	72,233	5,331
<b>Total comprehensive result</b>		<b>114,570</b>	<b>53,361</b>

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



# balance sheet

as at 30 June 2017

	Note	2017 \$'000	2016 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	16	11,329	30,112
Trade and other receivables	18	8,117	9,164
Other financial assets	17	102,100	58,100
Other assets	19	1,628	850
<b>Total Current assets</b>		<b>123,174</b>	<b>98,226</b>
<b>Non-current assets</b>			
Trade and other receivables	18	27	27
Property, infrastructure, plant and equipment	20	2,259,239	2,169,858
Investment property	21	4,769	4,723
Intangible assets	22	1,118	1,463
<b>Total Non-current assets</b>		<b>2,265,154</b>	<b>2,176,071</b>
<b>Total Assets</b>		<b>2,388,328</b>	<b>2,274,297</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	23	11,331	13,078
Trust funds and deposits	24	3,763	3,184
Provisions	25	16,062	14,930
Interest bearing loans and borrowings	26	4,100	3,306
<b>Total Current liabilities</b>		<b>35,256</b>	<b>34,498</b>
<b>Non-current liabilities</b>			
Provisions	25	1,257	863
Interest bearing loans and borrowings	26	14,765	16,455
<b>Total Non-current liabilities</b>		<b>16,022</b>	<b>17,318</b>
<b>Total Liabilities</b>		<b>51,278</b>	<b>51,816</b>
<b>Net Assets</b>		<b>2,337,050</b>	<b>2,222,481</b>
<b>Equity</b>			
Accumulated surplus		1,342,369	1,302,565
Asset revaluation reserve	27	964,623	892,389
Other reserves	27	30,058	27,527
<b>Total Equity</b>		<b>2,337,050</b>	<b>2,222,481</b>

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

# statement of changes in equity

for the year ended 30 June 2017

2017	Note	Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Asset Replacement Reserve \$'000	Asset Development Reserve \$'000	Other Reserves \$'000
Balance as at 1 July 2016		2,222,481	1,302,565	892,389	2,075	12,836	12,616
Surplus for the year		42,337	42,337	-	-	-	-
Net asset revaluation increment/ (decrement)	27	72,233	-	72,233	-	-	-
Transfers to other reserves	27	-	(8,873)	-	-	4,871	4,001
Transfer from other reserves	27	-	6,341	-	-	(3,221)	(3,120)
<b>Balance as at 30 June 2017</b>		<b>2,337,050</b>	<b>1,342,369</b>	<b>964,623</b>	<b>2,075</b>	<b>14,486</b>	<b>13,497</b>

2016	Note	Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Asset Replacement Reserve \$'000	Asset Development Reserve \$'000	Other Reserves \$'000
Balance as at 1 July 2015		2,169,120	1,259,497	887,058	2,019	9,717	10,829
Surplus for the year		48,030	48,030	-	-	-	-
Net asset revaluation increment/ (decrement)	27	5,331	-	5,331	-	-	-
Transfers to other reserves	27	-	(7,971)	-	92	4,556	3,323
Transfer from other reserves	27	-	3,009	-	(36)	(1,437)	(1,536)
<b>Balance as at 30 June 2016</b>		<b>2,222,481</b>	<b>1,302,565</b>	<b>892,389</b>	<b>2,075</b>	<b>12,836</b>	<b>12,616</b>

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

# statement of cash flows

for the year ended 30 June 2017

	Note	2017 \$'000 Inflows/ (Outflows)	2016 \$'000 Inflows/ (Outflows)
<b>Cash flows from operating activities</b>			
Rates and charges		130,600	126,301
Grants – operating		35,338	28,899
Grants – capital		5,343	4,720
Contributions – monetary		6,148	5,166
Statutory fees and fines		9,397	10,099
User fees		22,224	19,407
Interest received		1,828	1,835
Other receipts		751	1,140
Trust funds and deposits taken		8,700	4,827
Repayment of trust funds and deposits		(8,121)	(13,676)
Employee costs		(71,341)	(77,334)
Materials and services		(72,939)	(65,613)
<b>Net cash provided by / (used in) operating activities</b>	<b>28</b>	<b>67,927</b>	<b>45,771</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment		(41,368)	(38,634)
Proceeds from sale of property, infrastructure, plant and equipment	8	93	18,782
Payments for investments	17	(107,000)	(83,000)
Proceeds from sale of investments	17	63,000	41,001
<b>Net cash provided by / (used in) investing activities</b>		<b>(85,275)</b>	<b>(61,851)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(539)	(591)
Proceeds from borrowings	26	3,250	3,395
Repayment of borrowings	26	(4,146)	(4,390)
<b>Net cash provided by / (used in) financing activities</b>		<b>(1,435)</b>	<b>(1,586)</b>
Net increase (decrease) in cash and cash equivalents		(18,783)	(17,666)
Cash and cash equivalents at the beginning of the financial year		30,112	47,778
<b>Cash and cash equivalents at the end of the financial year</b>		<b>11,329</b>	<b>30,112</b>
Financing arrangements	29		
Restrictions on cash assets	16		

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

# statement of capital works

for the year ended 30 June 2017

	2017 \$'000	2016 \$'000
<b>Property</b>		
Land	8	271
Land improvements	986	411
<b>Total Land</b>	<b>994</b>	<b>682</b>
Buildings	-	17,962
Building improvements	21,403	2,492
Leasehold improvements	-	-
<b>Total Buildings</b>	<b>21,403</b>	<b>20,454</b>
<b>Total Property</b>	<b>22,397</b>	<b>21,136</b>
<b>Plant and equipment</b>		
Plant, machinery and equipment	602	-
Computers and telecommunications	1,245	886
Library books	1,185	946
<b>Total Plant and equipment</b>	<b>3,032</b>	<b>1,832</b>
<b>Infrastructure</b>		
Roads	7,117	6,826
Bridges	-	250
Footpaths and cycleways	1,413	1,339
Drainage	3,639	4,052
Recreational, leisure and community facilities	3,667	2,677
Parks, open space and streetscapes	4,625	3,567
Off street car parks	455	1,275
Other infrastructure	329	365
<b>Total Infrastructure</b>	<b>21,245</b>	<b>20,351</b>
<b>Total Capital works expenditure</b>	<b>46,674</b>	<b>43,319</b>
<b>Represented by:</b>		
New asset expenditure	4,644	2,896
Asset renewal expenditure	27,298	27,178
Asset expansion expenditure	2,953	1,936
Asset upgrade expenditure	11,779	11,309
<b>Total Capital works expenditure</b>	<b>46,674</b>	<b>43,319</b>

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

# notes to the financial report

for the year ended 30 June 2017

## 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.

## Statement of compliance

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

## note 1: significant accounting policies

### (a) Basis of accounting

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

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

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

- ▶ the fair value of land, buildings and infrastructure, plant and equipment and intangibles (refer to note 1(j))
- ▶ the determination of depreciation for buildings, property, infrastructure, plant and equipment and intangibles (refer to note 1(k))
- ▶ the determination of employee provisions (refer to note 1(q)).

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

### (b) Changes in accounting policies

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

### (c) Committees of Management

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

### (d) Revenue recognition

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

#### *Rates and charges*

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

#### *Statutory fees and fines*

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

#### *User fees*

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

#### *Grants*

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

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

#### *Contributions*

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

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

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

#### *Rental*

Rents are recognised as revenue when the payment is due or the payment is received, whichever occurs first.

#### *Interest*

Interest is recognised as it is earned.

#### *Other Income*

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

### **(e) Fair Value measurement**

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

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

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

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

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

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

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

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. Refer Note 20.

### **(f) Cash and cash equivalents**

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

### **(g) Trade and other receivables**

Short term receivables are carried at invoice amount as amortised cost using the effective interest rate method would not impact the carrying value. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

### **(h) Other financial assets**

Other financial assets are valued at fair value, being market value, at balance date. Term deposits are measured at amortised cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense. Generally these are highly liquid investments with original maturities of 90 days or more.

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

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

**(j) Recognition and measurement of property, infrastructure, plant and equipment, intangibles**

*Acquisition*

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

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

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

*Revaluation*

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 20 Property, infrastructure, plant and equipment.

In addition, Council usually undertakes a formal valuation of land, buildings and infrastructure assets on a regular basis ranging from 2 to 4 years. The valuation is performed either by experienced council officers or independent experts. A formal independent revaluation of land and building assets was performed in 2016.

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

*Land under roads*

Council recognises land under roads it controls at fair value.

*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 personal computer is recorded as Property, Plant and Equipment.

