



HUME CITY COUNCIL **ANNUAL REPORT** 2015 - 2016

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Hume City Council

Annual Report 2015 - 2016

Hume City Council is proud to present this Annual Report for the 2015 - 2016 financial year.

This Annual Report provides an update on highlights, achievements and challenges that were experienced in the 2015 - 2016 year. The report also measures Council's performance and progress against the objectives and priorities as set out in our Council Plan 2013 - 2017, along with the 2015 - 2016 Budget and Action Plan.

Hume City Council recognises the rich Aboriginal heritage within the municipality and acknowledges the Gunung-Willam-Balluk of the Wurundjeri as the Traditional Custodians of this land. Council embraces Aboriginal living culture as a vital part of Australia's identity and recognises, celebrates and pays respect to the existing family members of the Gunung-Willam-Balluk and to Elders past and present.

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A message from the Mayor and Chief Executive Officer

In 2015 - 2016, Hume City Council continued to work earnestly for a better future for one of Australia's fastest growing communities. Strategic decisions have been made, and delivered upon, that will see the Hume community continue to thrive now and into the coming years.

The finalisation of the Sunbury Project places us in a position to plan strongly for the future. The State Government's decision, that Sunbury would be best provided for by Hume City Council, has removed all of the uncertainty of the past three years about the structure, assets and income of the municipality.

With more people choosing to call Hume home each year, we expect to welcome more than 57,000 new residents to our City over the next decade. Council has planned for this growth and will continue to provide high quality services, programs and projects for our community while planning further for the future.

The administration of Council has undergone careful review and a new structure will come into place from 1 July 2016. This structure will enable Hume City Council to meet the population increase by providing a greater focus on areas of

community need and improving productivity by bringing staff together who deliver similar services. Throughout this review period, Council staff have maintained an excellent level of service to the community and should be commended for their commitment and patience.

The past financial year has seen strong financial management. We achieved a surplus of \$132.02 million, a surplus that was \$77 million more than originally budgeted. Hume will be almost debt-free, for the first time since the municipality was created more than 21 years ago. This reduction in debt is the result of Council's decision to pay back almost \$26 million of debt early. This action will reap huge rewards for our community, as Council saves \$5.5 million in net interest across the next 10 years.

This year has seen the finalisation of many capital works projects, with particular focus on meeting the recreational needs of the community, highlighted by the completion of Newbury Park and Regional Hockey Centre, along with the Craigieburn Bowling Club. Other projects that have been well progressed this year include the major development at Craigieburn ANZAC Park and planning work for the Broadmeadows Town Hall redevelopment.

Council has continued its program of advocating for State and Federal Government support for Hume. We campaign with the aim of securing sustained, long-term funding of our major projects and programs. We know that road condition and capacity needs to be addressed now to meet accessibility needs for the future, so we continue to lobby for the duplication of Craigieburn Road, Mickleham Road, Somerton Road, Sunbury Road and the creation of a Bulla Bypass. In addition to roads, we are committed to the ongoing improvement to public transport, schools and health for the people of Hume.

In the lead up to the Federal election, Hume campaigned vigorously for the support of key local projects:

- Hume Global Learning Centre - Sunbury
- DS Aitken Pavilion Redevelopment
- O'Shanassy Street Upgrade
- Broadmeadows Town Hall Redevelopment
- Aitken Hill Integrated Community Precinct
- Progress Reserve Training Lights

The campaigning that we have undertaken is to ensure that capital works projects in Hume are considered to be a high priority for our Federal representatives and that the funding that is allocated represents this priority equitably.

2015 – 2016 was a great year for major events in Hume. A record crowd of 10,000 came out to celebrate Carols by Candlelight with us. Craigieburn Festival, Broadmeadows Street Festival and the Summer Sessions all cemented their positions in the annual events calendar. The Freedom of Entry Parade was a source of great civic pride, acknowledging the importance of the Australian Defence Force to this municipality.

Council continues to celebrate the cultural diversity within Hume. With residents who come from over 160 different countries, speaking over 140 languages, Council has an important role in facilitating a positive cultural environment, one that enables all residents to feel that their languages, faiths and cultures are accepted in the broader community.

A highlight of Council's commitment to celebrating cultural diversity was seen in the continued strength of the Hume Interfaith Network. This Network was created as a way for

people of different cultural and religious backgrounds to come together to share cultures and find commonalities. Another highlight was the adoption of the revised Aboriginal and Torres Strait Islander Recognition Policy and the promise to further acknowledge the community's traditional custodians.

Hume City Council is determined to improve employment opportunities for residents. This year, great effort has been made to assist existing Hume businesses to grow and to also attract new businesses to Hume, which has included the establishment of the TNT plant. Some of the industries Council is currently targeting to locate or grow in Hume City include: clean technology, food and pharmaceutical manufacturing, major health providers, tertiary education, transport/logistics and service industries. Hume is also continuing to work closely with Melbourne Airport to facilitate business activity. More business activity will result in greater local employment opportunities in Hume.

The prevention of domestic violence has been a major focus for Hume over the past five years. In 2015 - 2016 this message was even more prominent, with the Mayor championing the cause regularly during public appearances and the installation of signage proclaiming "Violence against women – Hume says NO". Hume's White Ribbon awareness event was also particularly inspirational and included a poignant story of resilience and courage from Australian of the Year Rosie Batty, founder of the Luke Batty Foundation.

With the Council elections coming up in October 2016, we would like to acknowledge the strength and commitment of this councillor group, who have made significant contributions to the economic and social wellbeing of Hume.

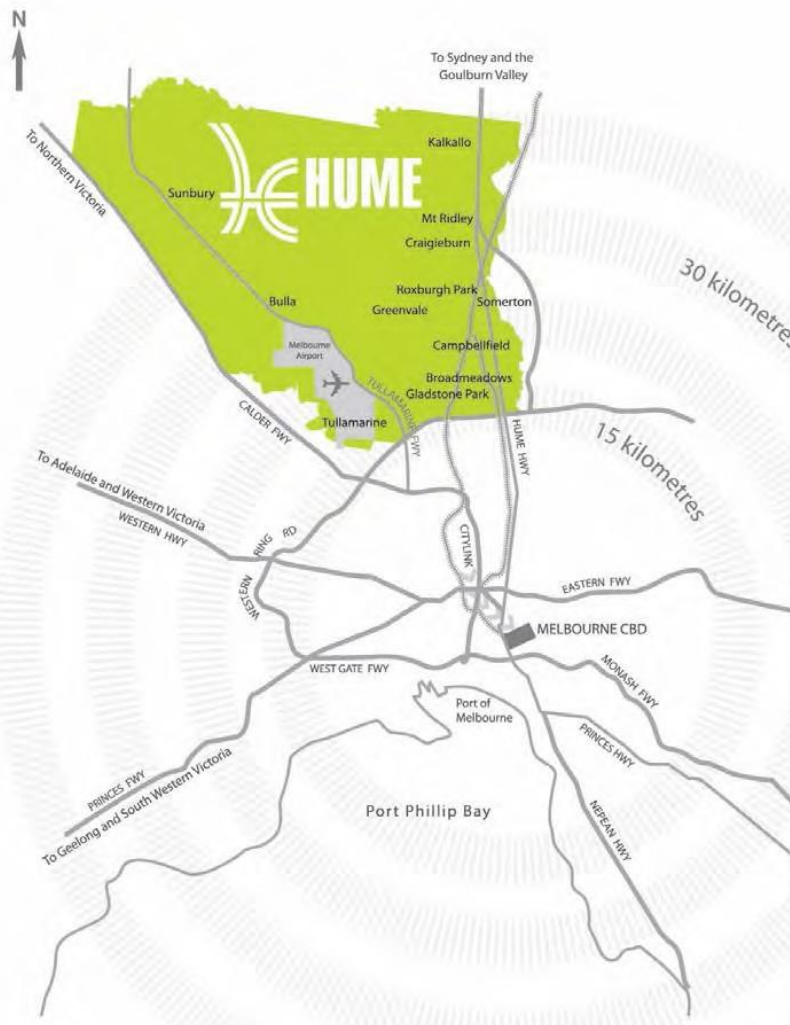


Cr Helen Patsikatheodorou
Mayor



Domenic Isola
Chief Executive Officer

City Profile



Located just 15 kilometres north of Melbourne, Hume City is one of the fastest growing and most culturally-diverse communities in Australia.

Spanning a total area of 503 square kilometres, it is built around the suburbs of Broadmeadows, Tullamarine and Gladstone Park in the south, the residential suburbs of Craigieburn, Greenvale and Roxburgh Park in the north-east and Sunbury in the north-west.

The municipality is made up of a mix of contrasts including new and established residential areas, major industrial and commercial precincts and vast expanses of rural areas.

The Melbourne International Airport is also located within the municipality.

Hume City is home to major road transit routes including the Tullamarine Freeway, Western Ring Road, Hume Highway and the Craigieburn Bypass. Hume is bound by the local government areas of Moreland, Whittlesea, Brimbank, Macedon Ranges, Melton and Mitchell.

History

Hume City has a long, rich and significant past that stretches back more than 40,000 years when the Gunung-Willam-Balluk first inhabited the region.

Hume is home to some of Victoria's most significant landmarks including Rupertswood Mansion and Emu Bottom Homestead in Sunbury and the historic Maygar Barracks in Broadmeadows – the training base for our troops during World War I.

Hume City Council was formally created on 15 December 1994 to incorporate the Shire of Bulla, most of the City of Broadmeadows, a section of the City of Whittlesea along Merri Creek and a north east section of the City of Keilor.

Hume is a place of great contrasts – in geography, economy, background and cultural diversity.

Our City Today

Hume today is a vibrant community where residents can choose between a rural or urban lifestyle.

Home to 194,006 residents (as at 30 June 2015), Hume City's population is expected to grow to 345,446 by the year 2041.

Our residents come from more than 160 different countries and speak over 140 languages – each week, 39 new migrants move into Hume City. In comparison to metropolitan Melbourne, Hume City residents are younger in age, and there is a higher proportion of 'family households'.

Much of this can be attributed to the important role Hume City plays within the Melbourne housing market. The area is known for its affordable home ownership opportunities, attracting existing and prospective families.

In the five years between 2006 and 2011, almost 28,500 new residents (aged over 5+ years) moved to Hume. In this period, Moreland City Council was the largest contributor of new residents from within Australia – about 4,300 moved into Hume from Moreland.

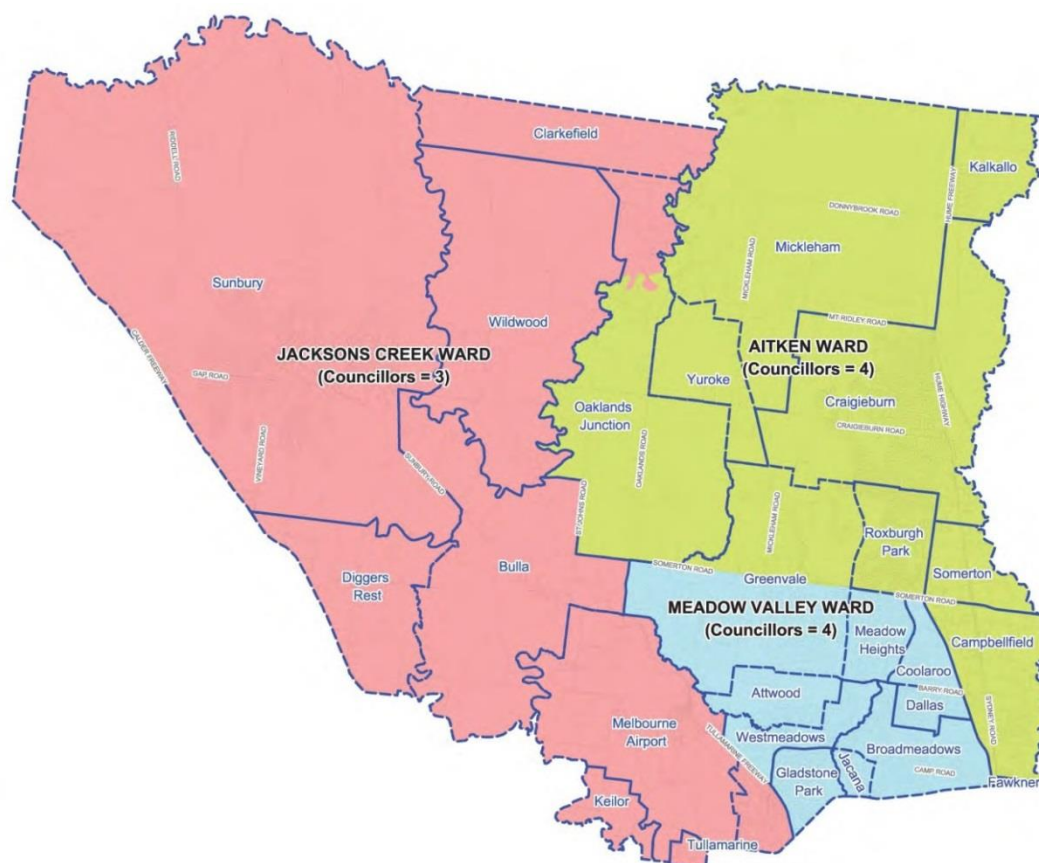
This was followed by almost 2,300 residents who moved here from interstate and almost 5,800 residents who came from Whittlesea, Moonee Valley, Darebin and Brimbank.

From outside Australia, some 8,900 residents moved from overseas and chose to call Hume home.

Hume receives about 5 per cent of metropolitan Melbourne's total migration intake, and 18 per cent of metropolitan Melbourne's humanitarian intake stream.

Ward Boundaries

Hume City Council is divided into three wards:



Hume City Councillors



Hume City Councillors from left to right: Cr Ann Potter; Cr Casey Nunn; Cr Drew Jessop; Deputy Mayor, Cr Chandra Bamunusinghe; Cr Geoff Porter; Mayor, Cr Helen Patsikatheodorou; Cr Adem Atmaca; Cr Jack Ogilvie; Cr Alan Bolton; Cr Jack Medcraft and Cr Vic Dougall.

Hume City Council is represented by 11 democratically-elected councillors.

All councillors served the final year of a four-year term, after being elected to represent the wards of Aitken, Jacksons Creek and Meadow Valley at the Victorian Local Government election held in October 2012.

Councillors are eligible for re-election at the Victorian Local Government election scheduled for 22 October 2016.

Aitken Ward

Includes the suburbs of Campbellfield, Craigieburn, Fawkner, Greenvale (north of Somerton Road), Mickleham, Oaklands Junction (south of Deep Creek), Roxburgh Park, Somerton, Yuroke and Kalkallo.

- **Cr Chandra Bamunusinghe:** (Deputy Mayor): Safety and Traffic
- **Cr Alan Bolton:** Finance, Learning, Infrastructure and Capital Works
- **Cr Drew Jessop:** Environment
- **Cr Casey Nunn:** Youth, Sport and Recreation

Jacksons Creek Ward

Includes suburbs of Bulla, Clarkefield (part of), Diggers Rest (part of), Keilor (part of), Oaklands Junction (north of Deep Creek), Sunbury, Tullamarine and Wildwood as well as the Melbourne International Airport.

- **Cr Jack Medcraft:** Waste and Litter Management, Youth, Sport and Recreation
- **Cr Jack Ogilvie**
- **Cr Ann Potter:** Arts and Culture

Meadow Valley Ward

Includes suburbs of Attwood, Dallas, Broadmeadows, Coolaroo, Gladstone Park, Greenvale (south of Somerton Road), Jacana, Meadow Heights and Westmeadows.

- **Cr Adem Atmaca:** Planning – Strategic and Statutory and Economic Development
- **Cr Victor Dougall:** Safety and Traffic
- **Cr Helen Patsikatheodorou** (Mayor): Communications and Human Services
- **Cr Geoff Porter:** Learning

Values, Vision and Mission

WE VALUE

Our citizens

We will promote democratic representation and genuinely engage our citizens to promote a sense of belonging within a healthy, safe, strong and diverse community.

We will lead the way to identify community needs and best practice service delivery models and advocate for an integrated approach to service provisions.

Our services and facilities will be of a high quality and we will pursue efficiency and continuous improvement through customer focus and innovation.

Our staff

We will demonstrate this by encouraging, supporting and developing our employees to achieve service excellence and a sense of unity, pride and fulfilment.

Partnerships with the Federal and State Governments

We will work together to achieve the equitable provision of services and infrastructure to meet current and future community needs.

Our Community Organisations

We will work in partnership with them to build community wellbeing, resilience and capacity.

VISION, MISSION, PRINCIPLES

Our vision

Hume City Council will be recognised as a leader in achieving social, environmental and economic outcomes with a common goal of connecting our proud community and celebrating the diversity of Hume.

Our mission

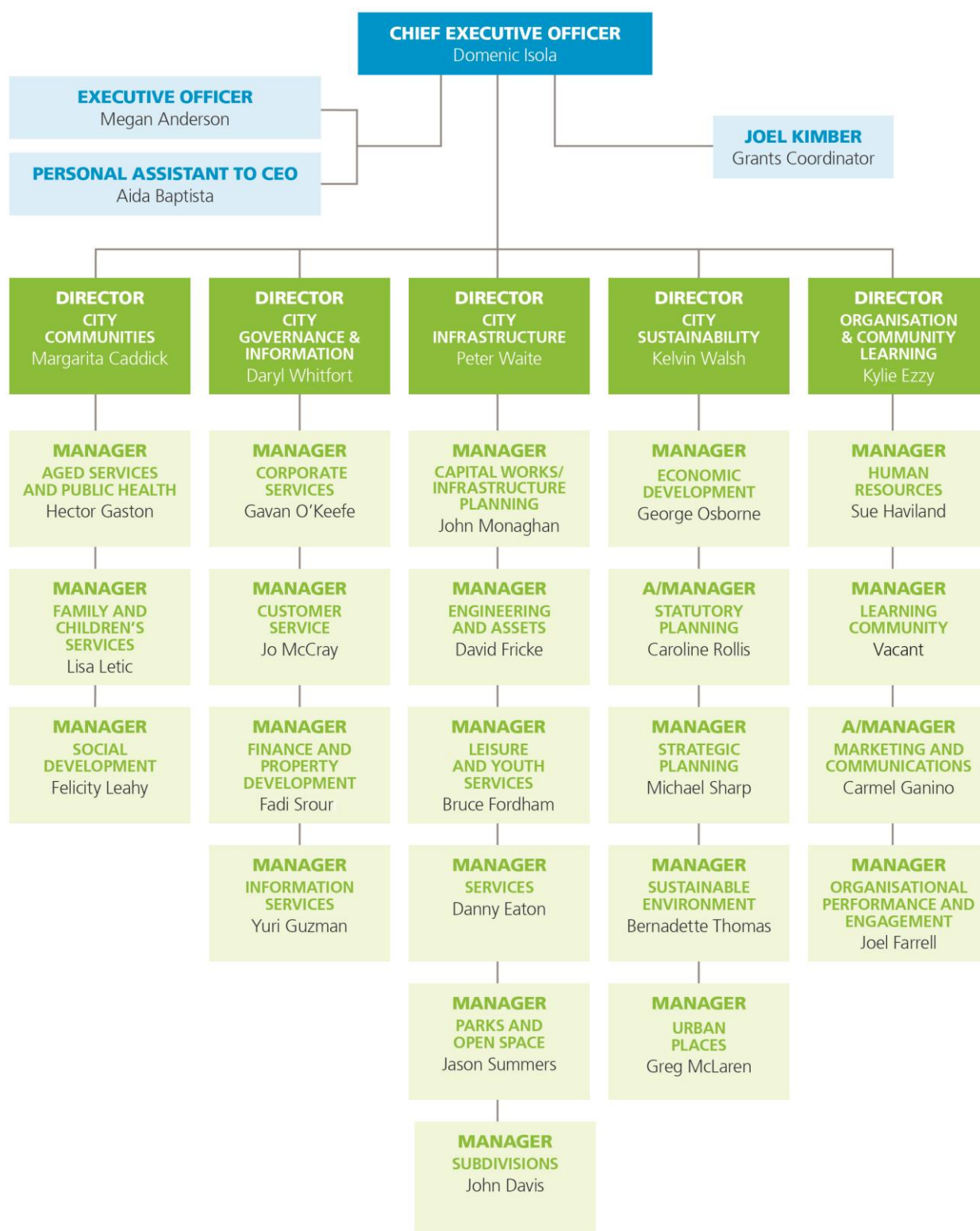
To enhance the social, economic and environmental prosperity of our community through vision, leadership, excellence and inclusion.

Our principles

As indicated in the Council Plan 2013-2017, Council's activities are in line with the principles of social justice, partnerships, financial accountability and transparency, economic prosperity and environmental sustainability.



Organisational Structure as at 30 June 2016



Current as at June 2016



Hume City Council's Executive Management Team: (standing from left to right) Daryl Whitfort, Peter Waite, Kelvin Walsh; (seated from left to right) Kylie Ezzy, Domenic Isola and Margarita Caddick.

Council Management Team

Hume City Council's organisational structure is based on five divisions that work to manage and coordinate the full range of activities and services to the community. Each division is headed by a Director who reports to the Chief Executive Officer.



Domenic Isola Chief Executive Officer

As Chief Executive Officer, Domenic is responsible for the day-to-day running of Hume City Council, implementing Council decisions, providing timely advice to Council and achieving the organisation's goals, in accordance with the Council Plan and approved Budget.

Domenic joined Council in 1999 as Finance Manager, before being appointed Director, City Governance and Information for four years. He was appointed Chief Executive Officer in 2007.

Domenic holds a Bachelor of Business (Accounting), is a Fellow Certified Practising Accountant and a Graduate of the Australian Institute of Company Directors.



City Communities **Director, Margarita Caddick**

City Communities advocates, plans and provides support, services and programs that enhance community wellbeing, promote healthy living and provide opportunities to participate in the life of the City.

Margarita has more than 30 years of social development experience in the public sector and returned to Hume City Council as Director in 2011, having been the Manager Community Planning and Development from 2000 to 2002. She holds a Master of Arts (Social Policy and Social Research Methods) and Bachelor of Business (Local Government).



City Governance and Information **Director, Daryl Whitfort**

City Governance and Information is responsible for managing corporate support and governance to ensure compliance with corporate business obligations.

Daryl joined Hume City Council in 1999 as the Management Accounting Coordinator, then Manager Finance in 2002, before being appointed as the Director City Governance and Information in 2007. Daryl has also worked at Melton Shire Council, Moonee Valley City Council and Moorabool Shire Council. Prior to that, he worked for the Alpine Resorts Commission and Melbourne Water. Daryl is a highly qualified professional and holds a Masters of Business Administration and a Bachelor of Business.



City Infrastructure **Director, Peter Waite**

City Infrastructure is responsible for ensuring the delivery of a diverse range of services that support Council and the users of Council's infrastructure.

Peter joined Hume City Council in 2016 and has a diverse infrastructure background having worked in a range of regional and metropolitan councils including the Rural City of Wangaratta, City of Melbourne, Manningham City Council and Glen Eira City Council. Peter holds a Masters of Business Administration (Technology Management), Bachelor of Engineering (Civil) and is a graduate of Leadership Victoria's Williamson Community Leadership Program.



City Sustainability **Director, Kelvin Walsh**

City Sustainability is responsible for Council's land use planning portfolio including Statutory and Strategic Planning, Economic Development, Sustainable Environment and Urban Places.

Kelvin has a planning and urban design background, with Bachelor degrees in both planning and architecture and a Master of Architecture and Urban Culture from UPC (Polytechnic University of Catalonia) in Barcelona. He joined Council in 2011 and has worked in the private sector in Europe, Asia and the Middle East and in senior roles in local and state government in Australia.



Organisation and Community Learning **Director, Kylie Ezzy**

Organisation and Community Learning leads Council's staff services, corporate planning and strategic decision making processes and undertakes community engagement, consultation, communication and learning.

Kylie joined Hume City Council in 2004 as the Manager Marketing and Communications, before being appointed as the Director Organisation and Community Learning in 2010. A highly qualified professional, she has also had a career in the Queensland State Government and private sector and holds a Bachelor of Visual Arts and a Masters in Communications.

City Communities

Director, Margarita Caddick

City Communities advocates, plans and provides support, services and programs for a wide range of Hume residents.

