



City of
KINGSTON

2017-18

ANNUAL REPORT



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WELCOME

The City of Kingston is proud to present the 2017/18 Annual Report to our community. The report describes Council's operations, accomplishments and challenges over the past financial year.

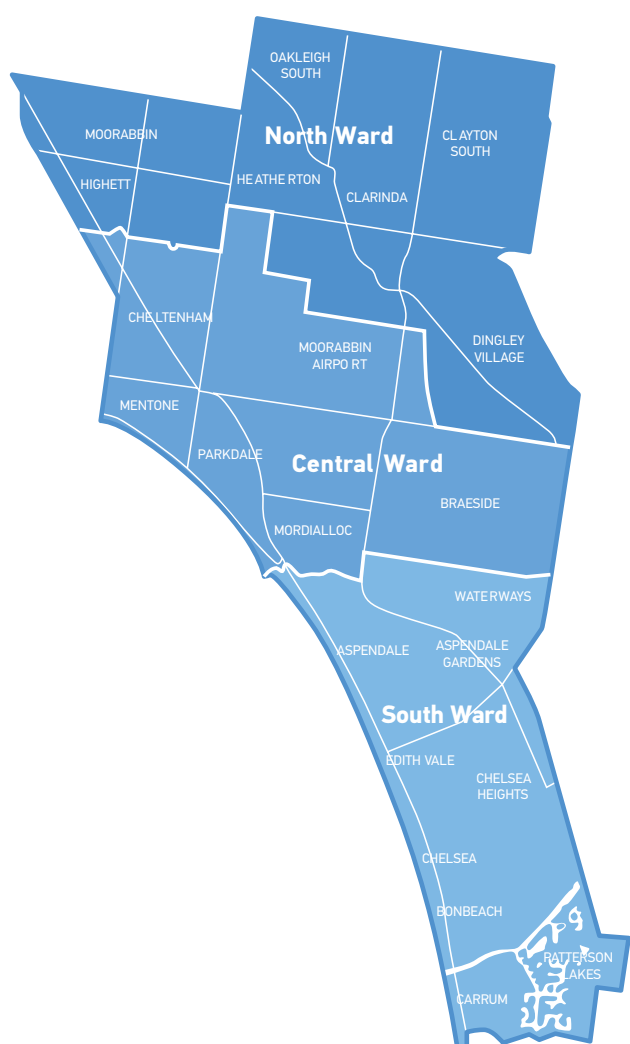
Council measures its performance in compliance with the *Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

The Annual Report benchmarks our performance against strategic objectives set out in the Council Plan 2017-21 and our long-term financial plan.

For further information and to provide your feedback, contact Customer Care 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 Melbourne's 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 159,023¹ 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 Kingston municipality 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.

¹ Australian Bureau of Statistics, *Regional Population Growth, Australia* (3218.0).

OPERATIONAL PERFORMANCE

The 2017/18 Annual Report measures Council's performance against what we said we would do in our 2017-21 Council Plan. The following table summarises Council's achievements and results in 2017/18 against our five goals. A more detailed report of the goals can be found from page 13.




1 A well-planned, liveable city supported by infrastructure to meet future needs


 **13,000 km**
streets swept


 **6.41 km**
of footpaths renewed


 **1,014**
new planning permit applications received

 **279**
buildings, picnic facilities and public toilets maintained daily

 Completed our \$10 million road renewal resurfacing, road renewal reconstruction, footpath renewal and drainage programs.

 Completed the new Inner Harbour Public Jetty in Patterson Lakes.

 Won the 2018 Award of Excellence from the Institute of Public Works Engineering Australia for Council's Edithvale Recreation Reserve stormwater project.

 Moved planning and building applications online.




2 A sustainable green environment with accessible open spaces


 **2,149**
new street and park trees planted


 **4,000**
tonnes of hard waste collected

 **+7million**
litres of recycled water used across parks and reserves


 **+4million**
rubbish, recycling and green bins emptied


 Delivered over \$15 million in sport and recreation improvements.

 Remediated and protected the foreshore.

 Improved our parks and open spaces.

 Opened Bicentennial Skate Park.

 Finished the Dahmen Street access ramp, providing disability access to Patterson River.

 Developed a Waste Minimisation Strategy and a Waste Education Strategy.



3 A connected, inclusive, healthy and learning community

 **15,874**
immunisations

 **1,032,182**
library loans

 **221,943**
community care hours delivered to people who are older or have a disability

 **1,841**
babies born

-  Opened the new \$9million Westall Community Hub.
-  Opened the Derrimut Weelam Gathering Place, co-located with the Mordialloc Life Saving Club.
-  Established a Prevention of Violence Against Women Working Group.
-  Constructed an accessible Changing Places toilet at Westall Hub to provide support for people with disabilities and upgraded existing toilets.
-  Consulted with the community on stage one of the Dingley Village Neighbourhood House renewal project.
-  Expanded the provision of the flu vaccine to children between 6 months to 6 years.



4 A free-moving safe, prosperous and dynamic city

 **21,196**
registered animals

 **14,726**
attendances at Kingston Arts events

 **576**
people attended our workshops to support local business

 **354**
food safety samples taken

-  Improvements to the East-West bike and walking trails.
-  Completed the Spring Road Reserve Masterplan with a designated dog off-lead area in the park.
-  Adopted the Cheltenham Structure Plan Review and the Mentone Station and Gardens Urban Design Framework.
-  Facilitated increased usage of the Kingston Jobs Portal and delivered business education events.
-  Implemented the *Kingston Road Safety Strategy* with active travel programs in primary schools.



5 A well-governed and responsive organisation

 **5** citizenship ceremonies held, with **549** people from **75** countries becoming Australian citizens

 **848,211**
unique visitors to Council's website

 **6,568**
LiveChats

 **114,569**
calls to customer care

-  Maintained Council's strong financial position.
-  In conjunction with a representative sample of the Kingston community, developed a new Customer Commitment to help deliver a better customer service.
-  Established a Customer Advocate position to strengthen the customer voice in the organisation.
-  Consulted residents about Council rates to inform the Rating Strategy 2018/19.
-  Lobbied the Victorian Government on matters affecting residents including the removal of seven level crossings within Kingston and new sports fields.

FINANCIAL PERFORMANCE

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.

2017/18 Financial Performance Summary

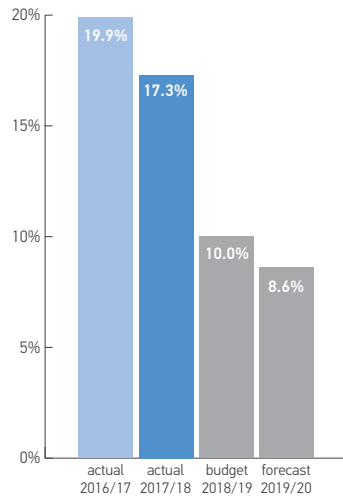
- ▶ Council had an operating surplus of \$40.8 million, \$20.7 million favourable to the budgeted surplus of \$20.1 million (compared to \$21.5 million surplus in 2016/17). This was influenced by:
 - ▶ Grants - operating is \$2.2 million favourable to budget which is attributable to the early receipt of Grants Commission allocations from the Commonwealth Government.
 - ▶ Cash Contributions of \$10.6 million received from developers to provide future community infrastructure such as open space and storm water management projects.
 - ▶ Employee costs are \$3.6 million favourable to budget predominantly in Home Care.
 - ▶ Depreciation costs are \$3.7 million favorable to budget.
- ▶ Council's total capital works expenditure was \$49.6 million (compared to \$46.7 million in 2016/17).
- ▶ Rates and charges comprised \$134.4 million (60%) of the total operating revenue of \$223.2 million (compared to \$130.1 million (61%) of \$212.9 million in 2016/17).
- ▶ Council's net assets were \$2.5 billion. This included total land (\$1,618 million), infrastructure (\$537 million) and buildings (\$249 million).

The Victorian Auditor General reports to Parliament each year on the financial performance of Victoria's Councils. The below indicators are used in Auditor-General's report to reflect short and long-term sustainability:

- ▶ Net Operating Result
- ▶ Liquidity
- ▶ Indebtedness
- ▶ Internal Financing
- ▶ Renewal gap

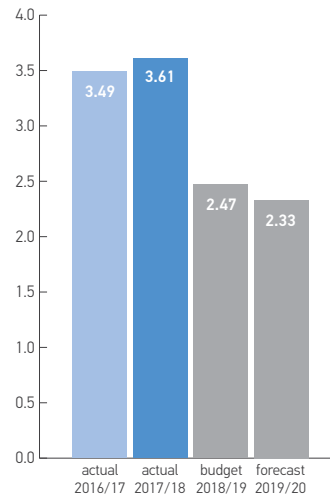
Kingston's performance in relation to these indicators, as shown over page, are based on the last two years of actual results along with the forecast for the next two years. The results highlight the trend of Kingston's financial sustainability as assessed by the Auditor-General – they show Kingston's overall financial risk is rated as low.

NET OPERATING RESULT



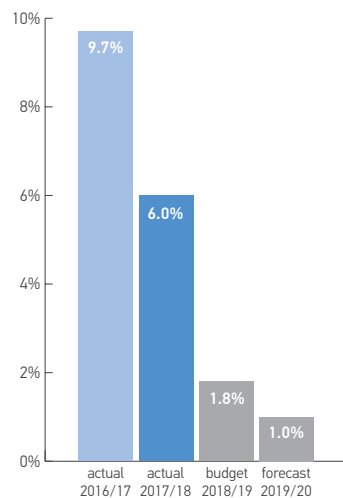
- The underlying net operating result highlights whether Council can generate enough revenue to cover operating costs (including the cost of replacing assets reflected in depreciation expense). The 2017/18 result of 17.3% is a strong result. Sustaining a positive net operating result is a critical financial strategy that provides capacity to renew the \$2.4 billion of community assets under Council's control.

LIQUIDITY



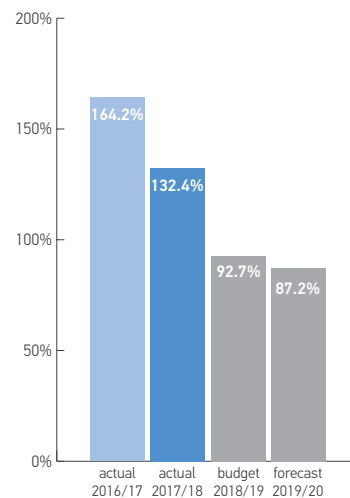
- Liquidity ensures that Council has sufficient working capital to meet short-term commitments. The liquidity result for 2017/18 was 3.61 times, which is an indicator of excellent financial position and exceeds the target of 2.46 times.

INDEBTEDNESS



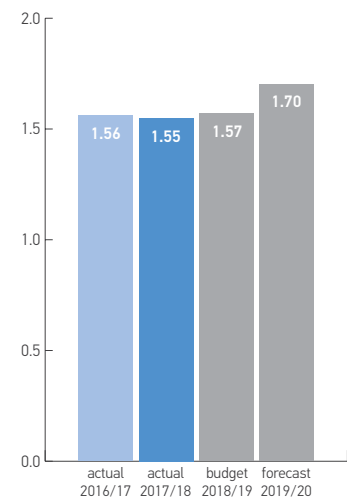
- Indebtedness measures how reliant on debt Council is to fund capital programs. The 2017/18 result of 6.0% is low, which demonstrates that Council is in a very stable position, is not reliant on debt and the expected trend is downwards as debt gets repaid.

INTERNAL FINANCING



- Internal financing measures the ability of Council to finance capital works from generated cash flow. The higher the percentage, the greater ability for an entity to finance capital works from their own funds. The 2017/18 result of 132.4% indicates Council is in a very strong position to finance capital works.

RENEWAL GAP



- 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 1.55 for 2017/18 which indicates assets are being well maintained.

A MESSAGE FROM THE MAYOR



This year our focus has been to further improve the services we deliver to our community, launching a range of new initiatives together with a record high investment on capital works in all areas including infrastructure, open spaces, community facilities and traffic management.

This year our focus on community engagement saw thousands of people attend information sessions while Council's consultation website, *Your Kingston Your Say*, saw over 1,500 community members have their say on issues and projects. I am also proud to say that Council delivered its first deliberative-style engagement with a representative sample of the wider community convened in a Community Panel to co-design Council's new Customer Service Commitment.

We value your views and will continue to provide as many opportunities as we can for you to have your say on important issues.

We have also been busy planning for the future. Council's Social and Affordable Housing Policy, which will be finalised next year, will help increase the availability of affordable housing. Council wants to ensure we have a diverse housing market, so that local lower-income people aren't priced out of buying or renting in our community.

Some of the projects that came to fruition in 2018 were years in the making. For example, Council recently won the Award for Excellence from the Institute of Public Works Engineering Australia for its Edithvale Recreation Reserve Stormwater Treatment and Reuse Project. The massive 1.5m diameter pipe installed along Fraser Avenue and under the Edithvale Public Golf Course as part of this project has helped to reduce the number of flooding incidents in the naturally low-lying suburb, and filtered stormwater is now used for irrigating sportsgrounds, street tree watering, and flushing toilets at the Edithvale Family & Children's Centre.

Council has also been working closely with the EPA to reduce the impacts of Kingston's last remaining tips and landfills on North Ward residents. We've lobbied State Government and taken action to ensure stronger monitoring and enforcement of waste and resource recovery industry operators to ensure our residents are not subjected to unacceptable odours from the final stages of landfill capping and remediation works in Kingston.

Where Council is not the responsible decision-making authority, we vigorously lobby other tiers of government on behalf of our community. This year we advocated for the best possible outcomes for the level crossing removals throughout Kingston. We will continue to work with the Victorian Government to achieve your preferred outcomes on these projects wherever possible.

Finally, we could not deliver the high-quality services that we do without Kingston's engaged and committed staff and volunteers, and I would like to take this opportunity to thank them for their work, which has helped us to achieve success for the community we serve.

I would also like to thank my fellow Councillors, Kingston's Chief Executive Officer and his team for their contributions this financial year. It is evident in everything they do just how much they care about this beautiful city and its people.

A handwritten signature in black ink that reads "Steve Staikos".

Cr Steve Staikos
Mayor

A MESSAGE FROM THE CEO



The City of Kingston is proud of its service to the community in 2017/18. We delivered a major capital works program, improved services and facilities for residents and local businesses and worked to preserve a sustainable natural and built environment.

The city's assets have been well-maintained and Kingston has continued to demonstrate a high level of fiscal responsibility. We have delivered strong improvement of our core services and worked to closely engage with the community on the new Housing Strategy & Neighbourhood Character Study as we plan for the future.

In 2017/18, Council achieved an operating surplus of \$40.8 million and \$49.6 million was invested in capital works to maintain and renew community assets. Kingston was successful in securing \$38.4 million in grants from the Victorian and Federal governments to pay for local projects and services without placing further financial burden on our ratepayers.

In an environment of strong suburban growth and infrastructure change, it is our goal to continue to preserve the character of our suburban areas while facilitating housing diversity. We have also strived to provide public open spaces and sporting fields while protecting and enhancing our natural environment. Council efforts included foreshore protection and activation works worth \$2.2 million and spent \$1.4 million improving our parks and open spaces. Sporting and recreation facilities are highly valued within Kingston and we have spent \$15.5 million on improvements including the development of the Jack Grut pavilion, the Ben Kavanagh Reserve pavilion, the upgrade of the Dales Park netball courts and the GR Bricker athletics track.

Health and learning are essential to the future of our diverse city, which is home to different communities across all ages and background. Preschool facilities have been a strong investment in our future and in 2017/18 community satisfaction with and usage of Council's childcare centres has increased significantly as we have improved service delivery in accordance with community needs.

A new community facility is always a highlight and the modern, vibrant \$9 million Westall Community Hub has become a vital part of Kingston since it opened in October 2017.

Kingston remains a smart, creative and progressive city with well-planned, functional and attractive urban centres and hubs. Expenditure on traffic management programs (\$3 million), parking solutions and accessible and alternative means of transport, including cycle routes, remain a high priority.

Accountable, transparent and efficient operations ensure that Kingston provides responsive and responsible stewardship of the community's resources. We have implemented a range of online applications and payment options, and renewed the organisation's Customer Service Charter to better service our residents.

I take pride in commending the organisation for its outstanding work during 2017/18 and acknowledge the leadership and support of our 2017 Mayor Cr David Eden and 2018 Mayor Cr Steve Staikos and Councillors.

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

John Nevins
CEO



KINGSTON COUNCILLORS



Cr Steve Staikos, Mayor

Cr Staikos was elected to Council in 2008. Cr Staikos is passionate about social participation, multiculturalism, the environment and the arts. He is focussed on ensuring the protection of the Green Wedge and in improving and expanding Kingston's parks, reserves and open spaces. Cr Staikos' highlights for the year included:

- ▶ commencing work on developing an Social and Affordable Housing Policy to increase the availability of affordable housing in Kingston
- ▶ carrying out a landfill remediation program over five sites in Kingston's north ward, and the implementation of the Kingston Green Wedge Management Plan
- ▶ deliberately engaging with the community to develop Kingston's *Housing Strategy & Neighbourhood Character Study*, working towards the adoption of new residential zones.



Cr Tamara Barth

Cr Barth was elected to Council in October 2012. She lives in Kingston with her young family and 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 for the year included:

- ▶ launching the new \$9m Westall Community Hub, which features a library, kindergarten and maternal child health centre
- ▶ consulting with the community on Stage 1 of the Dingley Village Neighbourhood House project, which will provide the Dingley community with access to a quality library and community space
- ▶ investing \$2.1m in upgrading the Dales Park netball courts and carpark, to benefit thousands of local senior and junior netballers.



Cr George Hua

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

- ▶ hosting Kingston's own Food Expo to stimulate the local food economy and create new opportunities for local business
- ▶ implementing Kingston's Road Safety strategy with active travel programs in primary schools and a Mandarin language version of the *Wiser Driver* road safety program for seniors
- ▶ finalising the Spring Road Reserve Masterplan, with a designated dog off-lead area in the park.



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 for the year included:

- ▶ consulting with the community to develop and adopt a new Cheltenham Structure Plan and Mentone Station and Gardens Urban Design Framework to protect and enhance the character of the two precincts.
- ▶ redeveloping the Ben Kavanagh Reserve pavilion in Mordialloc
- ▶ refreshing the organisation's Customer Service Charter using deliberative engagement with the community.