**(k) Depreciation and amortisation of property, infrastructure, plant and equipment and intangibles**

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

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

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life. Straight line depreciation is charged based on the residual useful life as determined each year. Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

*Asset recognition thresholds and depreciation periods:*

	Depreciation Period Years	Purchase/ Construction \$'000	Asset Improvement \$'000
<b>Property</b>			
land	N/A	-	N/A
land under roads	N/A	10	N/A
land improvements (excluding building)	10-50	N/A	20
<b>Buildings</b>			
buildings	20-150	-	20
leasehold improvements	10	-	20
<b>Plant and equipment</b>			
plant and machinery	3-10	5	N/A
equipment	3-5	2	N/A
<b>Infrastructure</b>			
road pavements and seals	25-100	-	50
road kerb, channel and minor culverts	80	-	50
bridges	100	-	50
footpaths and cycleways	60	-	50
drainage	100	-	25
street furniture	10	10	10
traffic control	10	10	10
<b>Heritage and culture</b>	100	1	25
<b>Library books</b>	5	-	-
<b>Intangibles – software</b>	5	50	N/A

**(l) 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.

**(m) Investment property**

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

**(n) 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.

**(o) Trust funds and deposits**

Amounts received as tender deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt or forfeited (refer to note 24).

**(p) Borrowings**

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

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



#### *Borrowing costs*

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

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

#### **(q) Employee costs and benefits**

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

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

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

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

##### *Long service leave*

Liability for Long Service Leave (LSL) is recognised in the provision for employee benefits.

Current Liability – unconditional LSL representing 7 years of service is disclosed as a current liability even when the Council does not expect to settle the liability within 12 months because it does not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at:

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

##### *Classification of employee costs*

Non-current liability – conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment (7 years of service), is disclosed as a non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

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

##### *Termination benefits*

Termination benefits are payable when employment is terminated before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Council recognises termination benefits when it is demonstrably committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after balance sheet date are discounted to present value.

##### *On-costs*

Employee benefits on-costs (workers compensation, superannuation, annual leave and long service leave accrued while on LSL taken in service) are recognised separately from provision for employee benefits.

#### **(r) Landfill rehabilitation provision**

Council is obligated to restore landfill sites to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

#### **(s) 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 at the lower of fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are 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. Council currently has no assets under a finance lease arrangement.

#### *Operating leases*

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

#### *Leasehold improvements*

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

#### **(t) 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 Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of an asset or as part of an item of expense. Receivables and payables in the balance sheet are shown inclusive of GST.

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

#### **(u) Financial guarantees**

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that that right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 33 contingent liabilities and contingent assets.

#### **(v) Contingent assets and contingent liabilities and commitments**

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

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

#### **(w) Pending accounting standards**

The following new AAS's have been issued that are not mandatory for the 30 June 2017 reporting period.

#### *Revenue from contracts with customers (AASB 15) (applies 2018/19)*

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

#### *Leases (AASB 16) (applies 2019/20)*

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

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

The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred. While there will be no significant impact arising from AASB 9, there will be a change to the way financial instruments are disclosed.

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

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives. The assessment has indicated that revenue from capital grants that are provided under an enforceable agreement that have sufficiently specific obligations, will now be deferred and recognised as performance obligations are satisfied. As a result, the timing recognition of revenue will change.

#### **(x) 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.

## note 2: budget comparisons

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

The budget figures detailed below are those adopted by Council on 14 June 2016. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

### (a) Income and Expenditure

	Budget 2017 \$'000	Actual 2017 \$'000	Variance 2017 \$'000	F/U*	Variance 2017 %	F/U	Ref
<b>Income</b>							
Rates and charges <sup>(i)</sup>	129,012	130,138	1,126	F	0.9	F	
Statutory fees and fines	7,858	9,397	1,539	F	19.6	F	1
User fees	20,923	22,103	1,180	F	5.6	F	
Grants – Operating	31,237	35,338	4,101	F	13.1	F	2
Grants – Capital	5,085	5,343	258	F	5.1	F	
Contributions – monetary	396	6,148	5,752	F	1452.5	F	3
Contributions – non-monetary	1,000	-	(1,000)	U	(100)	U	
Other income	2,214	4,349	2,135	F	96.4	F	4
Fair Value adjustment	-	47	47				
<b>Total Income</b>	<b>197,725</b>	<b>212,863</b>	<b>15,137</b>	<b>F</b>	<b>7.7</b>	<b>F</b>	
<b>Expenses</b>							
Employee costs	74,711	72,888	1,823	F	2.4	F	
Materials and services	74,842	71,369	3,473	F	4.6	F	
Bad and doubtful debts	50	43	7	F	14.0	F	5
Depreciation and amortisation	26,500	24,994	1,506	F	5.7	F	
Borrowing costs	807	539	268	F	33.2	F	6
Net loss on disposal of property, infrastructure, plant and equipment	-	693	(693)	U		U	7
<b>Total Expenses</b>	<b>176,910</b>	<b>170,526</b>	<b>6,384</b>	<b>F</b>	<b>3.6</b>	<b>F</b>	
<b>Surplus (deficit) for the year</b>	<b>20,815</b>	<b>42,337</b>	<b>21,521</b>	<b>F</b>	<b>103.4</b>	<b>F</b>	

(i) Actual Rates and charges now includes interest on rates (\$389k). This is budgeted for under Other Income.

\* F = Favourable, U = Unfavourable

(i) Explanation of material variances

Ref	Item	Explanation
1	<b>Statutory fees &amp; Fines</b>	Statutory Fees and Fines are favourable by \$1.5 million mainly due to an increase in application fees by the State Government in October 2016 that are levied and in the number of applications received in the City Development department (\$1.0 million favourable).
2	<b>Grants – Operating</b>	Grants & Subsidies total revenue is \$35.3 million and is \$4.1 million favourable to budget. The major contributor to this result is AccessCare which is \$1.8 million favourable due to the timing of receipts, the cumulative effects of higher than budgeted income, and receiving payments in November for the unbudgeted additional packages delivered last financial year. Victorian Grants Commission funding from the Commonwealth Government, which was to be received in 2017/18 financial year has seen half of next year's payments brought forward into the 2016/17 financial year (\$2.2 million favourable).
3	<b>Contributions</b>	Contributions are favourable by \$5.7 million largely due to unbudgeted cash contributions received from developers (\$4.9 million) for contributions payable to Council under the Subdivision of Land Act for open space cash contributions in lieu of land.  There were also several capital contributions totalling \$251k received throughout the year that were not budgeted for including contributions from Chelsea Calisthenics (\$65k) for building works, Bayside Council for resurfacing works on Charman Road (\$34k) and the Mordialloc Community Centre (\$47k) for building works. These contributions are offset by Capital expenditure in the current financial year. Capital Contributions were also received from APT Touring in 2016/17 of \$40k for the installation of LED lights that took place in the 2014/15 financial year at 1230 Nepean Highway.
4	<b>Other Income</b>	Other income of \$4.4 million is favourable to budget by \$2.2 million primarily due to found assets that include \$1.2 million of Road infrastructure (These are not newly constructed roads for the year, they represent additional recording of road assets due to improved accuracy of data since moving all Council roads to the new asset management system). Interest income is \$1.4 million favourable due to temporary higher levels of cash reserves. The budget for Other Income includes interest on rates and charges which is now included under rates and charges.
5	<b>Bad &amp; Doubtful Debts</b>	Bad & doubtful debts are marginally favourable to budget by \$7k.
6	<b>Borrowing Costs</b>	Borrowing costs total \$539k and are \$268k favourable to budget. This variance is part due to not proceeding with the \$1.5 million planned borrowings in the 2016/17 financial year for the street light replacement program.
7	<b>Net Loss on Disposal of Infrastructure, Property, Plant and Equipment</b>	A book (non cash) net loss from the disposal of assets totalling \$0.7 million are due to the demolition of three council properties at Mentone, Bonbeach and Carrum as part of Council's building renewal program.  Net proceeds received for the sale of Council plant include 8 council vehicles and trailers (\$0.1 million favourable).