This includes support for people with a disability and the elderly, learning opportunities for children attending preschools and childcare centres and support for families through the Maternal and Child Health service.

The division also provides a range of programs for Hume's diverse multicultural and indigenous communities.

It offers access to health and immunisation services, arts and cultural programs, social planning, community development and community safety.

Aged Services and Public Health Manager, Hector Gaston

The Aged Services and Public Health department is responsible for the provision of aged care services and in-house support services to residents living with a disability, respite care services, immunisation and promotion of public health.

Aged and Disability Services provides social support, home help, personal care, delivered meals, community recreation programs and community transport to assist frail, aged and disabled residents.

The Public Health team ensures compliance with public health standards and performs a number of statutory duties, including inspecting food premises to maintain environmental standards in accordance with the *Health and Wellbeing Act* and the *Food Act*.

Family and Children's Services

Manager, Lisa Letic

Family and Children's Services provides, plans and advocates for the delivery of high quality, affordable and accessible services to families and their children across Hume.

Services include preschool, childcare, occasional care, Maternal and Child Health and parenting support programs.

The department also supports children with additional needs to ensure inclusion and participation in a range of children's services.

Social Development Manager, Felicity Leahy

Social Development is responsible for strategic social planning that identifies future facilities to accommodate a wide range of community services including Council-provided services and those provided by other levels of government and agencies.

Social Development assists with forward planning for human services and initiatives that support, enhance and promote social inclusion, community development and citizen engagement.

The department achieves this by implementing the Social Justice Charter and associated action plans, arts and cultural development, community safety strategies and community renewal and place-based projects.

Social Development supports a network of 11 Neighbourhood Houses and creates opportunities for community engagement through Broadmeadows Community Hub, Newbury Child and Community Centre, and 12 school-based community hubs, supporting newly arrived residents from diverse backgrounds.

City Governance and Information

Director, Daryl Whitfort

City Governance and Information provides services to the Hume community through customer service centres and call centres.

This directorate is also responsible for risk management; financial planning and management; information services and technology; payroll services; purchasing services; and records management.

The division serves the community through the sound financial management of Council funds, ensuring that projects, infrastructure and services are available for and provided to the community.

It also supports residents in the community who have access to the internet via the provision of online services and organises citizenship ceremonies for new residents.

City Governance and Information provides a vital service to the community in relation to ensuring Council adheres to sound governance practices. All sectors of the community are serviced by the division's risk and insurance management.

Finance and Property Development Manager, Fadi Srour

Finance and Property Development provides financial-based services to both internal and external customers.

This includes the management of Council's finances, payment of salaries and wages to employees, procurement of services, levying and collection of rates from almost 70,000 ratepayers and the collection of user fees and charges.

The department is also responsible for managing Council's property portfolio, including property leases and licences, sales and acquisitions, road closures, development of property and the biannual revaluation of properties throughout the municipality.

Corporate Services Manager, Gavan O'Keefe

Corporate Services ensures Council complies with its statutory and governance obligations and provides a range of other administrative services including management of the risk and insurance portfolios.

The department facilitates Council meetings, citizenship ceremonies, ward meetings, cemetery administration support and maintains the records of Council including Council and committee minutes.

Customer Service Manager, Jo McCray

The Customer Service department manages Council's Customer Service Centres in Broadmeadows, Craigieburn and Sunbury, each with call centre functionality.

In the 2015-2016 financial year Customer Service staff answered 279,003 phone and counter enquiries, 635 faxes, 6,128 emails, 2,516 requests via the Hume App, 1,112 requests via Councils' online request form and 1,232 live chats.

Information Services Manager, Yuri Guzman

Information Services supports and maintains Council's computer and information systems network across 68 interconnected staff sites throughout Hume.

It also supports provision of internet access to library members and WiFi access at libraries, youth centres and learning centres.

City Infrastructure

Director, Peter Waite

City Infrastructure manages and maintains Council's assets. The Capital Works program involves the design, construction and maintenance of Hume's infrastructure including roads, drains, footpaths, buildings, parks and natural assets.

City amenity services includes management of Sunbury Landfill and the Resource Recovery Centre, collection of waste and recyclables and maintaining the appearance of the City. The division manages Council's fleet, plant and equipment and checks, approves and supervises new subdivisions.

City Infrastructure provides building management and local laws services, manages three leisure centres and provides planning for open space and recreation facilities. The division provides programs at four youth centres and manages parks, bushland and trees.

Capital Works/ Infrastructure Planning Manager, John Monaghan

Capital Works is responsible for the development and implementation of the annual Capital Works Program. It supervises Council's tendering procurement and construction and project management of Council's infrastructure works.

The Capital Works program includes a range of projects related to roads, footpaths, drains, buildings, streetscape improvements, car parks, recreation and sporting facilities, parks and reserves and shopping centres

Infrastructure Planning is responsible for the management of proposed infrastructure for major projects such as the Merrifield and Lockerbie developments, Craigieburn Town Centre, Broadmeadows Central Activities Area, major land development and civil and community infrastructure. Other responsibilities include managing Council's Sunbury Landfill and Resource Recovery Centre.

Parks and Open Space Manager, Jason Summers

Parks and Open Space manages playgrounds and maintains Hume's 1,990 hectares of open space including an AFL standard facility and premier league soccer facility, 60 sports fields, high quality parks and gardens and 250 playgrounds.

The department manages more than 100 conservation sites and wetlands, 135,000 street trees, 30,000 reserve trees, and mows 239 kilometres of rural roadside for fire prevention.

Leisure and Youth Services Manager, Bruce Fordham

This department is responsible for planning and developing recreation facilities including planning for new facilities, redeveloping existing facilities, ground allocations and liaising with sporting clubs. It manages three leisure centres and is actively involved in direct programs. It is also responsible for Open Space Planning across the city in growth areas and those being regenerated.

Youth Services manages four youth facilities and is responsible for service planning and coordination across Hume. There are a number of key programs delivered for young people including counselling and support, Moving Forward Program, Teenage Holiday Program and generalist youth programs.

Subdivisions Manager, John Davis

The Subdivisions department approves and supervises the construction of subdivision applications for road, drainage, landscape and open space infrastructure, along with major arterial roads constructed as part of subdivisional development.

Services

Manager, Danny Eaton

This department maintains Council's municipal fire prevention and emergency management plans and provides support to emergency services on a 24/7 basis. It is responsible for enforcement of the *Building Act* and regulations through the Building Control Services team.

City Laws enforces legislation and education and information to the community in relation to parking management, animal management; local laws and school crossing supervision.

Technical Services is responsible for compliance with the *Road Management Act*, *EPA Act* and graffiti prevention. Property Services is responsible for the maintenance of 234 facilities and manages street lighting.

Public Works provides local roads, bridges, signage and general amenity programs, while Hume Fleet manages 600 items of fleet, plant and equipment. Waste and Cleansing Services manages organics and waste collection, street sweeping and drainage maintenance.

Engineering and Assets

Manager, David Fricke

This department manages Council assets and local roads, bridges, drains, footpaths and buildings. It delivers design and tender documentation for new roads, road reconstructions, car parks, traffic management treatments, drainage works, new footpath and streetscape works and undertakes Local Area Traffic Management Studies and implements Council's Road Safety Plan and provides traffic management.



City Sustainability

Director, Kelvin Walsh

City Sustainability provides services to all residents by ensuring that development carried out in Hume is timely, sustainable, appropriate, affordable and effective by working with the community on plans for the future.

Promoting urban design excellence, it provides services to those wanting to buy or develop property. City Sustainability services businesses, retail areas and industries in Hume by supporting networks, providing training opportunities and fostering economic prosperity.

It provides support to unemployed local residents offering a range of employment and training programs. The local and natural environment is an area also serviced by City Sustainability, through a range of environmental activities and education.

Economic Development Manager, George Osborne

Economic Development provides direction, support and facilitates a strong economic future for Hume, in partnership with business, investors and the local community.

The department coordinates networking events and training sessions for small to medium businesses, programs to assist long-term unemployed people to get back into the workforce and has a strong tourism focus, supporting tourism within the City.

Strategic Planning Manager, Michael Sharp

Strategic Planning works with land developers, State Government departments and agencies to plan for the timely provision of available land, services and infrastructure in new and existing communities.

The department plans and facilitates the development of new residential neighbourhoods and business parks, employment areas and activity centres and facilitates the provision of sustainable transport options.

Statutory Planning Acting Manager, Caroline Rollis

Statutory Planning assesses and approves appropriate development for Hume in accordance with the Hume Planning Scheme and the *Planning and Environment Act*.

The department assessed 1,022 planning applications in the past financial year, comprising a mixture of industrial, residential and commercial development and new residential subdivisions.

In addition, the department is responsible for town planning enforcement and ensuring that all approved development is carried out in accordance with the approved permits and the Hume Planning Scheme.

Sustainable Environment Manager, Bernadette Thomas

Sustainable Environment works with, supports and encourages the community to adopt sustainable practices.

The department offers incentives and advice to rural landholders including assistance in managing properties sustainably; environmental assessments and advice on proposed developments; monitoring and reporting on the state of the environment; implementing water and energy conservation measures; and supporting environmental champions and community environmental programs that protect and enhance our natural environment.

Urban Places Manager, Greg McLaren

Urban Places facilitates development of high quality, well connected and sustainable urban areas and promotes the transformation of the Broadmeadows Metropolitan Activity Centre.

Organisation and Community Learning

Director, Kylie Ezzy

Organisation and Community Learning is responsible for guiding the communications that happen between Council and the community and other stakeholders including developing a range of printed and online communications.

The division provides community engagement opportunities and the provision of a range of festivals and events throughout the year.

It operates six libraries and a range of learning programs and learning centres for residents.

The division is responsible for recruiting, training and supporting Council's 1,500 staff and for directing and guiding organisational planning and development.

It provides research and statistical analysis for Council departments and coordinates the development and reporting of the *Hume Horizons 2040* long-term community plan and the Council Plan.

Human Resources Manager, Sue Haviland

Human Resources supports the organisation in the management of its 1,500 Council staff in regards to training and development, staff reward and recognition, occupational health and safety, industrial relations and recruitment.

Learning Community

This department delivers a range of programs to residents through the six branches of Hume Libraries, the Hume Global Learning Centres at Broadmeadows and Craigieburn, and the Homestead Community and Learning Centre. It also supports and promotes the delivery of learning programs by other providers.

In conjunction with the community, the department facilitates events and programs that support lifelong learning.

Marketing and Communications Acting Manager, Carmel Ganino

Marketing and Communications raises awareness of Council services, programs and initiatives through a range of printed and digital external communications activities and supports the organisation through internal communications.

The department organises major events and festivals throughout the City, including Broadmeadows Street Festival, Hume Carols by Candlelight, Craigieburn Festival and Summer Sessions.

Organisational Performance and Engagement Manager, Joel Farrell

Organisational Performance and Engagement coordinates the Community Plan and Council Plan process.

The department is responsible for undertaking research and community consultation and engagement activities to identify community needs, expectations and aspirations.

The department undertakes analysis of residents to monitor population trends; providing evidence and analysis for future service planning.

Council staff numbers as at 30 June 2016

TOTAL FULL TIME EQUIVALENT (FTE)							
PERMANENT FULL TIME, PART TIME, CASUAL BY DIVISION AND GENDER							
	CEO Office	City Communities	City Governance and Info.	City Infrastructure	City Sustainability	Org and Comm Learning	Total FTE #
Permanent Full time - F	2	100.2	31	40.5	26.1	36.7	236.5
Permanent Full time - M	2	12	36	202.7	21.9	14.6	289.2
Permanent Part time - F	0	121.6	17.1	37.2	5.5	22.2	203.6
Permanent Part time - M	0	5.4	2.3	8.1	0	2.3	18.1
Casual – F	0	7.2	0.4	16	0.4	5	29
Casual – M	0	0.1	0	10.4	0.5	2	13
Total	4	246.5	86.8	314.9	54.4	82.8	789.4

TOTAL FULL TIME EQUIVALENT (FTE)							
TEMPORARY FULL TIME, PART TIME BY DIVISION AND GENDER							
	CEO Office	City Communities	City Governance and Info.	City Infrastructure	City Sustainability	Org and Comm Learning	Total FTE #
Temporary Full time - F	0	37	5	10	8	9.4	69.4
Temporary Full time - M	0	4	7	15.5	4	2	32.5
Temp. Part time - F	0	46	1.9	4.2	3	5.9	61
Temp. Part -time -	0	1.8	0.4	2.6	0	1.1	5.9
Total	0	88.8	14.3	32.3	15	18.4	168.8

TOTAL FULL TIME EQUIVALENT (FTE)										
PERMANENT FULL TIME, PART TIME, CASUAL BY BAND AND GENDER										
	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	All other	Total FTE#
Permanent Full time - F	0	0	17.9	60.2	64.4	46.5	18	10	19.5	236.5
Permanent. Full time - M	0	1	67.1	48.5	53.7	33.9	44	20	21	289.2
Permanent Part time - F	5.5	8	56.5	74.4	36	9.7	2.8	1.6	9.1	203.6
Permanent Part time - M	2.8	0.2	9.1	2.7	1.2	2.1	0	0	0	18.1
Casual – F	0.7	12.4	5.3	4.3	5	0	0.5	0	0.8	29
Casual – M	0.1	8	1.7	0.1	1.6	0	0.1	0	1.4	13
Total	9.1	29.6	157.6	190.2	161.9	92.2	65.4	31.6	51.8	789.4

TOTAL FULL TIME EQUIVALENT (FTE)										
TEMPORARY FULL TIME, PART TIME BY BAND AND GENDER										
	Band 1	Band 2	Band 3	Band 4	Band 5	Band 6	Band 7	Band 8	All other	Total FTE#
Temporary Full time - F	0	0	4.9	27.1	13	18.4	3	1	2	69.4
Temporary Full time - M	0	0	5	10	7.5	7	3	0	0	32.5
Temporary Part time - F	0.6	0	16.6	24.1	7.5	7.5	0	0.4	4.3	61
Temporary Part time - M	0	0	0.8	0.8	1.2	1.7	0.6	0	0.8	5.9
Total	0.6	0	27.3	62.0	29.2	34.6	6.6	1.4	7.1	168.8

*All vacant positions from February 2014-June 2016 were recruited on a temporary basis, due to the Sunbury Project, therefore temporary staff numbers have been presented in different tables. Separate to the total FTE figures above there were 35 FTE vacancies at 30 June 2016 which have not been included. Agency staff were also not included in the FTE figures.



2015 – 2016: The Year in Review

Our 2015 - 2016 Annual Report highlights the significant achievements, milestones and challenges that have been reached for the Hume community throughout the year.



Election of the Mayor and Deputy Mayor

Meadow Valley Ward Councillor Helen Patsikatheodorou was elected Mayor at a Statutory Meeting of Council, on 28 October 2015.

Cr Patsikatheodorou announced that the focus of her mayoral year would be on services to improve our community's health. Key priorities would be the prevention of family violence and to support the elderly, those with mental illness and our young people. Council's education initiatives and the services which residents rely on, like home care, immunisation and waste collection, would also be in focus.

Major projects for Council would be to develop and improve the infrastructure for business and leisure. The Broadmeadows Town Hall would be invigorated to attract businesses, which would result in increased employment opportunities for local residents. A leisure and athletics centre at Craigieburn ANZAC Park would offer increased recreational space.

Cr Patsikatheodorou was also Hume's Mayor in 2011. The second stint as Mayor offered a chance to promote a cause that was close to her heart, breast cancer awareness.

Aitken Ward Councillor, Chandra Bamunusinghe, was elected as Deputy Mayor.

Craigieburn ANZAC Park development

The \$48.5 million Craigieburn ANZAC Park development continues to take shape and is on track to meet the needs of our rapidly growing community.

The facilities and features included in this 12 hectare major project are:

- A regional aquatic and leisure centre;
- A regional athletics facility;
- War memorial;
- Event space and park areas;
- An inclusive playspace.

A public consultation was held on the naming of the park and the name Craigieburn ANZAC Park was decided upon.

Hume City Council is delivering this development in partnership with the Australian Government, Victorian Government, Craigieburn Central and Stockland.

Inclusive playspace

Slides, chimes and a carousel are just some of the elements included in the inclusive playspace that is planned for Craigieburn ANZAC Park. The playspace will also include a sand pit, group swing, arbour tunnels and a cubby house, as well as ropes, a play cone and bells.

Hume City Council will deliver the playspace in partnership with the Touched by Olivia Foundation, a national charity which was founded by John and Justine Perkins in the memory of their baby daughter, Olivia, who passed away from a rare illness. The playspace will be known as "Livvi's Place".

The Victorian Government has contributed \$600,000 funding and a number of businesses have provided sponsorship for the development of the playspace. The community and local school children have contributed to the design of the playspace.

Regional athletics facility

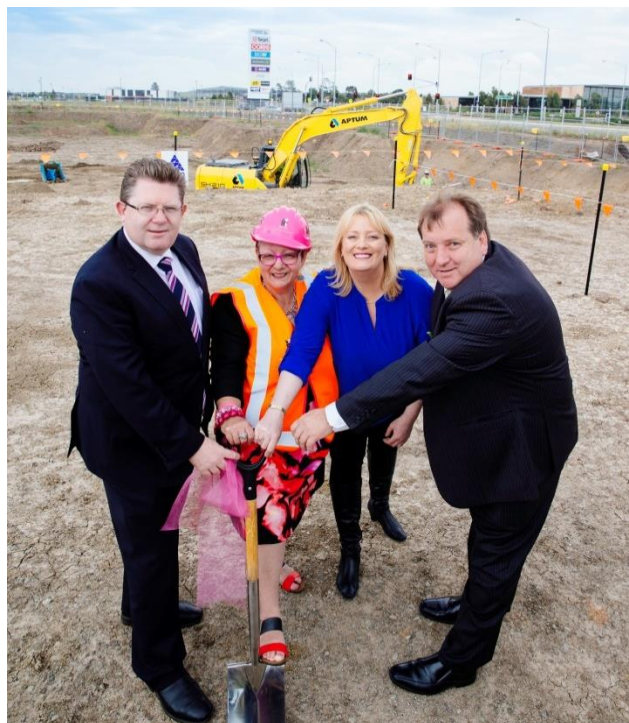
Construction of the regional athletics facility has commenced and is due for completion in the last quarter of 2016.

The complex has been developed to be of regional competition standard and aims to encourage greater participation in sport and recreation within our City.

Regional aquatic and leisure centre

Construction has commenced on the new regional aquatic centre at Craigieburn ANZAC Park, which will open its doors in 2017. The \$32 million complex will host a range of programs and activities and cater for people of all ages and abilities, with facilities including:

- A 50-metre pool;
- Toddler and learn to swim pools;
- Leisure and warm-water pools;
- Program pool, spa, sauna and steam room;
- Waterslides;
- Gymnasium and group-fitness rooms; and
- Wellness suites and a cafe.



'Turning of the sod' at Craigieburn ANZAC Park, November 2015: (L-R) Senator Scott Ryan, Cr Helen Patsikatheodorou, Ros Spence MP and Rob Mitchell MP.

Improvement to community sports facilities

Hume City Council is committed to achieving the very best for our community and providing first class sport and recreation facilities. Hume's sports facilities continue to provide locals with plenty of health and wellbeing benefits, and just as importantly, the chance to meet new people and start new friendships.

Major works in 2015 - 2016 have included:

- Greenvale Recreation Centre: ongoing works to add a basketball court and additional community facilities,
- John Ilhan Memorial Reserve, Broadmeadows: refurbished changerooms, add additional training lights and construction of fencing, and
- Langama Park, Sunbury: refurbished Pavilion 1.

Craigieburn Bowling Club

A new clubroom was opened at Craigieburn Bowling Club in February 2016, as part of a \$1.8 million investment in community sports. Craigieburn Bowling Club was established in 1983 and initially utilised builders' huts as clubrooms.

The new centre includes a social room and members' room that may be used for a variety of purposes, such as carpet bowls, darts, seniors' activities, club functions and community get-togethers. The development includes a kitchen and bar area, as well as two verandas that allow people to watch the bowling greens in comfort.

Hume City Council will host regular physical activities at the clubroom, to assist senior residents to keep fit.



Newbury Park and Regional Hockey Centre

Construction is complete on the development of Newbury Park in Craigieburn. The \$4.8 million parkland comprises a playground, picnic area, ½ basketball court, skate facility, open grassed area and the Hume Regional Hockey Centre - home of hockey and lacrosse in Hume.

This facility is the first hockey and lacrosse facility in Hume and will be a great addition to the variety of sports available to Hume residents. Two full-size hockey fields are linked by a central pavilion containing changing rooms, amenities for players and spectators, a canteen, social space and storage areas. The multi-use, all weather pitches can accommodate other sports ensuring the facility will be busy all year round. The 5-hectare site sees the hockey pitches sit alongside play areas and green open spaces for the whole community.

The development of Newbury Park has been made possible through a partnership involving Hume City Council, Stockland, Hockey Victoria, Lacrosse Victoria and the Victorian Government.

Broadmeadows Town Hall redevelopment

The \$20.2 million Broadmeadows Town Hall redevelopment is an innovative project which will enhance and expand the historic building to create a cutting-edge community facility, bringing business and community together through dedicated office space, retail opportunities and civic and ceremonial spaces. It will forge productive new relationships between industry and the community to develop social and creative capital in Broadmeadows.

Importantly, it provides confidence to the community about the facility's long-term future and enables the building to realise its potential to unlock the economic development opportunities that are presented for Broadmeadows, as outlined in the Broadmeadows Structure Plan and Hume Central: The Vision.

The Broadmeadows Statistical Local Area (SLA) is the most disadvantaged SLA in all of Victoria with an alarming unemployment rate of 21.7 per cent. The forthcoming job losses at the Broadmeadows Ford Plant will place additional pressure on the local community.

Broadmeadows Town Hall has played a major role in the civic and social life of residents. Prior to the establishment of the suburbs on the northern outer fringe of Melbourne, the Broadmeadows Town Hall was the pre-eminent community facility in Melbourne's north and has secured a special place in the hearts of many.

The Broadmeadows Town Hall redevelopment will provide dedicated spaces to stimulate economic development opportunities and facilitate increased social inclusion for community groups, with the aim of decreasing disadvantage.

\$1.25 million to upgrade local shopping centres

Council has invested in the upgrade of local shopping centres, with the intention of enhancing public safety and supporting local businesses by attracting more shoppers.

A highlight of these upgrades is the major refurbishment of the Dallas shopping area. These upgrades commenced in February 2016 and will provide better lighting, paving, toilets and street furniture.

Road and footpath improvements

In 2015 - 2016, over \$17 million was committed to providing improved modes of getting around in Hume. Improvements have been made to roads, footpaths and bike paths.

Major road works included the completion of the upgrade of Potter Street in Craigieburn, reconstruction of Nicholas Street and Avalon Avenue in Broadmeadows. Work is also underway to restore the bluestone bridge in Bulla.

Hume Global Learning Centre – Sunbury

In January 2016, land was purchased to enable a space for the construction of the Hume Global Learning Centre (HGLC) - Sunbury. This parcel of land is 4,083 square metres in size and sits next door to the current library in Sunbury.

This new centre will be designed to support one of Australia's fastest growing communities. Sunbury's population is expected to rise by 70 per cent between now and 2030, with an extra 14,000 homes to be constructed to the east of the town centre.

The HGLC - Sunbury will provide formal and informal community spaces for residents and local organisations, catering for private and organised study, social interaction, library services, exhibitions, seminars and conferences, meeting and training opportunities. The centre will improve integration of key Council functions, provide a central hub for the delivery of a wider range of services and continue Hume City Council's commitment to lifelong learning throughout the entire Hume community.

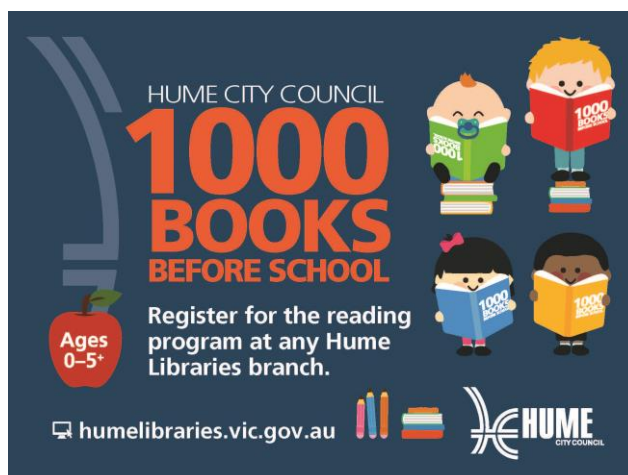
The Hume Global Learning Centres in Broadmeadows and Craigieburn have transformed the way lifelong learning is integrated into local communities by offering residents, organisations and businesses a central hub in which to gather, share knowledge and experiences in a vibrant and welcoming space.