Cr Rosemary West OAM

Cr West OAM 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 for the year included:
- ▶ launching the Derrimut Weelam Gathering Place, co-located with the Mordialloc Life Saving Club
 - ▶ successfully moving to complete Kingston's missing link in the Bay Trail while minimising the removal of foreshore bushland; and
 - ▶ moving for Council to engage a heritage consultant to support heritage listing for the Pompei's Marine Boat Works.



Cr David Eden

Cr Eden was elected to Council in 2012 following years of community involvement at many different levels, including participating on committees, fundraising and coordinating initiatives such as Clean Up Australia. He is passionate about protecting the environment and open space, keeping rates down and regularly assessing the

- many services offered by Council to ensure they remain responsive to community needs. His highlights for the year included:
- ▶ facilitating increased usage of the Kingston Jobs Portal to connect local jobseekers and employers
 - ▶ improving highly valued sporting and recreation facilities such as the Bonbeach Recreation Reserve.
 - ▶ a crackdown on illegal brothels operating in Kingston and advocated for Victorian Government action.



Cr Tamsin Bearsley

Cr Tamsin Bearsley was elected to Council in October 2012 and lives in Aspendale Gardens. She was motivated to join Council to improve community consultation. As a primary school teacher, she has a particular interest in supporting community groups and residents' associations, improving local

- amenities and strengthening budget controls. Cr Beasley's highlights for the year included:
- ▶ Council supporting the creation of Kingston's first Junior Council in conjunction with Chelsea Rotary Club
 - ▶ completing and opening the Inner Harbour Jetty at Patterson Lakes
 - ▶ investing funding in Council's family and children's services, redeveloping the Chelsea Heights Kindergarten and refurbishing the Rene Anderson Complex.



Cr Ron Brownlees OAM

Cr Ron Brownlees OAM, has been a Kingston Councillor from 1982 to 2003 and 2008 to the present. A former Moorabbin Councillor for 12 years, he is active in Rotary and was awarded a Centenary Medal in 2001 and Order of Australia Medal in 2012 for his community service.

Cr. Brownlees' highlights for the year include:

- ▶ moving planning and building applications online to make it easier for residents to receive approvals
- ▶ refurbishment of the pavilion at Jack Grut Reserve, Mordialloc
- ▶ commencement of re-building the Cliff Sambell Pavilion playground at Gerry Green Reserve, Parkdale.



Cr Georgina Oxley

Cr Oxley was elected to Council in October 2016 and was elected the Deputy Mayor in November 2017. Cr Oxley is currently studying a Diploma of Leadership and Management. She manages a small business with experience in finance, marketing and web design. Cr Oxley is also a keen basketball

player and local basketball referee. Cr Oxley's highlights for the year included:

- ▶ Council consulting with the community to develop a *Family Violence Prevention Action Plan* to tackle the ongoing issue of family violence in Kingston
- ▶ investigating potential locations for a disc golf course in Kingston
- ▶ completing the Dahmen Street access ramp to provide all-abilities access to Patterson River.

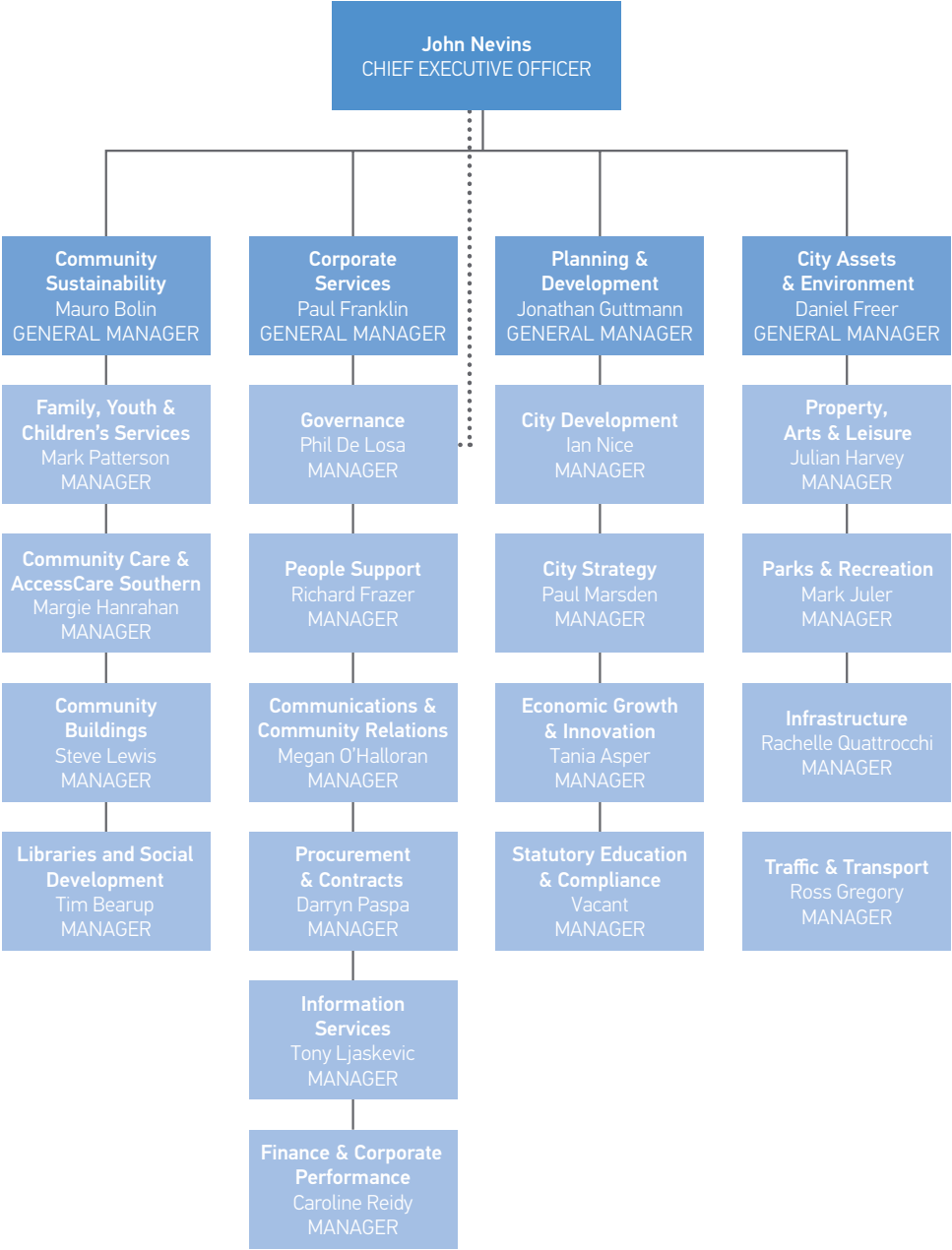
Junior Mayor

Council's Junior Mayor Program has run for over 50 years. Each Kingston primary school is invited to participate in the Junior Mayor election. Parkdale Primary School student Tess Ashley was inducted as the 2017/18 Junior Mayor. The 2018/19 Junior Mayor is Parktone Primary School student Alice Roberts, who will assist the Mayor at a range of official Council events.

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 PEOPLE

Our organisational culture

At the heart of our organisational culture is **Community Inspired Leadership**. This is how we describe the way we work and our collective focus on delivering exceptional service that achieves Kingston's vision and meets community expectations.

Our organisation is guided by six values – **accountable, community centric, dynamic, future oriented, 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.

Building our culture and capacity

Internal learning programs provided ongoing professional development of our people. One of the areas of focus was a Leadership Development Program that supports and develops our leaders to be able to work and respond to the challenges of a changing city. Our programs focus on curiosity, connection and culture, to embed the learning from Kingston's Learning and Development in everyday work life. In addition, we offer staff a range of training on business systems, induction programs, health and wellbeing, compliance programs, plus equal opportunity and bullying.

Our people profile

As at 30 June 2017, Kingston employed 1,331 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.

Table 1 and 2 (Appendix 1) show the total number of Kingston employees is made up of 484 full-time, 461 part-time and 386 casual employees. Approximately 72 per cent of our workforce is female and 28 per cent male.

Our OHS performance

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

STRATEGIC PLANNING & REPORTING FRAMEWORK

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 2017-21 underpins and guides our work and actions.

Progress against the Council Plan is measured in quarterly Kingston Performance Reports and the Annual Report. The quarterly performance reports can be viewed on our website at **kingston.vic.gov.au**

Know Your Council

Know Your Council (based on 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.

For more information, and to compare Kingston to other Victorian councils, visit **knowyourcouncil.vic.gov.au**

About this report

This Annual Report describes Council's operations for the financial year from 1 July 2017 to 30 June 2018.

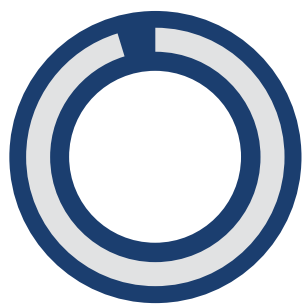
We present our services, achievements and indicators of success under the five goals in the Council Plan 2017-21. We also describe our major initiatives and capital works projects and report on Council's financial operations during the year in relation to the 2017/18 Budget.

The report includes the service performance indicators required by Know Your Council and other information required by legislation.

1 Our well-planned, liveable city supported by infrastructure to meet future needs



Council will ensure that careful planning is in place to prepare for, and respond to, an increasing population, to make sure land use is balanced sustainably. We'll also invest in building and maintaining high-quality assets and infrastructure to help our community function effectively.



Budget \$33.8M
Expenditure \$35.4M

Achievements and capital works highlights

- ▶ Completed our road renewal resurfacing, road renewal reconstruction, footpath renewal and drainage programs (\$10m).
- ▶ Completed the new Inner Harbour Public Jetty in Patterson Lakes.
- ▶ Won the 2018 Award of Excellence from the Institute of Public Works Engineering Australia for Council's Edithvale Recreation Reserve stormwater project.
- ▶ Moved planning and building applications online.
- ▶ Commenced engagement with the community to develop Kingston's Housing Strategy & Neighbourhood Character Strategy.
- ▶ Commenced development of an Affordable Housing Implementation Plan to increase the availability of affordable housing in Kingston.
- ▶ Improved Council-owned carparks through a renewal program.
- ▶ Ensured disability audit compliance through building upgrades.

Our services

Services are 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:

-  city assets and infrastructure maintenance
-  land use policy and planning
-  building consents and compliance
-  maintaining Council's buildings
-  managing Council's property portfolio
-  planning permits
-  planning, design and development of Council's buildings
-  strategic asset management and capital works planning

Our challenges

- ▶ Managing our assets to meet the demands of a growing population that expects high-quality services and sustainable infrastructure.
- ▶ 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 much-loved character of our neighbourhoods.

GOAL 1

CONTINUED

Performance measures

Council's achievement for Goal 1 of the Council Plan 2017-21 (year one) is detailed below:

Kilometres of footpath renewed

Target: 8.02km

2014/15	2015/16	2016/17	2017/18
12.55	6.27	9.07	6.41

The footpath program achieved 80 per cent of target at the end of the financial year. As a large percentage of the footpaths constructed in the 2017/18 financial year were in industrial areas, the standard needed to be higher including steel reinforcement and thicker concrete. The cost per square metre is higher than residential footpaths, resulting in fewer metres constructed than expected.

Source: Council reporting data

Community satisfaction: Council's general town planning policy

Target: Maintain or improve resident perception of performance

YEAR	2015	2016	2017	2018	Average
Kingston performance	57	52	56	50	54
Kingston importance	72	71	73	74	73
Metro performance	55	54	53	53	54
State-wide performance	54	52	53	54	53

Protecting the character of our neighbourhoods while accommodating new growth is a key challenge facing Kingston. To address local housing needs, location and design, Council is working with the community on a Housing Strategy and Neighbourhood Character Study to provide a long-term plan to manage housing growth within our city and assess the neighbourhood character in our residential areas.

Source: Local Government Community Satisfaction Survey 2018

Community satisfaction: Council's planning for population growth

Target: Maintain or improve resident perception of performance

YEAR	2015	2016	2017	2018	Average
Kingston performance	58	48	54	50	53
Kingston importance	74	72	77	77	75
Metro performance	54	51	51	50	52
State-wide performance	54	51	52	52	52

Community satisfaction with Council's planning for population growth remains in-line with the state and metropolitan results. Council is working closely with the community on a new Housing Strategy & Neighbourhood Character Study to help inform the application of the Residential Zones and to reinforce the community's desire to preserve the character of suburban areas while facilitating housing diversity.

Source: Local Government Community Satisfaction Survey 2018

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 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Service/indicator/measure					
Roads					
Satisfaction of use					
<i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	34.28	35.51	35.52	44.38	The rise in sealed road requests for 2017/18 is related to damage caused by service and utilities installation.
Condition					
<i>Sealed local roads maintained to condition standards</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	98.00%	98.77%	98.92%	96.18%	A road condition survey is conducted every three years. In 2017/18 a new survey was undertaken which showed 96.18% of our road network as being in good condition and above renewal intervention levels.
Service cost					
<i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$81.18	\$85.00	\$87.84	\$90.70	The cost of sealed local road reconstruction for 2017/18 is in line with expectations.
Service Cost					
<i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$20.59	\$19.28	\$19.55	\$27.32	The cost of sealed local road resealing is higher in 2017/18 due to a Council resurfacing program which included works in industrial areas requiring specific and more costly treatments.
Satisfaction					
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	68.00	67.00	67.00	69.00	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. Results vary year to year however, looking at the trends over the last four years, our results show an average score of 68% satisfaction. Kingston's result is in line with other metropolitan councils.

GOAL 1

CONTINUED

Local Government Performance Reporting Framework (continued)

Service Performance Indicators	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Service/indicator/measure					
Statutory Planning					
Timeliness					
<i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	85.00	93.00	101.00	105.00	The average time to decide planning applications increased slightly in 2017/18. The number, type and complexity of planning applications remains high, resulting in an increase in time taken to make decisions.
Service standard					
<i>Planning applications decided within required time frames</i> [(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	48.00%	53.94%	56.77%	45.26%	81% of VicSmart planning application decisions were made within the required 10 days, while 40% of the regular planning application decisions were made within 60 days. Council is working on a number of initiatives to reduce active planning applications, and continues to offer its planning consultation meetings; whilst this adds time to the process, it also results in a better outcome.
Service cost					
<i>Cost of statutory planning service</i> [Direct cost of the statutory planning service / Number of planning applications received]	\$2,648.11	\$2,733.93	\$2,706.31	\$2,885.90	The cost of the Statutory Planning service remains consistent and within budget.
Decision making					
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	63.00%	44.44%	35.71%	30.00%	Only 40 matters in total were put before VCAT in 2017/18, as a number were resolved prior through consent or at mediation. While these are reflected as decisions "not upheld", given agreement was reached in mediation by all parties, Council considers this to be a good outcome.

For more information, visit the Know Your Council website at knowyourcouncil.vic.gov.au.

Major initiatives

The following statement reviews Council's progress in relation to major initiatives identified in the 2017/18 Budget. Many of the initiatives are also Council's capital works projects.

Major Initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Footpath renewal program	\$0.7m	\$0.9m	Completed	<p>A total of 6.41km of Kingston's footpaths were renewed in 2017/18.</p> <p>Additional funds were added to the project to fill in missing sections of footpath in industrial areas.</p> <p>Grants: None</p> <p>Duration: Annual rolling program</p>
Road renewal – resurfacing program	\$1.7m	\$1.3m	Completed	<p>In 2017/18, 5.8km of roads were resurfaced, exceeding the annual 5km target and under budget, due to careful selection of treatments and favourable market rates.</p> <p>Grants: None</p> <p>Duration: Annual rolling program</p>
Road reconstruction program	\$4.3m	\$4.4m	Completed	<p>The 2017/18 road reconstruction program saw vital works completed at Old Wells Road, Patterson Lakes and Thames Promenade, Chelsea/Chelsea Heights.</p> <p>Grants: Funding for 2017/18 included a \$1.2m grant from the Australian Government's <i>Roads to Recovery</i> initiative.</p> <p>Duration: Annual rolling program.</p>
Flood mitigation drainage program	\$3.4m	\$3.4m	Completed	<p>Drainage improvement projects completed during 2017/18 included Stage 4 of Fraser Avenue in Edithvale, and improvements along McLeod Road, Westley Street, and Dahmen Street in Carrum. It also included Munro Avenue, Edithvale and the Nepean Highway service road near Thrift Park in Parkdale.</p> <p>Grants: \$85,000 from Melbourne Water for investigation into ongoing flood mapping.</p> <p>Duration: Annual rolling program.</p>

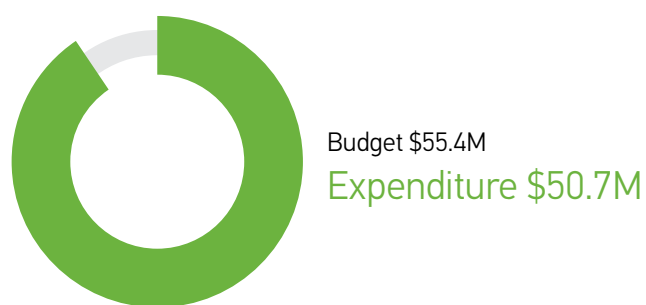
Other initiatives and actions

For a complete list of the initiatives and actions funded in the 2017/18 Budget and reported in the quarterly report, please visit kingston.vic.gov.au

2 Our sustainable green environment with accessible open spaces



We will provide quality public open spaces and sports fields while protecting and enhancing our natural environment including our green wedge and foreshore. We will be responsible environmental managers and custodians for future generations.