**(b) Capital Works**

	Budget 2017 \$'000	Actual 2017 \$'000	Variance 2017 \$'000	F/U	Variance 2017 %	F/U	Ref
<b>Property</b>							
Land	-	8	(8)	U			
Land improvements	3,212	986	2,226	F	69.3		1
<b>Total Land</b>	<b>3,212</b>	<b>994</b>	<b>2,218</b>	<b>F</b>	<b>69.1</b>		
Buildings	20,733	21,403	(670)	U	(3.2)		
Building improvements	-	-	-				
<b>Total Buildings</b>	<b>20,733</b>	<b>21,403</b>	<b>(670)</b>	<b>U</b>	<b>(3.2)</b>		
<b>Total Property</b>	<b>23,945</b>	<b>22,397</b>	<b>1,548</b>	<b>F</b>	<b>6.5</b>		
<b>Plant and equipment</b>							
Plant, machinery and equipment	500	602	(102)	U	(20.4)		2
Computers and telecommunications	2,039	1,245	794	F	38.9		3
Library books	-	1,185	(1,185)	U			
<b>Total Plant and equipment</b>	<b>2,539</b>	<b>3,032</b>	<b>(493)</b>	<b>F</b>	<b>19.4</b>		
<b>Infrastructure</b>							
Roads	9,051	7,117	1,934	F	21.4		4
Footpaths and cycleways	2,360	1,413	947	F	40.1		5
Drainage	3,480	3,639	(159)	U	(4.6)		
Off street car parks	450	455	(5)	U	(1.1)		
Recreational, leisure and community facilities	7,348	3,667	3,681	F	50.1		6
Parks, open space and streetscapes	5,057	4,625	432	F	8.5		
Other infrastructure	2,155	329	1,826	F	84.7		7
<b>Total Infrastructure</b>	<b>29,901</b>	<b>21,245</b>	<b>8,656</b>	<b>F</b>	<b>28.9</b>		
<b>Total Capital Works expenditure</b>	<b>56,385</b>	<b>46,674</b>	<b>9,711</b>	<b>F</b>	<b>17.2</b>		
<b>Represented by:</b>							
New asset expenditure	4,374	4,644	(270)	U	(6.2)		
Asset renewal expenditure	34,096	27,298	6,798	F	19.9		
Asset expansion expenditure	4,209	2,953	1,256	F	29.8		
Asset upgrade expenditure	13,706	11,779	1,927	F	14.1		
<b>Total Capital Works Expenditure</b>	<b>56,385</b>	<b>46,674</b>	<b>9,711</b>	<b>F</b>	<b>17.2</b>		

(i) Explanation of material variances

Ref	Item	Explanation
1	<b>Land Improvements</b>	Favourable outcome of \$2.2 million is primarily related to the Elder St Land Remediation Project. Council negotiated with the Level Crossing Removal Authority for fill material to be sourced from railway grade separation works to be placed on the Elder Street site saving \$1 million in fill costs. \$1 million for Elder St has been carried over to 2017/18 to fund landscaping and plant for establishment of a new public park at Elder St.
2	<b>Plant, Machinery and Equipment</b>	Unfavourable expenditure \$100k over budget is due to renewal of Gymnasium equipment at Council's Leisure Centres being funded from the capital budget rather than by borrowings.
3	<b>Computers &amp; Telecommunications</b>	Favourable balance of \$800k comprises \$200k of ICT Strategy Implementation rescheduled to 2017/18, \$200k of Library Management Software (at Tender), \$140k of Savings with a GIS project not proceeding and approx. \$230k of various purchasing commitments carrying forward to 2017/18
4	<b>Roads</b>	Favourable \$1.9 million below allocation is due to \$580k reduction to the budgeted Roads to Recovery grant income. \$840k of Mentone Renaissance rescheduled to 2017/18 pending progression of private development in "The Triangle". \$300k Carry Over to support Implementation of Wilson Street local area traffic management works, \$70k carry over to support rollout of traffic signal upgrade program.
5	<b>Footpaths &amp; Cycleways</b>	Favourable spend \$1 million under budget. \$200k for Bay Trail Implementation rescheduled to 2017/18. Allocations of \$545k for Bike & Walking Trails and \$350k for East-West Cycleway have also been carried over to 2017/18 with implementation pending outcome of a strategic review and gap analysis of the cycling network.
6	<b>Recreational, leisure &amp; community facilities</b>	The favourable \$3.7 million outcome is due to projects being rescheduled to 2017/18 to enable completion of consultations and approval of final design. These include: \$650k for South Ward Netball Facilities; \$1.1 million GR Bricker Athletics track (WIP); \$545k Dales Park Netball Facilities, \$300k Bonbeach Reserve Masterplan; \$200k Sportsground lighting projects and \$950k for Moorabbin Reserve Masterplan Implementation.
7	<b>Other Infrastructure</b>	The favourable outcome of \$1.8 million is comprised largely of \$1.5 million LED Streetlight replacements and \$220k for Pedestrian signals in Edithvale Road. These projects are now scheduled for delivery in 2017/18.

## 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 2016/17 was \$52.1 billion (2015/16 \$45.2 billion). The 2016/17 declared rate in the dollar was 0.21130 cents (2015/16 0.24731 cents).

A Municipal charge is levied at the rate of \$100 (2015/16 \$100) per rateable property and a Waste service fee (choices A to F) is levied at the rate of \$135 to \$225 (2015/16 \$131 to \$220) per rateable property.

	2017 \$'000	2016 \$'000
General Rates	109,002	105,020
Municipal charge	7,164	7,098
Waste service fee	11,825	11,479
Special rates and charges	71	70
Supplementary rates	1,688	1,819
Interest on rates and charges <sup>(i)</sup>	389	439
<b>Total rates and charges</b>	<b>130,138</b>	<b>125,924</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016 and the 2016/17 Rates and Charges are based on this valuation.

(i) Interest on rates and charges was previously recorded under 'interest' on the comprehensive income statement. This is now classified under 'Rates and Charges'. The 2016 totals have been adjusted accordingly.

## note 4: statutory fees and fines

	2017 \$'000	2016 \$'000
Infringements and Costs	1,981	1,830
Parking infringements	3,644	3,267
Permits	496	513
Town planning fees <sup>(i)</sup>	2,399	1,559
Family day care and school age care	520	555
Other <sup>(ii)</sup>	357	350
<b>Total Statutory fees and fines</b>	<b>9,397</b>	<b>8,075</b>

(i) Town Planning fees were increased by the State Government in October 2016.

(ii) The Mordialloc Special Charge is now included as a special charge under rate income. The 2016 comparative totals have been adjusted accordingly.

## note 5: user fees

	2017 \$'000	2016 \$'000
Aged and health services	2,295	3,791
Building services	909	828
Child care/children's programs	5,339	4,199
Leisure centre and recreation	7,001	6,249
Registration and other permits	636	624
Waste management services	393	576
Rental income	4,659	3,135
Other	872	715
<b>Total user fees</b>	<b>22,103</b>	<b>20,117</b>

## note 6: grants

	2017 \$'000	2016 \$'000
<b>Summary of grants</b>		
Commonwealth funded grants	21,989	15,325
State funded grants	18,693	18,794
<b>Total Grants</b>	<b>40,682</b>	<b>34,119</b>
<b>Operating grants</b>		
<b>Recurrent – Commonwealth Government <sup>(i)</sup></b>		
AccessCare Southern	8,890	3,565
Home and Community Care	6,315	550
Aged Care	-	2,197
Family and Children	4,725	4,845
Other	705	227
<b>Total Recurrent Grants – Commonwealth Government</b>	<b>20,635</b>	<b>11,385</b>
<b>Recurrent – State Government</b>		
Victorian Grants Commission <sup>(ii)</sup>	6,519	2,758
AccessCare Southern	1,280	4,981
Community Services	2,804	8,684
Family & Children	2,570	1,160
Libraries and Education	1,028	1,009
Beach cleaning	165	173
Community Safety and Education	101	254
Economic Development	42	162
Other	194	90
<b>Total Recurrent – State Government</b>	<b>14,703</b>	<b>19,271</b>
<b>Total Operating grants</b>	<b>35,338</b>	<b>30,656</b>
<i>There were no non-recurrent operating grants in 2016/17 or 2015/16</i>		
<b>Capital grants</b>		
<b>Recurrent – Commonwealth Government</b>		
Roads to Recovery	1,353	1,675
<b>Non-recurrent – Commonwealth Government</b>		
Buildings	2,206	2,065
Plant, machinery and equipment	-	200
<b>Non-recurrent – State Government</b>		
Moorabbin Reserve project <sup>(iii)</sup>	-	(1,200)
Sporting facilities	211	188
Foreshore Environment	1,030	-
Civil Infrastructure	543	408
Living rivers, parks and gardens	-	127
<b>Total Capital grants</b>	<b>5,343</b>	<b>3,463</b>
<b>Total Grants</b>	<b>40,682</b>	<b>34,119</b>

(i) The split between Commonwealth and State funding has changed for the financial year 2017. At 1 July 2016 funding that was previously combined was officially split between the State and Commonwealth Governments for the delivery of community care for people who are older and/or have a disability. As of this date if you were under 65 your funding is now provided by the State Government and if over 65 your funding is now provided by the Commonwealth Government. This change was made as part of the reforms being rolled out by the Commonwealth Government within the aged and disability care sectors.

(ii) Victorian Grants Commission funding for 2016/17 is higher than the comparative due to the first two quarterly instalments for 2017/18 funding being received in advance in June 2017.