As a new centre, the HGLC - Sunbury will be fully-equipped to support training and learning opportunities for a community which will experience rapid population growth in the next ten years.

It will offer residents the opportunity to access tertiary education locally and provide new affordable meeting spaces that are currently in high demand. The centre will become the new community learning destination in Sunbury, and a facility that the entire community can be proud of.

Detailed planning of this development will commence in 2016 - 2017.

1000 Books Before School



In August 2015, Hume Libraries offered families of preschool children a fun challenge to help prepare youngsters for a lifetime of literacy, with the introduction of the 1000 Books Before School program.

The scheme enables children to keep track of the number of books they have read or had read to them. Families are encouraged to reach a target of 1000 books before their child starts school. Reading to preschool-aged children has been shown to develop early literacy, by building vocabulary and language skills essential for learning to read.

Over 1,500 children have registered to participate in the program since it launched.

Aboriginal and Torres Strait Islander Recognition Policy

In March 2016, Council adopted a revised Aboriginal and Torres Strait Islander Recognition Policy. Hume City Council is proud to recognise the first people of Australia and will expand the avenues through which it acknowledges the community's traditional custodians.

More than 1,000 Aboriginal and Torres Strait Islander people call Hume home, and this policy will take us one step closer to 'closing the gap' between Aboriginal and Torres Strait Islanders and non-indigenous locals.

Across Australia, the gap in life expectancy is more than 17 years. Hume City Council will continue to work closely with local Aboriginal and Torres Strait Islander residents, to help them to access the beneficial services which are available to everyone in our community. Hume Aboriginal and Torres Strait Islanders have advised that they will be more likely to access a Council service, like home care and maternal health, if they feel it is delivered in a manner that respects their culture.

Council's revised recognition policy outlines that Hume will fly the Aboriginal and Torres Strait Islander flags at half-mast on National Sorry Day, scheduled for 26 May each year. The policy also provides direction for the acknowledgement of Hume City Council's Aboriginal and Torres Strait Islander communities at Council events and functions, at municipal gateways and on Council-owned facilities and within Council's strategies, action plans and rates notice.

Hume is also in the process of adding the word 'wominjeka', which means 'welcome', to signs in foyers in Council buildings.

Hume Interfaith Network

In August 2015, Council hosted the One Community Many Faiths event, at the Hume Global Learning Centre - Broadmeadows. This forum focused on understanding social cohesion, as Hume is one of the most diverse and welcoming communities in Australia.

Over the past twelve years, the Hume Interfaith Network has worked with Council and has shared with others their knowledge and experiences in strengthening social justice, deepening mutual respect and promoting community participation and wellbeing. The Hume Interfaith Network will be supported by a new and passionate Executive across the next two years

The aim of the Network is to create an opportunity for people of different faiths and cultural groups to meet and learn from one another, and to contribute to the health and wellbeing of the broader community.

Hume residents come from more than 160 different countries and speak in excess of 140 languages, and we are so proud to live in peace and friendship. We recognise that each group has a different story and a unique value for our community. We aim to celebrate the rich diversity, as well as identify common threads which may be a basis for unity.

Community Grants – making a difference

In October 2015, Hume City Council approved the allocation of funding to 153 organisations, as part of the 2016 Community Grants Program. Projects and activities have been delivered across Hume City, actively engaging a broad spectrum of our community.

Successful grant recipients were acknowledged on 16 December 2015 at an awards ceremony held at the Hume Global Learning Centre – Craigieburn.

A full list of grant recipients can be found on page 84.



The Grey Medallion certificate, funded by a Community Grant, encourages older Hume residents to feel more confident around water.



Major events in Hume

Hume continues to build on the success of its major events and in 2015 - 2016 brought over 25,000 people out into the community. These events provided a platform to showcase the diversity of Hume, allowed community activation and celebration and encouraged tourism throughout the municipality.

Broadmeadows Street Festival

In April, Broadmeadows came alive with music and dancing for Hume's first ever Broadmeadows Street Festival. The purpose of this vibrant and colourful event was to celebrate the cultural diversity of Hume City with food, dance and music.

Locals and visitors had the chance to enjoy an afternoon of entertainment for all ages, kids' activities, carnival rides and a classic car show. More than 10 community groups were recipients of a grant, and presented displays or entertainment at the festival, with attractions including Turkish music, Bollywood dance, and Sri Lankan drum beating.

Cuisine from around the world was a highlight, with many delicious treats available including Portuguese street food, Greek donuts, Korean fried chicken, mini Dutch pancakes and Turkish pastries.

Hume Carols by Candlelight

In December, MC Charli Robinson (formerly of Hi 5!) hosted yet another fabulous Hume Carols by Candlelight in Craigieburn, with over 10,000 people in attendance. Featuring live entertainment, fun activities and a spectacular fireworks display, the event was enjoyed by all who attended.

Enjoying the spirit of Christmas, families were kept entertained by the Kazoos, Tubby the Robot, the Howling Huskies and Santa, along with talented community acts, including many school groups. Earlier in the evening, a range of activities kept the little ones busy, including face painting, kid's crafts and Christmas story time.

Summer Sessions

This summer for the first time, Hume residents were able to enjoy the *Summer Sessions: Movies and Music* series. This range of free outdoor movies was screened throughout the municipality, at Greenvale, Westmeadows, Broadmeadows, Coolaroo and Roxburgh Park. Council also sponsored two community run sessions in Sunbury and Craigieburn.

Viewers were able to enjoy music and modestly priced street food, before watching family favourites, including: *Big Hero 6*, *Wizard of Oz*, *Willy Wonka and the Chocolate Factory*, *Minions*, *Pixels*, *Inside Out* and *Paper Planes*.

Craigieburn Festival

Craigieburn Festival was back bigger than ever in 2016, with two days of jam-packed activities and entertainment. Hume has delivered this event for almost 30 years and it continues to be a highlight in the local festival calendar.

Some of the event highlights included:

- Free entertainment for the kids
- Cultural performances
- Community and professional acts on the main stage
- CFA Torchlight Parade
- Craigieburn Art Show
- Carnival rides
- Food trucks and stalls
- Market stalls
- Free camel rides
- Face painting and a petting zoo
- Spectacular fireworks display
- MasterChef's Emma Dean

Australia Day Awards

A 99 year-old woman who has helped thousands of Tullamarine residents to take part in practical workshops is Hume's 2016 Citizen of the Year. Dorothy 'Esme' Pigott assisted to establish the Tullamarine Community House on Carol Grove in 1989, and has been on its board of management ever since.

For more than 25 years, Tullamarine Community House has presented programs that help people to exercise, cook, make jewellery, and use computer software. It also assists families through playgroup, childcare and tax return support, and offers a men's shed that enables participants to keep in contact with their friends. In 1991, she also established the Tullamarine Seniors Group

Hume's 2016 Young Citizen of the Year was Nisal Lochana Karawita, an 18 year-old resident who has given many hours to support initiatives that assist other young people. He volunteers for the Good People Act Now group, which campaigns to thwart domestic violence, with the assistance of the Banksia Gardens Community Centre in Broadmeadows. The Gladstone Park Secondary College graduate has also helped to produce a DVD about mental health that can be used in schools across Hume, under the auspices of the R U OK? Day campaign.

The title of Community Event of the Year was jointly won by SunFest and the Iraq Unity Cup.

SunFest is Sunbury's largest community festival. The SunFest volunteer organising committee produced an event in 2015 that delivered colour and excitement to the town centre. Celebrating its 40th year, a display of memorabilia from the Sunbury Rock Festival was a particular highlight in 2015, and the festival's stalls and live music acts brought thousands of people to the Village Green.

The Iraq Unity Cup brought together teams that represented a variety of different Iraqi communities, including Kurds, Arabs, Chaldeans, and Assyrians. Some of these groups have been in conflict in Iraq, but the Iraq Unity Cup succeeded in bringing the local Iraqi community together.



Rosie Batty

White Ribbon Day 2015

Each year to mark White Ribbon Day, Hume City Council holds an event, aimed at raising awareness and changing attitudes towards violence against women.

Our guest speaker at this year's White Ribbon Day event was '2015 Australian of the Year' Rosie Batty. Rosie's name has become synonymous with courage and resilience. Rosie established The Luke Batty Foundation to support women and children affected by the trauma of family violence.

Rosie shared her remarkable story of resilience, courage, inspiration and making a difference. The Governor-General, His Excellency General the Honourable Sir Peter Cosgrove AK MC (Retd), and Minister for the Prevention of Family Violence, Fiona Richardson, also addressed the audience.

Council took the opportunity to take this message of domestic violence prevention to the streets, and in October erected two prominent signs. 'Hume says NO to violence' was painted on grassland in Broadmeadows seen by drivers on the M80 Ring Road, along with the installation of signage at the historic Broadmeadows Town Hall.

Council and the community have worked together over the past five years to raise awareness of the White Ribbon Campaign, to prevent violence against women and make a difference. All women and men have the right to live in a safe community free from fear of violence and crime.

Hume Business Awards

Fourteen Hume businesses were celebrated in the annual Hume Business Awards in October. Businesses were recognised for their success in categories that included retail, small business, customer service, and innovation and enterprise.

Breathometer Corporation took out the top honour, and was named Hume's 2015 Business of the Year. The Tullamarine company was recognised for its innovative product that has helped to reduce drunken behaviour on Australia's streets.

The ceremony's other major prize, the Hume Business Leader Award, was won by Emilio De Lorso, the managing director of Campbellfield's Della Rosa Traditional Fresh Foods. Emilio has built a family company that is passionate about pizza. In five years, Emilio has advanced a product that consumers can now buy in Woolworths, Coles and IGA.

The Hume Business Awards celebrate businesses that produce a quality product or service, as well as entities that demonstrate excellent customer service.

Hume City Council also supports businesses with a range of other activities, including business breakfasts, training workshops and helping local people find local jobs.

Freedom of Entry parade



Soldiers from Maygar Barracks marched through the streets of Broadmeadows in a spectacular display of pageantry, on 21 November 2015.

This was the first time in 16 years that a Freedom of Entry parade had been held in Hume. The civil tribute to military units travelled from Broadmeadows Town Park to the Civic Plaza.

The parade gave the Hume community the opportunity to demonstrate respect for the Australian Army and its deep connection to our community. Broadmeadows has played a significant role in the defence of Australia. Fields around Camp Road played host to many soldiers before they headed overseas to serve in World War I and II.

The origins of Freedom of Entry date back to medieval times, when armed men would be challenged at a gate when they sought to enter a city.

Sunbury Project

In October 2015, Council welcomed the announcement by the Victorian Government that Sunbury would not be separated from Hume City Council.

After a lengthy process and careful consideration of the Transition Auditors' advice, the Government found that the split should not proceed due to the long-term and significant financial impact on Sunbury residents.

This important announcement put an end to more than three years of speculation and uncertainty for the Hume community and will allow Council to plan for the future with greater clarity.

Council is very pleased with this result, due to concerns with the separation – in particular, objections to the process undertaken, the Order in Council, timeframes imposed, process of asset distribution, obligations and costs imposed on the community and the significant impact to Hume staff.

Adapting to rate capping

In 2015, the Victorian Government introduced rate capping legislation in the form of its "Fair Go Rates System" (FGRS). The FGRS or rate capping introduces an annual rate cap set by the Minister for Local Government which controls general rate increases for all councils during that financial year.

Hume City Council implemented the smallest increase in Hume's rates for many years, with rates to rise in line with inflation by 2.5 per cent. This is consistent with the Victorian Government's legislation and amounts to an increase of approximately \$45 per household.

Despite the low rates increase, Hume will record a surplus that's \$20.36 million more than had been forecast for 2015 - 2016. Hume will be practically debt-free for the first time since the municipality was created more than 21 years ago, after Council paid off almost all of its borrowings in 2015 – 2016.

The decision to pay back almost \$26 million of debt early will reap huge rewards for our community, as Council saves \$5.5 million in net interest across the next 10 years.

Measuring our Performance: Community Consultation and Engagement

Council interacts and engages with Hume's community on a daily basis, listening to, and responding to a broad range of community needs. These formal and informal conversations help to guide Council Officers in planning for the services we deliver to our community. To further support our daily interactions, in 2015 - 2016, Council undertook in excess of 70 formal community consultation and engagement activities, with more than 7,500 residents, ratepayers, businesses, clients and local visitors.

One of the key community consultation activities undertaken each year, to inform the development of Council priorities, is the Annual Community Survey.

This survey is conducted annually between November and December, with 500 residents being randomly selected to participate in a telephone interview.

Residents may also opt-in to the survey by completing a paper-based form which is available from one of Council's many customer contact points, such as Customer Service Centres or libraries, or choose to complete a survey online via Council's website and social media pages. In total, 610 residents participated in the 2015 - 2016 survey.

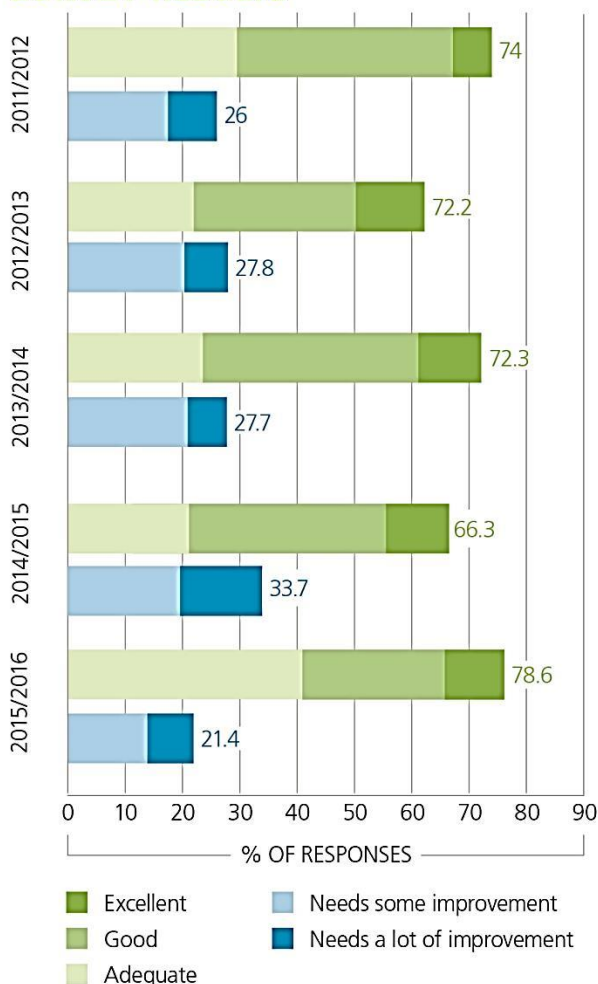
The focus of the Annual Community Survey changes biannually, between a Community Satisfaction Survey and a Community Indicators Survey. Only a set of core Council performance questions remain constant each year.

The Community Satisfaction Survey focusses on the community's perceptions of importance and satisfaction with a range of services and facilities offered by Council.

The Community Indicators Survey focusses on community health and wellbeing, social participation and diversity, access to community services, attitudes towards environmental sustainability, civic engagement and Council's overall performance.

Both surveys also explore residents' views on what could be improved within their local neighbourhood and the municipality as a whole, along with long-term priority areas.

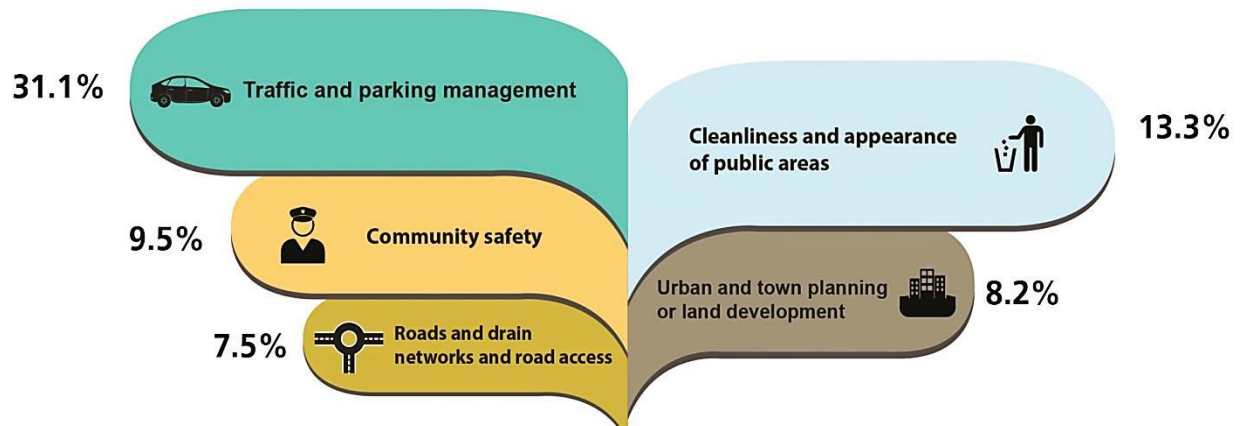
SURVEY RESULTS



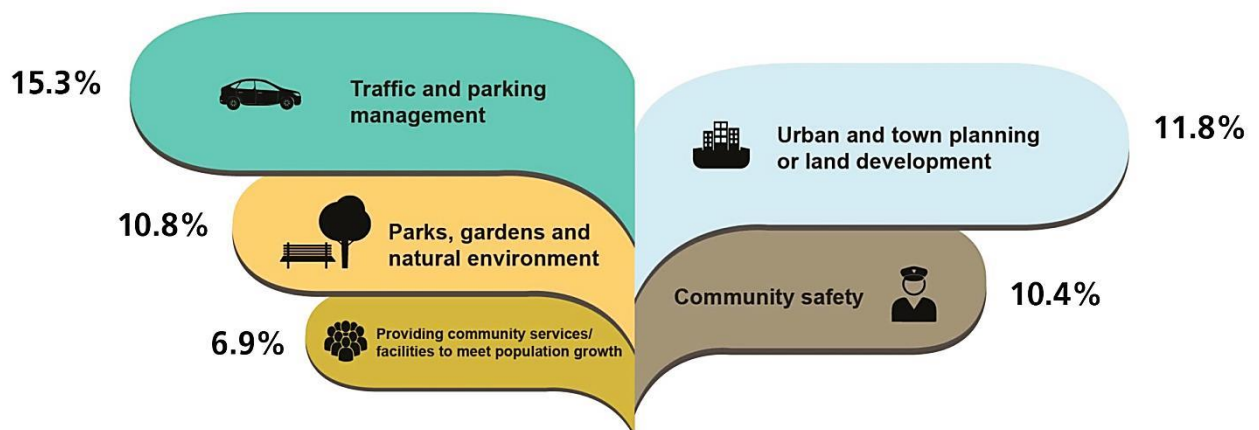
In 2015 – 2016, 610 Hume City residents participated and the results indicate the following short and long-term priorities:

TOP 5

The top five priorities identified by the survey participants are:



The top five long-term priorities identified by survey participants to ensure Hume is an enjoyable place to live, work and play are:





Report of Operations:

Reporting on *Hume City Council Plan 2013– 2017*

Under the *Local Government Act 1989*, Council is required to prepare and approve a Council Plan, within the period of six months after each general election

The *Council Plan 2013 - 2017* is Council's commitment to making a positive difference for those who live, work and study in Hume. This Annual Report details our performance against the Council Plan and reports against our commitments for 2015 - 2016.

The Council Plan was developed with Hume's Community Plan *Hume Horizons 2040* in mind, along with the findings of our Community Satisfaction Survey and Community Indicators Survey which measure the community's perceptions of importance and satisfaction with a range of Council facilities and services.

Achieving the very best for the community is a key Council responsibility and one of the foremost challenges is meeting the community's ever-changing needs and expectations. Sound planning is required to meet these changing needs and expectations.

Other factors considered in developing this Council Plan ranged from Commonwealth and State government policy, legislative changes to issues of local importance and environmental considerations such as economic fluctuations and climate change.

The Council Plan identifies the priority actions to be undertaken by Council and how they contribute to and support better outcomes for our community. We aim to provide a balance to ensure we deliver the services, facilities and infrastructure that families and businesses need today, while planning for future generations.

The *Hume City Council Plan 2013 – 2017* sets a clear strategic direction related to the following five themes, with related strategic objectives and specific actions.

Theme		Strategic Objectives
THEME 1 	A well-educated and employed community	<p>1.1: Support and enhance skill development and educational opportunities to reduce disadvantage, improve employment prospects and quality of life.</p> <p>1.2: Create conditions that support business growth and create local jobs for Hume residents.</p>
THEME 2 	A healthy and safe community	<p>2.1: Foster a community which is active and healthy.</p> <p>2.2: Strengthen community safety and respectful behaviour.</p>
THEME 3 	A culturally vibrant and connected community	<p>3.1: Foster socially connected and supported communities.</p> <p>3.2: Enhance community pride and sense of place.</p> <p>3.3: Strengthen community connections through local community events and the arts.</p>
THEME 4 	A sustainably built and well-maintained City with an environmentally aware community	<p>4.1: Facilitate appropriate urban development while protecting and enhancing the City's environment, natural heritage and rural spaces.</p> <p>4.2: Create community pride through a well-designed and maintained City.</p> <p>4.3: Create a connected community through efficient and effective walking, cycling, public transport and car networks.</p>
THEME 5 	A well-governed and engaged community	<p>5.1: Realise the vision and aspirations of Hume's community by implementing <i>Hume Horizons 2040</i>.</p> <p>5.2: Create a community actively involved in civic life.</p> <p>5.3: Provide responsible and transparent governance, services and infrastructure which respond to and support community needs.</p>

The progress of strategic objectives and specific actions were measured during 2015 – 2016. Responsibility for achieving the actions and monitoring the indicators sits with departments or across multiple departments. Reports were provided quarterly to Council detailing the progress with the Council Plan annual actions and measuring the performance of Council services.

By 30 June 2016, Council had completed 107 of the 127 actions in the *Council Plan 2013 – 2017* (2015 - 2016 Actions).



A well-educated and employed community

Summary of Progress

Total Actions	26
Completed	25
Significant Progress	Nil
Some Progress	1
No Progress	Nil
Deferred	Nil

Strategic Objective 1.1: Support and enhance skill development and educational opportunities to reduce disadvantage, improve employment prospects and quality of life.

2015 - 2016 Highlights:

- Council provided a total of 57,772 hours of program delivery through learning centres and libraries with 10,977 participants, a significant increase on 2014 - 2015. The number of Makerspace (Technology) program sessions has increased by 68 per cent during the 2015 - 2016 year.
- There were 21,037 active Hume Library members who borrowed 1,012,390 items.
- 704,035 visitors attended Council libraries.
- Sixty-four per cent of Council's library collection items have been purchased in the last five years.
- In February 2016, Council secured the purchase of a large site next to the existing Sunbury Library for development of the HGLC - Sunbury.
- The 1000 Books Before School program has been very successful with over 1,400 registrations since it was launched in August 2015.
- The utilisation rate of Council provided preschool places in 2015 – 2016 was 93 per cent.
- The utilisation rate of Council provided childcare places in 2015 - 2016 was 87 per cent.
- The Hume Multiversity initiative continued in 2015 - 2016 with six Multiversity courses delivered with a total of 80 student enrolments.
- Council conducted youth activities at the three community festivals being Craigieburn Festival, SunFest and the Broadmeadows Street Festival.
- Support for the provision of early childhood services included:
 - Hume Early Years Framework actions were completed for 2015 - 2016 and reporting on achievements for 2014 and 2015 was provided to Council on 14 June 2016.
 - A comprehensive planning process assessing demand for preschool places was conducted particularly in response to changing educator to child ratios from 2016. This was presented to Council and a new model of preschool operation endorsed.
 - In December 2015, Council was successful in its EOI process for a capital grant to support the development of preschool facilities at AC1 Integrated Community Hub, Craigieburn.
- In December 2015, Council awarded a total of \$233,433 in funding to nine eligible Hume Neighbourhood Houses to support their operations throughout 2016.
 - Both the Hume Educational Scholarships and Hume Teachers Scholarships were presented in November 2015.