Achievements and capital works

- ▶ Delivered over \$15 million in sport and recreation improvements.
- ▶ Completed the Dales Park netball courts and carpark upgrade (\$2.1m).
- ▶ Carried out a landfill remediation program at five sites (\$0.6m).
- ▶ Remediated and protected the foreshore (\$2.2m).
- ▶ Improved our parks and open spaces (\$1.4m).
- ▶ Opened Bicentennial Skate Park.
- ▶ Utilised the Green Army program to revegetate the foreshore and parks while providing young people with industry skills and training.
- ▶ Adopted the Regents Park Masterplan.
- ▶ Completed Jack Grut pavilion (\$0.9m).
- ▶ Finished the Dahmen Street access ramp, providing disability access to Patterson River.
- ▶ Improved sports fields at Bonbeach Recreation Reserve, Walter Galt No 2, Heatherton and the Grange Reserve.
- ▶ Completed the Rowan Road Dingley netball change facilities.
- ▶ Developed a Waste Minimisation Strategy and a Waste Education Strategy.
- ▶ Delivered the Ben Kavanagh Reserve Pavilion Development (\$4.5m).
- ▶ Upgraded the GR Bricker athletics track (\$1.2m).

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:

-  bin collection and waste services
-  environment management and education
-  foreshore management and maintenance
-  planning and improving open space
-  maintaining open space
-  sports and recreation.

Our challenges

- ▶ Providing sufficient open space to meet the needs of a diverse and growing community.
- ▶ The increasing cost of processing recyclables collected from Kingston households following China's decision to increase its required standard of recyclable goods.

Performance measures

Council's achievement for Goal 2 of the Council Plan 2017-21 (year one) is detailed below:

Beach foreshore cleansing contract compliance

Target: 90%

2014/15	2015/16	2016/17	2017/18
96.75%	95.18%	94.40%	95.89%

This service has been consistently delivered above expectations during the year, with services delivered on time and within the required cleansing standards.

Source: Council reporting data (average)

Missed bins – domestic garbage, recycling and green waste

Target: 279 per 10,000 lifts

2014/15	2015/16	2016/17	2017/18
N/A	311	309	403

Council is working closely with the current collection contractor to reduce the number of missed bins. A new contractor has been appointed and will commence in late 2018.

Source: Council reporting data

Open space mowing contract compliance

Target: 90% average

2014/15	2015/16	2016/17	2017/18
96.10%	93.79%	93.48%	95.44%

Overall, the open space mowing service has continued to be delivered above the expected standards and specifications.

Source: Council reporting data (average)

Community satisfaction: environmental sustainability

Target: Maintain or improve resident perception of performance

YEAR	2015	2016	2017	2018	Average
Kingston performance	65	65	62	63	64
Kingston importance	75	75	74	74	75
Metro performance	65	64	64	64	64
State-wide performance	64	63	64	63	64

Satisfaction with Kingston's environmental sustainability increased slightly in 2017/18. Council continues to prioritise sustainability in a range of ways, including reducing energy usage through the energy efficient streetlights program as well as reducing the use of paper as we transition to online forms and documents.

Source: Local Government Community Satisfaction Survey 2018

GOAL 2

CONTINUED

Performance measures (continued)

Community satisfaction: recreational facilities

Target: Maintain or improve resident perception of performance

YEAR	2015	2016	2017	2018	Average
Kingston performance	75	71	76	73	74
Kingston importance	71	71	74	72	72
Metro performance	74	73	73	74	74
State-wide performance	70	69	70	69	70

Satisfaction with recreational facilities is above the state average and in line with the metropolitan average as indicated by the popularity of our parks, open spaces and sports facilities.

Source: Local Government Community Satisfaction Survey 2018

Community satisfaction: the appearance of public areas

Target: Maintain or improve resident perception of performance

YEAR	2015	2016	2017	2018	Average
Kingston performance	74	73	75	72	74
Kingston importance	73	73	75	72	73
Metro performance	73	72	72	73	73
State-wide performance	72	71	71	71	71

Recent works to improve public areas include landscaping at Southern Road Reserve (with shelter, BBQ and new playground), Peter Scullin Reserve (with new BBQs and ping pong table), the new Bicentennial Skate Park and Spring Road Reserve.

Source: Local Government Community Satisfaction Survey 2018

Street and park trees planted for the financial year

Target: 2,400 trees

2014/15	2015/16	2016/17	2017/18
3,164	2,774	2,643	2,149

Between October to December 2017, 1,825 trees were planted on Kingston's streets, with a further 324 trees planted in parks. This year, more understory/groundcovers were also planted to improve parks, however a shortage of grafted stock from suppliers meant fewer street trees were planted than usual.

Source: Council reporting data

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 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Service/indicator/measure					
Waste Collection					
Satisfaction					
<i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	112.25	128.76	130.48	139.34	The number of bin requests increased slightly in 2017/18. Missed bins were collected within 24 hours. Council is now actively working with the collection contractor to reduce requests.
Service standard					
<i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	5.85	6.62	6.10	7.97	There has been a slight increase in 2017/18. Council has worked closely with the collection contractor to reduce this figure.
Service cost					
<i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$94.34	\$97.34	\$99.34	\$96.42	Costs have slightly reduced and remain within budget.
Service Cost					
<i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$13.60	\$13.67	\$14.16	\$19.05	The increase in 2017/18 is a result of the costs incurred by Council due to the recent recycling crisis in China.
Waste diversion					
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	50.00%	48.85%	50.09%	50.85%	Waste diversion from landfill remains at a consistent percentage. Education programs targeting recycling will continue to improve this result.

For more information, visit the Know Your Council website at knowyourcouncil.vic.gov.au

GOAL 2

CONTINUED

Major initiatives

The following table reviews Council's progress in relation to major initiatives identified in the 2017/18 Budget. Some major initiatives are also Council's major capital works projects.

Major Initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Elder Street park and trail construction	\$1.0m	\$0.9m	Delayed	<p>Remediation of this former landfill site for public use has been delayed due to EPA requirements to cap the landfill prior to park construction and landscaping. Council is working with the contractor to complete this stage.</p> <p>Grants: None</p> <p>Duration: 2016/17 – 2018/19</p>
Ben Kavanagh Reserve Pavilion development	\$3.0m	\$4.5m	Complete	<p>The facility has been in full use since May 2018, with an improved pavilion and female-friendly facilities to meet the needs of junior and senior football and cricket teams.</p> <p>The increase in spending was due to issues with site contamination discovered during the carpark construction. This added approximately \$450,000 to the cost, along with \$250,000 of building contract variations. After reviewing the scope of the project, the initial budget was increased by \$800,000.</p> <p>Grants: Mordialloc Sporting Club contribution of \$230,000 over the project.</p> <p>Duration: 2014/15 – 2017/18</p>
Dales Park Masterplan implementation	\$1.6m	\$2.1m	Complete	<p>The upgrade of the netball courts and carpark was completed in March 2018.</p> <p>Additional funding was allocated to the budget due to a carryover from the previous year.</p> <p>Grants: None</p> <p>Duration: 2017/18</p>
GR Bricker athletics track upgrade	\$1.1m	\$1.2m	Complete	<p>Track works have been completed and it has been reactivated for community use with a new, modern rubber surface, which will benefit up to 250 junior athletes from the Moorabbin Little Athletics Club.</p> <p>Grants: Department of Health Sport and Recreation Victoria grant – not received this year but Council will claim the \$210,000 in 2018/19.</p> <p>Duration: 2016/17 – 2017/18.</p>
Energy efficient street light fitting replacement	\$2.9m	\$2.3m	In progress	<p>Installation of street lights commenced in February 2018 and will be completed by September 2018. The energy efficient lighting will result in significant savings in energy costs and maintenance per annum.</p> <p>Grants: None</p> <p>Duration: 2015/16 – 2017/18</p>

Major Initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Gerry Green Pavilion development	\$1.4m	\$1.3m	In progress	<p>The tender was awarded in August 2017 with demolition work commencing in October 2017. The building is due for completion in late 2018. This combined new cricket / AFL pavilion will include female-friendly facilities, universal access and modern amenities.</p> <p>Grants: Department of Health Sport and Recreation Victoria grant of \$575,000.</p> <p>Duration: 2017/18 – 2018/19</p>
Edithvale Lifesaving Club redevelopment	\$1.6m	\$0.2m	Delayed	<p>Council approved a planning permit for the new building in June 2018, with works expected to commence in October 2018.</p> <p>The underspend is due to the Department of Environment, Land, Water and Planning objecting to the design of the building and withholding approval under the <i>Coastal Management Act</i>, which caused a delay of approximately 10 months.</p> <p>Grants: Lifesaving Victoria grant of \$750,000. First payment delayed – will be received next year.</p> <p>Duration: 2017-19.</p>

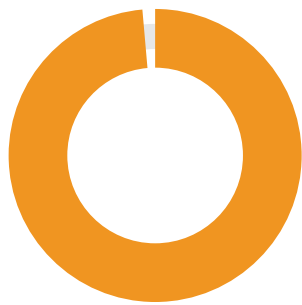
Other initiatives and actions

For a complete list of the initiatives and actions funded in the 2017/18 Budget and reported in the quarterly report, please visit kingston.vic.gov.au

3 Our connected, inclusive, healthy and learning community



Kingston is home to a number of different communities across all ages and backgrounds. Our focus is to bring people together to strengthen our sense of community, celebrate diversity and build quality of life. Education and continual learning is a key focus.



Budget \$63.4M
Expenditure \$62.7M

Achievements and capital works

- ▶ Opened the new Westall Community Hub (\$9m over the project).
- ▶ Distributed community grants to support community groups (\$1.4m).
- ▶ Opened the Derrimut Weelam Gathering Place, co-located with the Mordialloc Life Saving Club.
- ▶ Provided courses at Kingston Libraries on e-learning for seniors with libraries accredited as 'e-smart libraries'.
- ▶ Commenced development of the Family Violence Prevention Action Plan and established a Prevention of Violence Against Women Working Group.
- ▶ Prepared eligible residents for the transition to the National Disability Insurance Scheme (NDIS).
- ▶ Constructed an accessible Changing Places toilet at Westall Hub to provide support for people with disabilities and upgraded existing toilets.
- ▶ Consulted with the community on stage one of the Dingley Village Neighbourhood House renewal project.
- ▶ Upgraded the Kingston City Hall forecourt (\$0.4m).
- ▶ Expanded the provision of the flu vaccine to children between 6 months to 6 years.
- ▶ Refurbished the Rene Anderson Complex (\$0.8m).
- ▶ Redeveloped the Chelsea Heights Kindergarten (\$1m).
- ▶ Purchased new books for Kingston's many libraries (\$1m).

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 support
-  children's services partnerships
-  community centres
-  community grants
-  community transport
-  family and children's centres
-  family day care
-  festivals and events
-  homelessness support
-  in-home support
-  leisure and aquatic centres
-  libraries
-  maternal and child health and immunisation
-  outside school hours programs
-  social development and planning
-  youth and family services.

Our challenges

- ▶ Meeting the needs of a diverse community.
- ▶ Working to prevent family violence in our community and support those affected.
- ▶ Supporting the health and wellbeing of vulnerable members of our community.

Performance measures

Council's achievement for Goal 3 of the Council Plan 2017-21 (year one) is detailed below:

Target: Increase the number of compliant buildings

Buildings compliant with Disability Standards 2010

2014/15	2015/16	2016/17	2017/18
13	17	21	27

The number of Council buildings that meet the Disability (Access to Premises – buildings) Standards 2010 under the *Disability Discrimination Act* (DDA) has steadily increased.

Source: Council reporting data

Target: 80%

Community satisfaction with Kingston-delivered major festivals

2014/15	2015/16	2016/17	2017/18
92.5%	65%	61.5%	81.7%

Both Mordialloc Food, Wine & Music Festival and Carols by Kingston received positive feedback and had strong attendance figures. Mixed feedback was received from those who attended Beats & Eats in Carrum regarding the location, the size of the site and the number of vendors.

Source: Council reporting data

Target: 93.20%

Council's childcare centres utilisation rate (excluding sessional Kinder)

2014/15	2015/16	2016/17	2017/18
N/A*	N/A*	94.37%	97.79%

Use of Council's childcare centres has increased significantly over the past year, following improvements to service delivery.

*Data not available for this year.

Source: Council reporting data (average)

Target: Maintain or improve resident perception of performance

Community satisfaction: disadvantaged support services

YEAR	2015	2016	2017	2018	Average
Kingston performance	64	62	64	62	63
Kingston importance	75	74	73	75	74
Metro performance	63	62	62	61	62
State-wide performance	62	61	62	62	62

Resident satisfaction with support services for disadvantaged people is similar to previous years and in line with metropolitan and state results.

Source: Local Government Community Satisfaction Survey 2018

GOAL 3

CONTINUED

Performance measures (continued)

Community satisfaction: elderly support services

Target: Maintain or improve resident perception of performance

YEAR	2015	2016	2017	2018	Average
Kingston performance	69	66	68	67	68
Kingston importance	80	77	79	80	79
Metro performance	69	69	67	67	68
State-wide performance	69	68	68	68	68

This measure includes services for elderly people plus their carers and families, such as Meals on Wheels and home help. Satisfaction with Kingston's performance is similar to previous years.

Source: Local Government Community Satisfaction Survey 2018

Community satisfaction: family support services

Target: Maintain or improve resident perception of performance

YEAR	2015	2016	2017	2018	Average
Kingston performance	69	68	70	68	69
Kingston importance	76	75	74	74	75
Metro performance	68	69	68	68	68
State-wide performance	67	66	67	66	67

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 remains in line with the state and metropolitan results.

Source: Local Government Community Satisfaction Survey 2018

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 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Service/indicator/measure					
Aquatic Facilities					
Satisfaction					
<i>User satisfaction with aquatic facilities (optional)</i> [User satisfaction with how council has performed on provision of aquatic facilities]	0.00	0.00	0.00	0.00	Optional measure – not applicable.
Service standard					
<i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	3.00	2.00	2.50	0.00	While there were no inspections conducted during the 2017/18 reporting period, pool sampling was completed by the end of July.
Health and Safety					
<i>Reportable safety incidents at aquatic facilities</i> [Number of WorkSafe reportable aquatic facility safety incidents]	0.00	0.00	0.00	1.00	There was one incident reported to Worksafe.
Service Cost					
<i>Cost of indoor aquatic facilities</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$1.29	\$1.41	\$1.22	\$1.04	The cost of indoor facilities continues to reduce based on increasing attendances.
Service Cost					
<i>Cost of outdoor aquatic facilities</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$0.00	\$0.00	\$0.00	\$0.00	Kingston has no outdoor aquatic facilities.
Utilisation					
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	5.01	4.33	4.55	5.49	Utilisation continues to improve at Kingston's two centres due to increasing membership sales and swim school enrolments.

GOAL 3

CONTINUED

Local Government Performance Reporting Framework (continued)

Service Performance Indicators	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Service/indicator/measure					
Home and Community Care (HACC)					
Timeliness					
<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]	0.00	35.35	Reporting ceased 1 July 2016	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 standard					
<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	61.00%	61.11%	Reporting ceased 1 July 2016	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 cost					
<i>Cost of domestic care service</i> [Cost of the domestic care service / Hours of domestic care service provided]	\$0.00	\$53.14	Reporting ceased 1 July 2016	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 cost					
<i>Cost of personal care service</i> [Cost of the personal care service / Hours of personal care service provided]	\$0.00	\$52.35	Reporting ceased 1 July 2016	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 cost					
<i>Cost of respite care service</i> [Cost of the respite care service / Hours of respite care service provided]	0.00	41.25	Reporting ceased 1 July 2016	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					
<i>Participation in HACC service</i> [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 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					
<i>Participation in HACC service by CALD people</i> [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 ceased 1 July 2016	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					
Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Libraries					
Utilisation					
<i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	4.69	4.46	4.20	4.03	Council libraries continue to make over one million loans annually, with the library collection slightly higher than last year. However, loans per item has fallen each year and reflects the changing role of libraries in the community.
Resource standard					
<i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	67.00%	60.70%	58.83%	60.51%	The library collections continue to go through a cycle of renewal and replacement.
Service cost					
<i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$8.15	\$8.61	\$8.54	\$7.52	Library costs per visit have decreased slightly in 2017/18. Libraries have seen an increase in the number of visits this year. The opening of a new library at Westall has contributed to this increase in numbers.
Participation					
<i>Active library members</i> [Number of active library members / Municipal population] x100	17.00%	17.81%	16.88%	17.16%	There was a slight increase in active library members in 2017/18. The opening of a new library at Westall has contributed to this increase in active members.

GOAL 3

CONTINUED

Local Government Performance Reporting Framework (continued)

Service Performance Indicators	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Service/indicator/measure					
Maternal and Child Health (MCH)					
Satisfaction					
<i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	99.00%	102.68%	103.03%	102.56%	Kingston MCH continues to have a very high participation rate in the early key ages and stages visits.
Service standard					
<i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	98.00%	100.00%	100.00%	100.00%	There has been a slight drop in the number of babies born in the last financial year, however enrolments in MCH service remain high.
Service cost					
<i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses]	\$0.00	\$84.52	\$84.99	\$87.88	This result is consistent with expectations.
Participation					
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	77.00%	78.59%	78.12%	77.56%	The participation rate is consistent with last year. 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					
<i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	85.00%	75.56%	71.21%	64.52%	The participation rate is down from last year. 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

Major initiatives

The following table reviews Council's progress in relation to major initiatives identified in the 2017/18 Budget. Some major initiatives are also Council's major capital works projects.

Major Initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Build accessible Changing Places for people with a disability and upgrade existing toilets	\$0.8m	\$0.6m	Complete	<p>A Changing Places toilet was installed in the Westall Hub and another at the Riding for the Disabled Centre in Moorabbin. A further project is under design for Bicentennial Park Playground for installation in 2018/19.</p> <p>Grants: None</p> <p>Duration: Rolling program</p>
Rene Anderson former pre-school refurbishment	\$0.9m	\$0.8m	Complete	<p>Works completed in June 2018 (apart from some minor final items) with the facility reopened in readiness for term three.</p> <p>Grants: None</p> <p>Duration: 2017–21</p>
Chelsea Heights Kindergarten	\$0.8m	\$1.0m	Complete	<p>Refurbishment and extension of the existing kindergarten building to include environmentally sustainable design principles was completed ahead of schedule in June 2018, with the kindergarten reopening for term three.</p> <p>Because the work was completed early, \$100,000 was brought forward from 2018/19. Contract variations led to an extra cost of around \$100,000.</p> <p>Grants: \$350,000 from the Victorian Department of Education.</p> <p>Duration: 2017/18 – 2018/19</p>
Westall Community Hub	\$0.5m	\$0.5m	Complete	<p>The \$9m Westall Community Hub was opened to the public in October 2017 and provides a library, early years child care, maternal and child health facilities and community spaces.</p> <p>Grants: None</p> <p>Duration: 2015/16 – 2017/18</p>

Other initiatives and actions

For a complete list of the initiatives and actions funded in the 2017/18 Budget and reported in the quarterly report, please visit kingston.vic.gov.au

4 Our free-moving, safe, prosperous and dynamic city



We will ensure Kingston remains a smart, creative and progressive city with well-planned, functional and attractive urban centres and hubs. Council will continue to foster a strong local economy by supporting our local business community which provides valuable jobs for residents. We will also provide traffic management and parking solutions and accessible and alternative means of transport including cycle routes.