(iii) State Government funding for the Moorabbin Reserve redevelopment invoiced in 2015, was cancelled in 2016 due to the project being expanded, with extra funding to broader club activities and direct responsibility of the project being provided to the St Kilda Football Club.



	2017 \$'000	2016 \$'000
<b>Unspent grants received on condition that they be spent in a specific manner</b>		
Balance at start of year	381	2,826
Received during the financial year and remained unspent at balance date	835	381
Received in prior years and spent during the financial year	(381)	(2,826)
<b>Balance at year end</b>	<b>835</b>	<b>381</b>

## note 7: contributions

	2017 \$'000	2016 \$'000
<b>Monetary</b>		
Donations/contributions from developers	4,871	4,275
Various capital projects – contributions	497	251
Community sustainability	81	75
Environmental sustainability	361	208
Other	338	357
<b>Total contributions</b>	<b>6,148</b>	<b>5,166</b>

*There were no non-monetary contributions in 2017 and 2016.*

## note 8: net gain / (loss) on disposal of property, infrastructure plant and equipment

	2017 \$'000	2016 \$'000
Proceeds from sale	93	18,782
Written down value of assets disposed	(786)	(5,323)
<b>Total net gain/(loss) on disposal of property, infrastructure, plant and equipment</b>	<b>(693)</b>	<b>13,459</b>
Comprising:		
Profit on disposal of property, plant and equipment <sup>(i)</sup>	93	15,063
Loss on disposal of property, plant and equipment	(786)	(1,604)
	<b>(693)</b>	<b>13,459</b>

*(i) Includes profit on the sale of 101-103 Collins St, Mentone and residential aged care bed licences in 2016. 2017 profit includes the proceeds from the sale of 12 vehicles.*

## note 9: other income

	2017 \$'000	2016 \$'000
Interest on cash and investments	2,384	1,929
<b>Total interest</b>	<b>2,384</b>	<b>1,929</b>
Found assets <sup>(i)</sup>	1,214	5,677
Other	750	1,140
<b>Total other income</b>	<b>1,964</b>	<b>6,817</b>
Fair Value adjustment for investment property	47	1,682
<b>Total interest / other income</b>	<b>4,395</b>	<b>10,428</b>

*(i) Found assets in FY 2015/16 comprise \$4.2 million Buildings that were built in 2014/15 but not capitalised at that time; \$1.3 million of land adjacent to the Chelsea foreshore reserve; and \$0.2 million of minor buildings on land where Council is committee of management on behalf of the Crown.*

Found assets in FY 2016/17 includes roads of \$1.2 million. These are not newly constructed roads for the year, they represent road asset additions due to improved accuracy of data since moving all Council roads to the new asset management system.

## note 10: employee costs

### (a) Employee costs

	2017 \$'000	2016 \$'000
Wages and salaries	55,899	56,910
Casual staff	8,300	8,166
Fringe benefits tax and WorkCover	1,203	1,267
Superannuation	5,425	5,691
Annual Leave and Long Service Leave	1,738	2,436
Redundancy	323	2,710
<b>Total employee costs</b>	<b>72,888</b>	<b>77,180</b>

### (b) Superannuation

	2017 \$'000	2016 \$'000
Council made contributions to the following funds:		
<b>Defined Benefit fund</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	582	687
	<b>582</b>	<b>687</b>
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	4,238	4,642
Employer contributions – other funds	1,480	1,054
<b>Total contributions</b>	<b>5,718</b>	<b>5,696</b>
<b>Employer contributions payable at reporting date:</b>	<b>520</b>	<b>549</b>

Refer to Note 32 for further information relating to Council's superannuation obligations.

## note 11: materials and services

	2017 \$'000	2016 \$'000
Road infrastructure maintenance	14,098	12,380
Building maintenance	2,697	2,696
Waste and cleansing	12,172	11,363
Aged services	8,041	8,849
Parks, gardens and reserves	9,235	8,871
Leisure and culture	4,592	4,199
Accommodation expense	967	1,061
Information systems and telecommunications	3,225	3,690
Family services	3,296	3,060
Community engagement	1,768	1,629
Parking, monitoring and enforcement	2,602	2,397
Procurement and fleet management	1,450	1,648
Council business	1,426	815
People and culture	533	325
Finance and legal	2,687	2,529
Planning and building	1,185	1,035
Other	1,396	892
<b>Total materials and services</b>	<b>71,369</b>	<b>67,439</b>

## note 12: bad and doubtful debts

	2017 \$'000	2016 \$'000
Other debtors	43	13
<b>Total bad and doubtful debts</b>	<b>43</b>	<b>13</b>

## note 13: depreciation and amortisation

	2017 \$'000	2016 \$'000
Land improvements	1,215	1,113
Buildings	6,797	6,444
Building improvements	236	195
Leasehold improvements	187	187
Roads/Bridges/Footpaths	10,848	10,583
Drainage	2,754	2,796
Plant and equipment	1,790	1,770
Heritage and culture	17	17
Library books	510	206
Software amortisation	640	665
Leased Plant amortisation	-	47
<b>Total depreciation and amortisation</b>	<b>24,994</b>	<b>24,023</b>

Refer to Note 20 for a more detailed breakdown of depreciation and amortisation charges.

## note 14: borrowing costs

	2017 \$'000	2016 \$'000
Interest – borrowings	539	591
<b>Total borrowing costs</b>	<b>539</b>	<b>591</b>

## note 15: other expenses

	2017 \$'000	2016 \$'000
Auditors' remuneration (VAGO) – audit of the financial statements, performance statement and grant acquittals*	58	59
Auditors' remuneration – internal	203	177
Operating lease rentals <sup>(i)</sup> *	1,444	1,404
<b>Total other expenses</b>	<b>1,705</b>	<b>1,640</b>

\* Audit fees and operating lease rentals are included in the total Materials and services (Note 11) expenditure on the Comprehensive Income Statement.

(i) Refer to Note 31 for details of Council's Operating Lease commitments, primarily related to leases for equipment (motor vehicles), land and buildings. The 2016 operating lease rental expenditure was re-stated to the correct amount (incorrectly recorded as \$2.2 million in 2016).

## note 16: cash and cash equivalents

	2017 \$'000	2016 \$'000
Cash on hand	14	17
Cash at bank	7,315	15,095
Short term deposits <sup>(i)</sup>	4,000	15,000
<b>Total cash and cash equivalents</b>	<b>11,329</b>	<b>30,112</b>

(i) Short term deposits have an original maturity of three months or less.

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

	2017 \$'000	2016 \$'000
Trust fund and deposits (Note 24)	3,763	3,184
<b>Total restricted funds</b>	<b>3,763</b>	<b>3,184</b>
<b>Total unrestricted cash and cash equivalents</b>	<b>7,566</b>	<b>26,928</b>

### Intended allocations

Although not externally restricted, the following amounts have been allocated for specific future purposes by Council:

	2017 \$'000	2016 \$'000
Asset development reserve	14,486	12,836
<b>Total funds subject to intended allocations</b>	<b>14,486</b>	<b>12,836</b>

Refer also to note 17 for details of other financial assets held by Council.

## note 17: other financial assets

	2017 \$'000	2016 \$'000
Term deposits / investments <sup>(i)</sup>	102,100	58,100
<b>Total Other financial assets</b>	<b>102,100</b>	<b>58,100</b>

(i) Investments include any deposits with original maturity of greater than three months.

## note 18: trade and other receivables

	2017 \$'000	2016 \$'000
<b>Current</b>		
<b>Statutory receivables</b>		
Rate debtors	4,102	4,563
Net GST receivable	1,060	1,390
Infringement debtors	4,003	3,490
Provision for doubtful debts - infringements	(3,396)	(3,010)
<b>Non statutory receivables</b>		
Other debtors	2,508	2,889
Provision for doubtful debts – other debtors	(160)	(158)
<b>Total current trade and other receivables</b>	<b>8,117</b>	<b>9,164</b>
<b>Non-current</b>		
<b>Statutory receivables</b>		
Rate Debtors	27	27
<b>Total non-current trade and other receivables</b>	<b>27</b>	<b>27</b>
<b>Total trade and other receivables</b>	<b>8,144</b>	<b>9,191</b>

### (a) Ageing of receivables

At balance date other debtors representing financial assets were past due but not impaired.  
The ageing of the Council's trade and other receivables (excluding statutory receivables) was:

	2017 \$'000	2016 \$'000
Current (not yet due)	815	809
Past due by up to 30 days	850	1,045
Past due between 31 and 180 days	341	439
Past due between 181 and 365 days	274	351
Past due by more than 1 year	68	87
<b>Total Trade and other receivables</b>	<b>2,348</b>	<b>2,731</b>