Strategic Objective 1.2: Create conditions that support business growth and create local jobs for Hume residents

2015 - 2016 Highlights:

- 5,619 new businesses have been established in Hume, a 35 per cent increase in new business numbers in 2014 - 2015.
- For the 12 months to 31 March 2016, 3.2 per cent of Commercial, Retail and Industrial development in metropolitan Melbourne was undertaken in Hume.
- The Local Jobs for Local People program has included 70 Hume resident work placements achieved during 2015 - 2016.
- The Hume Joblink and Melbourne Airport Joblink online jobs portals have averaged 5,000 unique visits a month in 2015 - 2016. There are 10,256 registered users across both sites.
- The preparation of a Place Framework to facilitate improving the vitality and appearance of the surrounding Dallas neighbourhood is complete and will be referred to the community for comment in July 2016.
- The assessment processes around the Melbourne Airport Third Runway are ongoing. Council has provided input through formal processes including the Melbourne Airport Planning Coordination Forum and the Melbourne Airport Community Aviation Consultation Group (CACG). Council has undertaken advocacy to Melbourne Airport and the Federal and State Governments on ensuring processes associated with development of a third runway consider the impacts on the community and provide the community with opportunities for input.
- Council continues to chair the Melbourne's North Ford Response Joint Taskforce. The Taskforce meets bi-monthly and continues supporting the State Government in promotion of the Local Industry Fund for Transition (LIFT) for Melbourne's North.
- Plans for a Hume Digital Hub, to be located at the Hume Global Learning Centre - Broadmeadows have been finalised and the Digital Hub will be open in July 2016.
- Implementation of the Sunbury streetscape program is continuing with Stage 7 construction works on O'Shanassy Street (East side) completed in November 2015. A concept plan has been completed for Stage 8 - O'Shanassy Street (West side).
- Council continued to facilitate a range of networking activities and training opportunities to support business development including:
 - A Business Efficiency Network Forum delivered on 29 April 2016 at the HGLC - Broadmeadows.
 - A Hume Business Opportunity and Investment Forum delivered at the HGLC - Broadmeadows on 12 May 2016.
 - The 2015 Hume Business Awards delivered in October 2015.
 - Hume Business Breakfasts in November 2015 and March 2016.

Summary of Progress

Total Actions	32
Completed	24
Significant Progress	6
Some Progress	Nil
No Progress	1
Deferred	1

Strategic Objective 2.1: Foster a community which is active and healthy

2015 - 2016 Highlights:

- 2,353 clients received over 115,200 hours of Domestic Care, Personal Care or Respite Care services.
- The utilisation rate of Hume HACC Services for people aged 65+ was 9.8 per cent.
- 9,361 children attended Council's Maternal and Child Health services at least once during 2015 - 2016.
- 3,279 first home visits were conducted by Council Maternal and Child Health nurses.
- 75 per cent of Hume babies completed their 12 month Key Ages and Stages assessment.
- 66 per cent of infants completed their 3.5 year-old Key Ages and Stages assessment.
- 20,686 immunisations were delivered by Council's Immunisation Team.
- 712,595 visitors were recorded at Council Leisure Centres, 3.67 visits per resident.

The 2,165 food premises registered in Hume City were subject to 1,072 inspections. Council followed up on 108 major or critical non-compliance notifications.

- The Centre Based Meals Program has grown to include four separate locations across Hume. All four venues are highly utilised and provide participants the ability to receive their meals in a supported social setting. Clients are provided with transportation to and from venues as required.
- Progress on major leisure facilities works in 2015 - 2016 included:
 - The operational and business plan for the Hume Regional Aquatic and Sports Centre in Craigieburn has been completed. Construction of the athletics facility, parkland and aquatic and leisure centre is well progressed.
 - Pitch construction is completed at the Hume Regional Hockey Centre (Craigieburn).
 - Greenvale Recreation Centre – design is completed and construction works are underway on the building and new sports court. The car park extension was completed in December 2015.
 - Clarke Oval Pavilion - construction works are 99 per cent completed.
 - Sunbury Aquatic and Leisure Centre - design and scoping of the upgrade project is underway. The concept has been approved and architects shortlisted.
- To support residents to live healthy, sustainable lives the Hume Energy Savers program was completed in June 2016. More than 2,000 Hume households have participated resulting in savings of \$414,000 per year in household electricity bills and reducing greenhouse gas emissions by 1,290 tonnes.

Strategic Objective 2.2: Strengthen community safety and respectful behaviour

2015 - 2016 Highlights:

- There were 22,688 registered animals in Hume, one every 2.98 households.
- In 2015 - 2016, the average first response time for Council's 3,692 animal management requests is 2.74 days.
- Funding to continue the L2P driver education program has been secured until 2018 - 2019. VicRoads has funded the program for 40 annual participants which equates to funding of \$85,500 per annum. A new Service Agreement has been entered into with the Hume Whittlesea Local Learning and Employment Network for delivery of the program over the next four years.
- The reviewed Municipal Emergency Management Plan and Animal Emergency Welfare Plan (AEWP) were approved by the Municipal Emergency Management Plan Committee on 12 August 2015.
- Implementation of the Community Safety Action Plan 2015–2019, has included:
 - The establishment of a new Hume City Council Community Safety Advisory Committee in March 2016. The Committee will be guided by the themes of the Community Safety Action Plan.
 - Completion of a Draft CCTV Policy and Report to Council.
 - Delivery of Community Safety Month events and a Road Safety Forum for Young Drivers in October 2015.
 - Successful funding applications for a Community Safety Fund - Hume Safe Home, Safe Neighbourhoods Project and an Anti-graffiti Project at Olsen Place.
 - Development and launch of a Hume City Council Community Safety Guide at three community events in Craigieburn and Broadmeadows.
- Online pet registration has been developed and implemented during 2015 - 2016 and the construction of a dog exercise and agility park in Broadmeadows is scheduled for 2017.
- During traffic surveys undertaken in 2015 - 2016, 28.9 per cent of vehicles on local roads were detected over the speed limit.
- Initiatives that reduce the incidence of family violence and encourage respectful relationships include:
 - The pilot of Gender Equity and Professional Development Training for staff/management has been completed and a report provided by Women's Health in the North.
 - Development of a Gender Equity Program commenced in 2016.
 - The 2015 White Ribbon Day Event was held at the Broadmeadows Town Hall on White Ribbon Day (25 November 2015) with Australian of the Year, Rosie Batty as guest speaker and attended by the Governor General and several hundred community members.

Summary of Progress

Total Actions	21
Completed	18
Significant Progress	1
Some Progress	Nil
No Progress	Nil
Deferred	2

Strategic Objective 3.1: Foster socially connected and supported communities

2015 - 2016 Highlights:

- The 2016 Community Grant Program was completed with 153 applications received and Council awarding \$350,930 in funding to 139 recipients on 16 December 2015. The 2017 program is well underway, with community information sessions completed.
- 1362 new migrants settled in Hume.
- Australian Citizenship was conferred on 1,599 residents.
- The percentage of people in Hume City who feel socially connected is 70.5 per cent compared to the Victorian average of 72.3 per cent.
- The Hume Multicultural Action Plan Working Group, in partnership with Hume City Council, coordinated and hosted Refugee Week celebrations on 20 June 2016, attracting over 500 people.
- In the lead up to Harmony Day, the Hume Interfaith Network hosted a multi-faith service in March 2016 which was attended by over 280 community members.

- In March 2016, Council launched the Hume Disability Partnership Network to increase knowledge and partnerships and to enhance services supporting people with disabilities and their families across Hume.
- Reconciliation Week activities included a planting day at the Broadmeadows Town Park, where 400 indigenous seedlings were planted by 30 participants.
- Council adopted the reviewed and updated Aboriginal and Torres Strait Islander Recognition Policy on 15 March 2016. Policy changes included:
 - Aboriginal and Torres Strait Islander flags are to fly at half-mast on National Sorry Day (26 May).
 - The word “wominjeka” (welcome) will be added to signs at Hume City Council customer service centres.

Strategic Objective 3.2: Enhance community pride and sense of place

2015 - 2016 Highlights:

- The Sharing Our Stories project has been completed with an active website displaying stories in video, audio and written format to reflect the experiences of people in the 3047 region.
- Improvement works to the Dallas Shopping Centre were completed in 2015 - 2016.
- To further commemorate the Anzac Centenary, a Freedom of Entry parade was held in November 2015 to honour the 4th Combat Service Support Battalion's close connection to the Broadmeadows community since its foundation at the start of WW1.
- Craigieburn Park has officially been named

Craigieburn ANZAC Park and promotion of the new name has commenced.

- Investigation into the feasibility of a tidy neighbourhood awards program has commenced and a proposal is being developed including budget implications for Council consideration as part of the 2017 - 2018 Budget process.
- Service planning has identified an integrated model of community and business uses to underpin the redevelopment of the Broadmeadows Town Hall. The design phase of the project is scheduled to be finalised in August 2016.
- Eleven community greening events were conducted in 2015 - 2016 with 4,400 seedlings planted by 296 attendees. Highlights were the Reconciliation Week planting with NAB corporate volunteers and 70 people attending the Melbourne Water funded planting at Emu Bottom Wetlands.
- 88.3 per cent of the Hume community feel it is a good thing to have society made up of people from different cultures.

Strategic Objective 3.3: Strengthen community connections through local community events and arts

2015 - 2016 Highlights:

- 2015 - 2016 Council events completed include:
 - Freedom of Entry Parade – Broadmeadows (November 2015)
 - White Ribbon Day – Broadmeadows (November 2015)
 - Carols by Candlelight – Craigieburn (December 2015)
 - The 2016 Summer Sessions: Movies and Music series was delivered in seven locations around Hume City.
 - Australia Day – Broadmeadows (January 2016).

- Craigieburn Festival (February 2016)
- Broadmeadows Street Festival (April 2016)
- Council also supported/sponsored a number of community events including Sunbury Agricultural Show and Sunbury Carols by Candlelight.
- The Hume Arts Awards have been reviewed, with community consultation undertaken to assist in the evaluation of the program. The 2016 Arts Awards were undertaken with the Presentation Evening held on 22 June 2016.
- Six exhibitions have been held at the Gee Lee-Wik Doleen Gallery Craigieburn during 2015 - 2016. Two exhibitions have been created by or targeted at Social Justice Groups.
- A review of the Broadmeadows Town Park Master Plan in consultation with stakeholders has identified the need to refresh the design. It is proposed that this will occur during 2016 - 2017.
- The Sunbury Community, Arts and Cultural Precinct Project initiative has concluded Stage 2, with the delivery of a functional report, plans and recommendations for the future of the precinct. The Community Advisory Committee was successful in its support and guidance for this project. Council adopted the project final report in April 2016.
- 58.6 per cent of the Hume population have participated in arts and cultural activities.



A sustainably built and well-maintained City with an environmentally aware community

Summary of Progress

Total Actions	24
Completed	19
Significant Progress	4
Some Progress	1
No Progress	Nil
Deferred	Nil

Strategic Objective 4.1: Facilitate appropriate urban development while protecting and enhancing the City's environment, natural heritage and rural spaces

2015 - 2016 Highlights:

- 1,001 planning decisions were made by Council and 1,018 planning applications were received.
- 43 per cent of Council planning applications were decided within 60 days.
- Satisfaction with Council's management of urban growth was 39.4 per cent.
- Council responded to 22,609 kerbside bin requests (recycling and garbage).
- Over 5,277,300 bin lifts were conducted by Council's recycling and garbage services.
- 65,873 tonnes of garbage, recycling and green organics (or 0.97 tonnes per household) were collected by Council's kerbside services.

- Approximately 21,600 tonnes (or 0.32 tonnes per household) of recycling and green waste was diverted from landfill.
- 280 properties have been approved for the Agricultural Land Use Rebate in 2016 - 2017 and 2017 - 2018. 121 properties are scheduled for visits in the next 12 months.
- Implementation of the Greenhouse Action Plan 2013 – 2016 has included input into the Environmentally Sustainable Design and Development of new Council facilities at Craigieburn ANZAC Park, Broadmeadows Town Hall and Newbury Hockey Pavilion.
- Integrated Water Management Plan works in 2015 - 2016 included water efficiency upgrades at Campbellfield Cricket Club pavilion and large scale upgrades of the rainwater harvesting systems at Bolinda Road Recycling and Resource Recovery Centre and Council's Sunbury Depot.

Strategic Objective 4.2: Create community pride through a well-designed and maintained City

2015 - 2016 Highlights:

- Over 16,000 local road drainage pits were inspected.
- 3,941 dumped rubbish removal requests were recorded in 2015 - 2016 = 602 requests per 10,000 households.
- 697 Graffiti Removal Requests were recorded in 2015 - 2016. 28 schools participated in the graffiti prevention program, 83 calls were made to the Graffiti Reporting Hotline, 18,771 square metres of graffiti were removed by contractors and a further 14,950 square metres were removed by volunteers.

- More than 33,000 kilometres of local roads were swept.
- A revised Hume Municipal Strategic Statement was considered by Council in April 2016. The planning scheme amendment process to incorporate the new MSS into the Planning Scheme commenced with public exhibition of the amendment and was completed in June 2016.
- During 2015 - 2016, 5061 trees have been planted. 1660 trees have been removed resulting in a net gain of 3401 trees for the year.
- Place Frameworks have been prepared for South Broadmeadows and Dallas neighbourhoods with initial enhancements made to Olsen Place Retail Centre and further improvements identified. Preferred locations and housing types to support the renewal of the 3047 area have been identified in the Frameworks.
- As part of 'Together 3047' project to improve the amenity of Broadmeadows and Dallas, nature strip mowing is continuing and themed street tree planning on Widford Street and Blair Street has been completed.
- Council's Waste Management Strategy is in its final year and is currently being reviewed. The Schools Education program in Waste was rolled out to 26 schools during 2015 - 2016.
- reconstructed in 2015 - 2016 with a further 4,523,627 square metres of roads resealed.
- Major road infrastructure Capital Works projects completed included:
 - Potter Street upgrade.
 - Nicholas Street reconstruction.
 - Avalon Avenue reconstruction.
- As of 30 June 2016, 95.4 per cent of Council's sealed roads do not require pavement or surface renewal.
- The streetscape upgrade of Tanderrum Way, between Pascoe Vale Road and Pearcedale Parade, was completed in October 2015. The new streetscape provides improved amenity, access and movement for pedestrians and public transport users.
- Local Area Traffic Management studies were undertaken for Tullamarine and Diggers Rest including traffic surveys, collation of crash information, resident questionnaires and public meetings for each area. The final Traffic Management Plans for both areas were endorsed by Council in June 2016.
- The Hume Parking Permit Policy has been updated based on the comments received from consultation during 2015 - 2016. Further investigation including the application of time-based parking restrictions will be considered in 2016 - 2017.
- The Victorian Government has committed funding towards a number of Council's strategic advocacy priorities, including:
 - \$6.4 million towards traffic lights at the intersection of Gap Road and Horne St, Sunbury.
 - Additional car parking at the Craigieburn Train Station.
 - \$1 million for beautification of Pascoe Vale Road.
 - \$4 million in funding has been announced towards the Broadmeadows Railway Station although Council continues seeks a commitment from the Victorian Government to re-commence planning on the total redevelopment of the station.

Strategic Objective 4.3: Create a connected community through efficient and effective walking, cycling, public transport and car networks

2015 - 2016 Highlights:

- Council actioned 891 sealed road requests.
- Community satisfaction with Council's management of local streets was recorded as 52.8 per cent.
- 2,989,778 square metres of local roads were

Summary of Progress

Total Actions	24
Completed	21
Significant Progress	1
Some Progress	2
No Progress	Nil
Deferred	Nil

Strategic Objective 5.1: Realise the vision and aspirations of Hume's community by implementing Hume Horizons 2040

2015 - 2016 Highlights:

- 84 per cent of the annual actions of the Council Plan were completed and a further 10 per cent had seen significant progress.
- The unplanned turnover of the Hume City Council workforce was 5.01 per cent. It should be noted that due to the Sunbury Project, all permanent positions were recruited and backfilled as temporary appointments and therefore, are not reflected in this figure. This includes internal secondments and agency staff.
- Overall employee engagement levels at Hume City Council are at 75 per cent, well above the Australian benchmark of 34 per cent and local government benchmark of 29 per cent.
- To incorporate rate increases (by CPI) under the State Government's Fair Go Rates System, Council's five year budget model has been reviewed and updated to enable scenario modelling. The Asset Management Plan outlines asset renewal requirements for incorporation into Council's five year Capital Works Program.

- Customer Focus Strategy 2015 - 2016 actions included:
 - Merit CRM now has a web portal to enable customers to input their requests directly.
 - The Hume App has been integrated to Merit.
 - eHume implementation for online payments/ applications.
 - Hard waste bookings are now managed entirely by Council with customers no longer being transferred to Oracle.
- To build organisational capacity and support Council staff, a range of OHS training was conducted in 2015 - 2016 including incident investigation and reporting, manual handling and risk assessment training to proactively manage workplace OHS issues.

Strategic Objective 5.2: Create a community actively involved in civic life.

2015 - 2016 Highlights:

- Satisfaction with Council's level of community consultation and engagement has increased by 11 per cent when compared to 2014 - 2015.
- Satisfaction with Council encouraging community discussions on key issues is 37.2 per cent.
- The Children's Services Reference Group continues to inform and guide the operations and delivery of Council's Family and Children's Services. The group has provided valuable input into the Preschool Enrolment Policy and procedures, communication mechanisms and operational procedures and practice.

- Council continued to undertake media activities and advocate on issues of local significance including:
 - 192 media releases were issued in 2015 - 2016.
 - A final outcome on the Sunbury Project was announced with the Victorian Government deciding that Sunbury would remain part of Hume City Council in October 2015.
 - In February 2016, a media release and social media posts promoting the Fund our Future campaign (an initiative of the National Growth Areas Alliance) were published, calling for investment in the outer suburbs.
 - A social media campaign was undertaken for the promotion of Craigieburn ANZAC Park, with regular posts on the project's Facebook page, including the use of video and photographs.
 - A media and advocacy plan for the 2016 Federal Election was developed and implemented, with a focus on a postcard campaign, social media and regular media releases.
 - The annual rates and budget communications campaign was also undertaken.
- Council expanded its use of online and digital tools to communicate in 2015 - 2016. Video and multimedia content on Council projects and services has resulted in more than 85,000 views
- Community Resilience Training for fourteen identified community leaders was undertaken in May 2016. The training consisted of Emergency Management – planning, preparation, response and recovery from emergencies, Preventing Discrimination and Promoting Diversity.

Strategic Objective 5.3: Provide responsible and transparent governance, services and infrastructure which respond to and support community needs

2015 - 2016 Highlights:

- There were 25 Ordinary and Special Council Meetings conducted in 2015 - 2016 with 386 resolutions made by Council.
- In 2015 - 2016, 22 per cent of all Council decisions have been made at meetings closed to the public (Target 15 per cent).
- Community satisfaction with the performance of Council in making decisions in the interest of the community has increased by 9 per cent when compared to 2014 - 2015.
- Councillor attendance at all Council Meetings during 2015 - 2016 was 90.18 per cent.
- 72.1 per cent of community survey participants rated councillor's levels of responsiveness as either definitely or somewhat responsive.
- As a result of Council's advocacy, 43 grants were announced for Hume City Council during 2015 - 2016 totaling \$15.53 million.
- At 30 June 2016, 73 per cent of the dollar value of works in the Capital Works Program was completed and 71 per cent of projects in the 2015 - 2016 Capital Works Program were completed.
- Council has entered into a Service Agreement with the Victorian Electoral Commission for the October 2016 Council election to be conducted via post. The Minister for Local Government advised that no electoral representation review was required by Hume City Council prior to the 2016 election.
- The actions outlined in the 2015 Best Start Plan have been completed and reported to Council in June 2016. A report on 2015 - 2016 Best Start Action Plan has also been submitted to the Department of Education and Training.

- The Asset Management Policy and Strategy was adopted by Council in September 2015.
- Following extensive scoping and tender processes, the contract for provision of an Asset Management System (including integration with Merit) was awarded in early 2016. Implementation of the system is currently in progress.
- Council officers are collaborating with the Metropolitan Planning Authority (MPA) on the development of a Framework Plan for the Broadmeadows Metropolitan Activity Centre (BMAC) to align with its designation in Plan Melbourne.



Report of Operations

Theme 1: A well-educated and employed community

Strategic Objective 1.1: Support and enhance skill development and educational opportunities to reduce disadvantage, improve employment prospects and quality of life.

Strategic Indicators

Indicator	Target	2015 - 2016 Result
Preschool participation rates (includes non-Council services)	≥ State Average (98.2%)	Hume = 89.7% (Source: Victorian Child and Adolescent Monitoring System).
Utilisation rates of Council provided preschool places	≥ 98%	In 2015 - 2016, preschool utilisation was 93%.
Utilisation rates of Council provided childcare places	≥ 82%	In 2015 - 2016, utilisation of Council childcare was 87%.
Library membership rates	Increase 2% annually on baseline of 21,525	As at 30 June 2016, there were 21,037 active library members (2% decrease on 2014 - 2015).

Major Initiatives

Develop and commence implementation of a Change Management Plan to respond to Federal changes to child educator ratios in preschool and long day care (commencing January 2016), including a review of service delivery models. - **Completed**

A comprehensive planning process assessing demand for preschool places was conducted, particularly in response to changing educator to child ratios from 2016, this was presented to Council and a new model of preschool operation endorsed. Recruitment of additional educators was undertaken. With the assistance of Human Resources, the induction of new employees at both corporate induction and a Children's Services specific induction program occurred in late January 2016.

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Lifelong Learning	Inspires learning in Hume through the provision of public libraries, accessible computers and WiFi, educational programs and support to Neighbourhood Houses.	4,593 <u>5,020</u> 427
Early Childhood Education and Care	Provides playgroups, preschool, day care, occasional care, out of school hours and vacation care. It also supports children with additional needs, learning difficulties and developmental concerns to access and participate in education.	986 <u>1,277</u> 291

Service Performance Indicators

Service - <i>indicator - measure</i>	Results 2014 - 2015	Results 2015 - 2016	Material Variations
Libraries			
Utilisation <i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	4.54	4.63	Over 1,012,000 loans were made in 2015 - 16.
Resource standard <i>Standard of library collection</i> [Number of library collection items purchased in the last five years / Number of library collection items] x100	64.91%	64.14%	
Service cost <i>Cost of library service</i> [Direct cost of the library service /Number of visits]	\$6.87	\$6.74	
Participation <i>Active library members</i> [Number of active library members / Municipal population] x100	11.40%	10.84%	Council's library service focusses heavily on learning and community capacity building programs. The 2014 - 2015 Public Library Network Victoria's Performance Data highlights that Hume has the second largest attendance at library programs per capita in Victoria and the highest per capita attendance of all metropolitan councils.

Strategic Objective 1.2: Create conditions which support business growth and create local jobs for Hume residents.

Strategic Indicators

Indicator	Target	2015 - 2016 Result
Number of new businesses	≥ 4137 (2014 - 2015 baseline)	In 2015 - 2016, 5,619 new businesses have been established in Hume.
Percent of businesses who have participated in at least one Council business development activity	≥ 3.3% (2014 - 2015 baseline)	In 2015 - 2016, 1571 businesses have participated in a business development activity = 3.4%
Commercial, Retail and Industrial development as a percentage of Metro Melbourne	≥ 4.5%	3.2% (most recent figure - for the 12 months to 31 March 2016).

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Economic Development	Economic development supports business and encourages new investment to promote commerce and employment growth within Hume City. This includes training, promotion and networking events, job creation programs, tourism support and management of the Sunbury Visitors Information Centre.	1,660 <u>1678</u> 18
Lifelong Learning	Inspires learning in Hume through the provision of public libraries, accessible computers and WiFi, educational programs and support to Neighbourhood Houses.	1376 <u>1470</u> 94

Theme 2: A healthy and safe community

Strategic Objective 2.1: Foster a community which is active and healthy.