Budget \$21.6M


Expenditure \$18.3M

Achievements and capital works highlights

- ▶ Traffic management programs (\$3m).
- ▶ Improvements to the East-West bike and walking trails.
- ▶ Completed the Spring Road Reserve Masterplan with a designated dog off-lead area in the park.
- ▶ Adopted the *Cheltenham Structure Plan Review* and the *Mentone Station and Gardens Urban Design Framework*.
- ▶ Led a crackdown on illegal brothels operating in Kingston and advocated for Victorian Government action.
- ▶ Completed the traffic signal installation at Governor Road/ Burdekin Boulevard, Waterways, St Laura Street and Station Street, Aspendale, and started work on signals near Parkdale Hub.
- ▶ Facilitated increased usage of the Kingston Jobs Portal, delivered business education events and developed the *Kingston Economic Profile*.
- ▶ Adopted the *Emergency Management Policy and Action Plan*.
- ▶ Implemented the *Kingston Road Safety Strategy* with active travel programs in primary schools and a Mandarin language version of the *Wiser Driver* road safety program for seniors.

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:

-  animal management and local laws
-  arts and cultural services
-  food safety regulation and health
-  local jobs growth and retention
-  municipal emergency management
-  parking enforcement
-  road safety
-  street lighting maintenance
-  transport planning and traffic engineering
-  urban area transformation.

Our challenges

- ▶ Advocating for improved public transport and encouraging active transport such as walking and cycling.
- ▶ Investigating how Council can address parking considerations with new developments.
- ▶ Supporting local businesses during the Victorian Government works to remove level crossings.

Performance measures

Council's achievement for Goal 4 of the Council Plan 2017-21 (year one) is detailed below:

Attendances at Kingston Arts events

Target: Increase in attendances

2014/15	2015/16	2016/17	2017/18
19,480	12,899	N/A*	14,726

Improvements to the Kingston City Hall foyer and forecourt required a temporary reduction in the number of exhibitions and performing arts events, during the renovations.

*No data available for this year.

Source: Council reporting data

Satisfaction of participants at business education initiatives

Target: 90%

2014/15	2015/16	2016/17	2017/18
99.50%	97.75%	98.75%	96.25%

The average rating from participants at business education initiatives held during the year was 'very high' to 'excellent'.

Source: Council reporting data

Community satisfaction: Enforcement of local laws

Target: Maintain or improve resident perception of performance

YEAR	2015	2016	2017	2018	Average
Kingston performance	67	64	65	65	65
Kingston importance	72	68	74	71	71
Metro performance	66	64	64	64	65
State-wide performance	66	63	64	64	64

Council continues to educate its community about our local laws and enforce them when required. Kingston's performance in this measure is in line with metropolitan and state results.

Source: Local Government Community Satisfaction Survey 2018

Community satisfaction: Performance in parking facilities

Target: Maintain or improve resident perception of performance

YEAR	2015	2016	2017	2018	Average
Kingston performance	60	57	57	55	57
Kingston importance	72	72	72	74	73
Metro performance	55	54	53	55	54
State-wide performance	57	56	55	56	56

Community satisfaction with parking facilities is similar to the metropolitan and state results, with a higher 4-year average.

Source: Local Government Community Satisfaction Survey 2018

Community satisfaction: Performance in traffic management

Target: Maintain or improve resident perception of performance

YEAR	2015	2016	2017	2018	Average
Kingston performance	64	56	56	58	59
Kingston importance	74	74	78	75	75
Metro performance	57	56	56	57	57
State-wide performance	60	59	59	57	59

Community satisfaction with traffic management increased slightly in 2018 and remains in-line with state and metropolitan results.

Source: Local Government Community Satisfaction Survey 2018

GOAL 4

CONTINUED

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 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Service/indicator/measure					
Animal Management					
Timeliness					
<i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	0.00	1.58	1.66	1.73	Council officers continue to respond to complaints within timeframes, ensuring risks are managed appropriately.
Service standard					
<i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100	69.00%	69.07%	55.93%	60.98%	The number of animals reclaimed has improved in 2017/18 due to an increase in the number of cats being reunited with their owners. 100% of registered dogs impounded for being at large were reunited with their owners. Kingston continues its environmental program of pro-actively trapping stray or feral cats.
Service cost					
<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$31.99	\$26.66	\$46.22	\$44.21	The cost of animal services is inline with expectations. The cost of animal services will continue to be under upward pressure due to substantial pound service fee increases.
Health and safety					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	23.00	17.00	11.00	13.00	Council officers proactively resolve animal-related issues directly with those involved, reducing the number of cases prosecuted in the magistrates court.

Service Performance Indicators					
Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Food Safety					
Timeliness					
<i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	0.00	1.49	1.61	1.73	The average response rate of 1.7 days is consistent with previous years and continues to demonstrate that officers endeavour to action all food related complaints as a priority to ensure risks are managed appropriately.
Service standard					
<i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the <i>Food Act 1984</i>] x100	100.00%	100.00%	99.90%	99.90%	For the 2017 statutory period, one business was not inspected as they were closed during several attempted visits.
Service cost					
<i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>]	\$294.00	\$255.48	\$269.19	\$270.14	The cost of the food safety service for 2017/18 is in line with expectations. The number of food businesses and "Streatraders" continues to increase.
Health and safety					
<i>Critical and major non-compliance outcome notifications</i> [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%	98.96%	Major and critical non-compliances continue to be treated as a priority. Environmental Health Officers ensure that any high risk issues identified during the assessments are attended to immediately and action taken to remove or reduce the risk. The two non-compliance outcomes remaining at the end of the 2017 calendar year were followed up in 2018.

For more information, visit the Know Your Council website at knowyourcouncil.vic.gov.au

GOAL 4

CONTINUED

Major initiatives

The following table reviews Council's progress in relation to major initiatives identified in the 2017/18 Budget. Some major initiatives are also Council's major capital works projects.

Major Initiatives	Budget (\$)	Actual (\$)	Progress	Comment
Bay Trail shared path implementation	\$1.6m	\$0.2m	Delayed	<p>Following <i>Coastal Management Act</i> consent and Public Transport Victoria approval, VicRoads has approved the detailed design in-principle, pending minor changes. A tender process has commenced for the works.</p> <p>However, Council's notice of decision for the Planning Permit to remove vegetation and modify vehicle crossovers has been challenged at VCAT, with a hearing set for July 2018. Consequently, award of the contract is on hold pending the VCAT outcome.</p> <p>The project has been carried over to 2018/19.</p> <p>Grants: None</p> <p>Duration: 2017-19</p>
Traffic management program	\$1.7m	\$3m	Completed	<p>Ongoing works include improvements in local area traffic management including parking upgrades, speed humps, roundabouts, signals and school crossings.</p> <p>An increased amount was spent following the receipt of two significant grants.</p> <p>Grants: \$480,000 from VicRoads and \$1.3m from the Waterways developer for the signalisation of Burdekin and Governor Roads.</p> <p>Duration: Annual rolling program</p>
Vibrant active urban centres	\$1.6m	\$0.4m	Delayed	<p>The Cheltenham Structure Plan review has been completed with an urban design framework prepared for Mentone Station and Gardens Precinct to guide investment and public realm improvement. Consultants are preparing concept plans for the Mentone Renaissance project including the Mentone Piazza and footpath extension on Mentone Parade.</p> <p>The Mentone Renaissance project is delayed until the privately developed Triangle project is completed.</p> <p>Funds will be carried over to 2018/19.</p> <p>Grants: None</p> <p>Duration: 2017-19</p>
Linking Karkarook Park to Clayton Road	\$1.3m	\$0.8m	In progress	<p>Council is negotiating with a landowner to purchase a sliver of land for the final path alignment. This project is fully funded from the Green Wedge fund and the bulk of the funds will be carried over to 2018/19.</p> <p>Grants: None</p> <p>Duration: 2017-22</p>

Other initiatives and actions

For a complete list of the initiatives and actions funded in the 2017/18 Budget and reported in the quarterly report, please visit kingston.vic.gov.au

5 Our well-governed and responsive organisation



Our organisation will focus on governing Kingston in a way that is well-informed, responsive, accountable, transparent and efficient. We will also provide responsible stewardship of the community's resources and ensure our community facilities are well-managed to promote liveability.



Budget \$67.2M
Expenditure \$64.9M

Achievements and capital works highlights

- ▶ Maintaining Council's strong financial position.
- ▶ In conjunction with a representative sample of the Kingston community, a new Council Customer Commitment was developed and implemented to help the organisation deliver a better experience for the Kingston community.
- ▶ Established a Customer Advocate position to strengthen the customer voice in the organisation.
- ▶ Consulted residents about Council rates to inform the Rating Strategy 2018/19.
- ▶ Lobbied the Victorian Government on matters affecting residents including the removal of seven level crossings within Kingston, new sports fields in Kingston's north and the Australia-China recycling crisis.
- ▶ Completed the development of the Kingston Business Continuity Plan.
- ▶ Supported the development of a Junior Council in conjunction with Chelsea Rotary Club.
- ▶ Planned and designed the new Council Depot (\$0.2m).

Our services

To be an effective voice on behalf of our community and a well-governed organisation, Council provides a range of services including:

- financial management
- health, safety and wellbeing
- accounting and depreciation
- customer service
- communications and community relations
- contract, purchasing, fleet and insurance
- council governance and administration
- human resources management
- property rating and collection services
- provision of information technology services.

Our challenges

Many things the community is justifiably concerned about are outside Council's direct control (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.

We continue to face a challenge in providing the range and quality of services expected by our community when the Victorian Government's rate capping constrains the ability to pay for those services.

GOAL 5

CONTINUED

Performance measures

Council's achievement for Goal 5 of the Council Plan 2017-21 (year one) is detailed below:

First point of call contact resolution year to date

Target: 80%

2014/15	2015/16	2016/17	2017/18
N/A*	80%	84.5%	85.5%

The Customer Care team continues to respond to customer queries efficiently by answering a high proportion of phone queries in a single call, without transferring the call to other staff within the organisation.

Source: Council reporting data

* No data available for this year

Target: Less than 30 per
1 million hours per year

Lost time injury frequency rate

2014/15	2015/16	2016/17	2017/18
N/A*	N/A*	N/A*	20.56

The rate of lost time injuries reflects Council's strong commitment to OH&S education and providing a safe workplace.

* Council has aligned its definition of lost time injuries with the Australian Standards, resulting in previous years' data not being comparable.

Source: Council reporting data

Target: Maintain or improve
resident perception of
performance

Community satisfaction: Lobbying on behalf of the community

YEAR	2015	2016	2017	2018	Average
Kingston performance	59	55	59	53	57
Kingston importance	68	66	70	67	68
Metro performance	58	56	56	56	57
State-wide performance	55	53	54	54	54

Lobbying includes making representations to state and federal governments and other organisations on key issues that affect the local community. Although community satisfaction with Kingston's performance has dropped recently, Council's lobbying is not always apparent to residents, so we are working to be more transparent in our lobbying activities.

Source: Local Government Community Satisfaction Survey 2018

Local Government Performance Reporting Framework

The Victorian Government's compulsory service measures for all Victorian councils relevant to Goal 5 are shown below.

Service Performance Indicators	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Service/indicator/measure					
Governance					
Transparency					
<i>Council decisions made at meetings closed to the public</i> [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	5.34%	8.04%	5.99%	4.51%	The number of matters considered at closed meetings is minimal and reflects Council's commitment to transparent decision making.
Consultation and engagement					
<i>Satisfaction with community consultation and engagement</i> Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	60.00	55.00	59.00	54.00	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. Results vary year to year however, looking at the trends over the last four years, our results show an average score of 57% satisfaction which is in line with the other metropolitan councils. Kingston remains committed to continuing to explore and trial ways to improve consultation with the broader community.
Attendance					
<i>Councillor attendance at council meetings</i> [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%	95.45%	Councillor attendance continues to be high with 95.5% attendance and apologies accepted by the meeting for any instances of non-attendance.
Service Cost					
<i>Cost of governance</i> [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$50,034.11	\$51,526.11	\$50,700.44	\$52,442.56	Expenditure is in line with budget. Cost of governance (per Councillor) includes allowances, communication costs and professional development.
Satisfaction					
<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	53.00	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. Results vary year to year however, looking at the trends over the last four years, our results show an average score of 57% satisfaction which is in line with the other metropolitan councils.

GOAL 5

CONTINUED

Major initiatives

Major Initiatives	Budget (\$)	Actual (\$)	Progress	Comment
New Depot	\$3m	\$0.2m	In progress	<p>The project includes land purchase, building works and fit-out of offices and sheds for a new depot as part of relocating the Parks Department from the current Industrial Drive site.</p> <p>Design and planning for this complex project was progressed during the year.</p> <p>The allocated budget was not spent because the land purchase will occur in 2018/19 and the funds will be carried forward.</p> <p>Grants: None Duration: 2017-20</p>
Information management program	\$1.8m	\$0.9m	In progress	<p>This project to upgrade existing and new IT systems to enhance customer service and the efficiency of Council operations was underspent by \$430,000 due to the library system tender awaiting approval. This sum will be carried forward to 2018/19.</p> <p>For the desktop fleet renewal, the year was spent assessing hardware needs prior to developing a tender and the new fleet will be purchased in 2018/19 with the funds carried over.</p> <p>Grants: None Duration: 2017-19</p>

Other initiatives and actions

To view the performance of the initiatives and actions funded in the 2017/18 Budget and reported in the quarterly report, please visit kingston.vic.gov.au

GOVERNANCE

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

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.

Council and committee meetings

Kingston's Ordinary Meetings of Council are usually held on the fourth Monday of each month and Planning Committee Meetings are held on the third Wednesday of each month 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. Less than 5% of decisions made by Council were during closed meetings, below the average for all Victorian councils.

In 2017/18, there were 12 Ordinary Meetings of Council and eight 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 2017/18, there were ten Special Meetings of Council.

GOVERNANCE

CONTINUED

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
Current Councillors			
Cr Tamara Barth	12/12	9/10	7/8
Cr Tamsin Bearsley	12/12	10/10	6/8
Cr Ron Brownlees OAM	11/12	10/10	8/8
Cr David Eden	12/12	9/10	7/8
Cr Geoff Gledhill	12/12	9/10	8/8
Cr Georgina Oxley	12/12	10/10	8/8
Cr George Hua	11/12	7/10	7/8
Cr Steve Staikos	12/12	9/10	8/8
Cr Rosemary West OAM	12/12	10/10	8/8

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.

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. The Mayor's role also includes providing leadership, promoting positive relationships and modelling good governance. Cr David Eden served as Mayor until 15 November 2017. Cr Steve Staikos was elected as Mayor on 15 November 2017 for a one-year term.

Cr Georgina Oxley was elected as Kingston's Deputy Mayor on 15 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.

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. 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 are 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 Staikos, Cr Gledhill
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	Mayor Cr Staikos
Public Spaces and Environment	Cr West
Sport and Recreation	Cr Gledhill, Cr Oxley, Mayor Cr Staikos
Youth	Cr Eden, Cr Oxley
Consultative Committees	2017 Appointee
LF Payne Hall Usage Committee	Cr Eden, Cr Bearsley, Cr Oxley
Kingston Charitable Fund (KCF) Community Grants Panel	Mayor Cr Staikos, Cr Oxley
Kingston Interfaith Network	Cr Bearsley
Kingston Historic Network	Cr Gledhill, Cr West (alternate)
External committees/organisations	2017 Appointee
Association of Bayside Municipalities	Cr West, Cr Gledhill (alternate)
Friends of Manatuto Committee	Mayor Cr Staikos, Cr West (alternate)
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 Staikos
Metropolitan Transport Forum	Cr Gledhill, Cr West (alternate)
Moorabbin Airport Consultative Committee	Cr Hua, Cr West
Municipal Association of Victoria	Mayor Cr Staikos
Municipal Association of Victoria Strategic Environment Advisory Group	Cr West
Municipal Association of Victoria Planning Committee	Cr West
Victorian Local Governance Association	Mayor Cr Staikos

GOVERNANCE

CONTINUED

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%, which took effect on 1 December 2017. The annual allowance for the Mayor is \$90,621.83 and for Councillors is \$30,207.28 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.