### (b) Movement in provision for doubtful debts

	2017 \$'000	2016 \$'000
Balance at the beginning of the year	158	145
New provisions recognised during the year	2	13
Amounts provided for but recovered during the year	-	-
<b>Balance at the end of year</b>	<b>160</b>	<b>158</b>

## note 19: other assets

	2017 \$'000	2016 \$'000
Prepayments	751	529
Accrued income <sup>(i)</sup>	877	321
<b>Total other assets</b>	<b>1,628</b>	<b>850</b>

(i) Accrued income includes accrued interest income on investments \$834k (2016: \$321k)

## note 20: property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2016 \$'000	Acquisitions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	At Fair Value 30 June 2017 \$'000
Land	1,331,173	4,124	-	102,157	(1,215)	-	-	1,436,239
Buildings	265,733	22,584	-	(2,351)	(7,219)	(787)	-	277,960
Plant and equipment	6,308	4,805	-	-	(2,318)	-	-	8,795
Infrastructure	553,306	18,269	-	(27,573)	(13,602)	-	-	530,400
Works in progress	13,339	5,547	-	-	-	-	(13,040)	5,846
	<b>2,169,858</b>	<b>55,329</b>	<b>-</b>	<b>72,233</b>	<b>(24,354)</b>	<b>(787)</b>	<b>(13,040)</b>	<b>2,259,239</b>

Summary of works in progress

	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Write Offs \$'000	Closing WIP \$'000
Buildings	7,625	5,547	(7,625)	-	5,547
Plant and Equipment	-	-	198	-	198
Infrastructure	5,714	-	(5,613)	-	101
	<b>13,339</b>	<b>5,547</b>	<b>(13,040)</b>	<b>-</b>	<b>5,846</b>

Property

	Land under roads \$'000	Land - specialised \$'000	Land - non specialised \$'000	Land improvements \$'000	Total Land \$'000	Heritage buildings \$'000	Buildings - specialised \$'000	Building improvements \$'000	Leasehold improvements \$'000	Total Buildings \$'000	Works in Progress \$'000	Total Property \$'000
At fair value 1 July 2016	536,942	534,906	229,514	34,422	1,335,784	36,301	419,008	6,313	1,867	463,489	7,625	1,806,898
Accumulated depreciation at 1 July 2016	-	-	-	(4,611)	(4,611)	(21,441)	(174,493)	(909)	(914)	(197,757)	-	(202,368)
<b>Movements in fair value</b>	<b>536,942</b>	<b>534,906</b>	<b>229,514</b>	<b>29,811</b>	<b>1,331,173</b>	<b>14,860</b>	<b>244,515</b>	<b>5,404</b>	<b>953</b>	<b>265,732</b>	<b>7,625</b>	<b>1,604,530</b>
Acquisition of assets at fair value	-	65	-	4,059	4,124	-	20,938	1,647	-	22,584	5,547	32,255
Revaluation increments/decrements	42,149	43,276	16,731	-	102,157	366	4,126	-	-	4,493	-	106,650
Fair value of assets disposed	-	-	-	-	-	-	(1,491)	-	-	(1,491)	-	(1,491)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	(7,625)	(7,625)
<b>Movements in accumulated depreciation</b>	<b>42,149</b>	<b>43,341</b>	<b>16,731</b>	<b>4,059</b>	<b>106,281</b>	<b>366</b>	<b>23,573</b>	<b>1,647</b>	<b>-</b>	<b>25,586</b>	<b>(2,078)</b>	<b>129,788</b>
Depreciation and amortisation	-	-	-	(1,215)	(1,215)	(521)	(6,275)	(236)	(187)	(7,219)	-	(8,434)
Revaluation increments/decrements	-	-	-	-	-	(677)	(6,167)	-	-	(6,844)	-	(6,844)
Accumulated depreciation of disposals	-	-	-	-	-	-	705	-	-	705	-	705
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	(1,215)	(1,215)	(1,198)	(11,737)	(236)	(187)	(13,358)	-	(14,573)
At fair value 30 June 2017	579,091	578,247	246,245	38,481	1,442,065	36,668	442,581	7,959	1,867	489,074	5,547	1,936,686
Accumulated depreciation at 30 June 2017	-	-	-	(5,826)	(5,826)	(22,639)	(186,230)	(1,144)	(1,100)	(211,114)	-	(216,940)
	<b>579,091</b>	<b>578,247</b>	<b>246,245</b>	<b>32,655</b>	<b>1,436,239</b>	<b>14,029</b>	<b>256,350</b>	<b>6,815</b>	<b>767</b>	<b>277,960</b>	<b>5,547</b>	<b>1,719,746</b>

*Plant and Equipment*

	Heritage plant and equipment \$'000	Plant machinery and equip \$'000	Library books \$'000	Work In Progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2016	1,846	21,101	15,981	-	38,928
Accumulated depreciation at 1 July 2016	(504)	(17,801)	(14,315)	-	(32,620)
	<b>1,342</b>	<b>3,300</b>	<b>1,666</b>	<b>-</b>	<b>6,308</b>
<b>Movements in fair value</b>					
Acquisition of assets at fair value	-	3,650	1,155	-	4,805
Revaluation increments/decrements	-	-	-	-	-
Fair value of assets disposed	-	(308)	-	-	(308)
Impairment losses recognised in operating result	-	-	-	-	-
Transfers	-	-	-	198	198
	<b>-</b>	<b>3,342</b>	<b>1,155</b>	<b>198</b>	<b>4,695</b>
<b>Movements in accumulated depreciation</b>					
Depreciation and amortisation	(17)	(1,790)	(510)	-	(2,318)
Revaluation increments/decrements	-	-	-	-	-
Accumulated depreciation of disposals	-	308	-	-	308
Transfers	-	-	-	-	-
	<b>(17)</b>	<b>1,482</b>	<b>(510)</b>	<b>-</b>	<b>(2,010)</b>
At fair value 30 June 2017	1,846	24,443	17,135	198	43,622
Accumulated depreciation at 30 June 2017	(520)	(19,284)	(14,825)	-	(34,629)
	<b>1,326</b>	<b>5,159</b>	<b>2,310</b>	<b>198</b>	<b>8,993</b>



Infrastructure

	Roads \$'000	Bridges \$'000	Footpaths and cycleways \$'000	Drainage \$'000	Other Infrastructure \$'000	Work In Progress \$'000	Total Infrastructure \$'000
At fair value 1 July 2016	592,024	10,430	92,774	271,729	13,468	5,714	986,139
Accumulated depreciation at 1 July 2016	(204,906)	(8,222)	(64,658)	(135,865)	(13,468)	-	(427,119)
	<b>387,118</b>	<b>2,208</b>	<b>28,116</b>	<b>135,864</b>	<b>-</b>	<b>5,714</b>	<b>559,020</b>
<b>Movements in fair value</b>							
Acquisition of assets at fair value	9,888	-	1,972	7,366	-	-	19,227
Revaluation increments/ decrements	(48,678)	-	(369)	7,441	-	-	(41,606)
Fair value of assets disposed	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	(5,613)	(5,613)
	<b>(38,790)</b>	<b>-</b>	<b>1,603</b>	<b>14,807</b>	<b>-</b>	<b>(5,613)</b>	<b>(27,992)</b>
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation	(9,176)	(104)	(1,567)	(2,754)	-	-	(13,602)
Revaluation increments/ decrements	20,711	-	837	(7,515)	-	-	14,033
Accumulated depreciation Found Assets	(571)	-	(387)	-	-	-	(958)
	<b>10,964</b>	<b>(104)</b>	<b>(1,117)</b>	<b>(10,269)</b>	<b>-</b>	<b>-</b>	<b>(527)</b>
At fair value 30 June 2017	553,234	10,430	94,377	286,537	13,468	101	958,147
Accumulated depreciation at 30 June 2017	(193,942)	(8,326)	(65,775)	(146,134)	(13,468)	-	(427,646)
	<b>359,291</b>	<b>2,104</b>	<b>28,601</b>	<b>140,403</b>	<b>-</b>	<b>101</b>	<b>530,501</b>

## note 20: property, infrastructure, plant and equipment (cont.)

### Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Westlink Consulting Pty Ltd (CPV # 3878). The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

An indexed based revaluation was conducted in the current year based on 7.85% (land) and 0.99% (buildings). A full revaluation of these assets will be conducted in 2017/18.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2017 are as follows. Refer to note 1e for explanation of levels.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land under roads	-	-	579,091
Land - specialised	-	-	578,247
Land - non-specialised	-	246,245	-
Land improvements	-	-	32,655
Heritage buildings	-	-	14,029
Buildings	-	-	256,350
Building improvements	-	-	6,815
Leasehold improvements	-	-	767
<b>Total</b>	<b>-</b>	<b>246,245</b>	<b>1,467,954</b>

### Valuation of infrastructure

Valuation of infrastructure assets was performed by qualified engineers at Council.