Strategic Indicators

Indicator	Target	2015 - 2016 Result
Percentage of babies completing their 12 month Key Ages and Stages (KAS) assessment	$\geq 80\%$	In 2015 - 2016, 75% of all 12 month old children completed a KAS assessment.
Percentage of infants completing their 3.5 year-old KAS assessment	$\geq 77\%$	In 2015 - 2016, 66% of all 3.5 year-old children completed a KAS assessment.
Utilisation rate of HACC Services for persons aged 65+	10%	The utilisation rate of HACC Services for 2015 - 2016 was 9.8% (includes domestic care, respite care and personal care only).
Council operated leisure centre visitor rates per 100,000 persons	$> 600,000$	In 2015 - 2016, 712,595 visitors were recorded (which is 18.76% above the annual target).
Sedentary behaviour (percentage of people sitting ≥ 7 hours per day)	$< \text{State Average (32.8\%)}$	Hume = 30.1% (Source: 2011 VicHealth Survey)

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Disability Services and Support	Home and Community Care provides a range of services to assisting the elderly, disabled and those with special needs. This includes home, respite and personal care, delivered meals, community transport, property maintenance and social inclusion programs. The service also ensures that open spaces, facilities and recreation options are accessible for people of all abilities.	113 <u>119</u> 6
Youth Services	Address the needs of young people (aged 12 – 24) across the municipality. Services including counselling, outreach activities and youth development programs and events are provided from Youth Centres, schools and community locations.	1,481 <u>1,653</u> 172
Leisure, Health and Wellbeing	Manages leisure centres, aquatic facilities, sports stadiums and community halls and provides a range of activities and programs at these locations. This service is also responsible for food safety and initiatives targeting obesity, physical activity, nutrition, tobacco and alcohol through delivery of the Municipal Public Health and Wellbeing Plan.	5,374 <u>5,696</u> 322
Aged Services and Support	Provides support and maintenance services to assist the elderly and those with special needs through care and social inclusion programs. This includes active ageing activities, senior citizens groups, dementia support, a community safety register and personal care to assist older people to remain living in their own homes.	4,081 <u>4,391</u> 310
Family Support and Health	Provides programs and support in the areas of wellbeing, child safety, socialisation and connection to their community. The service offers Maternal and Child Health consultations, case management, immunisation, parenting education, in-home support and physical development assessments.	2,283 <u>2,236</u> (47)

Service Performance Indicators

Service - <i>indicator - measure</i>	Results 2014 - 2015	Results 2015 - 2016	Material Variations
Home and Community Care (HACC)			
<i>Timeliness</i> <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]	-	44.87 days	2015 - 2016 is the first year of reporting on this indicator. Council is implementing improvements to the assessment processes to reduce documentation requirements and address assessment back logs.
<i>Service standard</i> <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	83.33%	100%	Assessments are conducted every three years. In Council's November 2015 audit, 18 out of 18 Community Care Common Standards expected outcomes were met.
<i>Service cost</i> <i>Cost of domestic care service</i> [Cost of the domestic care service / Hours of domestic care service provided]	-	\$68.85	2015 - 2016 is the first year of reporting on this indicator. Council continues to implement efficiencies to reduce the cost of HACC services.
<i>Service cost</i> <i>Cost of personal care service</i> [Cost of the personal care service / Hours of personal care service provided]	-	\$48.09	2015 - 2016 is the first year of reporting on this indicator. Council continues to implement efficiencies to reduce the cost of HACC services.
<i>Service cost</i> <i>Cost of respite care service</i> [Cost of the respite care service / Hours of respite care service provided]	-	\$56.50	2015 - 2016 is the first year of reporting on this indicator. Council continues to implement efficiencies to reduce the cost of HACC services.
<i>Participation</i> <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	9.46%	9.40%	There are currently no waiting lists for Hume City Council's personal, respite or domestic care services; indicating services are meeting community demand. Council has exceeded the number of hours of care provided for DHHS funding.

Service - indicator - measure	Results 2014- 2015	Results 2015- 2016	Material Variations
<i>Participation</i> <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	7.60%	7.57%	In May 2016, DHHS approved Hume City Council's submission to expand the scope of the Access and Support role to focus on CALD communities. The expansion of this role is to improve CALD participation and access to HACC services.
Aquatic Facilities			
<i>Satisfaction</i> <i>Usersatisfactionwithaquaticfacilities (optional)</i> [User satisfaction with how council has performed on provision of aquatic facilities]	60	65	
<i>Service standard</i> <i>Health inspections of aquatic facilities</i> [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	2	2	Council's three aquatic facilities are inspected twice per year during peak season (December to June).
<i>Health and Safety</i> <i>Reportablesafetyincidentsataquaticfacilities</i> [Number of WorkSafe reportable aquatic facility safety incidents]	0	3	The reportable incidents that occurred in 2015 - 2016 primarily related to personal health issues not related to the operation of Council's facilities.
<i>Service cost</i> <i>Cost of indoor aquatic facilities</i> [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$3.60	\$4.21	Increased costs are due to 2015 - 2016 being the first full year of operation at the redeveloped Broadmeadows Aquatic and Leisure Centre which includes a new 50 metre indoor pool.
<i>Service Cost</i> <i>Cost of outdoor aquatic facilities</i> [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	n/a	n/a	Council does not run any stand-alone outdoor aquatic facilities. The outdoor pool at Sunbury Aquatic and Leisure Centre is included within the indoor aquatic facilities measures.

Service - <i>indicator - measure</i>	Results 2014- 2015	Results 2015- 2016	Material Variations
<i>Utilisation</i> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	3.65	3.67	
Food Safety			
<i>Timeliness</i> <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]	n/a	1.11 days	2015 - 2016 is the first year of reporting on this indicator.
<i>Service standard</i> <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%	111.9%	All newly registered premises, transfers of ownership premises and Class 1 food premises receive two assessments per year to ensure food safety standards are continually maintained, above requirements.
<i>Service cost</i> <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>]	\$358.85	\$359.98	
<i>Health and safety</i> <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	89.2%	81.2%	81.2% of critical and major non- compliance notifications about food premises were followed up in 2015 - 2016. The remaining 18.8% are scheduled for follow up in 2016 - 2017.

Service - indicator - measure	Results 2014- 2015	Results 2015- 2016	Material Variations
Maternal and Child Health (MCH)			
<i>Satisfaction</i> <i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	118.7%	n/a	In 2016, there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health Services to a new data base. The data base is not expected to provide reliable information until the end of September 2016. Therefore, Council is unable to report this data for the 2015 – 2016 financial year.
<i>Service standard</i> <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	102.38 %	n/a	In 2016, there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health Services to a new data base. The data base is not expected to provide reliable information until the end of September 2016. Therefore, Council is unable to report this data for the 2015 – 2016 financial year.
<i>Service cost</i> <i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses]	-	\$64.03	2015 - 2016 is the first year of reporting on this indicator
<i>Participation</i> <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	70.77%	n/a	In 2016, there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health Services to a new data base. The data base is not expected to provide reliable information until the end of September 2016. Therefore, Council is unable to report this data for the 2015 – 2016 financial year.

Service - indicator – measure	Results 2014- 2015	Results 2015- 2016	Material Variations
<p><i>Participation</i></p> <p><i>Participation in the MCH service by Aboriginal children</i></p> <p>[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</p>	71.53%	n/a	<p>In 2016, there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health Services to a new data base. The data base is not expected to provide reliable information until the end of September 2016. Therefore, Council is unable to report this data for the 2015 – 2016 financial year.</p>

Strategic Objective 2.2: Strengthen community safety and respectful behaviour.

Strategic Indicators

Indicator	Target	2015 - 2016 Result
Percent of persons feeling safe walking alone during night	≥ State Average (69.9%)	Hume = 53.5% (Source: 2011 VicHealth Survey)
Crime rate per 100,000 persons	≤ State Average (7,489.5)	The last 2 years of crime rates available for Hume are: 2016 = 10,888.5 2015 = 9,441.5 The last 2 years of crime rates available in Victoria are: 2016 = 8,575.9 2015 = 7,777.6 The last 2 years of crime rates available in the North West Metro Region are: 2016 = 9,927.1 2015 = 9,203.3
Average days taken to action animal management requests	3 days	In 2015 - 2016, the average first response time for the 3,692 animal management requests was 2.74 days.
Percent of traffic detected speeding on local streets	≤ 25.0%	28.9% of vehicles recorded via Council traffic counts were detected as speeding on local streets in 2015 - 2016.

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Community Safety	Provides a safe municipality through the provision of school crossing supervision, emergency response and recovery and enforcing City Laws and State Government legislation. This includes regulations for parking, litter, animal management, fire prevention, road rules, environmental protection and pollution.	4,228 4,398 170

Service Performance Indicators

Service - <i>indicator - measure</i>	Results 2014- 2015	Results 2015- 2016	Material Variations
Animal Management			
<i>Timeliness</i> <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]	n/a	2.74 days	2015 - 2016 is the first year of reporting on this indicator
<i>Service standard</i> <i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100	32.92%	33.75%	Council's result is primarily driven by a low reclaim rate for cats. A total of 3,280 animals were collected in 2015 - 2016 (1,447 dogs and 1,833 cats) with 72.7% of dogs reclaimed (1,053), and 2.9% of cats (54) reclaimed.
<i>Service cost</i> <i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$48.32	\$46.88	
<i>Health and safety</i> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	10.00	21.00	In 2015 - 2016 there was an increase in serious incidents reported to Council which required prosecution under the <i>Domestic Animals Act 1994</i> . Council takes these issues seriously to protect the safety and wellbeing of Hume's residents.

Theme 3: A culturally vibrant and connected community

Strategic Objective 3.1: Foster socially connected and supported communities.

Strategic Indicators

Indicator	Target	2015 - 2016 Result
Percentage of people in Hume City who feel socially connected	≥ State Average (72.3%)	Hume = 70.5% (2011 VicHealth Survey)
Community acceptance of diverse cultures	≥ State Average (51.0%)	Hume = 37.1% (2011 VicHealth Survey)

Services

Service area	Description of services provided	Net Cost Actual Budget Variance \$'000
Cemetery Services	Council provides an administrative service to the Sunbury and Bulla Cemetery Trusts on a fee for service basis including accepting funeral bookings, dealing with maintenance contractors, selling plots, maintaining the cemeteries and coordinating plaque orders and installations.	(26) <u>(29)</u> (3)
Community Development	Fosters community strength and resilience within the context of the Social Justice Charter and provides funding for community projects which build community capacity and enhance community wellbeing. The service delivers events and festivals which celebrate the cultural diversity of the City and environmental educational programs under the Live Green banner.	1,686 <u>2,061</u> 375
Facility Management/ Facilities Hire	Manages and maintains Council facilities for internal and external use including Council's office, community halls, leisure facilities, sports stadiums and function/training rooms at Learning Centres.	4,998 <u>5,896</u> 898
Indigenous Support	Provides assistance for the Aboriginal and Torres Strait Islander community through disability respite, holiday programs, planned activity groups, parent engagement programs and community engagement and recognition activities.	30 <u>37</u> 7

Strategic Objective 3.2: Enhance community pride and sense of place

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Community Development	Fosters community strength and resilience within the context of the Social Justice Charter and provides funding for community projects which build community capacity and enhance community wellbeing. The service delivers events and festivals which celebrate the cultural diversity of the City and environmental educational programs under the Live Green banner.	- - -

Strategic Objective 3.3: Strengthen community connections through local community events and the arts.

Strategic Indicators

Indicator	Target	2015 - 2016 Result
Percent of population who have participated in arts and cultural activities	≥ State Average (63.6%)	Hume = 58.6% (2011 VicHealth Survey)
Number of Council run community events held each year	≥ 20	Council ran 13 major community events in 2015 – 2016. Several other smaller scale events were also held and/or supported by Council.
Percentage of programed arts and cultural activities created by or specifically targeted at Social Justice Groups	≥ 3 activities per year	Two exhibitions have been created by or targeted at Social Justice Groups - the Hume White Ribbon Animation Project and Touches of Mesopotamia at HGLC Craigieburn.

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Arts and Culture	Provides a range of programs and activities at leisure centres and community facilities including dance programs, active movement activities and an all abilities disco. This service also supports local artists by providing access to exhibition space and secures funding and partnerships for arts initiatives.	250 <u>81</u> (169)
Community Development	Fosters community strength and resilience within the context of the Social Justice Charter and provides funding for community projects which build community capacity and enhance community wellbeing. The service delivers events and festivals which celebrate the cultural diversity of the City and environmental educational programs under the Live Green banner.	489 <u>498</u> 9

Theme 4: A sustainably built and well-maintained City with an environmentally aware community

Strategic Objective 4.1: Facilitate appropriate urban development while protecting and enhancing the City's environment, natural heritage and rural spaces.

Strategic Indicators

Indicator	Target	2015 - 2016 Result
Percent of planning applications decided within 60 days	≥ Growth Council Average (64%)	In 2015 - 2016, 43% of planning applications were decided within 60 days.
Satisfaction of Council's management of urban growth	≥ 42%	2015 - 2016 = 39.4%
Reduction in annual greenhouse gas emissions from Council operations (tonnes CO ₂ -e)	Reduction on 2014 - 2015 emissions (24,489 CO ₂ -e)	Reported annually in September - Council's greenhouse gas emissions reduced by 4% in 2014 - 2015 when compared to 2013 - 2014.
Reduction potable water consumption from Council operations (change in ML)	Reduction on 2014 - 2015 water use (232 ML)	Council's 2015 - 2016 potable water use was 245ML, a 13ML (6%) increase on the 232ML in 2014 - 2015. This is due to lower than average rainfall and the highest mean temperatures on record occurring in 2015 - 2016.

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Waste and Litter Management	Provides household waste collection including garbage, recycling and green waste and supports local businesses with responsible waste disposal and litter management. It also includes community education and engagement programs through schools, anti-litter campaigns, hard waste collection and waste diversion from landfill or dumping.	11,253 <u>12,440</u> 1,187
City Development	Ensures that statutory planning, open space infrastructure assets and urban design of the City are conducted in accordance with legal specifications and responsible land management planning schemes. The service ensures social justice and environmental sustainability principles are embedded in Council's planning processes.	3,714 <u>6,313</u> 2,599

Service Performance Indicators

Service - <i>indicator - measure</i>	Results 2014-2015	Results 2015-2016	Material Variations
Waste Collection			
<i>Satisfaction</i> <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	282.02	334.46	Throughout 2015 – 2016, there was an increase in requests as Council's kerbside services expand. The majority of these requests relate to general enquiries concerning bin collection days and lid repairs to bins (due to ageing bin infrastructure).
<i>Service standard</i> <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	13.70	12.60	
<i>Service cost</i> <i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$122.00	\$118.94	
<i>Service cost</i> <i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$9.64	\$20.66	Increased costs in 2015 - 2016 relate to reduction in revenue from sale of recyclables and commencement of new contracts in 2015 - 2016 with improved environmental outcomes.
<i>Waste diversion</i> <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	33.23%	32.87%	

Service Performance Indicators

Service - <i>indicator - measure</i>	Results 2014-2015	Results 2015-2016	Material Variations
Statutory Planning			
<i>Timeliness</i> <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]	112 days	127 days	In 2015 - 2016 there has been an increase in the complexity of planning applications. Council is implementing improvements to ensure planning application decisions are made in a more timely manner.
<i>Service standard</i> <i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	44%	43%	
<i>Service cost</i> <i>Cost of statutory planning service</i> [Direct cost of the statutory planning service / Number of planning applications received]	\$2,672.94	\$2,800.01	
<i>Decision making</i> <i>Council planning decisions upheld at VCAT</i>	35.00%	64.71%	In 2015 - 2016, a smaller number of Council planning decisions were appealed at VCAT and less Council decisions were overturned indicating that VCAT was more supportive of Council planning decisions.

Strategic Objective 4.2: Create community pride through a well-designed and maintained City.

Strategic Indicator

Indicator	Target	2015 - 2016 Result
Net increase in street trees	Baseline to be established in 2015 - 2016	During 2015 - 2016, 5,061 trees have been planted. 1,660 trees have been removed resulting in a net gain of 3,401 trees for the year.
Dumped rubbish removal requests rates per 10,000 households	≤ 1060	3,941 Dumped Rubbish Removal Requests were recorded in 2015 - 2016 = 602 requests per 10,000 households.
Satisfaction with Council's graffiti control and removal	$\geq 55\%$	2015 - 2016 = 55.9%
Graffiti removal requests rates per 10,000 households	≤ 100	697 Graffiti Removal Requests were recorded in 2015 - 2016 = 106 requests per 10,000 households.

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Transport and Drainage	Is responsible for asphalt repairs, engineering investigations, parking enforcement and cemetery operations. In addition, the service manages contracts with external service providers for hard waste collection, road linemarking, graffiti removal. This service is also responsible for Council's Road Management Plan and compliance and enforcement of government regulations.	7,089 <u>7,638</u> 549
City Amenity	Is responsible for road cleaning, public litter collection and minimisation and maintenance of Council's waste and litter infrastructure. This includes road and footpath sweeping and repairs, underground drainage cleaning and stormwater drainage maintenance, graffiti removal and cleansing activities that ensure the city remains clean and well presented.	1,141 <u>1,283</u> 142
Parks and Open Space	Provides maintenance and provision of parks, sports fields, forests, conservation reserves, play spaces and open spaces. In doing so, the service ensures Council is complying with legislation and risk management procedures for these public areas.	17,750 <u>18,150</u> 400

Strategic Objective 4.3: Create a connected community through efficient and effective walking, cycling, public transport and car networks.

Strategic Indicators

Indicator	Target	2015 - 2016 Result
Satisfaction with Council's management of local streets	≥ 55%	2015 - 2016 = 52.8%
Percentage of sealed roads which do not require pavement or surface renewal	Maintained at or above (96%)	As at 30 June 2016, 95.4% of sealed roads do not require pavement or surface renewal.
Satisfaction with the availability of walking and cycling tracks	≥ 65%	2015 - 2016 = 61%

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Transport and Drainage	Is responsible for road maintenance, engineering investigations, parking enforcement and cemetery operations. In addition, the service manages contracts with external service providers for hard waste collection, road line marking and graffiti removal. This service is also responsible for Council's Road Management Plan and compliance and enforcement of government regulations.	2,315 <u>2,386</u> 71

Service Performance Indicators

Service - <i>indicator - measure</i>	Results 2014-2015	Results 2015-2016	Material Variations
Roads			
<i>Satisfaction of use</i> <i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	86.41	74.85	Following the 2015 - 2016 investment of \$7.97 million in local road reconstruction and resealing, Hume City Council received a reduced number of sealed requests per 100 kilometres of sealed local road. Satisfaction with sealed local roads also increased 10% on the previous year's result.
<i>Condition</i> <i>Sealed local roads below the intervention level</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	93.76%	95.39%	Of the 1,190.34km of sealed local roads within Hume, just 54.93km are at the intervention level for renewal.
<i>Service cost</i> <i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$129.11	\$202.50	Construction of Tanderrum Way Broadmeadows was completed using 200mm depth exposed concrete aggregate to achieve urban design objectives which contributed to higher reconstruction costs in 2015 - 2016.
<i>Service Cost</i> <i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$19.08	\$19.08	
<i>Satisfaction</i> <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]	60.00	66.00	Following the 2015 - 2016 investment of \$7.97 million in local road reconstruction and resealing, satisfaction with sealed local roads increased 10% on the previous year's result. Hume City Council also received a reduced number of sealed local road requests compared to the previous financial year.

Theme 5: A well-governed and engaged community

Strategic Objective 5.1: Realise the vision and aspirations of Hume's community by implementing Hume Horizons 2040.

Strategic Indicators

Indicator	Target	2015 - 2016 Result
Percent of annual Council Plan actions complete	≥ 85%	In 2015 - 2016 = 84% or 107 actions have been completed.
Employee Engagement Levels	≥ 65%	2015 - 2016 = 75% 2013/14 = 73%
Workforce turnover rate	≥ 5.0% & ≤ 7.0%	Full year turnover to 30 June 2016 = 5.01%

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Council and Service Planning	Manages Council planning and reporting and legislative requirements under the <i>Local Government Act</i> . It develops and reports on progress and achievements of the Council Plan and Community Plan and supports Council's Auditor Committee and Internal Audit contract. The service also provides strategic advice on emerging social issues and policy matters to inform Council's decision making and service planning processes and to advocate for improved community outcomes.	2,857 <u>2,971</u> 114
Human Resource Management	Ensures that staff pay and conditions are in accordance with the Enterprise Agreement and Awards. The service also facilitates a positive workplace culture through training and development opportunities, staff reward and recognition, employee support schemes and industrial relations.	1,898 <u>1,859</u> (39)
Organisational Development	Improves the capacity of the organisation by providing learning opportunities, education and training which enhances knowledge and skills of all employees to deliver services to meet the community's needs.	969 <u>988</u> 19
Workplace Safety and Wellbeing	Creates a safe workplace by ensuring that all employees have WHS knowledge and skills to minimise the risk of injury, illness and damage to property. It also supports injured and ill workers to return to work. The Corporate Health and Wellbeing program aims to improve the health and wellbeing of Hume City Council staff.	484 <u>550</u> 66

Strategic Objective 5.2: Create a community actively involved in civic life

Indicator	Target	2015 - 2016 Result
Satisfaction with Council encouraging community discussions on key issues Satisfaction with Council decisions	>40%	2015 - 2016 = 37.2%
Satisfaction with Council's level of consultation and engagement	>39%	2015 - 2016 = 38%

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Communications	Provides support to the organisation in delivering information to Hume residents, businesses, visitors and employees through a range of communication channels. The service supports Council's print and digital media communications and is responsible for Council's corporate branding and reputation management.	1,566 <u>1,835</u> 269
Organisation and Community Intelligence	Provides an internal records management service to ensure organisational knowledge is maintained through the archiving, retrieval and storage of information in accordance with the <i>Public Records, Freedom of Information</i> and <i>Information Privacy Acts</i> . The Geographic Information System provides mapping and spatial assistance in undertaking social research and community consultation to inform service planning and strategy development. This service also conducts Ward Meetings with Hume City Councillors.	2,092 <u>2,275</u> 183

Strategic Objective 5.3: Provide responsible and transparent governance, services and infrastructure which respond to community needs.

Strategic Indicators

Indicator	Target	2015 - 2016 Result
Satisfaction with Council decisions	≥ 37%	2015 - 2016 = 39.3%
Satisfaction with Council's level of advocacy to other levels of government and other organisations	≥ 38%	2015 - 2016 = 36.5%
Percent of Council decisions made at meetings closed to the public	< 15%	22% of decisions made in 2015 - 2016 were made at meetings closed to the public. The average at Growth Councils in 2014 - 2015 was also 22%.
Percent of annual Capital Works Projects completed	≥ 90%	At 30 June 2016, 73% of the dollar value of works in the Capital Works Program was completed and 71% of projects in the 2015 - 2016 Capital Works Program were completed.
Average expenditure per assessment	\$2,915	For the financial year ending 30 June 2016, actual average expenditure per assessment was \$2,872.74.