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 2017/18

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	\$32,807	\$2,703					\$26
Cr Tamsin Bearsley	\$32,807	\$2,395					\$127
Cr Ron Brownlees OAM	\$32,807	\$600					
Cr David Eden (Mayor to 15/11/17)	\$57,128	\$2,216					\$219
Cr Geoff Gledhill	\$32,807	\$2,455				\$591	
Cr George Hua	\$32,807	\$1,397	\$146			\$60	\$68
Cr Georgina Oxley	\$32,807	\$1,924					\$26
Cr Steve Staikos (Mayor from 15/11/17)	\$90,313	\$2,373	\$447	\$559		\$2,904	\$99
Cr Rosemary West OAM	\$32,807	\$1,718	\$524			\$200	

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 2017/18

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
1 Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Current policy in operation: 23/3/2015 & 18/9/2012 ✓
2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation: 18/9/2012 ✓
3 Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Plan adopted in accordance with section 126 of the Act: 25/6/2018 ✓
4 Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with section 130 of the Act: 25/6/2018 ✓
5 Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Current plans in operation: Asset Management Policy and Strategy adopted by Council 26/2/2018 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 25/6/2018 ✓
6 Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	The Rating Strategy is Section 7 of the Annual Budget 2018/19. Current strategy in operation: 25/6/2018 ✓
7 Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation: 24/08/2016 ✓
8 Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation: 4/10/2016 ✓
9 Municipal emergency management plan (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: 19/02/2014 ✓
10 Procurement policy (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: 25/6/2018 ✓

Governance and Management Checklist 2017/18

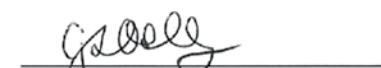
Column 1 Governance and Management Item	Column 2 Assessment
11 Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation: 30/5/2018 ✓
12 Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation: 1/4/2015 ✓
13 Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation: 8/07/2016 ✓
14 Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	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 23/04/2018. Committee established in accordance with section 139 of the Act: 1/01/1997 ✓
15 Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged: 1/07/2013 and current contract expires 30/6/2019. ✓
16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Current framework in operation: 1/5/2018 ✓
17 Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Council reports: Council Plan 2017-21 performance reports: Q1 2017/18 - 27/11/2017; Q2 2017/18 - 26/2/2018; Q3 2017/18 - 28/5/2018 ✓
18 Financial reporting (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 2017 – 27/11/2017; December 2017 - 26/2/2018; March 2018 - 28/5/2018; ✓
19 Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports prepared and presented: Strategic & Operational Risk Update 4/12/2017 & 18/6/2018 ✓

Governance and Management Checklist 2017/18

Column 1 Governance and Management Item	Column 2 Assessment
20 Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Reports prepared and presented: ✓ Report to CIS and Audit Committee - LGPRF Half year update 2017/18 and review of targets – service performance, sustainable capacity and financial Quarterly Performance Report and Financial Statements December 2017 - 26/2/2018; Monthly Top Corporate KPIs
21 Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	2016/17 Annual report considered at a meeting of Council in accordance with section 134 of the Act: 23/10/2017. ✓
22 Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of Conduct reviewed in accordance with section 76C of the Act: 13/02/2017 ✓ Amended Code of Conduct adopted 26/6/2017.
23 Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 98(6) of the Act: ✓ Instrument of Delegation by Council to CEO 25/9/2017; Instrument of Delegation by Council to Staff 25/6/2017
24 Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act: 24/7/2017 ✓

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


John Nevins
 Chief Executive Officer
 Dated: 28 August 2018


Cr Georgina Oxley
 Acting Mayor
 Dated: 28 August 2018

GOVERNANCE

CONTINUED

Corporate governance

Chief Executive Officer (CEO) and delegations

City of 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**
- ▶ 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 2017/18, Council's response to the Best Value Principles included:

- ▶ Quality and cost standards demonstrated and reported in Council's internal financial reporting, quarterly reports, and the Annual Report. Council's rigorous approach to tendering for major services and works provides the community with the best value for money.
- ▶ The Annual Local Government Community Satisfaction Survey used to guide continuous improvement and determine community needs.
- ▶ Council support for the Access and Equity Advisory Committee which includes representatives of people with a disability, local seniors, the multicultural community and Aboriginal community. Each year, we increase the number of Council buildings that have achieved Premises Standards (DDA) compliance. Accessibility is also implemented through a range of social strategies and plans and the expansion of public online access to planning and building functions has increased accessibility.
- ▶ Maintaining a strong focus on community engagement and customer service with the update of Kingston's Customer Charter, the Customer First initiative and regular consultation with the community throughout the year.
- ▶ 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 2017/18, one Charter-related complaint was made.

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 2017/18, 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.

GOVERNANCE

CONTINUED

Disability Act 2006

Kingston's *Disability Action Plan 2015-19* 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 which is an ongoing statutory commitment under the Premises Standards
- ▶ including a fully accessible toilet facility in the Westall Hub which is now fully operational and, while it is not a separate Changing Places facility it is compliant with the design requirements
- ▶ including a Changing Places fully accessible toilet facility at the Riding for the Disabled facility in Moorabbin which is currently being installed and will be operational by late August 2018
- ▶ using interpreters at the Carols by Kingston 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 which is an ongoing statutory commitment under the Premises Standards
- ▶ continuing to address pedestrian and road access as issues are identified to ensure access for all
- ▶ continuing to distribute Disabled Parking Permits through Council
- ▶ 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
- ▶ 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 2017/18.

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.

All 2017/18 actions were completed during the year, including domestic animal business compliance inspections, dangerous/menacing/restricted breed compliance inspections.

Food Act 1984

In 2017/18, 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 2017/18, 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.

Freedom of Information

The *Freedom of Information Act 1982* provides the opportunity for public access to Council documents. In 2017/18, Council received 44 valid Freedom of Information requests. During 2017/18 Council introduced an online application form with online payment functionality. Council continues to be a member of the Freedom of Information Metropolitan Network Group which aims to have a consistent approach to Freedom of Information across the Local Government sector. Further information is available at 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. Further details of the procedures are available at kingston.vic.gov.au/governance.

One Protected Disclosure was made in 2017/18.

Risk management

Kingston City Council maintains an Enterprise-Wide Risk Management framework to facilitate a committed approach to risk management which helps Council achieve the objectives outlined in the Council Plan, leverage opportunities, protect the health and safety of its employees and the broader community.

An internal review has been commissioned to provide quality assurance and safety oversight of Risk Management activities. The objective of the review is to determine the effectiveness of the risk management framework with a particular emphasis on the governance structure, reporting and alignment to ISO 31000 Risk Management – Guidelines and the Victorian Government Risk Management Framework.

Kingston City Council has and continues to implement the recommendations and actions from the 2017 Internal Audit Report of Risk Management undertaken by internal auditors Pitcher Partners.

In early 2018 Kingston City Council participated in a Local Government Insurance Risk audit undertaken by the Victorian Auditor-General's Office. The audit report will provide a valuable and independent insight benchmarking the risk management policies and frameworks against other local government entities. The recommendations will be evaluated and an action plan developed to further improve risk management practices.

A detailed review of the strategic risk register has commenced. This review is taking a holistic approach to evaluating activities undertaken by Council and the various internal and external factors contributing to and giving rise to the Council's strategic risk exposure. A better practice approach has been used in performing the strategic risk review to ensure appropriate regard is given to existing and emerging risks and benchmarking strategic risk against other local government entities. All strategic risks are mapped to objectives detailed in the *2017-2021 Council Plan*.

GOVERNANCE

CONTINUED

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. The chair formally reports annually to Council on how the Audit Committee has complied with its charter.

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.

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 2017/18, the following reviews were reported on:

- ▶ data security
- ▶ capital works planning
- ▶ procurement and supplier management
- ▶ budgeting and forecasting
- ▶ rates management
- ▶ cash handling
- ▶ tendering and contract management.

External audit

Council's current External Auditor is the Victorian Auditor-General. The Auditor-General elected to contract this activity for 2017/18 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 2017/18.

Local Laws

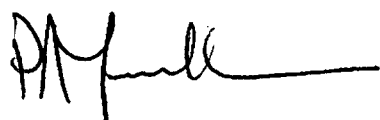
Council has two Local Laws – the Community Local Law and the Meeting Procedures Local Law – and both of these Local Laws can be viewed at kingston.vic.gov.au/about-us/local-laws-and-health/local-laws.

PERFORMANCE STATEMENT

for the Year Ended 30 June 2018

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 August 2018

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.



Acting Mayor
Cr G. Oxley

Dated: 28 August 2018



Councillor
Cr G. Gledhill

Dated: 28 August 2018



J. Nevins
Chief Executive Officer

Dated: 28 August 2018

INDEPENDENT AUDITOR'S REPORT



Victorian Auditor-General's Office

Independent Auditor's Report

To the Councillors of Kingston City Council

Opinion	<p>I have audited the accompanying performance statement of Kingston City Council (the council) which comprises the:</p> <ul style="list-style-type: none">• description of municipality for the year ended 30 June 2018• sustainable capacity indicators for the year ended 30 June 2018• service performance indicators for the year ended 30 June 2018• financial performance indicators for the year ended 30 June 2018• other information and• the certification of the performance statement. <p>In my opinion, the performance statement of Kingston City Council in respect of the year ended 30 June 2018 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors is responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
Auditor's responsibilities for the audit of the performance statement	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

Level 31 / 35 Collins Street, Melbourne Vic 3000

T 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

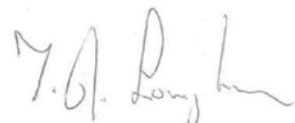
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

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

- identify and assess the risks of material misstatement of performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

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

MELBOURNE
30 August 2018



Tim Loughnan

PERFORMANCE STATEMENT CONTINUED

for the Year Ended 30 June 2018

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:

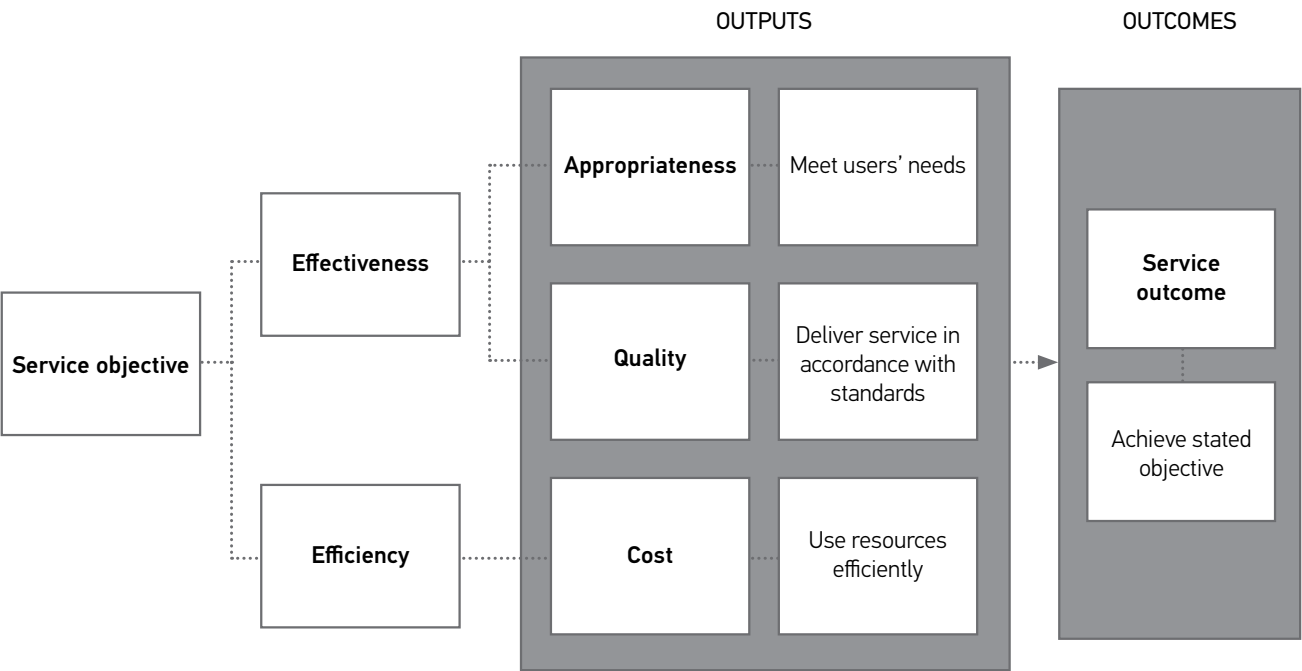
- ▶ Councils will have information to support strategic decision-making and continuous improvement;
- ▶ Communities will have information about council performance and productivity;
- ▶ Regulators will have information to monitor compliance with relevant reporting requirements; and
- ▶ State and Commonwealth 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
Appropriateness	Output indicators that measure the extent to which services <i>meet users' needs</i>	Participation rate Response time
Quality	Output indicators that measure the extent to which a service is delivered <i>in accordance with defined standards</i>	Resource standard Service standard
Cost	Output indicators that measure how <i>efficiently services use their resources</i> (inputs) to produce outputs	Average cost per unit (unit cost)
Service Outcome	Outcome indicators that measure how well <i>the outcomes of 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 2018

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 an 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 and the Community Satisfaction Survey).

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 15km 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 magnificent award winning Bicentennial Park in Chelsea, Kingston Heath in Cheltenham 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 86,000 people employed throughout the City of Kingston. Our significant industrial sector generates an annual economic output of about \$20 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 travel 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.

Other Information (continued)

for the year ended 30 June 2018

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 159,000 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 37% 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 kingston.vic.gov.au.

The formulas used to determine the Results for 2017/18 are shown in the following tables.

Sustainable Capacity Indicators

for the year ended 30 June 2018

Indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Own-source revenue					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$980.41	\$1,152.22	\$1,059.19	\$1,062.00	The 2017/18 result is in line with 2016/17. The 2015/16 result contained a one-off \$13.5 million net gain on disposal of property and bed licences.
Recurrent grants					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$216.37	\$209.29	\$234.07	\$209.65	The 2017/18 result is as per expectations and in line with 2015 and 2016. The 2017 result was higher as \$6.5m was received from the Victorian Grants Commission as future payments were brought forward to 2017/18. The 2018 result has also seen future years' payments brought forward which results in a "normal" year.
Population					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,086.22	\$1,095.61	\$1,087.86	\$1,132.57	The 2017/18 result is higher than 2016/17 because higher levels of expenditure of \$182m up by \$11.8m (7%) on 2016/17. This is due to increases in infrastructure works and parks contract expenditure originally budgeted as capital expenditure not meeting the asset recognition threshold. The municipal population has increased by 3% to 161,089.

Sustainable Capacity Indicators (continued)

for the year ended 30 June 2018

Indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Population (continued)					
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$5,249.35	\$5,429.19	\$5,250.27	\$4,961.23	The result is consistent with expectations as the value of infrastructure did not increase at the same rate as population in Kingston.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	249.03	252.00	254.71	261.75	The results demonstrate a gradual increase in population density as Kingston's population increases when compared to an already established road network.
Disadvantage					
<i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	9	9	9	9	The result reflects a relatively low average level of socio-economic 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 2018

Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Governance					
Satisfaction					
<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	53.00	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. While results vary from year to year however looking at the trends over the last four years our results show an average score of 57% satisfaction. This is in line with the other metropolitan councils.
Statutory Planning					
Decision making					
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	63.00%	44.44%	35.71%	30.00%	Only 40 matters in total were appealed to VCAT in 2017/18, as a number were resolved prior through consent or at mediation. While these are reflected as decisions "not upheld", given agreement was reached in mediation by all parties, Council considers this to be a good outcome.

Service Performance Indicators (continued)

for the year ended 30 June 2018

Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Roads					
Satisfaction					
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads.]	68.00	67.00	67.00	69.00	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. While results vary from year to year looking at the trends over the last four years our results show an average score of 68% satisfaction. Kingston's result is in line with other metropolitan councils.
Libraries					
Participation					
<i>Active library members</i> [Number of active library members / Municipal population] x100	17.00%	17.81%	16.88%	17.16%	There is a slight increase in active library members in 2017/18. The opening of a new library at Westall has contributed to this increase in active members.
Waste Collection					
Waste diversion					
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	50.00%	48.85%	50.09%	50.85%	Waste diversion from landfill remains at a consistent percentage. Education programs targeting recycling will continue to improve this percentage.
Aquatic Facilities					
Utilisation					
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	5.01	4.33	4.55	5.49	Utilisation continues to improve at Kingston's two centres due to increasing membership sales and swim school enrolments.
Animal Management					
Health and safety					
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	23.00	17.00	11.00	13.00	Council Officers proactively resolve animal-related issues directly with those involved, reducing the number of cases prosecuted in the magistrate's court.

Service Performance Indicators (continued)

for the year ended 30 June 2018

Service/indicator/measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Food Safety					
Health and safety					
<i>Critical and major non-compliance outcome notifications</i> [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%	98.96%	Major and Critical non-compliances continue to be treated as a matter of priority. Environmental Health Officers ensure that any high risk issues identified during the assessments are attended to immediately and action taken to remove or reduce the risk. The two non-compliance outcomes remaining at the end of the 2017/18 year were followed up in 2018/19.
Home and Community Care (HACC)					
Participation					
<i>Participation in HACC service</i> 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 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					
<i>Participation in HACC service by CALD people</i> 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 Ceased 1 July 2016	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
Maternal and Child Health (MCH)					
Participation					
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	77.00%	78.59%	78.12%	77.56%	The participation is consistent with last year. 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					
<i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100Service	85.00%	75.56%	71.21%	64.52%	The participation rate is down from last year. 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 2018

Forecasts are based on the Strategic Resource Plan adopted by Council in June 2018

Dimension/ indicator/ measure	Results	Results	Results	Results	Forecasts				Material Variations and Comments
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	
Operating position									
Adjusted underlying result									
Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	9.68%	19.77%	18.22%	15.51%	8.40%	7.62%	6.83%	7.03%	The 2017/18 result is positive and is supported by strong revenue from Supplementary Valuations, Planning Application fees and Grants received. The Long Term Financial Strategy is expected to remain positive over the forecast years.
Liquidity									
Working capital									
Current assets compared to current liabilities [Current assets / Current liabilities] x100	194.62%	284.73%	349.37%	361.25%	246.81%	232.88%	206.81%	221.70%	The working capital ratio for 2017/18 is greater than last year due to higher cash holdings. Over the next four years Council's Working Capital Ratio will be in the range of 206% to 247% 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 260%.
Unrestricted cash									
Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	104.84%	209.26%	321.73%	332.51%	227.04%	211.01%	184.37%	198.94%	The higher cash reserves over a consistent level of current liabilities across the three comparative financial years deliver a higher 2017/18 Unrestricted Cash ratio.

Financial Performance Indicators (continued)

for the year ended 30 June 2018

Dimension/ indicator/ measure	Results 2014/15	Results 2015/16	Results 2016/17	Results 2017/18	Forecasts				Material Variations and Comments
					2018/19	2019/20	2020/21	2021/22	
Obligations									
Loans and borrowings									
Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	17.41%	15.76%	14.50%	9.75%	5.18%	1.23%	0.24%	0.00%	The result for this measure has reduced to 9.75% from 14.50% last year which is in line with expectations and is expected to further decrease over the 4 year period to 2021/22 as per Council's Long Term Financial Strategy. The decreasing forecast trend reflects the scheduled repayment of external debt over the four year. Council expects to be debt free in July 2021.
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%	4.64%	4.59%	3.92%	0.98%	0.24%	The 2017/18 result is in line with expectations and the future years reflect the debt reduction strategy within 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%	6.00%	1.81%	0.99%	0.79%	0.80%	The lower 2017/18 result reflects a 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%	108.19%	101.01%	113.35%	102.94%	78.19%	The 2017/18 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.