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

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2017 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Roads	-	-	359,292
Bridges	-	-	2,104
Footpaths and cycleways	-	-	28,602
Drainage	-	-	140,402
Recreational, leisure and community facilities	-	-	-
Waste management	-	-	-
Parks, open space and streetscapes	-	-	-
Other infrastructure	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>530,400</b>

*Description of significant unobservable inputs into level 3 valuations*

**Specialised land and land under roads** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 90%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$6 and \$1,690 per square metre.

**Specialised buildings** are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and ranges from \$119 to \$4,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 20 years to 150 years. Replacement cost is sensitive to changes in market conditions with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

**Infrastructure assets** are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 10 years to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2017 \$'000	2016 \$'000
<b>Reconciliation of specialised land</b>		
Land under roads	579,091	536,942
Parks and reserves	578,247	534,906
<b>Total specialised land</b>	<b>1,157,338</b>	<b>1,071,848</b>

## note 21: investment property

	2017 \$'000	2016 \$'000
Balance at beginning of financial year	4,723	3,041
Additions	-	-
Disposals	-	-
Fair value adjustments	47	1,682
<b>Balance at the end of financial year</b>	<b>4,769</b>	<b>4,723</b>

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.

*Valuation of investment property*

Valuation of investment property has been determined in accordance with an independent valuation by Westlink Consulting Pty Ltd who has recent experience in the location and category of the property being valued. The valuation in 2017 is based on the 2016 valuation adjusted for a market movement index of 0.99% as provided by our valuers.

## note 22: intangible assets

	2017 \$'000	2016 \$'000
Software	1,118	1,463
	<b>1,118</b>	<b>1,463</b>

	Software \$'000
<b>Gross carrying amount</b>	
Balance at 1 July 2016	5,100
Additions from internal developments	295
Other	-
<b>Balance at 30 June 2017</b>	<b>5,396</b>
<b>Accumulated amortisation and impairment</b>	
Balance at 1 July 2016	3,638
Amortisation expense	640
<b>Balance at 30 June 2017</b>	<b>4,278</b>
Net book value at 30 June 2016	1,463
<b>Net book value at 30 June 2017</b>	<b>1,118</b>

## note 23: trade and other payables

	2017 \$'000	2016 \$'000
Trade payables	4,723	6,801
Salary accruals	1,857	1,641
Other accruals	4,751	4,636
<b>Total Trade and other payables</b>	<b>11,331</b>	<b>13,078</b>

## note 24: trust funds and deposits

	2017 \$'000	2016 \$'000
Refundable deposits	241	192
Retention amounts	3,522	2,992
<b>Total Trust funds and deposits</b>	<b>3,763</b>	<b>3,184</b>

### *Purpose and nature of items*

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

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

## note 25: provisions

	Employee Leave \$'000	Landfill restoration \$'000	Enterprise Agreement <sup>(i)</sup> \$'000	Total \$'000
<b>2017</b>				
Balance at the beginning of the financial year	15,379	414	-	15,793
Additional Provisions	-	-	1,553	1,553
Amounts Used	-	(22)	-	(22)
Change in the discounted amount arising because of the time and the effect of any change in the discount rate	(6)	-	-	(6)
<b>Balance at the end of the financial year</b>	<b>15,373</b>	<b>392</b>	<b>1,553</b>	<b>17,318</b>
<b>2016</b>				
Balance at the beginning of the financial year	15,947	-	-	15,947
Additional Provisions	-	414	-	414
Amounts Used	-	-	-	-
Change in the discounted amount arising because of the time and the effect of any change in the discount rate	(568)	-	-	(568)
<b>Balance at the end of the financial year</b>	<b>15,379</b>	<b>414</b>	<b>-</b>	<b>15,793</b>

(i) Council's Enterprise Agreement expired in February 2017 and the new agreement is currently under negotiation with a 'without prejudice' offer currently tabled at 2.3% to be back paid from 1/7/2016. Council has committed to paying this back pay provided the current offer is supported by a 'yes' vote from majority of staff. A new provision was created in 2017 to reflect this amount.

	2017 \$'000	2016 \$'000
<b>Employee leave provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Annual leave	4,566	5,228
Long service leave	766	759
	<b>5,332</b>	<b>5,987</b>
<b>Current provisions expected to be wholly settled after 12 months</b>		
Annual leave	767	220
Long service leave	8,018	8,309
	<b>8,785</b>	<b>8,529</b>
<b>Total current employee leave provisions</b>	<b>14,117</b>	<b>14,516</b>
<b>Other provisions</b>		
<b>Current provisions expected to be wholly settled within 12 months</b>		
Landfill restoration	392	414
Enterprise Agreement	1,553	-
	<b>1,945</b>	<b>414</b>
<b>Total current provisions</b>	<b>16,062</b>	<b>14,930</b>
<b>Non-current employee provisions</b>		
Long Service Leave	1,257	863
<b>Total non-current provisions</b>	<b>1,257</b>	<b>863</b>
<b>Aggregate carrying amount of provisions:</b>		
Current	16,062	14,930
Non-current	1,257	863
<b>Total aggregate carrying amount of provisions</b>	<b>17,318</b>	<b>15,793</b>

## note 26: interest-bearing loans and borrowings

	2017 \$'000	2016 \$'000
<b>Current</b>		
Loans – secured <sup>(i)</sup>	4,100	3,306
	<b>4,100</b>	<b>3,306</b>
<b>Non-current</b>		
Loans – secured <sup>(i)</sup>	14,765	16,455
	<b>14,765</b>	<b>16,455</b>
<b>Total</b>	<b>18,865</b>	<b>19,761</b>
<b>The maturity profile for Council's loans is:</b>		
Not later than one year	4,100	3,306
Later than one year and not later than five years	13,530	12,320
Later than five years	1,235	4,135
	<b>18,865</b>	<b>19,761</b>

(i) Loans are secured over the general rates of the Kingston City Council.

## note 27: reserves

### (a) Asset revaluation reserve

2017	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>Property:</b>			
- Land <sup>(i)</sup>	179,447	60,007	239,454
- Land under roads	136,678	42,150	178,828
- Buildings	143,449	(2,351)	141,098
	<b>459,574</b>	<b>99,806</b>	<b>559,380</b>
<b>Infrastructure <sup>(ii)</sup>:</b>			
- Transport	315,244	(27,499)	287,745
- Drainage	112,289	(74)	112,215
	<b>427,533</b>	<b>(27,573)</b>	<b>399,960</b>
<b>Other:</b>			
- Heritage and culture	1,316	-	1,316
- Other	3,966	-	3,966
	<b>5,282</b>	<b>-</b>	<b>5,282</b>
<b>Total Asset revaluation reserve</b>	<b>892,389</b>	<b>72,233</b>	<b>964,623</b>

2016	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>Property:</b>			
- Land	206,823	(27,376)	179,447
- Land under roads	122,154	14,524	136,678
- Buildings	143,533	(84)	143,449
	<b>472,510</b>	<b>(12,936)</b>	<b>459,574</b>
<b>Infrastructure:</b>			
- Transport	294,960	20,284	315,244
- Drainage	114,308	(2,019)	112,289
	<b>409,268</b>	<b>18,265</b>	<b>427,533</b>
<b>Other:</b>			
- Heritage and culture	1,314	2	1,316
- Other	3,966	-	3,966
	<b>5,280</b>	<b>2</b>	<b>5,282</b>
<b>Total Asset revaluation reserve</b>	<b>887,058</b>	<b>5,331</b>	<b>892,389</b>

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

- (i) Land in 2016/17 has been adjusted for market movement, with the rate advised by Council's independent valuers. The last market movement adjustment was in 2014/15 which was higher than the actual valuation increase in 2015/16, hence resulting in an overall reduction in land value in 2015/16. The next full valuation of land and buildings will occur in 2017/18.
- (ii) Valuation of Infrastructure assets was performed by qualified engineers at Council. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation. Valuation fluctuates depending on contract rates incurred by Council during each year.