Services

Service area	Description of services provided	Net Cost Actual <u>Budget</u> Variance \$'000
Governance and Associated Statutory Services	Provides governance and administration duties for Council and Committee meetings, ensuring compliance with the <i>Local Government Act</i> , Local Laws and associated codes. This also includes Council's responsibilities under <i>the Information Privacy Act</i> , the <i>Geographic Place Names Act</i> , conducting Council elections and requests made under the <i>Freedom of Information Act</i> .	2,782 <u>2,596</u> (186)
Information Technology	Is an internal service that supports efficient and reliable access to information, communications and technology (ICT). This includes procurement, service support, maintenance, security and adherence to Council standards and procedures.	3,978 <u>4,111</u> 133
Financial and Procurement Services	Ensures Council's procurement is undertaken in accordance with legislation and contract works and services provided meet best practice. This service also levies and collects general rates and special charge schemes. Accounting services analyse, review, monitor and report information about financial activity within Council, for use in planning, performance evaluation, and operational control.	119 <u>1,310</u> 1,191
Grants and Advocacy	Provides guidance on opportunities for Council to attract funding, services, facilities and infrastructure to Hume City. This includes developing networks and partnerships with State and Federal Government, businesses and local service providers.	- <u>-</u> -
Property and Development	Manages Council's property portfolio ensuring assets are being utilised to their highest and best use and all rateable properties are revalued in accordance with the Valuer General Victoria. The service provides supplementary valuations, asset and insurance valuations, management of Council's land and building portfolio and facilitates leases and licences.	(144) <u>(606)</u> (462)
Asset Management and Infrastructure Development	Is responsible for monitoring and management of Council assets (roads, drains, bridges, etc.) to ensure infrastructure is maintained to appropriate standards. This includes efficient management, supply and control of Council fleet vehicles, plant and equipment and the development and delivery of Council's annual Capital Works Program.	6,707 <u>7,357</u> 650
Customer Service	Handles enquiries from the public from three Customer Service Centres via face to face interactions, telephone, email and web chat. Customer Service Centres receive payments, distribute information and connect people with Council services and activities.	3,186 <u>3,167</u> (19)

Service Performance Indicators

Service - <i>indicator - measure</i>	Results 2014-2015	Results 2015-2016	Material Variations
Governance			
<i>Transparency</i> <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	19.42%	22.02%	Council had a smaller number of confidential decisions in 2015 - 2016 (85) than in 2014 - 2015 (93), although a higher proportion of overall decisions.
<i>Consultation and engagement</i> <i>Satisfaction with community consultation and engagement</i> Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	53.00	59.00	Council undertook a number of initiatives in 2015 - 2016 to improve stakeholder engagement, including increased staff training and awareness.
<i>Attendance</i> <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	90.15%	90.18%	
<i>Service cost</i> <i>Cost of governance</i> [Direct cost of the governance service / Number of councillors elected at the last Council general election]	\$56,976.27	\$54,490.09	
<i>Satisfaction</i> <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]	55.00	60.00	Council has taken a proactive approach to communicating Council decisions, and has significantly increased subscription to Council's fortnightly e-news.

Organisational and Corporate Governance

Occupational Health and Safety

There were 256 OHS incidents in 2015 - 2016, in which 179 injuries were recorded. Both figures represent an increase when compared to 2014 - 2015, with 242 reported incidents and 150 injuries. This may be partly attributed to the ease of reporting incidents, since an online portal was introduced in March 2015. It should also be noted that the methodology for recording the number of incidents and injuries was amended in 2015-2016, based on the date an incident report is lodged.

The predominant injury types in 2015 - 2016 were manual handling related, 56 (31 per cent) and injury due to slips, trips and falls, 37 (20 per cent). For manual handling related injuries this represents a small increase compared to 2014 - 2015 (53 injuries) and a slight decrease in injury due to slips, trips and falls (41 injuries).

There were nine incidents which were notifiable to WorkSafe Victoria which was the same as in 2014 - 2015. Three Provisional Improvement Notices (PINS) were issued by WorkSafe and all PINS were resolved within the timeframe advised by WorkSafe and improvements to workplace procedures were implemented as part of Council's ongoing commitment to occupational health and safety.

Council maintained its organisation-wide certification to the Australian Standard AS/NZS 4801 – Occupational Health and Safety (OHS) Management System in 2015 - 2016. A surveillance audit was undertaken in November 2015 and a small number of minor non-conformances were identified which are being addressed.

Council's online OHS incident reporting system for staff has continued to enable effective and timely incident investigations and identification of corrective actions to minimise the likelihood of further incidents occurring and to ensure a safe and healthy workplace.

WorkCover

There were 17 standard claims (greater than 10 days loss in wages or medical expenses greater than \$667) lodged as a result of workplace injuries during 2015 - 2016. This was a decrease of seven standard claims from the previous financial year.

During 2015 - 2016 there were 2,708 days lost as a result of all WorkCover claims (including long-term claims) compared to 2,676 days lost in 2014 - 2015 (1.2 per cent increase).

Council's WorkCover premium costs increased by 1.3 per cent from 2014 - 2015 to 2015 - 2016, however the premium costs are estimated to decrease by 14.5 per cent in the next 12 months (2016 -2017).

The indications for WorkCover premium costs have been improved by the continuing focus on the enhanced Injury Management Program particularly relating to:

- Greater utilisation of 'job dictionaries' for jobs in work areas that have experienced workplace injuries. The job dictionaries which outline the physical demands of the job have been used increasingly by treating practitioners to assist return to work outcomes;
- Case management of high risk claims including weekly case conferences, quarterly claims review and strategy discussions regarding pending claims with Council's WorkCover insurer;
- Use of Council's recommended medical service providers who specialise in workplace injury management; and
- Monthly case conferencing with managers and the Human Resources department to assist the parties to discuss how to best manage specific claims.

Learning and Development

During 2015 - 2016, 89 different training courses were conducted with a total of 1,930 participants. These included equal opportunity for staff with focussed sessions for Hume leaders, career development, managing workplace safety and return to work for injured staff, customer service, domestic violence and various compliance courses.

Leadership development is a key training focus to ensure staff have skills and experience to manage teams and projects. This year, training included: recruitment and selection, having difficult conversations, engagement skills, performance appraisal, business writing and the Passport to Work program.

The Passport to Work Program provided an action learning leadership development opportunity for nine Hume leaders to mentor long-term unemployed Hume residents. This program equips them with the skills necessary to acquire worthwhile employment or to transition into tertiary education. Over 82 per cent of long-term unemployed participants gained employment or transitioned into education.

Council's comprehensive corporate induction (including online induction) was conducted to welcome 102 new staff into the organisation. The induction provides key information about Council's organisation and operations.

Thirteen per cent of training attendances were for OHS, reflecting Council's commitment to safety. The 19 different courses included: risk assessment, manual handling, health and safety incident reporting, injury management, first aid and fire warden training.

Equal Employment Opportunity Program

Hume City Council has an Equal Employment Opportunity (EEO) program, which is designed to eliminate discrimination against and promote equal opportunity to all staff.

The objective of Council's Equal Employment Opportunity Program is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation, gender identity or sexual

orientation. Further objectives include ensuring the workplace is free from bullying and harassment.

Council's Equal Employment Opportunity program includes:

- Induction for all new staff, as part of Council's corporate and online induction training, which includes EEO; and
- Refresher training for Council staff including EEO Contact Officers with a specialist trainer.

Indicators that measure the effectiveness of the EEO program and the results for 2015 – 2016:

- Indicator: Percentage of new staff receiving equal opportunity training within six months of commencement.
Target: 100 per cent. Result: 92 per cent.
- Indicator: Percentage of existing staff receiving refresher equal opportunity training at least every two years.
Target: 100 per cent. Result: 51 per cent.
These results include a large number of casual staff who work irregular and inconsistent hours.
- Indicator: Number of EEO contact officers per number of Council staff.
Target: 1:50. Result: 1:60.

The indicators are monitored on an ongoing basis by the Manager Human Resources to ensure compliance. Based on monitoring of the EEO program during 2015 – 2016, there were no breaches of the *Equal Opportunity Act 2010*.

Actions taken to implement the EEO program over the past 12 months included:

- The provision of EEO awareness sessions for all new staff to ensure they are fully aware of their responsibilities in maintaining a workplace free of bullying and harassment;
- EEO training is scheduled biennially for all staff. Training was conducted in April – June 2016 for a significant number of staff. This was supplemented by online training;
- A review and update of the EEO Policy to ensure compliance with legislation and management of related policy providing support in emergency situations of family and domestic violence.
- Domestic violence training was again conducted to support Council's commitment to the White Ribbon campaign.

- Forty-one staff participated in three sessions which were conducted by the Victorian Domestic Violence Resource Centre. The sessions provided awareness of the statistics and issues to staff. Managers and specialist staff received more comprehensive information on domestic violence including processes on what to do and who to report to if a staff member is exposed to domestic violence.

Corporate Governance

Representing and engaging our growing community

Council is committed to visionary, strategic and accountable leadership and governance practices to create positive outcomes for the City and our community

Council is engaging with its community through informing and involving them in our plans, initiatives and activities. This consultation is paramount to empowering our community and developing partnerships and trust.

Representing and engaging the community is about enhancing community wellbeing to ensure our community is empowered and socially connected. We are committed to providing opportunities where our community will experience equality and feel a deep sense of belonging, respect and community pride.

As a result of Council's advocacy, 43 grants were announced for Hume City Council during 2015 – 2016, totalling \$15.53 million. The successes we have achieved during 2015 - 2016 will enhance social outcomes and create a better future for our community.

These achievements are a direct result of the leadership role we play in representing and supporting our community and the positive relationships we have developed with our community and the State and Federal governments.

We have undertaken many activities in the past 12 months to represent and engage our community.

Risk Management

Council has embedded a rigorous and effective risk management culture across the organisation through its risk management systems and accountabilities.

New members of staff are educated on risk management and fraud policies and procedures at induction.

Ongoing risk management training is provided to staff in workshops and using resource materials, including the Risk Management Manual, Policy and Framework.

Additionally, risk management accountabilities are included in all position descriptions and performance reviews for senior staff.

We are guided by our Risk Management Framework and Policy, using the processes set out in the Australian/New Zealand/International Standard: Risk Management AS/NZS ISO 31000:2009.

The Governance and Risk Management Committee and the Audit Committee both oversee the risk management activities of the organisation, ensuring appropriate mechanisms are in place and used to guard against and minimise loss and maximise opportunities.

Councillor attendance at Council Meetings

Please refer to table 1.1 on page 81 for a listing of councillors' meeting attendances from 1 July 2015 to 30 June 2016.

Councillor Governance

Councillor allowances

Having conducted a public consultation process, Council at its Ordinary Council Meeting held on 25 February 2013 resolved the following Item No. LE533:

That Council having conducted a review of the Councillor and Mayoral Allowances under Section 74 (1) of the Act, sets the Councillor allowance at \$26,843 plus 9% (as an equivalent amount to the Superannuation Guarantee contribution) equating to \$29,259, and the Mayoral allowance at \$85,741 plus 9% (as an equivalent amount to the Superannuation Guarantee contribution) equating to \$93,458.

Annual increase in allowances – Effective 1 December 2015

A Government Gazette Notice signed on 26 November 2015 by the Minister for Local Government, Hon Natalie Hutchins MP, under Section 73B of the *Local Government Act 1989*, determined to increase all Mayoral and Councillor Allowances by an adjustment factor of 2.5 per cent, effective from 1 December 2015.

Hume City Councillor's allowances, following the annual adjustment, are now \$28,907 plus 9.5 per cent (as an equivalent amount to the Superannuation Guarantee contribution) equating to \$31,653, and the Mayoral allowance is now \$92,334 plus 9.5 per cent (as an equivalent amount to the Superannuation Guarantee contribution) equating to \$101,106.

Councillor equipment

Councillors are each provided with a laptop, wireless internet access (9 gigabyte maximum per month), iPhone, iPad, multi-function printer, fax and scanner and cabcharge card.

In addition, the Mayor is provided with a car during the Mayoral term.

As part of Council's commitment to open and transparent government, details of Councillor expenses are published on Council's website.

Councillor travel register

Interstate and international travel costs incurred by the Mayor and Councillors are published on Council's website in its Interstate and Overseas Travel Register.

The Register provides details of travel undertaken including a total cost that includes fares, accommodation, conference registration, sustenance and other incidental costs associated with travel.

Council's Councillor Training and Conference Policy details the requirements for overseas travel and the approval process.

Audit Committee

Since October 1998, Council's Audit Committee has operated as a special committee of Council under Section 86 of the *Local Government Act 1989*.

The Committee meets four times per year and ensures accountable financial management and legislative compliance by overseeing Council's financial management, risk management, occupational health and safety (OHS), privacy and governance practices, together with oversight of the internal and external audit process.

The Committee comprises three independent members and two councillor members.

Please refer to table 1.2 on page 81 for further information

BDO East Coast Partnership (BDO) were appointed as Council's Internal Auditor for a period of two years commencing 1 July 2014, with an option of a further one year.

Each year, in accordance with the approved Strategic Internal Audit Plan, our Internal Auditors carry out audits; prepare reports; and presents these reports, incorporating management responses, to the Audit Committee for consideration at the quarterly meetings.

Councillors also receive these reports for information. All activities of internal audit are monitored by the CEO and the Audit Committee.

Please refer to table 1.3 on page 82 for details of internal audits undertaken.

The Audit Committee also reviewed the actions taken by management in implementing the internal audit recommendations. Any recommendations which have not been actioned and completed continue to form part of the Management Actions Status reporting which are actively monitored by the Audit Committee and the Risk and Governance Committee.

Year End Financial Statements / External Audit: A comprehensive review of the financial statement preparation was undertaken, including meetings with the external auditor. The Audit Committee recommended the adoption of the Financial Statements to Council for the financial year ended 30 June 2015.

Other matters:

- (a) Agenda and Minutes of meetings of the Audit Committee are provided to Council in accordance with the Instrument of Delegation.
- (b) In performing its obligations and responsibilities under the Audit Committee Charter, the Committee is cognisant of the critical nature of risk management in the operations of Council. Accordingly, risk management is a key focus for the Committee and regular risk management reports are considered throughout the year.
- (c) The following reports were presented to the Audit Committee for consideration:
 - Annual Report on Audit Committee Business
 - Internal Audit Strategic Plan
 - Fraud Control Update
 - Quarterly Finance Reporting
 - 10 Year Financial Plan Assumptions
 - Risk Management Reporting
 - Legislative Compliance and Fraud Reporting
 - Council's Information , Communications and Technology Strategy Update
 - Council's Information System architecture

- Customer Single View
 - Half yearly reporting on the Local Government Performance Reporting Framework Implementation
 - Insurance Renewal 2016 - 2017
 - Business Continuity Planning Update
 - OH&S Improvement Notices
 - Management Actions Status Report
 - Implementation Plan – Asset Management System
 - Audit Committee Self-Assessment and review of Charter
 - External Audit Strategy Memorandum
 - External Audit Closing Report
 - Self-Assessment against the IBAC Review of council work reports
 - Self-Assessments against Victorian Auditor-General's Reports on:
 - Local Government Service Delivery Recreational Services
 - Local Government 2014 - 15 Audit Snapshot
- (d) To enable the Audit Committee to obtain a more detailed understanding of the services, operations and risks of Council, presentations were made to the Committee by:
- Director, City Communities
 - Director, City Governance and Information
 - Director, City Infrastructure

Corporate Governance Legislation

Council must comply with a variety of legislation aimed at achieving sound corporate governance outcomes for the community, including (but not limited to):

- *Freedom of Information Act 1982;*
- *Health Records Act 2001;*
- *Privacy and Data Protection Act 2014;*
- *Protected Disclosure Act 2012;*
- *Public Records Act 1973;* and
- *Local Government Act 1989.*

Changes in Legislation

During the year, the *Local Government Amendment (Improved Governance) Act 2015* was passed.

The Amendment made changes to the *Local Government Act 1989* including:

- Inserting a definition of the role of councillor;
 - Changing powers and roles in respect of Councillor Conduct Panels;
 - Prohibiting Councillor Discretionary Funds;
 - Making it an offence for councillors to disclose confidential information and to improperly direct or influence council staff;
 - Requiring councils to prepare, adopt and maintain an election period policy in relation to procedures to be applied by Council during the election period for a general election;
 - Council adopted its Election Caretaker Period Policy 2016 on 29 March 2016;
 - Requiring councils to review their Code of Conduct and include an internal resolution process, and make any necessary changes at a special meeting called solely for that purpose;
 - Hume City Council adopted its amended Code of Conduct for Councillors at a Special Meeting of Council on 4 July 2016. The Code of Conduct for Councillors is published on Council's website.
- the total cost to the Council of the travel, including accommodation costs;
 - the agendas for, and minutes of, ordinary and special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act;
 - the minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act;
 - a register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act;
 - a document containing details of all leases involving land which were entered into by
 - the Council as lessor, including the lessee and the terms and the value of the lease;
 - a register maintained under section 224(1A) of the Act of authorised officers appointed under that section;
 - a list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

Documents to be made available for public inspection

The Local Government (General) Regulations 2015 require the following documents to be available for public inspection if they are not published on the council website:

- details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by any councillor or member of Council staff in the previous 12 months, including:
 - the name of the councillor or member of Council staff; and
 - the dates on which the travel began and ended; and
 - the destination of the travel; and
 - the purpose of the travel; and

Protected Disclosure Act

In response to the introduction of the *Protected Disclosure Act 2012*, which superseded the now repealed *Whistleblowers' Protection Act*, Council has developed its Protected Disclosure Procedures. These Procedures deal with the system for reporting disclosures of improper conduct or detrimental action by the Hume City Council or its employees, officers or members.

In relation to the reporting of protected disclosures involving improper conduct or detrimental action by the Hume City Council or its employees, officers or members, enquiries are directed to either:

- The Protected Disclosures Coordinator; or
- The Protected Disclosures Officer.

The Protected Disclosure Procedures are accessible for viewing and download from Council's website.

During the 2015 - 2016 financial year, there were no notifications to the Independent Broad-based Anti-corruption Commission (IBAC) under section 21(2) of the *Protected Disclosure Act 2012*.

Freedom of Information

The *Freedom of Information Act 1982* gives people the right to obtain access to documents held by Council.

A person may request documents created by Council by submitting an application in writing and accompanied by the prescribed fee (which is not refundable) to:

Freedom of Information Officer
Hume City Council
PO Box 119, DALLAS VIC 3047

An application form is available on Council's website and enquiries may also be made by telephoning 9205 2200.

The application fee for 2015 - 2016 was \$27.20 and has been determined at \$27.90 for 2016 - 2017.

The Freedom of Information Commissioner oversees the operation of the FOI Act in Victoria, with responsibilities including:

- Conducting reviews of agency decisions, including councils.
- Handling freedom of information complaints.
- Monitoring compliance with the Act.

Please refer to table 1.4 on page 82 for further information.

Table 1.1: Councillor Attendance – 2015 – 2016

Councillor	Council meetings required to attend incl. special meetings	Meetings attended	Meetings for which an apology was recorded	Meetings for which a leave of absence was recorded
Cr Adem Atmaca	25	24	1	
Cr Chandra Bamunusinghe	25	23	2	
Cr Alan Bolton	25	23	1	1
Cr Vic Dougall	25	24	1	
Cr Drew Jessop	25	23	2	
Cr Jack Medcraft	25	24	1	
Cr Casey Nunn	25	20	5	
Cr Jack Ogilvie	25	14	6	5
Cr Helen Patsikatheodorou	25	25		
Cr Geoff Porter	25	23	2	
Cr Ann Potter	25	23	2	

Table 1.2: Audit Committee – 2015 – 2016

Audit Committee Member	Membership of Audit Committee	Meetings required to attend	Meetings attended	Apology Received
Claire Filson	Chairperson	4	4	
Brian Keane	Independent member	4	4	
David Nairn	Independent member	4	4	
Cr Adem Atmaca	Councillor member – Appointment ended October 2015	1	1	
Cr Alan Bolton	Councillor member – Appointment ended October 2015	1	1	
Cr Helen Patsikatheodorou	Councillor member – Appointed October 2015	3	3	
Cr Chandra Bamunusinghe	Councillor member – Appointed October 2015	3	3	

Table 1.3: Internal Audits – 2015 - 2016

Internal Audit	Meeting Presented
Capital Works and Contract Management	August 2015
Emergency Management	November 2015
Environmental Compliance	February 2016
Immunisations	February 2016
Data Analytics - Expenditure	May 2016
Library Services	May 2016
Follow up of Prior Findings	May 2016

Table 1.4: Freedom of Information – 2015 - 2016

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
In Progress previous year (active requests)	7	5	15	9	0	5
Requests for year	24	74	60	32	30	51
Total number of requests	31	79	75	41	30	56
Access granted in full	13	18	11	4	3	8
Access granted in part	9	16	36	21	10	17
Access denied in full	Nil	1	2	7	1	2
No documents identified	1	24	16	6	5	6
Other – Withdrawn	Nil	1	1	2	1	1
Other – Not proceeded with	0	0	0	0	4	4
Other – Outside the Act	0	0	0	0	1	0
Other – In Progress end of year	5	15	9	0	5	5
Aged requests from previous years determined as no longer active	3	4	Nil	1	0	0
Total dealt with in year under review	31	79	75	41	30	51
Number of appeals/complaints lodged with Office of the Freedom of Information Commissioner	Reporting commenced 2015 - 2016					6
Number of appeals lodged with the Victorian Civil and Administrative Tribunal	Nil	Nil	3	Nil	0	0
Total Charges Collected	\$1,325.00	\$1,957.10	\$2,284.80	\$1,527.20	\$1,727.28	\$3098.80

The above information was provided to the Office of the Freedom of Information Commissioner for its Annual Report.

Additional Meeting Information

Resident of the Month

Date	Awarded
13 July 2015	Stuart Hodgson
10 August 2015	Rocky and Antoinette Barca
14 September 2015	Sharon Stockdale
12 October 2015	David Puddefoot
9 November 2015	Des Nelson
7 December 2015	Anthony White
8 February 2016	Edith Collins
15 March 2016	Sam Andreula
11 April 2016	Mahmut Eren
9 May 2016	Kelvin Muir
14 June 2016	Marisa Debattista

Miscellaneous Awards

Date	Awarded
27 July 2015	Sports Aid Grants – Various Recipients
14 December 2015	Sports Aid Grants – Various Recipients
15 March 2016	Sports Aid Grants – Various Recipients
14 June 2016	Sports Aid Grants – Various Recipients

Miscellaneous Awards – Hume City Council

Date	Award Title	Awarded to
14 September 2015	Cricket Victoria and Greenvale Kangaroos certificate of appreciation for the support shown over the 2014 - 2015 cricket season	Hume City Council
14 September 2015	2015 Stormwater Victoria Awards for Excellence - Excellence in Asset Management Award	Hume City Council
26 October 2015	MAV Annual Conference - awarded "Highly Commended" for Victoria in the 2015 Heart Foundation Local Government Awards.	Hume City Council

Providing Grants to Our Community

Council continued to support many individuals and organisations during 2015 - 2016.

Council provided \$755,363 in funding for a range of programs and initiatives that strengthen our community.

partnerships, neighbourhood house/community learning centres and other activities like community events, awards and scholarships.