Financial Performance Indicators (continued)

for the year ended 30 June 2018

Dimension/ indicator/ measure	Results	Results	Results	Results	Forecasts				Material Variations and Comments
	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	
Stability									
Rates concentration									
Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	64.60%	59.45%	62.45%	62.16%	67.89%	68.05%	68.19%	68.53%	The 2017/18 result and the forecast years are consistent with expectations. The 2015/16 result was influenced by the one-off gain on sale of assets.
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%	0.21%	0.22%	0.23%	0.23%	The 2017/18 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	\$2,470.70	\$2,553.38	\$2,607.19	\$2,664.67	\$2,688.61	The 2017/18 result is higher than 2016/17 reflecting higher levels of expenditure of \$182m up by \$11.8m (7%) on 2016/17 reflecting increases in infrastructure works and parks contract expenditure originally budgeted as capital expenditure.
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	\$1,743.52	\$1,826.31	\$1,852.46	\$1,881.88	\$1,911.60	The 2017/18 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%	13.56%	13.04%	13.04%	13.04%	13.04%	The 2017/18 result and forecast years are expected to be stable and reflect normal levels and long- term trends in workforce turnover. The 2015/16 result was higher than usual following 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: (a) non-recurrent grants used to fund capital expenditure; and (b) non-monetary asset contributions; and (c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)
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>
Maternal Child Health (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

Definitions (continued)

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> .

ANNUAL FINANCIAL REPORT

for the Year Ended 30 June 2018

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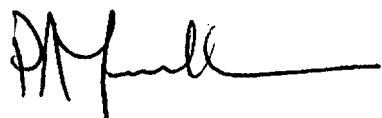
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ANNUAL FINANCIAL REPORT CONTINUED

for the Year Ended 30 June 2018

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

Dated: 28 August 2018
Location: Cheltenham

In our opinion, the accompanying financial report presents fairly the financial transactions of Kingston City Council for the year ended 30 June 2018 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.



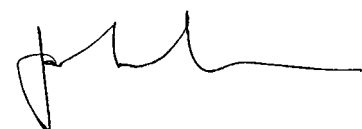
Cr G. Oxley
Acting Mayor

Dated: 28 August 2018
Location: Cheltenham



Cr G. Gledhill
Councillor

Dated: 28 August 2018
Location: Cheltenham



J. Nevins
Chief Executive Officer

Dated: 28 August 2018
Location: Cheltenham

VICTORIAN AUDITOR-GENERAL'S REPORT



Victorian Auditor-General's Office

Independent Auditor's Report

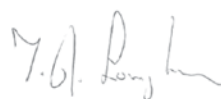
To the Councillors of Kingston City Council

Opinion	<p>I have audited the financial report of Kingston City Council (the council) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2018• comprehensive income statement for the year then ended• statement of changes in equity for the year then ended• statement of cash flows for the year then ended• notes to the financial statements, including significant accounting policies• certification of the financial report. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2018 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

VICTORIAN AUDITOR-GENERAL'S REPORT CONTINUED

Auditor's responsibilities for the audit of the financial report	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.</p> <p>As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:</p> <ul style="list-style-type: none">• identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.• obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control• evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors• conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.• evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation. <p>I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.</p>
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MELBOURNE
30 August 2018



Tim Loughnan
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement

for the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Income			
Rates and charges	2.1	134,353	130,138
Statutory fees and fines	2.2	9,468	9,397
User fees	2.3	22,548	22,103
Grants – operating	2.4	33,772	35,338
Grants – capital	2.4	4,631	5,343
Contributions – monetary	2.5	11,102	6,148
Contributions – non monetary	2.5	2,626	-
Interest income	2.7	3,022	2,384
Other income	2.7	1,686	1,965
Fair Value adjustment for investment property	5.3	-	47
Total Income		223,208	212,863
Expenses			
Employee costs	3.1	74,611	72,888
Materials and services	3.2	81,653	71,369
Depreciation and amortisation	3.3	24,568	24,994
Bad and doubtful debts	3.4	32	43
Borrowing costs	3.5	439	539
Net Loss on disposal of property, infrastructure, plant and equipment	2.6	843	693
Fair Value adjustment for investment property	2.7 & 5.3	296	-
Total Expenses		182,442	170,526
Surplus for the year		40,764	42,337
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods:			
Net asset revaluation increment/(decrement)	5.2	140,692	72,233
Total comprehensive result		181,456	114,570

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

Balance Sheet

As at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	16,601	11,329
Trade and other receivables	4.1	9,327	8,117
Other financial assets	4.1	120,026	102,933
Non current assets classified as held for sale	5.1	885	-
Other assets	4.2	591	795
Total Current assets		147,430	123,174
Non-current assets			
Trade and other receivables	4.1	-	27
Property, infrastructure, plant and equipment	5.2	2,416,983	2,259,239
Investment property	5.3	4,473	4,769
Intangible assets	4.2	699	1,118
Total Non-current assets		2,422,155	2,265,154
Total Assets		2,569,585	2,388,328
Liabilities			
Current liabilities			
Trade and other payables	4.3	15,042	11,331
Trust funds and deposits	4.3	5,752	3,763
Provisions	4.5	15,756	16,062
Interest bearing loans and borrowings	4.4	4,261	4,100
Total Current liabilities		40,811	35,256
Non-current liabilities			
Provisions	4.5	1,446	1,257
Interest bearing loans and borrowings	4.4	8,821	14,765
Total Non-current liabilities		10,267	16,022
Total Liabilities		51,078	51,278
Net Assets		2,518,507	2,337,050
Equity			
Accumulated surplus		1,377,984	1,342,369
Asset revaluation reserve	8.1	1,105,315	964,623
Other reserves	8.1	35,208	30,058
Total Equity		2,518,507	2,337,050

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

Statement of Changes in Equity

for the Year Ended 30 June 2018

2018	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 2017		2,337,050	1,342,369	964,623	2,075	14,486	13,497
Surplus for the year		40,764	40,764	-	-	-	-
Net asset revaluation increment/ (decrement)	8.1	140,692	-	140,692	-	-	-
Transfers to other reserves	8.1	-	(12,989)	-	-	8,457	4,531
Transfer from other reserves	8.1	-	7,839	-	(592)	(6,256)	(991)
Balance as at 30 June 2018		2,518,507	1,377,984	1,105,315	1,483	16,688	17,037

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)	8.1	72,233	-	72,233	-	-	-
Transfers to other reserves	8.1	-	(8,873)	-	-	4,871	4,001
Transfer from other reserves	8.1	-	6,341	-	-	(3,221)	(3,120)
Balance as at 30 June 2017		2,337,050	1,342,369	964,623	2,075	14,486	13,497

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

Statement of Cash Flows

for the Year Ended 30 June 2018

	Note	2018 Inflows/ (Outflows) \$'000	2017 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		134,096	130,600
Grants – operating		33,772	35,338
Grants – capital		4,631	5,343
Contributions – monetary		11,102	6,148
Statutory fees and fines		9,468	9,397
User fees		21,968	22,224
Interest received		2,973	1,828
Other receipts		728	751
Trust funds and deposits taken		11,300	8,700
Repayment of trust funds and deposits		(9,311)	(8,121)
Employee costs		(75,668)	(71,341)
Materials and services		(77,218)	(72,939)
Net cash provided by / (used in) operating activities	8.2	67,839	67,927
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(39,407)	(41,368)
Proceeds from sale of property, infrastructure, plant and equipment	2.6	62	93
Payments for investments	4.1	(120,550)	(107,000)
Proceeds from sale of investments	4.1	103,550	63,000
Net cash provided by / (used in) investing activities		(56,345)	(85,275)
Cash flows from financing activities			
Finance costs		(439)	(539)
Proceeds from borrowings	4.4	-	3,250
Repayment of borrowings	4.4	(5,783)	(4,146)
Net cash provided by / (used in) financing activities		(6,222)	(1,435)
Net increase (decrease) in cash and cash equivalents		5,272	(18,783)
Cash and cash equivalents at the beginning of the financial year		11,329	30,112
Cash and cash equivalents at the end of the financial year	4.1	16,601	11,329
Financing arrangements	7.3		
Restrictions on cash assets	4.1	5,752	3,763

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 2018

	2018 \$'000	2017 \$'000
Property		
Land	2,694	8
Land improvements	582	986
Total Land	3,276	994
Buildings	-	-
Building improvements	16,699	21,403
Leasehold improvements	-	-
Total Buildings	16,699	21,403
Total Property	19,974	22,397
Plant and equipment		
Plant, machinery and equipment	-	602
Computers and telecommunications	865	1,245
Library books	1,041	1,185
Total Plant and equipment	1,906	3,032
Infrastructure		
Roads	9,772	7,117
Bridges	-	-
Footpaths and cycleways	1,554	1,413
Drainage	4,962	3,639
Recreational, leisure and community facilities	5,317	3,667
Parks, open space and streetscapes	4,544	4,625
Off street car parks	904	455
Other infrastructure	648	329
Total Infrastructure	27,702	21,245
Total Capital works expenditure	49,582	46,674
Represented by:		
New asset expenditure	6,845	4,644
Asset renewal expenditure	27,766	27,298
Asset expansion expenditure	4,543	2,953
Asset upgrade expenditure	10,428	11,779
Total Capital works expenditure	49,582	46,674

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 2018

Overview

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*.

Significant accounting policies

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 5.2)
- ▶ the determination of depreciation for buildings, property, infrastructure, plant and equipment and intangibles (refer to note 5.2)
- ▶ the determination of employee provisions (refer to note 4.5).

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

NOTE 1: Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of 10 percent and/or over \$2 million where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

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

1.1: Income and Expenditure

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Variance 2018 %	F/U	Ref
Income						
Rates and charges	132,939	134,353	1,414	1.1	F	
Statutory fees and fines	9,221	9,468	247	2.7	F	
User fees	21,257	22,548	1,291	6.1	F	
Grants – Operating	31,558	33,772	2,214	7.0	F	1
Grants – Capital	3,899	4,631	732	18.8	F	2
Contributions – monetary	509	11,102	10,593	2,081.1	F	3
Contributions – non-monetary	1,000	2,626	1,626	162.6	F	4
Other income	2,633	4,708	2,075	78.8	F	5
Total Income	203,016	223,208	20,192	9.9	F	
Expenses						
Employee costs	78,251	74,611	3,640	4.7	F	6
Materials and services	75,785	81,653	(5,868)	(7.7)	U	7
Bad and doubtful debts	50	32	18	36.0	F	
Depreciation and amortisation	28,300	24,568	3,732	13.2	F	8
Borrowing costs	552	439	113	20.5	F	
Net loss on disposal of property, infrastructure, plant and equipment	-	843	(843)	-	U	9
Fair value adjustment for investment property	-	296	(296)	-	U	10
Total Expenses	182,938	182,442	496	0.3	F	
Surplus (deficit) for the year	20,078	40,764	20,687	103.0	F	

* F = Favourable, U = Unfavourable

NOTE 1: Performance against budget (continued)

1.1: Income and Expenditure (continued)

(i) Explanation of material variances

Ref	Item	Explanation
1	Grants – Operating	Operating grants total \$33.8 million and are \$2.2 million favourable to budget. The AccessCare Southern team is \$2.1 million favourable due to the timing of payments and the conservative budgeting for Home Care Packages and Linkages Packages resulting in favourable positions of \$1.1 million and \$1.0 million respectively.
2	Grants – Capital	Capital grants total \$4.6 million and are \$0.7 million favourable to budget. This includes an extra unbudgeted \$0.6 million received for the roads to recovery program.
3	Contributions – Monetary	Monetary contributions total \$11.1 million and are \$10.6 million favourable to budget. This includes \$9.2 million in unbudgeted cash contributions from developers which are transferred to a reserve for use on open space and stormwater projects at a later date.
4	Contributions – Non monetary	Non monetary contributions total \$2.6 million which includes asset contributions from developers comprising land under roads (\$0.7 million), transport (\$1.1 million), drainage (\$0.5 million) and land (\$0.4 million). The budget was understated for these items in 2017/18 as the assets were not expected to be transferred to Council until later accounting periods.
5	Other Income	Other income is \$2.1 million favourable to budget. This includes interest income which is \$1.6 million favourable to budget due to higher than expected cash holdings invested at financial institutions at the best possible rates but within the Investment Policy's guidelines. Other revenue also includes \$1.0 million in found assets comprising road and drainage of \$0.9 million and land of \$47k. These are not newly constructed or acquired assets for the year, they represent additions due to improved accuracy of data since moving to a new asset management system.
6	Employee Costs	Employee costs total \$74.6 million and are \$3.6 million favourable to budget. The Community Sustainability division is \$3.3 million favourable across most departments, particularly Community Care and AccessCare (\$2.8 million favourable).
7	Materials and Services	Materials and Services expenditure is \$5.9 million unfavourable to budget due to an extra \$4.8 million expensed from the 2017/18 capital program compared to 2016/17.
8	Depreciation and Amortisation	Depreciation and amortisation totals \$24.6 million and is \$3.7 million favourable to budget. This is due to the budget over-estimating the valuation increases for 2017-18 and future budgets have been adjusted accordingly.
9	Net loss on disposal of property, plant and equipment	Total net loss on disposal of property, plant and equipment is \$0.8 million. This includes the demolition of 7 Council buildings (\$0.9 million loss which is a non cash item to adjust the asset register) and the sale of 2 Council vehicles and 2 items of plant (\$62k profit on sale). The budget assumes that there will be no profit or loss on disposal of assets.
10	Fair Value adjustment for Investment Property	The formal revaluation of land and buildings by independent valuer Opteon Solutions resulted in a \$0.3 million decrement to Council's investment property value. This non cash item was not budgeted for.

NOTE 1: Performance against budget (continued)

1.2: Capital Works

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Variance 2018 %	F/U	Ref
Property						
Land	2,000	2,694	(694)	(34.7)	U	1
Land improvements	-	582	(582)	-	U	
Total Land	2,000	3,276	(1,276)	(63.8)	U	
Buildings	19,875	16,699	3,176	16.0	F	2
Building improvements	-	-	-	-		
Total Buildings	19,875	16,699	3,176	16.0	F	
Total Property	21,875	19,974	1,901	8.7	F	
Plant and equipment						
Plant, machinery and equipment	300	-	300	100.0	F	3
Computers and telecommunications	1,810	865	945	52.2	F	4
Library books	1,035	1,041	(6)	(0.6)	U	
Total Plant and equipment	3,145	1,906	1,239	39.4	F	
Infrastructure						
Roads	10,016	9,772	244	2.4	F	
Footpaths and cycleways	4,195	1,554	2,641	62.9	F	5
Drainage	5,503	4,962	541	9.8	F	
Off street car parks	300	904	(604)	(201.4)	U	6
Recreational, leisure and community facilities	7,368	5,317	2,051	27.8	F	7
Parks, open space and streetscapes	5,209	4,544	665	12.8	F	
Other infrastructure	754	648	106	14.0	F	
Total Infrastructure	33,345	27,702	5,643	16.9	F	
Total Capital Works expenditure	58,365	49,582	8,783	15.0	F	
Represented by:						
New asset expenditure	7,743	6,845	898	11.6	F	
Asset renewal expenditure	31,280	27,765	3,514	11.2	F	
Asset expansion expenditure	4,677	4,543	134	2.9	F	
Asset upgrade expenditure	14,665	10,428	4,237	28.9	F	
Total Capital Works Expenditure	58,365	49,582	8,783	15.0	F	

NOTE 1: Performance against budget (continued)

1.2: Capital Works (continued)

(i) Explanation of material variances

Ref	Item	Explanation
1	Land	Actual expenditure on land is \$0.7 million more than the budgeted \$2.0 million. The 2017-18 adopted budget included \$2M for rehabilitation and development of former landfill sites including Elder St, these project were rescheduled pending outcome of consultation and contractor negotiations. Offsetting this under expenditure, Council authorised the purchase 8-10 Barker St, Cheltenham (\$2.8 million) for additional open space in the local area.
2	Buildings	Capital expenditure on buildings is \$3.2 million less than the adopted budget of \$19.9 million. Deferred projects carried over to 2018/19 include Edithvale Life Saving Club (\$1.4 million), Parkdale Yacht Club (\$0.7 million), and Mills Road Depot development (\$3 million). These have been rescheduled for further consultation and approval of final design by authorities and Council. Edithvale LSC and Parkdale Yacht Club are now approved for construction.
3	Plant, machinery and equipment	There was no capital expenditure for plant and machinery during 2017-18 compared to the adopted budget of \$0.3 million. Machinery purchases were on hold pending a review of operational needs associated with consolidation of Depots to Mills Road, Braeside. Orders have now been placed with delivery early 2018/19.
4	Computers and telecommunications	Computer and telecommunications expenditure totals \$0.9 million, which is \$0.9 million less than the adopted budget of \$1.8 million. Programs for replacing desktop computers and other hardware have been on hold pending a major review of technology, work styles and future needs. This review has culminated in a \$1.2 million tender approved by Council July 2018 to replace and upgrade computer hardware. Favourable savings are carried over to 2018/19 to support the rollout program.
5	Footpaths & cycle ways	Capital expenditure on footpaths and cycleways was \$2.6 million less than the adopted budget of \$4.2 million. Bay Trail Shared Path (\$1.4 million) has been delayed following a VCAT appeal requiring funding carryover to 2018/19. Linking Karkarook Park to Settlement Creek (\$1.2 million) has been rescheduled pending negotiations for potential land acquisition and an agreed final alignment.
6	Off street car parks	Capital expenditure on car parks is \$0.6 million more than the adopted budget of \$0.3 million. Increased expenditure in this category recognises the \$2.4 million Dales Park Netball Redevelopment which includes \$0.65 million of carpark construction.
7	Recreational, leisure & community facilities	Recreational, leisure and community facilities expenditure totals \$5.0 million which is \$2.1 million less than the adopted budget of \$7.4 million. Ben Kavanagh Master Plan (\$0.8 million) and Moorabbin Reserve Master Plan (\$0.5 million) were rescheduled to minimise disruption while the pavilion construction works were in progress. Local Shopping Centre Improvements (\$0.25 million) are on hold due to private development proposals in the same location. Regents Park Master Plan and Netball Facilities (\$0.4 million) is rescheduled to 2018/19 pending planning approvals. Dane Rd High Fence (\$0.3 million) is under review pending outcome risk assessment.