**(b) Other reserves**

2017	Balance at beginning of reporting period \$'000	Transfer from Accumulated Surplus \$'000	Transfer to Accumulated Surplus \$'000	Balance at end of reporting period \$'000
Asset replacement reserve	2,075	-	-	2,075
Asset development reserve	12,836	4,871	(3,221)	14,486
Drainage contributions	88	-	-	88
Special rates	127	-	-	127
Aged care	1,556	1,669	(77)	3,148
Foreshore	1,640	1,310	(2,391)	559
Green wedge	7,958	1,000	(641)	8,317
Defined benefit call	1,000	-	-	1,000
Other	247	21	(11)	257
<b>Total Other reserves</b>	<b>27,527</b>	<b>8,872</b>	<b>(6,341)</b>	<b>30,058</b>

## note 27: reserves (cont.)

2016	Balance at beginning of reporting period \$'000	Transfer from Accumulated Surplus \$'000	Transfer to Accumulated Surplus \$'000	Balance at end of reporting period \$'000
Asset replacement reserve	2,019	92	(36)	2,075
Asset development reserve	9,717	4,556	(1,437)	12,836
Drainage contributions	88	-	-	88
Special rates	98	29	-	127
Aged care	1,166	543	(153)	1,556
Foreshore	1,260	1,256	(876)	1,640
Green wedge	6,959	1,483	(484)	7,958
Defined benefit call	1,000	-	-	1,000
Other	258	12	(23)	247
<b>Total Other reserves</b>	<b>22,565</b>	<b>7,971</b>	<b>(3,009)</b>	<b>27,527</b>

The Asset replacement reserve is an appropriation to partially fund future costs associated with Council's buildings.

The Asset development reserve recognises the cash contributions made by developers, pursuant to the requirements of the *Subdivision of Land Act*. Total open space cash contributions of \$4.9m were received in 2016/17 (2015/16: \$4.3m). Council has elected to utilise these contributions for open space purchase and development.

Other Reserves represent appropriations provided by the community to be used for specific purposes.

The Foreshore and Green Wedge reserves were reserves created in 2011 via Council resolution which are used to accelerate the renewal and improvement to Council's foreshore and non-urban green wedge area.

The Defined benefit call reserve was established in 2014 to provide for possible future calls on any unfunded liability of the Defined benefit superannuation fund. Council ceased making contributions into this reserve in 2014/15.

Other reserves include reserves created in 2012 for Sundowner Neighbourhood House and Chelsea Senior Citizens Centre due to Council taking over the operation of these facilities.

## note 28: reconciliation of cash flows from operating activities to surplus / (deficit)

	2017 \$'000	2016 \$'000
Surplus/(deficit) for the year	42,337	48,030
Depreciation/amortisation	24,994	24,023
(Profit)/loss on disposal of property, infrastructure, plant and equipment (note 8)	786	(13,459)
Found assets / other (note 9)	(1,214)	(5,677)
Fair value adjustments for investment property	(47)	(1,682)
Borrowing costs	539	591
<b>Changes in assets and liabilities:</b>		
(Increase)/decrease in trade and other receivables	1,049	961
Increase/(decrease) in accrued income	(556)	(533)
Increase/(decrease) in trade and other payables	(2,064)	2,520
Increase/(decrease) in trust funds and deposits	579	(8,849)
Increase/(decrease) in other liabilities	(22)	414
Increase/(decrease) in employee benefits	1,548	(568)
<b>Net cash provided by / (used in) operating activities</b>	<b>67,927</b>	<b>45,771</b>



## note 29: financing arrangements

	2017 \$'000	2016 \$'000
Bank overdraft	5,000	5,000
Credit card facilities	150	93
<b>Total facilities</b>	<b>5,150</b>	<b>5,093</b>
Used facilities	33	35
<b>Unused facilities</b>	<b>5,117</b>	<b>5,058</b>

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.

## note 30: commitments

At the reporting date, the Council had entered into the following commitments. All totals include GST.

2017	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>Operating</b>					
- Infrastructure works	1,882	685	117	-	2,684
- Parks, gardens, reserves	6,992	5,857	142	-	12,991
- Waste and cleansing	6,810	2,338	-	-	9,147
- Community sustainability	1,937	1,724	280	-	3,940
- Corporate services	2,158	1,549	-	-	3,707
	<b>19,779</b>	<b>12,153</b>	<b>539</b>		<b>32,470</b>
<b>Capital</b>					
- Buildings <sup>(i)</sup>	4,254	-	-	-	4,254
- Transport <sup>(i)</sup>	6,873	-	-	-	6,873
	<b>11,126</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,126</b>
<b>Total</b>	<b>30,905</b>	<b>12,153</b>	<b>539</b>	<b>-</b>	<b>43,596</b>

(i) Major capital expenditure commitments as at 30 June 2017 include: Ben Kavanagh Reserve Pavilion upgrade (\$3.2M); Roadworks at Dahmen Street Carrum and Old Wells Road (\$2.2M); Traffic signals at Governor Road (\$1.3M); and Bricker Athletics track resurfacing (\$1.1M).

2016	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
<b>Operating</b>					
- Infrastructure works	3,949	1,629	432	-	6,010
- Parks, gardens, reserves	7,080	4,313	2,473	-	13,866
- Waste and cleansing	10,339	3,414	2,204	-	15,957
- Community sustainability	2,063	197	-	-	2,260
- Corporate services	1,862	1,508	1,039	-	4,409
	<b>25,293</b>	<b>11,061</b>	<b>6,148</b>	<b>-</b>	<b>42,502</b>
<b>Capital</b>					
- Buildings	11,481	-	-	-	11,481
- Transport	8,481	-	-	-	8,481
	<b>19,962</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19,962</b>
<b>Total</b>	<b>45,255</b>	<b>11,061</b>	<b>6,148</b>	<b>-</b>	<b>62,464</b>

## note 31: operating leases

### (a) Operating lease commitments (incl GST)

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

	2017 \$'000	2016 \$'000
Not later than one year	2,879	1,534
Later than one year and not later than five years	3,210	2,982
Later than five years	1,288	1,490
	<b>7,377</b>	<b>6,006</b>

### (b) Operating lease receivables (incl GST)

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.

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

	2017 \$'000	2016 \$'000
Not later than one year	2,599	2,108
Later than one year and not later than five years	3,477	2,740
Later than five years	1,529	1,568
	<b>7,605</b>	<b>6,416</b>

## note 32: superannuation

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

### *Accumulation*

The Fund's accumulation categories, Vision MySuper/ Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ending 30 June 2017, this was 9.5% as required under Superannuation Guarantee legislation).

### *Defined Benefit*

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

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

### *Funding arrangements*

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

As at 30 June 2016, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 102%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns: 7.00% pa

Salary information: 4.25% pa

Price inflation (CPI) 2.5% pa

Vision Super has advised that the estimated VBI at June quarter end 2017 was 103.1%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2016 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

## Employer contributions

### Regular contributions

On the basis of the results of the 2016 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2017, this rate was 9.5% of members' salaries (9.5% in 2015/16). This rate will increase in line with any increase to the contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

### Funding calls

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

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

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

### 2016 Interim actuarial investigation surplus amounts

The Fund's interim actuarial investigation as at 30 June 2016 identified the following in the defined benefit category of which Council is a contributing employer:

- ▶ A VBI surplus of \$40.3 million; and
- ▶ A total service liability surplus of \$156 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2016. The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses. Council was notified of 30 June 2016 VBI during August 2016.

### 2017 Full triennial actuarial investigation

A full actuarial investigation is being conducted for the Fund's position as at 30 June 2017. It is anticipated that this actuarial investigation will be completed in December 2017.

### Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2017 are detailed below.

Scheme	Type of Scheme	Rate	2017 \$'000	2016 \$'000
Vision Super	Defined Benefits	9.5%	582	687
Vision Super	Accumulation	9.5%	4,238	4,642
Other Funds	Accumulation	9.5%	1,480	1,054

There were no unfunded liability payments to Vision Super in 2017 (2016: nil).

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2017.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2018 is \$576k.

## note 33: contingent liabilities and contingent assets

### Contingent liabilities

#### (a) Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme; matters relating to this potential obligation are outlined in Note 32. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

41 Council staff (2016: 50) are members of Vision Super's multi-employer defined benefits fund. Council established a Defined Benefit Call Reserve in 2014 to help provide for possible future calls on any unfunded liability of the fund. This reserve currently has a balance of \$1 million.

#### (b) 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 \$120 million of public liability insurance and the maximum liability of the Council in any single claim is the extent of its excess. The primary insurer is CGU Insurance Limited. There are no claims, which Council is aware of which would fall outside the terms of the Council's policy.

#### (c) 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 \$50 million of professional indemnity insurance and the maximum liability of the Council in any single claim is the extent of its excess. The primary insurer is CGU Insurance Limited. There are no instances or claims, which Council is aware of which would fall outside the terms of the Council's policy.

#### (d) The Council has guaranteed the following 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.

#### (e) Other Contingent Liabilities

The Council is presently involved in several confidential legal matters which are being conducted through Council's solicitors. As these matters are yet to be finalised and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in the financial statements.

### Contingent assets

Estimated developer contributions of drainage and transport assets to be received in the future for estates currently under development as at 30 June 2017 total \$1,147,630 (\$1,347,438 at 30 June 2016). The additions relate to assets from the new Jackson Green estate in Clayton South.