This funding was provided through community grants made under a number of categories, including community activity, innovation,

The following grants were provided during 2015 – 2016:

2015 – 2016 Community Grants	Amount
Community Activity	\$125,900
Innovation	\$35,500
Partnership Tier 1 and Tier 2	\$189,530
Neighbourhood House/ Community Learning Centre funding	\$233,433
Other	\$171,000
TOTAL	\$755,363

Community Activity

Community Group or Organisation	Amount
1st Sunbury Cubs and Scouts	\$1,000
All Saints	\$1,000
Australian Air League Sunbury	\$1,000
Australian Assyrian Arts and Literature Foundation	\$1,200
Australian Community Logistics	\$1,500
Australian Croatian Club Bocce Gospic Inc	\$1,000
Australian Croatian Senior Citizens Club of Gladstone Park	\$1,000
Australian Croatian Senior Citizens Club "Vila Velebita" Broadmeadows Inc	\$1,000
Banksia Gardens Australian Turkish Friendly Women's Group	\$1,000
Bhutanese Community in Australia Inc	\$1,000
Broadmeadows and District Garden Club	\$1,000
Broadmeadows Community Toy Library Inc	\$1,000
Broadmeadows Disability Services	\$1,000
Broadmeadows Greek Elderly Citizens Club Inc.	\$1,000
Broadmeadows Greek Women's Club	\$1,000
Brunswick Sri Lankan Community Group	\$2,000
Bulla Agility Dogs Inc	\$1,500
Campbellfield Heights Primary School Community Hub	\$1,200
Cancer and Natural Therapy Foundation of Australia	\$1,000
Careworks Sunranges Inc	\$1,500
Circolo Pensionati Italiani di Gladstone Park	\$1,000
Circolo Pensionati Italiani di Greenvale INC	\$1,000
Circolo Pensionati Multiculturale Di Greenvale Inc.	\$1,000

Community Group or Organisation	Amount
Citizen Advocacy Sunbury & Districts	\$2,000
Coolaroo South Primary School & Kindergarten	\$1,200
Craigieburn Art Group Inc	\$1,000
Craigieburn Historical Interest Group Inc (CHIG)	\$1,200
Craigieburn Softball Club	\$1,200
Craigieburn Support & Exercise Group	\$1,000
Cultural Association Of Iraqi Turkmens Inc	\$1,000
Eritrean Families in Hume and the North Incorporated	\$1,000
Friends of Will Will Rook Pioneer Cemetery	\$1,000
Gladstone Park Badminton Club Inc.	\$1,000
Gladstone Park Combined Probus Club	\$1,200
Gladstone Park Senior Citizens Club	\$1,000
Goonawarra Bilby's Playgroup Association Inc.	\$1,000
Greek - Australian Recreational & Instructive League of Victoria Incorporated	\$1,000
Greek and Cypriot Social/Welfare Centre	\$1,000
Greek Society of the Senior Citizen & Disabled Club of Gladstone Park and Tullamarine Inc	\$1,000
Greenvale Tennis Club	\$1,000
Help-Himalayan Youth Foundation Inc	\$1,000
Hermez Hani association	\$1,000
Highlands Hornets Basketball	\$1,000
Hume City Swim Club	\$1,000
Hume Men's Shed (Craigieburn) Inc.	\$1,200
Hume Men's Shed (Sunbury) Inc	\$1,500
Hume Residents Airport Action Group	\$1,000
Hume Sri Lankan Seniors Association Inc.	\$1,000
Hume Toastmasters Club	\$1,000
Jacana Football club	\$1,000
Jacana Junior Football Club	\$1,000
Jackson's Creek Probus Club Sunbury	\$1,000
Jacksons Creek TOWN Club Inc	\$1,000
Kerala Hindu Society Melbourne Inc	\$1,000
Lions Club of Glenroy	\$2,000
Macedon Ranges Further Education Centre Inc	\$1,500
Meadow Heights Turkish Senior Citizens Association Inc	\$1,000
Meadows Primary School Early Learning Centre - Community Hub	\$1,000
National Servicemen's Association of Australia- Sunbury Sub-Branch	\$1,000
North Victoria Welfare Association Inc.	\$1,000
North West Tongan Wesleyan Methodist Church	\$1,000
Northern Mens Shed Inc	\$1,000
Northern Metropolitan Multicultural Seniors Clubs Network Inc	\$1,000
Northern Thunder Rugby League Club	\$1,000
Northern Turkish Family Association	\$1,200
Northern Turkish Womens Association	\$1,000
Northside Malayalee Community Club	\$1,000

Community Group or Organisation	Amount
One World Family Inc.	\$1,000
Probus Club of Craigieburn (Combined) Inc.	\$1,000
Probus Club of Sunbury Inc	\$1,000
Riding for the Disabled Oaklands Group	\$1,000
Roxburgh Park Community Church Facilitation Ministries Inc.	\$1,000
Roxy Slimmers Inc.	\$1,000
Saint Addai Community Society Inc	\$1,000
Saint Maratken community society Inc.	\$1,000
Sanat Association Inc	\$1,000
Sidrana Inc	\$1,000
Spanish Speaking Senior Citizens Club of Broadmeadows Inc.	\$1,000
St Thomas Uniting Church Craigieburn	\$1,000
St. John the Baptist for Alanish Community Inc	\$1,500
Sunbury Amateur Swimming Club	\$1,000
Sunbury and District Heritage Association Inc.	\$1,000
Sunbury Art Society Inc.	\$1,000
Sunbury BMX Club	\$1,000
Sunbury Bridge Club Inc	\$1,200
Sunbury Catholic Church	\$1,500
Sunbury Chinese Australian Community Group INC	\$1,000
Sunbury Choral Association Inc.	\$1,000
Sunbury Combined Probus Club Inc	\$1,000
Sunbury Community Arts Network. Inc	\$1,000
Sunbury Community Progress Association Inc.	\$1,000
Sunbury Family History Society Inc.	\$1,000
Sunbury Garden Club	\$1,500
Sunbury Preschools Parents and Friends Association	\$1,000
Sunbury Saints Basketball Club	\$1,500
Sunbury School of Calisthenics	\$1,000
Sunbury Toy Library Inc	\$1,200
Sunbury U3A Inc.	\$1,000
Sunbury United Junior Soccer Club	\$1,000
Superoos Basketball Club Inc	\$1,000
Terminate Tullamarine Toxic Dump Action Group Inc.	\$1,000
The Greek Orthodox Community of Broadmeadows & District Inc	\$1,000
The Ladies Probus Club of Sunbury Inc.	\$1,000
The Sunbury Blue Light Disco Inc.	\$1,200
THE-HE Vietnamese Language Centre	\$1,000
Tullamarine Men's Shed	\$1,000
Tullamarine Sporting Club	\$1,000
Turkish Teachers Association of Victoria	\$1,000
Vietnamese Senior Citizen Group of Hume Inc.	\$1,000
Vietnamese Women Association	\$1,200
Villa Maria Catholic Homes	\$1,000
Westmeadows Indigenous Community Garden	\$1,000

Community Group or Organisation	Amount
Willowbrook Darts Club	\$1,000
Woodlands Ladies Probus Club of Sunbury Inc	\$1,000
Yassin Sheikheldin Society Inc	\$1,000
Zahrira Social Club Inc	\$1,000
TOTAL	\$125,900

Innovation

Community Group or Organisation	Amount
Inner North West Blue Light Inc	\$2,000
Sunbury Basketball Association	\$4,000
Art Enrichment	\$4,500
Anglicare Broadmeadows Women's Community House	\$5,000
City of Hume Boxing Club.Inc	\$5,000
Migrant Resource Centre North West Region Inc.	\$5,000
PACMania	\$5,000
Sunbury Community Health	\$5,000
TOTAL	\$35,500

Partnership

Community Group or Organisation	Amount
Tier 1	
St. Anne's Catholic Primary School	\$10,000
Smith Family	\$10,000
Shakti Migrant & Refugee Women's Support Group Melbourne Inc.	\$10,000
Operation Newstart Inc.	\$5,000
Bridging Worx Inc.	\$10,000
Northern Suburbs Victoria LoveBites Program - Part of NAPCAN Program	\$10,000
Oorja Foundation	\$10,000
S.O.L.D. Inc (Support & Opportunities for Learning Disabilities Inc)	\$10,000
Victorian Skateboard Association (VSA)	\$10,000
Brite Services	\$15,000
Life Saving Victoria Ltd	\$18,050
Kids Thrive Inc	\$20,000
Outer Urban Projects	\$20,000
Tier 2	
Raise Foundation	\$11,480
Brotherhood of St Laurence	\$20,000
TOTAL	\$189,530

Neighbourhood House/ Community Learning Centre funding

Neighbourhood House/ Community Learning Centre	Amount
Attwood House Community Centre Association	\$25,937
Banksia Gardens Association Incorporated	\$25,937
Anglicare Broadmeadows Women's Community House	\$25,937
Coolaroo Engage and Connect Project (Kenley Court Neighbourhood House and Dixie Court Neighbourhood House)	\$25,937
Craigieburn Education and Community Centre	\$25,937
Dallas Neighbourhood House Incorporated	\$25,937
Goonawarra Neighbourhood House Incorporated	\$25,937
Sunbury Neighbourhood House Incorporated	\$25,937
Tullamarine Community House Incorporated	\$25,937
TOTAL	\$233,433

Other major grants and funding

Grant / Award /Sponsorship	Amount
Hume Arts Awards 2016	\$18,000
Hume Aileu Education Scholarship Program 3,600	\$3,600
Education Scholarship Awards - awarded to 48 year 6 students or equivalent residing within the municipality	\$48,000
Hume Teachers Scholarships	\$26,000
Broadmeadows Street Festival sponsorship	\$12,900
Sunbury Street Life 2015 sponsorship	\$5,000
Summer Sessions: Movies and Music 2016 sponsorship	\$4,000
Sunbury Agricultural Show 2015 sponsorship	\$18,000
Sunbury Christmas Decorations 2015 sponsorship	\$7,500
SunFest 2016 sponsorship	\$22,000
Christmas on the Green 2015 sponsorship	\$6,000
TOTAL	\$171,000

Governance and Management Checklist

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

	Governance and Management Item	Required	YES/ NO	Date if YES (single item/date)	Dates if YES (multiple items/dates)	Reason(s) if answer is NO
GC1	Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Current policy in operation	NO			Council has adopted community engagement guidelines outlining Council's commitment and process for undertaking community consultation and engagement.
GC2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation	YES	27/06/2011		
GC3	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	NO			The SRP was prepared for 2015/16 only in light of the impending Sunbury Out of Hume issue. The Minister has since overturned the decision to form a new Sunbury Council.
GC4	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	YES	29/06/2015		
GC5	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	YES		Roads Asset Management Plan (includes footpaths, bridges, cycleways) 5/07/2010. Buildings Asset Management Plan 5/08/2010. Parks and Open Space 10/09/2012.	A Drainage Asset Management Plan was developed in 2015, but has not been adopted by Council.
GC6	Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Current strategy in operation	YES	29/06/2015		
GC7	Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation	YES	14/07/2014		
GC8	Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation	YES	28/09/2015		
GC9	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	YES	16/03/2016		
GC10	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	YES	27/06/2016		

Governance and Management Checklist

	Governance and Management Item	Required	YES/ NO	Date if YES (single item/date)	Dates if YES (multiple items/dates)	Reason(s) if answer is NO
GC11	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	YES	26/09/2013		
GC12	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	YES	9/07/2010		
GC13	Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation	YES	23/05/2014		
GC14	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)	Committee established in accordance with section 139 of the Act	YES	28/11/2011		Council has created its Audit Committee as a Special Committee under Section 86 of the LGA. This provides for a higher level accountability and governance control to members of the Committee, in excess of that provided to an Advisory Committee under Section 139 of the LGA.
GC15	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	YES	20/05/2016		
GC16	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	YES	1/07/2015		
GC17	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)	Current report	YES	22/02/2016		
GC18	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	YES		Q4. 28/08/2015, Q1. 26/10/2015, Q2. 22/02/2016, Q3. 26/04/2016	
GC19	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	YES		Report 1 - 28/08/2015 Report 2 - 26/02/2016	
GC20	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	YES		Report 1 - 28/08/2015 Report 2 - 26/02/2016	
GC21	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)	Annual report considered at a meeting of Council in accordance with section 134 of the Act	YES	26/10/2015		

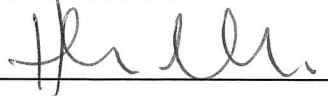
Governance and Management Checklist

	Governance and Management Item	Required	YES/ NO	Date if YES (single item/date)	Dates if YES (multiple items/dates)	Reason(s) if answer is NO
GC22	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	YES	7/04/2016		
GC23	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	YES		Instrument of delegation to CEO 23/03/2015, Instrument of delegation to Members of Council Staff 27/06/2016, Instrument of delegation for establishment of a Special Committee of Council 28/11/2011, Instrument of delegation of powers prescribed by Legislation 01/07/2016.	
GC24	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	YES	23/09/2013		

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



Domenic Isola
Chief Executive Officer
Dated: 12/09/2016



Helen Patsikatheodorou
Mayor
Dated: 12/09/2016

Performance Statement for the year ended 30 June 2016

Ref Reg 17 (1)

Description of municipality

Hume City is located just 15 kilometres north of Melbourne and is one of the fastest growing and most culturally-diverse communities in Australia.

Spanning a total area of 503 square kilometres, it is built around the suburbs of Broadmeadows, Tullamarine and Gladstone Park in the south, the residential suburbs of Craigieburn, Greenvale and Roxburgh Park in the north-east and Sunbury in the north-west.

The municipality is made up of a mix of contrasts including new and established residential areas, major industrial and commercial precincts and vast expanses of rural areas.

Hume City is home to major road transit routes including the Tullamarine Freeway, Western Ring Road, Hume Highway and the Craigieburn Bypass.

Hume is bound by the local government areas of Moreland, Whittlesea, Brimbank, Macedon Ranges, Melton and Mitchell.

Home to 194,006 residents (as at 30 June 2015), Hume City's population is expected to grow to 345,446 by the year 2041.

Hume residents come from more than 160 different countries and speak over 140 languages – each week, 39 new migrants move into Hume City.

In comparison to metropolitan Melbourne, Hume City residents are relatively younger in age, and there is

a higher proportion of 'family households'.

Much of this can be attributed to the important role Hume City plays within the Melbourne housing market. The area is known for its affordable home ownership opportunities, attracting existing and prospective families. In the five years between 2006 and 2011, almost 28,500 residents (aged 5+ years) moved to Hume. In this period, Moreland City was the largest contributor of new residents from within Australia – about 4,300 moved into Hume from Moreland.

This was followed by almost 2,300 residents who moved to Hume from interstate and almost 5,800 residents who came from Whittlesea, Moonee Valley, Darebin and Brimbank.

From outside Australia, some 8,900 residents moved from overseas and chose to call Hume home.

Hume receives about five per cent of metropolitan Melbourne's total migration intake, and 18 per cent of metropolitan Melbourne's humanitarian intake stream.

In 2014/15, Hume City Council received 2,566 birth notifications and 2,977 in 2015/16.

With a population of just 93,000 in 1988, the area now known as Hume City has developed into one of the fastest and largest growth municipalities in Melbourne.

Ref Reg R15(3), Sch3, R16(1), R17(2)				
<i>Indicator / Measure</i>		Results 2015	Results 2016	Material Variations
C1	Population <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,083.17	\$1,134.85	
C2	<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$6,778.95	\$6,826.13	
C3	<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	158.68	158.13	
C4	Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$933.75	\$993.70	
C5	Recurrent grants <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$231.18	\$169.63	The 2015 grants included the advance payment of the 2015/16 Victorian Grants Commission (VGC) funding of \$6.3m which was received in 2014/15. This has had the effect of increasing the grants base in 2015 against a lower population (when compared to 2016 population numbers).
C6	Disadvantage <i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	2.00	2.00	

Definitions

"adjusted underlying revenue" means total income other than:

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

(b) non-monetary asset contributions; and

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

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

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

"population" means the resident population estimated by council

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

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

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

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

Ref Reg R15(1), Sch3, R16(1), R17(2)				
Service / <i>indicator</i> / <i>measure</i>		Results 2015	Results 2016	Material Variations
AF6	Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	3.65	3.67	
AM4	Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	10.00	21.00	<p>In 2015/16, there was an increase in serious incidents reported to Council which required prosecution under the <i>Domestic Animals Act 1994</i>. Council takes these issues seriously to protect the safety and wellbeing of Hume's residents.</p>
FS4	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	89.00%	81.20%	<p>81.2% of critical and major non-compliance notifications about food premises were followed in 2015/16. The remaining 18.8% are scheduled for follow up in 2016/17.</p>
G5	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]	55.00	60.00	<p>Council has taken a proactive approach to communicating Council decisions, and has significantly increased subscription to Council's fortnightly e-news.</p>

Ref Reg R15(1), Sch3, R16(1), R17(2)				
Service / <i>indicator</i> / <i>measure</i>		Results 2015	Results 2016	Material Variations
HC6	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	9.00%	9.40%	There are currently no waiting lists for Hume City Council's personal, respite or domestic care services; indicating services are meeting community demand. Council has exceeded the number of hours of care provided for DHHS funding.
HC7	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	8.00%	7.57%	In May 2016, DHHS approved Hume City Council's submission to expand the scope of the Access and Support role to focus on CALD communities. The expansion of this role is to improve CALD participation and access to HACC services.
LB4	Libraries Participation <i>Active library members</i> [Number of active library members / Municipal population] x100	11.00%	10.84%	Council's library service focuses heavily on learning and community capacity building programs. The 2014/15 Public Library Network Victoria's Performance Data highlights that Hume has the second largest attendance at library programs per capita in Victoria and the highest per capita attendance of all metropolitan Councils.

Ref Reg R15(3), Sch3, R16(1), R17(2)				
Service / <i>indicator</i> / <i>measure</i>		Results 2015	Results 2016	Material Variations
MC4	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	71.00%	n/a	In 2016, there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore, Council is unable to report this data for the 2015/2016 financial year.
MC5	Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	72.00%	n/a	In 2016, there was an initiative to transition the majority of Victorian councils offering Maternal and Child Health services to a new database. The database is not expected to provide reliable information until the end of September 2016. Therefore, Council is unable to report this data for the 2015/2016 financial year.
R5	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]	60.00	66.00	Following the 2015/16 investment of \$7.97 million in local road reconstruction and resealing, satisfaction with sealed local roads increased 10% on the previous year's result. Hume City Council also received a reduced number of sealed local road requests compared to the previous financial year.

Ref Reg R15(3), Sch3, R16(1), R17(2)				
Service / indicator / measure		Results 2015	Results 2016	Material Variations
SP4	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	35.00%	64.71%	In 2015/16, a smaller number of Council planning decisions were appealed at VCAT and less Council decisions were overturned indicating that VCAT was more supportive of Council planning decisions.
WC5	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	33.00%	32.87%	

Definitions

"Aboriginal child" means a child who is an Aboriginal person

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

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

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

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

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

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

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

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

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

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

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

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

"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized

officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

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

"population" means the resident population estimated by council

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

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

Ref Reg R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)								
Dimension / <i>indicator</i> / <i>measure</i>		Results		Forecasts				Material Variations
		2015	2016	2017	2018	2019	2020	
E1	Efficiency Revenue level <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,493.55	\$1,483.17	\$1,561.29	\$1,599.00	\$1,637.63	\$1,677.18	Forecast is normal considering growth each year.
E2	Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$2,884.11	\$2,872.75	\$2,759.38	\$2,841.04	\$2,911.77	\$3,001.01	Forecast is normal considering growth each year and CPI increases on expenses.
E3	Workforce turnover <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	10.00%	7.61%	9.06%	9.91%	9.82%	9.92%	Results and forecasts are within expected range.

Ref Reg R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)								
Dimension / <i>indicator</i> / <i>measure</i>		Results		Forecasts				Material Variations
		2015	2016	2017	2018	2019	2020	
L1	Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	191.00%	220.16%	191.52%	213.33%	242.35%	259.46%	The increase is mainly due to reclassification of asset held for sale from Non-current assets to Current assets. Forecasts are directly impacted by the level of expenditure in the Capital Works program.
L2	Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	107.00%	96.99%	106.08%	150.08%	171.60%	194.23%	The decrease is mainly due to a lower cash balance on hand as at 30 June 2016 compared to 30 June 2015 and higher amount of capital works carried forward in 2016. Forecasts are directly impacted by the level of expenditure in the Capital Works program.

Ref Reg R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)								
Dimension / <i>indicator</i> / <i>measure</i>		Results		Forecasts				Material Variations
		2015	2016	2017	2018	2019	2020	
O1	Obligations Asset renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expense / Asset depreciation] x100	51.00%	40.22%	63.11%	48.31%	59.19%	75.43%	<p>The 2016 renewal expenditure is in line with that of 2015. The decrease is mainly due to higher depreciation expenditure as a result of a revaluation and a higher amount of contributed assets received in 2016. Forecasts are directly impacted by the level of expenditure in the Capital Works program.</p>
O2	Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	21.00%	1.49%	0.68%	0.33%	0.00%	0.00%	<p>The decrease is mainly due to repayment of Council's \$25.95 million in borrowings in 2016. Small balances for forecast periods are due to Finance Lease balances.</p>
O3	<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	2.00%	20.10%	0.79%	0.34%	0.32%	0.00%	<p>The decrease is mainly due to repayment of Council's \$25.95 million in borrowings in 2016. Decrease for forecast periods is in line with repayment of borrowings in full in 2016.</p>

Ref Reg R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)								
Dimension / <i>indicator</i> / <i>measure</i>		Results		Forecasts				Material Variations
		2015	2016	2017	2018	2019	2020	
O4	Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	36.00%	21.71%	13.10%	11.63%	11.40%	10.35%	The decrease is mainly due to repayment of Council's \$25.95 million in borrowings in 2016. Decrease for forecast periods is in line with repayment of borrowings in full in 2016.
OP1	Operating position Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	11.00%	11.81%	16.02%	7.62%	7.16%	6.95%	Forecast increase in 2017 is due to a decrease in Finance Costs as a result of repayment in borrowings in 2016. For the remainder of forecast period, increase in the rate of expenditure is higher than increase in other revenue due to the impact of Rate Capping.

Ref Reg R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)								
Dimension / <i>indicator</i> / <i>measure</i>		Results		Forecasts				Material Variations
		2015	2016	2017	2018	2019	2020	
S1	Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100 Rates effort	60.00%	59.81%	61.32%	66.92%	67.03%	67.04%	Forecast growth in rates is higher than for other underlying income.
S2	<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.47%	0.48%	0.48%	0.49%	0.48%	0.49%	

Definitions

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and
- (c) contributions to fund capital expenditure from sources other than those referred to above

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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

1. Basis of preparation

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

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

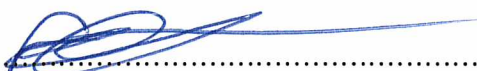
The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material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

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 27 June 2016 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of the Performance Statement

Ref Reg R18(1), R18 (2)

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*.



Fadi Srour, B.Bus (Acc), CA

Principal Accounting Officer

Dated: 12/09/2016

In our opinion, the accompanying performance statement of Hume City Council for the year ended 30 June 2016 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.



Alan Bolton

Councillor

Dated: 12/09/2016



Helen Patsikatheodorou

Mayor

Dated: 12/09/2016



Domenic Isola

Chief Executive Officer

Dated: 12/09/2016

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Hume City Council

The Performance Statement

I have audited the accompanying performance statement for the year ended 30 June 2016 of the Hume City Council which comprises the statement, the related notes and the certification of the performance statement.

The Councillors' Responsibility for the Performance Statement

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

Auditor's Responsibility

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the performance statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the overall presentation of the performance statement.