NOTE 2: Funding for the delivery of our services

2.1: 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 2017/18 was \$52.6 billion (2016/17 \$52.1 billion). The 2017/18 declared rate in the dollar was 0.21580 cents (2016/17 0.21130 cents).

A Municipal charge is levied at the rate of \$100 (2016/17 \$100) per rateable property and a Waste service fee (choices A to F) is levied at the rate of \$137 to \$230 (2016/17 \$135 to \$225) per rateable property.

	2018 \$'000	2017 \$'000
General Rates	112,358	109,002
Municipal charge	7,249	7,164
Waste service fee	12,197	11,825
Special rates and charges	116	71
Supplementary rates	1,931	1,688
Interest on rates and charges	502	389
Total rates and charges	134,353	130,138

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2018 and the valuation will be first applied in the rating year commencing 1 July 2018.

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.

2.2: Statutory fees and fines

	2018 \$'000	2017 \$'000
Infringements and Costs	1,984	1,981
Parking infringements	3,518	3,644
Permits	454	496
Town planning fees	2,665	2,399
Family day care and school age care	491	520
Land Information Certificates	168	172
Other	188	185
Total Statutory fees and fines	9,468	9,397

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.

NOTE 2: Funding for the delivery of our services (continued)

2.3: User fees

	2018 \$'000	2017 \$'000
Aged and health services	2,027	2,295
Building services	1,263	909
Child care/children's programs	5,746	5,339
Leisure centre and recreation	7,396	7,001
Registration and other permits	708	636
Waste management services	639	393
Rental income	4,004	4,659
Other	765	872
Total user fees	22,548	22,103

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

NOTE 2: Funding for the delivery of our services (continued)

2.4 Funding from other levels of government

Grants were received in respect of the following:

	2018 \$'000	2017 \$'000
Summary of grants		
Commonwealth funded grants	27,041	28,508
State funded grants	11,362	12,174
Total Grants Received	38,403	40,682
a) Operating grants		
Recurrent – Commonwealth Government		
Victorian Grants Commission ⁽ⁱ⁾	4,631	6,519
AccessCare Southern	8,590	8,890
Home and Community Care	6,872	6,315
Family and Children	5,705	4,725
Other	70	705
Recurrent – State Government		
AccessCare Southern	1,064	1,280
Community Services	2,839	2,804
Family & Children	2,183	2,570
Libraries and Education	1,208	1,028
Beach cleaning	194	165
Community Safety and Education	76	101
Economic Development	-	42
Other	340	194
Total Recurrent grants	33,772	35,338
Total Operating grants	33,772	35,338
<i>There were no non-recurrent operating grants in 2017/18 or 2016/17</i>		
b) Capital grants		
Recurrent – Commonwealth Government		
Roads to Recovery	1,172	1,353
Total Recurrent grants	1,172	1,353
Non-recurrent – Commonwealth Government		
Buildings	-	2,206
Non-recurrent – State Government		
Sporting facilities	1,598	211
Foreshore Environment	172	1,030
Civil Infrastructure	482	543
Community Facilities	1,207	-
Total Non-recurrent grants	3,459	3,990
Total Capital grants	4,631	5,343

(i) 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. This also occurred in 2017/18 in that the first two instalments for 2018/19 being received in June 2018.

NOTE 2: Funding for the delivery of our services (continued)

2.4: Funding from other levels of government (continued)

	2018 \$'000	2017 \$'000
c) Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	835	381
Received during the financial year and remained unspent at balance date	788	835
Received in prior years and spent during the financial year	(835)	(381)
Balance at year end	788	835

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.

2.5: Contributions

	2018 \$'000	2017 \$'000
Monetary		
Donations/contributions from developers	9,185	4,871
Various capital projects – contributions	1,616	497
Community sustainability	45	81
Environmental sustainability	232	361
Other	23	338
	11,102	6,148
Non Monetary ⁽ⁱ⁾		
Asset Contributions from Developers	2,626	-
	2,626	-
Total contributions	13,728	6,148

(i) Non monetary contributions in 2018 includes Land Under Roads (\$0.7 million), Transport (\$1.1 million), Drainage (\$0.5 million) and Land (\$0.4 million).
There were no non-monetary contributions in 2017

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

NOTE 2: Funding for the delivery of our services (continued)

2.6: Net gain / (loss) on disposal of property, infrastructure, plant and equipment

	2018 \$'000	2017 \$'000
Proceeds from sale	62	93
Written down value of assets disposed	(905)	(786)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(843)	(693)
Comprising:		
Profit on disposal of property, plant and equipment	62	93
Loss on disposal of property, plant and equipment ⁽ⁱ⁾	(905)	(786)
	(843)	(693)

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

(i) The loss on disposal in 2018 includes the demolition of 7 buildings.

2.7: Other income

	2018 \$'000	2017 \$'000
Interest Income		
Interest on cash and investments	3,022	2,384
	3,022	2,384
Other Income		
Found assets ⁽ⁱ⁾	958	1,214
Other	727	750
Fair Value adjustment for investment property	-	47
	1,686	2,011
Total Other Income	4,708	4,395

(i) Found assets in FY 2017/18 includes road and drainage of \$0.9 million and land of \$47k. These are not newly constructed or purchased assets for the year, they represent asset additions due to improved accuracy of data since moving to the new asset management system. Interest is recognised as it is earned. Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

NOTE 3: The cost of delivering services

3.1: Employee costs

	2018 \$'000	2017 \$'000
(a) Employee costs		
Wages and salaries	57,286	55,899
Casual staff	8,014	8,300
Fringe benefits tax and WorkCover	1,260	1,203
Superannuation	5,884	5,425
Annual Leave and Long Service Leave	2,168	1,738
Redundancy	-	323
Total employee costs	74,611	72,888
(b) Superannuation		
Council made contributions to the following funds:		
Defined Benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	568	582
	568	582
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	4,382	4,238
Employer contributions – other funds	1,924	1,480
Total contributions	6,306	5,718
Employer contributions payable at reporting date:	562	520

Refer to Note 8.3 for further information relating to Council's superannuation obligations.

NOTE 3: The cost of delivering services (continued)

3.2: Materials and services

	2018 \$'000	2017 \$'000
Road infrastructure maintenance	19,218	14,098
Building maintenance	3,466	2,697
Waste and cleansing	12,835	12,172
Aged services	8,321	8,041
Parks, gardens and reserves	9,834	9,235
Leisure and culture	5,052	4,592
Accommodation expense	1,061	967
Information systems and telecommunications	3,801	3,225
Family services	3,460	3,296
Community engagement	1,929	1,768
Parking, monitoring and enforcement	3,130	2,602
Procurement and fleet management	1,636	1,450
Council business	974	1,426
People and culture	498	533
Finance and legal	3,712	2,687
Planning and building	1,228	1,185
Other	1,496	1,396
Total materials and services	81,653	71,369

3.3: Depreciation and amortisation

	2018 \$'000	2017 \$'000
Land improvements	1,436	1,215
Buildings	6,641	6,797
Building improvements	372	236
Leasehold improvements	187	187
Roads/Bridges/Footpaths	10,176	10,848
Drainage	2,871	2,754
Plant and equipment	1,647	1,790
Heritage and culture	17	17
Library books	724	510
Software amortisation	498	640
Total depreciation and amortisation	24,568	24,994

Refer to Note 4.2(b) and 5.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

NOTE 3: The cost of delivering services (continued)

3.4: Bad and doubtful debts

	2018 \$'000	2017 \$'000
Other debtors	32	43
Total bad and doubtful debts	32	43
Movement in provisions for doubtful debts		
Balance at the beginning of the year	160	158
New Provisions recognised during the year	37	2
Amounts already provided for and written off as uncollectable	31	-
Amounts provided for but recovered during the year	(98)	-
Balance at end of year	130	160

A provision for doubtful debts is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.

3.5: Borrowing costs

	2018 \$'000	2017 \$'000
Interest – borrowings	439	539
Total borrowing costs	439	539

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.

3.6: Other expenses

	2018 \$'000	2017 \$'000
Auditors' remuneration (VAGO) – audit of the financial statements, performance statement and grant acquittals	61	58
Auditors' remuneration – internal	171	203
Operating lease rentals	1,465	1,444
Fair Value adjustment for investment property	296	-
Total other expenses	1,993	1,705

* Audit fees and operating lease rentals are included under 'Finance & Legal' and 'Accommodation Expense' respectively in the total Materials and services (Note 3.2) expenditure on the Comprehensive Income Statement.

NOTE 4: Our financial position

4.1: Financial assets

	2018 \$'000	2017 \$'000
a) Cash and cash equivalents		
Cash on hand	13	14
Cash at bank	9,587	7,315
Short term deposits	7,000	4,000
Total cash and cash equivalents	16,601	11,329
Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
Trust fund and deposits (Note 4.3)	5,752	3,763
Total restricted funds	5,752	3,763
Total unrestricted cash and cash equivalents	10,849	7,566
b) Other financial assets		
Term deposits – current	120,026	102,934
Total Other financial assets	120,026	102,934
Total financial assets	120,026	102,934
Intended allocations		
Although not externally restricted, the following amounts have been allocated for specific future purposes by Council. Refer to note 8.1 for a description of individual reserve amounts.		
Asset development reserve	16,688	14,486
Green wedge and foreshore reserves	10,241	8,876
Aged care reserve	4,842	3,148
Asset replacement reserve	1,483	2,076
Defined benefit call reserve	1,000	1,000
Other reserves	954	472
Total funds subject to intended allocations	35,208	30,058

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.

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

NOTE 4: Our financial position (continued)

4.1: Financial assets (continued)

	2018 \$'000	2017 \$'000
c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rate debtors	4,387	4,102
Net GST receivable	1,507	1,060
Infringement debtors	4,542	4,003
Provision for doubtful debts – infringements	(3,962)	(3,396)
	6,474	5,769
<i>Non statutory receivables</i>		
Other debtors ⁽ⁱ⁾	2,983	2,508
Provision for doubtful debts – other debtors	(130)	(160)
	2,853	2,348
Total current trade and other receivables	9,327	8,117
Non-current		
Statutory receivables		
Rate Debtors	-	27
Total non-current trade and other receivables	-	27
Total trade and other receivables	9,327	8,144

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

(i) Other debtors includes an amount of \$600,000 invoiced to the Department of Health and Human Services in June 2018 for a milestone payment on a grant which was paid in July 2018.

NOTE 4: Our financial position (continued)

4.1: Financial assets (continued)

	2018 \$'000	2017 \$'000
c) Trade and other receivables (continued)		
(i) Ageing of Receivables		
The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:		
Current (not yet due)	1,509	815
Past due by up to 30 days	155	850
Past due between 31 and 180 days	595	341
Past due between 181 and 365 days	476	274
Past due by more than 1 year	119	68
Total Trade and other receivables	2,853	2,348
(i) Ageing of individually impaired Receivables		
At balance date, other debtors representing financial assets with a nominal value of \$130k (2017: \$160k) were impaired. The amount of the provision raised against these debtors was \$130k (2017: \$160k). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements. The ageing of receivables that have been individually determined as impaired at reporting date was:		
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	6
Past due between 181 and 365 days	11	154
Past due by more than 1 year	119	-
Total Trade and other receivables	130	160

4.2: Non-financial assets

	2018 \$'000	2017 \$'000
a) Other assets		
Prepayments	519	751
Accrued income	71	44
Total other assets	591	795
b) Intangible assets		
Software	699	1,118
Total intangible assets	699	1,118

NOTE 4: Our financial position (continued)

4.2: Non-financial assets (continued)

	Software \$'000
b) Intangible assets (continued)	
Gross carrying amount at cost	
Balance at 1 July 2017	5,396
Additions from internal developments	
Other	79
Balance at 30 June 2018	5,474
Accumulated amortisation and impairment	
Balance at 1 July 2017	4,278
Amortisation expense	498
Balance at 30 June 2018	4,776
Net book value at 30 June 2017	1,118
Net book value at 30 June 2018	699

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

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.

NOTE 4: Our financial position (continued)

4.3: Payables

	2018	2017
a) Trade and other payables		
Unsecured	\$'000	\$'000
Trade payables	8,874	4,723
Salary accruals	1,424	1,857
Other accruals	4,743	4,751
Total Trade and other payables	15,042	11,331
b) Trust funds and deposits		
Refundable deposits	227	241
Fire services levy	635	636
Retention amounts	4,890	2,886
Total Trust funds and deposits	5,752	3,763

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

Purpose and nature of items

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

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

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

4.4: Interest-bearing liabilities

	2018 \$'000	2017 \$'000
Current		
Loans – secured ⁽ⁱ⁾	4,261	4,100
	4,261	4,100
Non-current		
Loans – secured ⁽ⁱ⁾	8,821	14,765
	8,821	14,765
Total	13,082	18,865
The maturity profile for Council's loans is:		
Not later than one year	4,261	4,100
Later than one year and not later than five years	8,821	13,530
Later than five years	-	1,235
	13,082	18,865

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

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.

NOTE 4: Our financial position (continued)

4.5: Provisions

	Employee Leave \$'000	Landfill restoration \$'000	Enterprise Agreement ⁽ⁱ⁾ \$'000	Total \$'000
2018				
Balance at the beginning of the financial year	15,373	392	1,553	17,318
Additional Provisions	-	1,023	-	1,023
Amounts Used	-	(83)	(1,553)	(1,636)
Change in the discounted amount arising because of the time and the effect of any change in the discount rate	497	-	-	497
Balance at the end of the financial year	15,870	1,332	-	17,202

2017				
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)
Balance at the end of the financial year	15,373	392	1,553	17,318

(i) Council's Enterprise Agreement expired in February 2017 and the new agreement was under negotiation as at 30 June 2017 with a 'without prejudice' offer tabled at 2.3% to be back paid from 1/7/2016. A new provision was created in 2017 to reflect this amount. Council paid this backpay in November 2017 and this provision is no longer required for 2017/18.

	2018 \$'000	2017 \$'000
Employee leave provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	4,754	4,566
Long service leave	684	766
	5,438	5,332
Current provisions expected to be wholly settled after 12 months		
Annual leave	758	767
Long service leave	8,228	8,018
	8,986	8,785
Total current employee leave provisions	14,424	14,117
Other provisions		
Current provisions expected to be wholly settled within 12 months		
Landfill restoration	1,332	392
Enterprise Agreement	-	1,553
	1,332	1,945
Total current provisions	15,756	16,062

NOTE 4: Our financial position (continued)

4.5: Provisions (continued)

	2018 \$'000	2017 \$'000
Non-current employee provisions		
Long Service Leave	1,446	1,257
Total non-current provisions	1,446	1,257
Aggregate carrying amount of provisions:		
Current	15,756	16,062
Non-current	1,446	1,257
Total aggregate carrying amount of provisions	17,202	17,318

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 personal 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.

LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment (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 non-current present value.

Landfill restoration

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.

NOTE 4: Our financial position (continued)

4.6: Financing arrangements

	2018 \$'000	2017 \$'000
Bank overdraft	5,000	5,000
Credit card facilities	150	150
Loans	13,082	18,865
Total facilities	18,232	24,015
Used facilities – credit cards	32	33
Used facilities – loans	13,082	18,865
Unused facilities	13,114	18,898

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.

4.7: Commitments

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

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2018					
Operating					
- Infrastructure works	2,166	222	-	-	2,388
- Parks, gardens, reserves	7,723	764	-	-	8,487
- Waste and cleansing	3,424	-	-	-	3,424
- Community sustainability	1,833	159	139	-	2,131
- Corporate services	1,848	237	-	-	2,085
	16,994	1,382	139	-	18,515
Capital					
- Buildings ⁽ⁱ⁾	5,883	-	-	-	5,883
- Transport ⁽ⁱ⁾	4,123	-	-	-	4,123
	10,006	-	-	-	10,006
Total	27,000	1,382	139	-	28,521

(i) Major capital expenditure commitments as at 30 June 2018 include: Acacia Avenue Preschool (\$1.9 million); Cliff Sambell Pavillion Development (\$1.7 million); and Kinross Avenue easement drain (\$1.5 million).