	2017/2018 \$'000	2018/2019 \$'000	2019/2020 \$'000	Total \$'000
Year Ended 30 June 2017	1,148	-	-	1,148

	2016/2017 \$'000	2017/2018 \$'000	2018/2019 \$'000	Total \$'000
Year Ended 30 June 2016	449	449	449	1,347

## note 34: financial instruments

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### (a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements.

Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

### (b) Market risk

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

#### *Interest rate risk*

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

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

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

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

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

### (c) Credit risk

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

- ▶ council has a policy for establishing credit limits for the entities Council deals with;
- ▶ council may require collateral where appropriate; and
- ▶ council only invests surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 33.

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

### (d) Liquidity risk

Liquidity risk includes the risk that, as a result of council's operational liquidity requirements, it will not have sufficient funds to settle a transaction when required or will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- ▶ has a liquidity policy which targets a minimum and average level of cash and cash equivalents to be maintained;
- ▶ has readily accessible standby facilities and other funding arrangements in place;
- ▶ has a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- ▶ monitors budget to actual performance on a regular basis; and
- ▶ sets limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 33, and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 26.

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

#### (e) Fair value

##### *Fair value hierarchy*

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

#### (f) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, 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).

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

## note 35: related party disclosures

#### (a) Related Parties

##### *Parent Entity*

Kingston City Council is the parent entity

##### *Subsidiaries & Associates*

Council has no interest in subsidiaries and associates

#### (b) Key Management Personnel

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

<b>Councillors</b>	Councillor T Bearsley	(Mayor – 01 July 2016 – 22 October 2016)
	Councillor D Eden	(Mayor – 07 Nov 2016 – 30 June 2017)
	Councillor G Gledhill	
	Councillor R A West OAM	
	Councillor S Staikos	
	Councillor T Barth	
	Councillor R Brownlees OAM	
	Councillor G Oxley	(Councillor – 07 Nov 2016 – 30 June 2017)
	Councillor G Hua	(Councillor – 07 Nov 2016 – 30 June 2017)
	Councillor J Ronke	(Councillor – 01 Jul 2016 – 22 Oct 2016)
	Councillor P Peulich	(Councillor – 01 Jul 2016 – 22 Oct 2016)

	2017	2016
Total Number of Councillors <sup>(i)</sup>	11	9
Chief Executive Officer and other Key Management Personnel	5	5
<b>Total Key Management Personnel</b>	<b>16</b>	<b>14</b>

(i) Council elections were held on 22 October 2016 with two new Councillors elected. All Councillors were declared elected or re-elected on 7 November 2016.

**(c) Remuneration of Key Management Personnel**

Total remuneration of key management personnel was as follows:

	2017 \$'000	2016 \$'000
Short-term benefits	1,724	1,703
Long-term benefits	-	-
Termination benefits	-	-
<b>Total</b>	<b>1,738</b>	<b>1,703</b>

The numbers of Key Management Personnel whose total remuneration from Council and any related entities, fall within the following bands (see also note 35 (b) <sup>(i)</sup>).

\$0-\$ 10,000	2	-
\$20,000-\$29,999	2	-
\$30,000-\$39,999	5	7
\$50,000-\$59,999	1	1
\$70,000-\$79,999	1	-
\$80,000-\$89,999	-	1
\$220,000-\$229,999	-	1
\$230,000-\$239,999	1	1
\$240,000-\$249,999	1	-
\$250,000-\$259,999	-	1
\$260,000-\$269,999	2	1
\$350,000-\$359,999	-	-
\$360,000-\$369,999	-	1
\$370,000-\$379,999	1	-
	<b>16</b>	<b>14</b>

**(d) Transactions with related parties**

During the period Council entered into no transactions with related parties.

**(e) Outstanding balances with related parties**

No balances are outstanding at the end of the reporting period in relation to transactions with related parties.

**(f) Loans to/from related parties**

No loans were made to/from related parties of Council during the financial year.

**(g) Commitments to/from related parties**

No commitments were made to/from related parties of Council during the financial year.

## note 36: Senior Officer Remuneration

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

- (a) has management responsibilities and reports directly to the Chief Executive Officer; or
- (b) whose total annual remuneration exceeds \$142,000.

The number of Senior Officers are shown below in the relevant income bands. For the year ended 30 June 2017, four General Managers are now classified as Key Management Personnel and no longer appear in the table below as Senior Officers. 2016 numbers have been adjusted accordingly for comparison.

	2017	2016
\$142,000–\$149,999	2	4
\$150,000–\$159,999	6	5
\$160,000–\$169,999	4	1
\$170,000–\$179,999	3	5
\$180,000–\$189,999	3	3
\$190,000–\$199,999	1	-
	<b>19</b>	<b>18</b>

	\$'000	\$'000
Total Remuneration for the reporting year of Senior Officers included above amounted to:	<b>3,142</b>	<b>2,979</b>

## note 37: events occurring after balance date

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

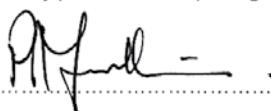


# certification of the financial statements

## Certification of the Financial Statements

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

P A Franklin  
Principal Accounting Officer



Date: 28/8/2017

Location: CHELTENHAM

In our opinion, the accompanying financial report presents fairly the financial transactions of Kingston City Council for the year ended 30 June 2017 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 and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.

D Eden  
Mayor



Date: 28/8/17

Location: Cheltenham

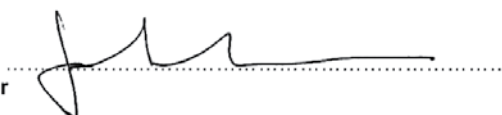
G Oxley  
Councillor



Date: 28/8/17

Location: Cheltenham

J Nevins  
Chief Executive Officer



Date: 28.8.17

Location: Cheltenham



Independent Auditor's Report

To the Councillors of Kingston City Council

Opinion	<p>I have audited the financial report of Kingston City Council (the council) which comprises the:</p> <ul style="list-style-type: none"><li>• balance sheet as at 30 June 2017</li><li>• comprehensive income statement for the year then ended</li><li>• statement of changes in equity for the year then ended</li><li>• statement of cash flows for the year then ended</li><li>• statement of capital works for the year then ended</li><li>• notes to the financial statements, including a summary of significant accounting policies</li><li>• certification of the financial report.</li></ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2017 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.</p>

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

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

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MELBOURNE  
5 September 2017



Tim Loughnan  
*as delegate for the Auditor-General of Victoria*

## Appendix 1 – HR tables

Table 1 – City of Kingston people profile

Employment Type/Gender	Executive services FTE	Community Sustainability FTE	Corporate Services FTE	Planning & Development FTE	City Assets & Environment FTE	Total FTE
Permanent FT – Female	3	115.31	40.79	35.27	28	222.37
Permanent FT – Male	5	41.91	22	30	83	181.91
Permanent PT – Female	0	177.96	17.18	17.9	14.11	227.15
Permanent PT – Male	0	9.3	3.38	9.88	3.53	26.09
Temporary FT – Female	0	13	2	9	3	27
Temporary FT – Male	0	2	7	3	4	16
Temporary PT – Female	0	19.04	0	2.2	1.11	22.35
Temporary PT – Male	0	0	0	2.52	0	2.52
Casual – Female	0	8.22	0.15	0.09	5.76	14.22
Casual – Male	0	1.17	0	1.09	2.8	5.06
<b>TOTAL</b>	<b>8</b>	<b>387.91</b>	<b>92.5</b>	<b>110.95</b>	<b>145.31</b>	<b>744.67</b>

Table 2 – City of Kingston Employment Classifications

Employment Classification	Female FTE	Male FTE	Total FTE
Band 1	8.82	11.12	19.94
Band 2	80.91	13.95	94.86
Band 3	53.88	42.61	96.49
Band 4	112.58	23.95	136.53
Band 5	86.06	31.44	117.5
Band 6	96.88	50.4	147.28
Band 7	33.43	26.9	60.33
Band 8	11.4	11	22.4
Band not applicable	29.13	20.21	49.34
<b>TOTAL</b>	<b>513.09</b>	<b>231.58</b>	<b>744.67</b>

## **Appendix 2 – OH&S Performance**

- Number of Workcover claims accepted – 12
- Number of notifiable incidents (employee) – 2
- Number of notifiable incidents (non-employee) – 10
- The frequency rate for Lost Time Injuries (LTIs) in 2015/16 was 4.2, which equates to an average of 1.3 LTIs each month.
- Medically Treated Injuries had an average of 1.5 workers per month compared to 3.3 in 2015/16.
- First Aid Injuries decreased increased by 1.1 in 2016/17 to an average of 5.5 workers receiving first aid treatment, compared to 6.6 in 2015/16.

While the goal is zero for each category, these numbers are at an acceptable level for the types of activities being undertaken within Kingston.


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*City of*  
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