NOTE 4: Our financial position (continued)

4.7: Commitments (continued)

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2017					
Operating					
- 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
	19,779	12,153	539		32,470
Capital					
- Buildings	4,254	-	-	-	4,254
- Transport	6,873	-	-	-	6,873
	11,126	-	-	-	11,126
Total	30,905	12,153	539	-	43,596

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):

	2018 \$'000	2017 \$'000
Not later than one year	2,482	2,879
Later than one year and not later than five years	2,568	3,210
Later than five years	997	1,288
	6,047	7,377

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

NOTE 5: Assets we manage

5.1: Non current assets classified as held for sale

	2018 \$'000	2017 \$'000
Cost of acquisition	885	-
Capitalised development costs	-	-
Borrowing costs capitalised during development	-	-
Total non current assets classified as held for sale	885	-

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

5.2: Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2017 \$'000	Acquisitions \$'000	Contributions \$'000	Found Assets \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Transfers \$'000	At Fair Value 30 June 2018 \$'000
Land	1,436,239	9,972	1,068	47	170,779	(1,436)	-	1,115	1,617,783
Buildings	277,960	9,925	-	-	(33,889)	(7,200)	(905)	3,547	249,439
Plant and equipment	8,795	2,877	-	-	(11)	(2,388)	-	103	9,376
Infrastructure	530,400	12,888	1,559	911	3,813	(13,047)	-	101	536,626
Works in progress	5,846	3,760	-	-	-	-	-	(5,846)	3,760
	2,259,239	39,422	2,627	958	140,692	(24,071)	(905)	(980)	2,416,983

Summary of works in progress

	Opening WIP \$'000	Additions \$'000	Transfers \$'000	Write Offs \$'000	Closing WIP \$'000
Buildings	5,547	3,760	(5,547)	-	3,760
Plant and Equipment	198	-	(198)	-	-
Infrastructure	101	-	(101)	-	-
	5,846	3,760	(5,846)	-	3,760

NOTE 5: Assets we manage (continued)

5.2: Property, infrastructure, plant and equipment (continued)

Asset recognition thresholds and depreciation periods:

	Depreciation Period Years	Purchase/ Construction \$'000	Asset Improvement \$'000
Property			
land	N/A	-	N/A
land under roads	N/A	10	N/A
land improvements (excluding building)	10-50	N/A	20
Buildings			
buildings	20-150	-	20
leasehold improvements	10	-	20
Plant and equipment			
plant and machinery	3-10	5	N/A
equipment	3-5	2	N/A
Infrastructure			
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
Heritage and culture	100	1	25
Library books	5	-	-
Intangibles – software	5	50	N/A

NOTE 5: Assets we manage (continued)

5.2: Property, infrastructure, plant and equipment (continued)

a) Property											
	Land under roads \$'000	Land – specialised \$'000	Land improvements \$'000	Total Land & Improvements \$'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 2017	579,091	578,247	38,481	1,442,065	36,668	442,581	7,959	1,867	489,074	5,547	1,936,686
Accumulated depreciation at 1 July 2017	-	-	(5,826)	(5,826)	(22,639)	(186,230)	(1,144)	(1,100)	(211,114)	-	(216,940)
	579,091	578,247	32,655	1,436,239	14,029	256,350	6,815	767	277,960	5,547	1,719,746
Movements in fair value											
Acquisition of assets at fair value	668	2,379	7,594	11,040	-	7,947	1,978	-	9,925	3,760	30,272
Found Assets	-	47	-	47	-	-	-	-	-	-	47
Revaluation increments/decrements	99,684	42,055	-	170,779	655	(14,335)	-	-	(13,681)	-	157,907
Fair value of assets disposed	-	-	-	-	-	(8,188)	-	-	(8,188)	-	(8,188)
Transfers	-	-	1,651	1,115	-	3,289	-	-	3,289	(5,547)	(6,690)
	100,351	44,480	9,245	182,980	655	(11,287)	1,978	-	(8,655)	(1,786)	172,539
Movements in accumulated depreciation											
Depreciation and amortisation	-	-	(1,437)	(1,437)	(391)	(6,250)	(372)	(187)	(7,199)	-	(8,636)
Revaluation increments/decrements	-	-	-	-	(1,129)	(19,079)	-	-	(20,208)	-	(20,208)
Accumulated depreciation of disposals	-	-	-	-	-	7,283	-	-	7,283	-	7,283
Transfers	-	-	-	-	-	258	-	-	258	-	258
	-	-	(1,437)	(1,437)	(1,520)	17,788	(372)	(187)	19,866	-	21,303
At fair value 30 June 2018											
At fair value 30 June 2018	679,443	622,727	47,726	1,625,045	37,322	431,293	9,937	1,867	480,419	3,760	2,109,225
Accumulated depreciation at 30 June 2018	-	-	(7,262)	(7,262)	(24,159)	(204,019)	(1,516)	(1,287)	(230,980)	-	(238,243)
	679,443	622,727	40,464	1,617,783	13,163	227,274	8,421	580	249,439	3,760	1,870,982

NOTE 5: Assets we manage (continued)

5.2: Property, infrastructure, plant and equipment (continued)

	Heritage plant and equipment \$'000	Plant machinery and equip \$'000	Library books \$'000	Work In Progress \$'000	Total plant and equipment \$'000
b) Plant and Equipment					
At fair value 1 July 2017	1,846	24,443	17,135	198	43,622
Accumulated depreciation at 1 July 2017	(520)	(19,284)	(14,825)	-	(34,629)
	1,326	5,159	2,310	198	8,993
Movements in fair value					
Acquisition of assets at fair value	-	1,891	987	-	2,877
Revaluation increments/decrements	(25)	-	-	-	(25)
Fair value of assets disposed	-	(152)	-	-	(152)
Impairment losses recognised in operating result	-	-	-	-	-
Transfers	-	103	-	(198)	(95)
	(25)	1,842	987	(198)	2,606
Movements in accumulated depreciation					
Depreciation and amortisation	(17)	(1,647)	(724)	-	(2,388)
Revaluation increments/decrements	14	-	-	-	14
Accumulated depreciation of disposals	-	152	-	-	152
Transfers	-	-	-	-	-
	(3)	1,495	(724)	-	(2,222)
At fair value 30 June 2018	1,821	26,285	18,122	-	46,228
Accumulated depreciation at 30 June 2018	(523)	(20,779)	(15,550)	-	(36,852)
	1,298	5,506	2,572	-	9,376

NOTE 5: Assets we manage (continued)

5.2: Property, infrastructure, plant and equipment (continued)

	Roads \$'000	Bridges \$'000	Footpaths and cycleways \$'000	Drainage \$'000	Other Infrastructure \$'000	Work In Progress \$'000	Total Infrastructure \$'000
c) Infrastructure							
At fair value 1 July 2017	553,234	10,430	94,377	286,537	13,468	101	958,147
Accumulated depreciation at 1 July 2017	(193,942)	(8,326)	(65,775)	(146,134)	(13,468)	-	(427,646)
	359,291	2,104	28,601	140,403	-	101	530,501
Movements in fair value							
Acquisition of assets at fair value	9,877	86	1,695	2,788	-	-	14,447
Found Assets	1,680	-	281	(583)	-	-	1,377
Revaluation increments/ decrements	(4,197)	-	5,560	838	-	-	2,201
Fair value of assets disposed	-	-	-	-	-	-	-
Transfers	101	-	-	-	-	(101)	-
	7,461	86	7,537	3,044	-	(101)	18,026
Movements in accumulated depreciation							
Depreciation and amortisation	(8,483)	(105)	(1,587)	(2,871)	-	-	(13,047)
Revaluation increments/ decrements	6,085	-	(3,107)	(1,367)	-	-	1,612
Found Assets	(568)	-	(196)	(298)	-	-	(465)
	(2,966)	(105)	(4,890)	(3,940)	-	-	(11,900)
At fair value 30 June 2018	560,694	10,516	101,914	289,580	13,468	-	976,172
Accumulated depreciation at 30 June 2018	(196,908)	(8,431)	(70,665)	(150,074)	(13,468)	-	(439,546)
	363,786	2,085	31,249	139,506	-	-	536,626

NOTE 5: Assets we manage (continued)

5.2: Property, infrastructure, plant and equipment (continued)

Acquisition

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

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

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

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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.

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.

Leasehold improvements

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

NOTE 5: Assets we manage (continued)

5.2: Property, infrastructure, plant and equipment (continued)

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Opteon Solutions. 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 unserved) 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.

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2018 are as follows.

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Land under roads	-	-	679,443	June 2018
Land – specialised	-	-	622,727	June 2018
Land – non-specialised	-	275,149	-	June 2018
Land improvements	-	-	40,464	June 2018
Heritage buildings	-	-	13,163	June 2018
Buildings – specialised	-	-	227,274	June 2018
Building improvements	-	-	8,421	June 2018
Leasehold improvements	-	-	580	June 2018
Total	-	275,149	1,592,072	

Valuation of infrastructure

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

The date of the current valuation is detailed in the following table. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Roads	-	-	363,786	June 2018
Bridges	-	-	2,085	June 2018
Footpaths and cycleways	-	-	31,249	June 2018
Drainage	-	-	139,507	June 2018
Recreational, leisure and community facilities	-	-	-	June 2018
Waste management	-	-	-	June 2018
Parks, open space and streetscapes	-	-	-	June 2018
Other infrastructure	-	-	-	June 2018
Total	-	-	536,626	

NOTE 5: Assets we manage (continued)

5.2: Property, infrastructure, plant and equipment (continued)

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 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 \$7 and \$3,000 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 \$250 to \$400,000 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.

	2018 \$'000	2017 \$'000
Reconciliation of specialised land		
Land under roads	679,443	579,091
Parks and reserves	622,680	578,247
Total specialised land	1,302,123	1,157,338

5.3: Investment property

	2018 \$'000	2017 \$'000
Balance at beginning of financial year	4,769	4,723
Additions	-	-
Disposals	-	-
Fair value adjustments	(296)	47
Balance at the end of financial year	4,473	4,769

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.

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 Opteon Solutions who has recent experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property.

NOTE 6: People and relationships

6.1: Council and key management remuneration

a) 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:

Councillors	Councillor D Eden	(Mayor – 01 July 2017 – 15 Nov 2017)
	Councillor S Staikos	(Mayor – 16 Nov 2017 – 30 June 2018)
	Councillor G Gledhill	
	Councillor R A West OAM	
	Councillor T Bearsley	
	Councillor T Barth	
	Councillor R Brownlees OAM	
	Councillor G Oxley	
	Councillor G Hua	
CEO	Mr John Nevins	
General Managers	Mr Paul Franklin	(General Manager Corporate Services)
	Mr Mauro Bolin	(General Manager Community Sustainability)
	Mr Daniel Freer	(General Manager City Assets and Environment)
	Mr Jonathan Guttman	(General Manager Planning and Development)

	2018 No.	2017 No.
Total Number of Councillors	9	11
Chief Executive Officer and other Key Management Personnel	5	5
Total Key Management Personnel	14	16

b) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

	2018 \$'000	2017 \$'000
Short-term benefits	1,675	1,574
Long-term benefits	142	150
Total	1,817	1,724

NOTE 6: People and relationships (continued)

6.1: Council and key management remuneration (continued)

b) Remuneration of Key Management Personnel (continued)

The numbers of Key Management Personnel whose total remuneration from Council and any related entities, fall within the following bands:

	2018 No.	2017 No.
\$0 – \$10,000	-	2
\$20,000 – \$29,999	-	2
\$30,000 – \$39,999	7	5
\$50,000 – \$59,999	1	1
\$70,000 – \$79,999	1	1
\$80,000 – \$89,999	-	-
\$230,000 – \$239,999	-	1
\$240,000 – \$249,999	-	1
\$250,000 – \$259,999	1	-
\$260,000 – \$269,999	1	2
\$270,000 – \$279,999	2	-
\$350,000 – \$359,999	-	-
\$370,000 – \$379,999	-	1
\$380,000 – \$389,999	1	-
	14	16

c) 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 \$145,000.

The number of Senior Officers are shown below in the relevant income bands.

	2018 No.	2017 No.
\$145,000 – \$149,999	-	2
\$150,000 – \$159,999	4	6
\$160,000 – \$169,999	5	4
\$170,000 – \$179,999	2	3
\$180,000 – \$189,999	4	3
\$190,000 – \$199,999	2	1
	17	19

	\$'000	\$'000
Total Remuneration for the reporting year of Senior Officers included above amounted to:	2,918	3,142

NOTE 6: People and relationships (continued)

6.2: Related party disclosure

a) Transactions with related parties

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

b) Outstanding balances with related parties

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

c) Loans to/from related parties

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

d) Commitments to/from related parties

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

NOTE 7: Managing uncertainties

7.1: Contingent assets and liabilities

Contingent assets

Operating lease receivables

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:

	2018 \$'000	2017 \$'000
Not later than one year	2,722	2,599
Later than one year and not later than five years	7,380	3,477
Later than five years	3,332	1,529
	13,434	7,605

Contingent liabilities

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme; matters relating to this potential obligation are outlined in Note 8.3. 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. 37 Council staff (2017: 41) 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 (2017: \$1 million).

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.

NOTE 7: Managing uncertainties (continued)

7.1: Contingent assets and liabilities (continued)

Contingent liabilities (continued)

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.

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.

7.2: Change in accounting standards

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

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

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

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

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

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

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

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

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

Leases (AASB 16) (applies 2019/20)

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

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

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

NOTE 7: Managing uncertainties (continued)

7.3: Financial instruments

a) Objectives and policies

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

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

b) Market risk

Market risk is the risk that the fair value or future cash flows of 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 7.1. Council currently does not provide a guarantee for another party.

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.

NOTE 7: Managing uncertainties (continued)

7.3: Financial instruments (continued)

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 7.1, and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 4.4.

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

e) Sensitivity disclosure analysis

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

7.4: Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

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

NOTE 7: Managing uncertainties (continued)

7.4: Fair value measurement (continued)

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 5.2 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.

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

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs 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.

7.5: Events Occurring After Balance Date

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

NOTE 8: Other matters

8.1: Reserves

a) Asset revaluation reserve

	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
2018			
Property ⁽ⁱ⁾:			
- Land	239,454	71,095	310,549
- Land under roads	178,828	99,684	278,512
- Buildings	141,098	(33,889)	107,209
	559,380	136,890	696,270
Infrastructure ⁽ⁱⁱ⁾:			
- Transport	287,745	4,342	292,087
- Drainage	112,215	(529)	111,687
	399,960	3,814	403,774
Other:			
- Heritage and culture	1,316	(11)	1,305
- Other	3,966	-	3,966
	5,282	(11)	5,271
Total Asset revaluation reserve	964,623	140,692	1,105,315
2017			
Property:			
- Land	179,447	60,007	239,454
- Land under roads	136,678	42,150	178,828
- Buildings	143,449	(2,351)	141,098
	459,574	99,806	559,380
Infrastructure:			
- Transport	315,244	(27,499)	287,745
- Drainage	112,289	(74)	112,215
	427,533	(27,573)	399,960
Other:			
- Heritage and culture	1,316	-	1,316
- Other	3,966	-	3,966
	5,282	-	5,282
Total Asset revaluation reserve	892,389	72,233	964,623

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

(i) Valuation of Property was performed by qualified independent valuers. Land buildings were valued by Opteon Solutions and land under roads by K.A Reed Group.

(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 levels can fluctuate depending on contract rates incurred by Council during each year.

NOTE 8: Other matters (continued)

8.1: Reserves (continued)

b) Other reserves

	Balance at beginning of reporting period \$'000	Transfer from Accumulated Surplus \$'000	Transfer to Accumulated Surplus \$'000	Balance at end of reporting period \$'000
2018				
Asset replacement reserve	2,075	-	(592)	1,483
Asset development reserve	14,486	8,457	(6,256)	16,688
Drainage contributions	88	-	-	88
Special rates	127	1	-	128
Aged care	3,148	1,694	-	4,842
Foreshore	559	1,336	(408)	1,488
Green wedge	8,317	1,020	(584)	8,753
Defined benefit call	1,000	-	-	1,000
Stormwater Quality reserve	-	470	-	470
Other	257	11	-	268
Total Other reserves	30,058	12,989	(7,839)	35,208
2017				
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
Total Other reserves	27,527	8,872	(6,341)	30,058

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 \$8.5m were received in 2017/18 (2016/17: \$4.9m). 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.

The Stormwater Quality reserve was first established in 2017/18 to help fund various stormwater improvement projects throughout Council.

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 8: Other matters (continued)

8.2: Reconciliation of cash flows from operating activities to surplus / (deficit)

	2018 \$'000	2017 \$'000
Surplus/(deficit) for the year	40,764	42,337
Depreciation/amortisation	24,568	24,994
Carrying value of property, infrastructure, plant and equipment disposed	905	786
Found assets / other	(958)	(1,214)
Fair value adjustments for investment property	296	(47)
Borrowing costs	439	539
Developer Asset Contributions (non cash)	(2,626)	-
Changes in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(1,184)	1,049
Increase/(decrease) in accrued income	(120)	(556)
Increase/(decrease) in trade and other payables	3,879	(2,064)
Increase/(decrease) in trust funds and deposits	1,990	579
Increase/(decrease) in other liabilities	940	(22)
Increase/(decrease) in employee benefits	(1,056)	1,548
Net cash provided by / (used in) operating activities	67,839	67,927

8.3: Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined 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 2018, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

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

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

NOTE 8: Other matters (continued)

8.3: Superannuation (continued)

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

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

Vision Super has advised that the estimated VBI at March quarter end 2018 was 106.2%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2017 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 2017 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 2018, this rate was 9.5% of members' salaries (9.5% in 2016/17). 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.

2017 triennial actuarial investigation surplus amounts

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

- A VBI surplus of \$69.8 million;
- A total service liability surplus of \$193.5 million; and
- A discounted accrued benefits surplus of \$228.8 million.

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

2018 interim actuarial investigation

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

APPENDICES

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	2.8	127.49	44.78	35.27	27.24	237.58
Permanent FT – Male	5	45.91	28	31	84.02	193.93
Permanent PT – Female	0	174.45	19.72	16.45	17.16	227.78
Permanent PT – Male	0	11.54	1.61	10.4	2.59	26.14
Temporary FT – Female	0	11.85	2	13.2	3	30.05
Temporary FT – Male	0	2	5	8	5	20
Temporary PT – Female	0	3.75	1.4	3.84	0.6	9.59
Temporary PT – Male	0	0.8	0	1.91	0	2.71
Casual – Female	0	9	0.18	0.27	5.5	14.95
Casual – Male	0	0.96	0	0.24	1.98	3.18
TOTAL	7.8	387.75	102.69	120.58	147.09	765.91
Permanent FT – Female	2.8	127.49	44.78	35.27	27.24	237.58
Permanent FT – Male	5	45.91	28	31	84.02	193.93

TABLE 2 – CITY OF KINGSTON EMPLOYMENT CLASSIFICATIONS

Employment Classification	Female FTE	Male FTE	Total FTE
Band 1	9.06	10.79	19.85
Band 2	70.62	14.57	85.19
Band 3	54.32	42.82	97.14
Band 4	120.1	26.89	146.99
Band 5	89.52	42.01	131.53
Band 6	93.43	51.64	145.07
Band 7	39.72	24	63.72
Band 8	15.84	9	24.84
Band not applicable	27.34	24.24	51.58
TOTAL	519.95	245.96	765.91


Appendix 2 – OH&S Performance

- ▶ Number of Workcover claims accepted – 11
- ▶ Number of notifiable incidents (employee) – 3
- ▶ Number of notifiable incidents (non-employee) – 4
- ▶ There was an average of 2.25 Lost Time Injuries (LTIs) per month in 2017/18.
- ▶ Medically Treated Injuries had an average of 2.7 workers per month.
- ▶ First Aid Injuries decreased by 0.2 in 2017/18 to an average of 5.3 workers receiving first aid treatment, compared to 5.5 in 2016/17.

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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