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

Independent Auditor's Report (continued)

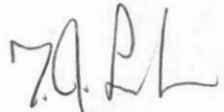
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, I and my staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the performance statement of the Hume City Council in respect of the 30 June 2016 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
16 September 2016


Dr Peter Frost
Acting Auditor-General

Hume City Council
2015/2016 Financial Report

**Comprehensive Income Statement
For the Year Ended 30 June 2016**

	Note	2016 \$'000	2015 \$'000
Income			
Rates and charges	3	149,312	138,439
Statutory fees and fines	4	12,497	10,331
User fees	5	23,614	24,158
Grants - operating	6 (a)	29,304	43,655
Grants - capital	6 (b)	8,948	7,301
Contributions - monetary	7 (a)	25,410	13,267
Contributions - non-monetary assets	7 (b)	95,743	58,356
Other income	8	4,936	4,771
Net gain on disposal of property, plant, equipment and infrastructure	9 (a)	434	-
Net gain on property development	9 (b)	1,049	-
Fair value adjustments for investment property	22	942	1,258
Total income		352,189	301,536
Expenses			
Employee costs	10	(97,034)	(92,962)
Materials and services	11	(71,557)	(66,397)
Bad and doubtful debts	12	(763)	(723)
Depreciation and amortisation	13	(38,191)	(35,476)
Borrowing costs	14	(5,721)	(1,474)
Other expenses	15	(6,902)	(7,506)
Net loss on disposal of property, plant, equipment and infrastructure	9 (a)	-	(2,635)
Total expenses		(220,168)	(207,173)
Surplus for the year		132,021	94,363
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation decrement	28 (a)	(11,461)	(57,707)
Total comprehensive result		120,560	36,656

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

Hume City Council
2015/2016 Financial Report

Balance Sheet
As at 30 June 2016

	Note	2016 \$'000	2015 \$'000
Assets			
Current assets			
Cash and cash equivalents	16	81,251	40,374
Other financial assets	17	19,950	63,200
Trade and other receivables	18	21,473	21,699
Non-current assets classified as held for sale	19	8,095	634
Other assets	20	2,179	1,921
Total current assets		132,948	127,828
Non-current assets			
Trade and other receivables	18	306	306
Financial assets	17	310	310
Property, plant, equipment and infrastructure	21	2,272,041	2,174,392
Investment property	22	31,382	30,866
Non-current assets classified as held for sale	19	9,629	20,176
Total non-current assets		2,313,668	2,226,050
Total assets		2,446,616	2,353,878
Liabilities			
Current liabilities			
Trade and other payables	23	19,032	22,148
Trust funds and deposits	24	6,743	6,016
Provisions	25	23,295	23,375
Interest-bearing loans and borrowings	26	1,147	15,483
Development fee obligation	27	10,169	-
Total current liabilities		60,386	67,022
Non-current liabilities			
Trust funds and deposits	24	1,556	1,164
Provisions	25	27,114	23,727
Interest-bearing loans and borrowings	26	1,083	13,545
Development fee obligation	27	12,097	24,600
Total non-current liabilities		41,850	63,036
Total liabilities		102,236	130,058
Net assets		2,344,380	2,223,820
Equity			
Accumulated surplus		1,302,929	1,195,900
Asset revaluation reserve	28(a)	987,940	999,401
Other reserves	28(b)	53,511	28,519
Total equity		2,344,380	2,223,820

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

Hume City Council
2015/2016 Financial Report

Statement of Changes in Equity
For the Year Ended 30 June 2016

	Note	Total 2016 \$'000	Accumulated Surplus 2016 \$'000	Asset Revaluation Reserve 2016 \$'000	Other Reserves 2016 \$'000
2016					
Balance at beginning of the financial year		2,223,820	1,195,900	999,401	28,519
Surplus for the year		132,021	132,021	-	-
Net asset revaluation decrement	28(a)	(11,461)	-	(11,461)	-
Transfers to other reserves	28(b)	-	(28,237)	-	28,237
Transfers from other reserves	28(b)	-	3,245	-	(3,245)
Balance at end of the financial year		2,344,380	1,302,929	987,940	53,511

		Total 2015 \$'000	Accumulated Surplus 2015 \$'000	Asset Revaluation Reserve 2015 \$'000	Other Reserves 2015 \$'000
2015					
Balance at beginning of the financial year		2,187,164	1,107,452	1,057,108	22,604
Surplus for the year		94,363	94,363	-	-
Net asset revaluation decrement	28(a)	(57,707)	-	(57,707)	-
Transfers to other reserves	28(b)	-	(15,361)	-	15,361
Transfers from other reserves	28(b)	-	9,446	-	(9,446)
Balance at end of the financial year		2,223,820	1,195,900	999,401	28,519

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

Hume City Council
2015/2016 Financial Report

Cash Flow Statement
For the Year Ended 30 June 2016

		2016	2015
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Note	\$'000	\$'000
Cash flows from operating activities			
Rates and charges		147,268	137,578
Statutory fees and fines		11,672	9,398
User fees		26,918	27,184
Grants - operating		29,415	43,655
Grants - capital		11,055	5,266
Contributions - monetary		24,553	13,266
Trust funds and deposits taken		20,300	17,071
Other receipts		4,665	3,903
Net GST refund		11,279	6,749
Employee costs		(94,782)	(91,846)
Materials and services		(88,619)	(71,618)
Trust funds and deposits repaid		(19,177)	(13,336)
Other payments		(6,898)	(7,510)
Net cash provided by operating activities	29	<u>77,649</u>	<u>79,760</u>
Cash flows from investing activities			
Payments for property, plant, equipment and infrastructure		(52,911)	(44,543)
Payments for financial assets		(19,950)	(63,220)
Proceeds from sale of property, plant, equipment and infrastructure		2,325	1,939
Proceeds from sale of financial assets		63,200	24,313
Proceeds from property development		572	24,600
Net cash used in investing activities		<u>(6,764)</u>	<u>(56,911)</u>
Cash flows from financing activities			
Finance costs		(3,214)	(1,474)
Repayment of borrowings		(26,794)	(1,291)
Net cash used in financing activities		<u>(30,008)</u>	<u>(2,765)</u>
Net increase in cash and cash equivalents		40,877	20,084
Cash and cash equivalents at the beginning of the financial year		40,374	20,290
Cash and cash equivalents at the end of the financial year	16	<u>81,251</u>	<u>40,374</u>
Financing arrangements	30		
Restrictions on cash assets	16		

Where applicable the above amounts are shown inclusive of GST.

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

Hume City Council
2015/2016 Financial Report

Statement of Capital Works
For the Year Ended 30 June 2016

	2016 \$'000	2015 \$'000
Property		
Land	2,085	-
Land improvements	2,913	13,257
Buildings	27,470	11,443
Total property	<u>32,468</u>	<u>24,700</u>
Plant and equipment		
Heritage	85	22
Plant and equipment	2,833	3,352
Furniture and equipment	2,180	3,026
Total plant and equipment	<u>5,098</u>	<u>6,400</u>
Infrastructure		
Roads	9,285	11,153
Bridges	10	62
Footpaths and cycleways	5,299	4,631
Car parks	129	378
Drainage	468	164
Total infrastructure	<u>15,191</u>	<u>16,388</u>
Total capital works expenditure	<u>52,757</u>	<u>47,488</u>
Represented by:		
New asset expenditure	11,559	18,923
Asset renewal expenditure	15,007	15,866
Asset expansion expenditure	314	7
Asset upgrade expenditure	25,877	12,692
Total capital works expenditure	<u>52,757</u>	<u>47,488</u>

The total capital works expenditure excludes an amount of \$9.4m in 2015/16 (\$4.8m in 2014/15) for expenditure on non Council owned assets or on assets which did not meet Council's capitalisation recognition criteria as outlined in note 1.

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

Introduction

The Hume City Council was established by an Order of the Governor in Council on 15 December 1994 and is a body corporate. The Council's main office is located at 1079 Pascoe Vale Rd, Broadmeadows.

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 Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

Note 1

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 1 (i)).
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (j)).
- the determination of employee provisions (refer to note 1 (p)).

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

(b) Change in accounting policies

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

(c) Revenue recognition

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

Rates and Charges

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

A provision for doubtful debts on rates has not been established as unpaid rates represents a charge against the rateable property that will be recovered when the property is next sold.

Statutory fees and fines

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

User fees

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

Grants

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

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

Note 1 (cont.)

(c) Revenue recognition (cont.)

Contributions

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

Sale of property, infrastructure, plant and equipment

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

Interest

Interest is recognised as it is earned.

Other Income

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

Rental

Rents are recognised as revenue when a payment is due or is received, whichever first occurs. Rental payments received in advance are recognised as unearned income until they are due.

Net gain/(loss) on property development

In December 2011, Council entered into an agreement with Frasers Property (formerly Australand) for the development of 50.1 ha of land at 275 Racecourse Road, Sunbury. The agreement was conditional upon obtaining rezoning and planning approval. These were obtained in March 2015, making the agreement unconditional. The nature of the agreement required Frasers Property to pay to council \$24.6m upfront giving rise to an obligation for Council to grant a non-exclusive licence over the site to Frasers Property to develop it.

Council treats the upfront payment received from the developer of \$24.6m as a liability (developer fee obligation) which is extinguished to the Income Statement based on the number of lots settled in 2016. The split between current and non-current liabilities is based on the timing of the expected future settlements.

(d) Fair value measurement

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

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

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

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

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

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

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

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

(e) Cash and cash equivalents

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

(f) Trade and other receivables

Revenue from general debtors is recognised for completed works or on the provision of goods or services. Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection in full is no longer probable. General debts are payable 14 days from the date of invoice. Interest charges are not applied to general debts. Interest is included in the advances to community groups at rates current at the time of obtaining the advance.

Collectability of all debtors is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off. A provision for doubtful debts is raised based on general debtors in excess of 180 days if no payments have been received from the debtor in the last three months.

Note 1 (cont.)

(g) Other financial assets

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

(h) Non-current assets classified as held for sale

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

(i) Recognition and measurement of property, plant and equipment and infrastructure

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than furniture, plant, equipment, heritage and land improvements 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, 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 on 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 21, Property, infrastructure, plant and equipment, and infrastructure.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 2 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.

Land under roads

Council recognises land under roads it controls at fair value acquired on, or after, 1 July 2008.

Note 1 (cont.)

(j) Depreciation and amortisation of property, plant, equipment and infrastructure assets

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.

	Period	Threshold Limit \$'000
<i>Property</i>		
Land		
land	Nil	1
land improvements	1 - 20 years	10
landfill restoration assets	2 - 20 years	10
land under roads	Nil	1
Buildings		
buildings	50 years	10
<i>Plant and Equipment</i>		
Plant and machinery	1 - 10 years	1
Furniture and equipment	1 - 10 years	1
<i>Heritage Assets</i>		
Heritage and culture	Nil	10
<i>Infrastructure</i>		
Roads		
road pavements and seals	12 - 75 years	10
road formation (earthworks)	Nil	10
Bridges	50 - 100 years	10
Footpaths and cycleways	50 years	10
Kerb and channel	40 - 60 years	10
Car parks	12 - 75 years	10
Drainage assets (pits and pipes)	100 years	10
Other infrastructure	20 - 40 years	10

(k) 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 reflected in the carrying value of the asset.

Note 1 (cont.)

(l) Investment property

Investment property, comprising freehold office complexes, 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 Council's valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise. Rental income from the leasing of investment properties is recognised in the comprehensive income statement on a straight line basis over the lease term.

(m) 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.

(n) Trust funds and deposits

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 (refer to Note 24).

(o) Borrowings

Council has categorised its interest-bearing liabilities as financial liabilities at amortised cost.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

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

(p) Employee costs and benefits

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

(i) Wages and salaries and annual leave

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

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at 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.

(ii) Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits.

Note 1 (cont.)

(p) Employee costs and benefits (cont.)

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

The components of this current liability are measured at :

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

Non-current liability - conditional LSL representing less than 7 years is disclosed as a non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

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

(q) Landfill rehabilitation and aftercare provision

Council currently has two landfills that fall within the EPA guidelines. The Bolinda Rd Campbellfield site ceased operating as a landfill in 2008 and is currently in the aftercare stage and the Riddell Rd Sunbury site is expected to cease operation as a landfill in 2030. Council is obligated to restore the active landfill in Sunbury 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.

In the case of landfill operations where Council makes provision for site rehabilitation and aftercare, these costs are capitalised. Consequently, there is an increase in depreciation expense as a result of the increase in the carrying amount of the asset and an interest expense will be incurred as the present value discount on the rehabilitation and aftercare provision unwinds.

In accordance with EPA guidelines siting, design, operation and rehabilitation of landfills (published October 2014) clause 8.1.3 rehabilitation of a landfill should be initiated once two years have elapsed since commencement of filling.

In accordance with AASB 116, an asset's carrying value cannot exceed its recoverable amount. Therefore, when a landfill site is closed and there is no future cash generating capacity of the landfill asset (value in use is zero), any increase in the provision is expensed to the income statement.

(r) Leases

(i) Finance leases

Leases of assets where substantially all the risks and benefits incidental to ownership of the asset, but not the legal ownership, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability equal to the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are amortised on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter.

(ii) Operating leases

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

(s) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the balance sheet are shown inclusive of GST.

Cash flows are presented in the cash flow statement on a gross basis.

Note 1 (cont.)

(t) Financial guarantees

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

(u) Contingent assets and contingent liabilities and commitments

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

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

(v) Pending accounting standards

Certain new AAS's have been issued that are not mandatory for the 30 June 2016 reporting period. Council has assessed these pending standards and has identified that no material impact will flow from the application of these standards in future reporting periods.

(w) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statement may not equate due to rounding.

(x) Superannuation

The amount charged to the Comprehensive Income Statement in respect of superannuation represents contributions made or due by Council to the relevant superannuation plans in respect to the services of Council's staff (both past and present). Superannuation contributions are made to the plans based on the relevant rules of each plan and any relevant compulsory superannuation requirements that Council is required to comply with.

(y) Principles of consolidation

Council has no identified controlled entities at 30 June 2016.

(z) Committees of management

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

(aa) Events occurring after balance date

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

Notes to the Financial Report
For the Year Ended 30 June 2016

Note 2 Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of 10 percent or \$1 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 29 June 2015. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

a) Income and Expenditure

	Budget 2016 \$'000	Actual 2016 \$'000	Variance 2016 \$'000	%	Ref
Income					
Rates and charges	148,094	149,312	1,218	1%	1
Statutory fees and fines	8,973	12,497	3,524	39%	2
User fees	22,480	23,614	1,134	5%	3
Grants - operating	34,485	29,304	(5,181)	(15%)	4
Grants - capital	4,327	8,948	4,621	107%	5
Contributions - monetary	12,146	25,410	13,264	109%	6
Contributions - non-monetary assets	34,011	95,743	61,732	182%	7
Other income	3,692	4,936	1,244	34%	8
Net gain on disposal of property, plant, equipment and infrastructure	-	434	434	100%	9
Net gain on property development	-	1,049	1,049	100%	10
Fair value adjustments for investment property	1,259	942	(317)	(25%)	11
Total income	269,467	352,189	82,722		
Expenses					
Employee costs	101,950	97,034	4,916	5%	12
Materials and services	61,046	71,557	(10,511)	(17%)	13
Bad and doubtful debts	-	763	(763)	(100%)	14
Depreciation and amortisation	37,603	38,191	(588)	(2%)	
Borrowing costs	2,119	5,721	(3,602)	(170%)	15
Other expenses	7,538	6,902	636	8%	
Net loss on property development	4,151	-	4,151	100%	16
Total expenses	214,407	220,168	(5,761)		
Surplus for the year	55,060	132,021	76,961		

Notes to the Financial Report
For the Year Ended 30 June 2016

Note 2 Budget comparison (cont.)

a) Income and Expenditure (cont.)

Explanation of variations greater than 10% or \$1 million.

Ref	Item	Explanation
1	Rates and charges	The favourable variance is due to the rate increase and the growth in new properties in 2015/16.
2	Statutory fees and fines	The favourable variance relates to infringements in Local Laws and Building due to increased enforcement activity and Subdivision fees received above budget due to continued strong subdivisional growth.
3	User fees	The \$1.13m favourable variance is due to higher than expected building inspection fees and statutory planning fees as a result of higher activity.
4	Grants - operating	The unfavourable variance relates to the advance payment of the 2015/16 Victorian Grants Commission (VGC) funding of \$6.3m which was received in 2014/15 offset by unbudgeted funding received in Family & Children Services (\$612k) including childcare, preschools and unbudgeted growth funding in Aged Services (\$291k).
5	Grants - capital	The favourable variance relates to funding for Council's new sports and aquatic facility known as Craigieburn Park received above and ahead of budget as well as a number of unbudgeted federal government grants for roads including Black Spot and Roads to Recovery funding.
6	Contributions - monetary	The favourable variance is due to a higher level of developer contributions as a result of continued growth in the City's north including Merrifield West, Craigieburn, Lockyerbie and Greenvale. It should be noted that this income gives rise to future infrastructure obligations.
7	Contributions - non-monetary assets	The favourable variance is due to a higher level of developer contributed assets in the form of land, land under roads, roads, footpaths and drainage as a result of continued growth in the City's north including the following: <ul style="list-style-type: none"> • In 2015/16 Council received contributed assets from 71 subdivisions. • The total length of road network increased by 35 km in 2015/16. • The total length of footpath network increased by 94 km in 2015/16.
8	Other income	The favourable variance relates to investment interest as a result of holding higher than expected cash balances throughout the year due to receiving unbudgeted grants and a larger than expected 2016 carried forward capital works expenditure.
9	Net gain on disposal of property, plant, equipment and infrastructure	The gain on disposal is due to the unbudgeted disposal of Council properties.
10	Net gain on property development	The net gain on property development relates to the development of the Racecourse Road site in Sunbury for lots that were settled in 2015/16.
11	Fair value adjustments for investment property	The unfavourable variance relates to the lower than expected movement in the value of Council's investment properties. The 2015/16 investment property asset revaluation resulted in an average increase of 1.8% compared to an expected 2.5% increase.
12	Employee costs	The \$4.9m favourable variance is due to staff vacancies partially offset by an unfavourable variance of \$3.5m in agency staff. Also included is a favourable variance of \$0.5m that relates to an accounting entry for employee leave provisions.
13	Materials and services	The unfavourable variance primarily relates to the following unbudgeted expenditure: <ul style="list-style-type: none"> • \$9.4m in capital works projects expensed on non Council owned assets or on assets which did not meet Council's capitalisation recognition criteria as outlined in note 1. • \$3.5m in agency staff due to temporary resources employed to backfill vacant positions during the recruitment process, offset by a favourable variance in salaries. It is the practice of Council to budget for a full compliment of staff and not for agency staff. • Offset by a favourable variance of \$2.2m in contractors and consultants and due to lower gate fees for waste disposal and fleet costs due to lower fuel prices.
14	Bad and doubtful debts	Council does not budget for bad debts as all attempts are made to recover outstanding amounts.
15	Borrowing costs	The unfavourable variance is due to the repayment of \$26m in borrowings in 2016 which incurred loan break-fee costs of \$2.2 million, however this will save Council \$7.7 million in interest over the next 10 years. In addition, Council recognises the net present value (NPV) of its future liabilities for its employee benefits and landfill rehabilitation and aftercare costs. To record the increase in these liabilities, the accounting standards require the effect of falling interest rates, known as the unwinding interest effect, to be shown as borrowing costs.
16	Net loss on property development	The variance relates to the change in methodology used in the treatment of the development at the Racecourse Road site in Sunbury. (See Ref 8 above). The change came in after the budget was prepared and has a non-cash effect.

Notes to the Financial Report
For the Year Ended 30 June 2016

Note 2 Budget comparison (cont.)

b) Capital Works

	Budget 2016 \$'000	Actual 2016 \$'000	Variance 2016 \$'000	%	Ref
Property					
Land	2,000	2,085	(85)	(4%)	
Land improvements	13,432	2,913	10,519	78%	1
Buildings	41,330	27,470	13,860	34%	2
Total Property	56,762	32,468	24,294		
Plant and Equipment					
Heritage	140	85	55	39%	3
Plant and equipment	3,857	2,833	1,024	27%	4
Furniture and equipment	3,070	2,180	890	29%	5
Total Plant and Equipment	7,067	5,098	1,969		
Infrastructure					
Roads	11,470	9,285	2,185	19%	6
Bridges	770	10	760	99%	7
Footpaths and cycleways	7,056	5,299	1,757	25%	8
Car parks	210	129	81	38%	9
Drainage	925	468	457	49%	10
Total Infrastructure	20,431	15,191	5,240		
Total Capital Works Expenditure	84,260	52,757	31,503		
Represented by:					
New asset expenditure	22,745	11,559	11,186		
Asset renewal expenditure	19,085	15,007	4,078		
Asset expansion expenditure	2,918	314	2,604		
Asset upgrade expenditure	39,512	25,877	13,635		
Total Capital Works Expenditure	84,260	52,757	31,503		

Explanation of variations greater than 10% or \$1 million.

Ref	Item	Explanation
1	Land improvement	The variance relates to a number of incomplete projects including: - Construction of Arena Reserve (Greenvale Lakes), - Further development at the John Ilhan Memorial Reserve, - Skate/Scooter/BMX Strategy Implementation, - Upgrading of Neighbourhood open space; and - Capital works expenditure on non-council assets for which Council received funding (including the replacement of street lights with environmentally efficient T5 lights which has led to savings in utility costs - refer to note 11 materials and services).
2	Buildings	The variance relates to incomplete projects which are continuing in 2016/17 including: - Council's new sports and aquatic facility known as Craigieburn Park; - Greenvale Recreation Centre -new basketball court; and - Sunbury Aquatic Centre upgrade.
3	Heritage	The variance relates to incomplete projects which are continuing in 2016/17.
4	Plant and equipment	The variance relates to the deferral of a number of fleet purchases which will occur in 2016/17.
5	Furniture and equipment	The variance relates to the deferral of a number projects which will occur in 2016/17 including: - PC upgrade purchases; and - SAN upgrade replacement.
6	Roads	The variance relates to a number of incomplete projects including: - Jacksons Hill road link; - Capital works expensed on non-Council assets for which Council received funding (Craigieburn Hanson road intersection upgrade); and - Expenditure that did not meet the capitalisation threshold.
7	Bridges	The variance relates to a number of incomplete projects which are continuing in 2016/17 including: - Wildwood Road Deep Creek bridge upgrade; and - Settlement Road West bridge guard rail.
8	Footpaths and cycleways	The variance relates to a number of projects which did not commence as they were dependant on government funding including: - Meadow link path; and - Merri Creek bike path.
9	Car parks	The variance relates to: - Cost savings in delivering the project; and - Capital works expensed which did not meet the capitalisation threshold.
10	Drainage	The variance relates to a number of factors, including weather which has delayed the commencement and completion of the drainage pipe and pit rehabilitation program.

**Notes to the Financial Report
For the Year Ended 30 June 2016**

	Note	2016 \$'000	2015 \$'000
Note 3	Rates and charges		
<p>Council uses the Capital Improved Value (CIV) as the basis for valuation of all properties within the municipal district. The CIV is an assessment of the market value of a property on a specific date.</p> <p>The valuation base used to calculate general rates for 2015/16 was \$30.274 billion (2014/15 - \$28.949 billion). The 2015/16 rate in the CIV dollar was 0.4448 (2014/15 - 0.4225).</p>			
		100,283	93,108
	Residential	8,126	6,793
	Commercial	19,634	18,351
	Industrial	8,501	8,203
	Rural	12,768	11,984
	Revenue in lieu of rates	<u>149,312</u>	<u>138,439</u>
	Total rates and charges		
<p>The increase in rates and charges is primarily due to a rate increase of 5.3% together with the raising of supplementary rates during the year as a result of continued growth throughout the municipality.</p> <p>The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016, and the valuation will be first applied in the rating year commencing 1 July 2016.</p>			
Note 4	Statutory fees and fines		
	Land information certificates	164	137
	Building fines and infringements	2,207	2,063
	Registrations and permits	1,423	1,263
	Subdivisions	3,718	2,106
	Traffic / PERIN / animals	3,984	3,855
	Town planning	923	878
	Other / miscellaneous	78	29
	Total statutory fees and fines	<u>12,497</u>	<u>10,331</u>
<p>The increase is primarily due to subdivision fees as a result of continued strong growth in the City's north.</p>			
Note 5	User fees		
	Landfill / garbage	5,208	6,531
	Recreational facilities	6,877	6,243
	Community services	5,526	5,654
	Building	1,092	918
	Organic waste fees	1,952	1,829
	General and supplementary valuation data	187	663
	Cemetery fees	325	236
	Town planning	256	231
	Recoupments	1,317	845
	Other / miscellaneous	874	1,008
	Total user fees	<u>23,614</u>	<u>24,158</u>
<p>There has been a decrease in landfill income which is consistent with the price drop in Councils new recycling services sales contract. The decrease in sale of general and supplementary valuation data is expected as the sales occur every two years.</p>			

**Notes to the Financial Report
For the Year Ended 30 June 2016**

	Note	2016 \$'000	2015 \$'000
Note 6	Grants		
	Grants were received in respect of the following:		
	Summary of grants		
	Commonwealth funded grants	15,677	27,958
	State funded grants	22,575	22,998
	Total grants	38,252	50,956
	(a) Operating		
	Recurrent - Commonwealth Government		
	Victoria Grants Commission - general purpose	5,494	16,310
	Victoria Grants Commission - local roads	1,059	3,007
	Aged Services & Public Health	80	57
	Economic Development	41	-
	Family & Childrens Services	2,955	3,074
	Health Services	36	26
	Human Resources	-	40
	Services	48	48
	Social Development	130	266
	Youth Services	-	30
	Parks Hume	26	-
	Recurrent - State Government		
	Aged Services & Public Health	6,641	6,455
	Community & Health Policy & Public Planning	25	1,318
	Customer Service	4	-
	Economic Development	-	30
	Environment	-	64
	Family & Childrens Services	10,284	10,500
	Finance & Property Development	-	15
	Health Services	197	200
	Learning Communities	1,462	1,332
	Parks Hume	117	115
	Public Works and Services	35	35
	School Crossings	282	275
	Social Development	306	375
	Services Management	6	-
	Waste and Cleansing Services	35	35
	Youth Services	41	48
	Total grants - operating	29,304	43,655
	(b) Capital		
	Commonwealth Government		
	Asset Development	5,808	5,100
	State Government		
	Asset Development	3,140	2,201
	Total grants - capital	8,948	7,301
	Unspent grants received on condition that they be spent in a specific manner		
	Balance at start of year	2,646	5,352
	Received during the financial year and remained unspent at balance date	3,395	2,646
	Received in prior years and spent during the financial year	(2,646)	(5,352)
	Balance at year end	3,395	2,646

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 7	Contributions	Note	2016 \$'000	2015 \$'000
	<i>(a) Contributions - monetary</i>			
	Contributions		23,752	10,899
	Sponsorships		45	40
	Fringe benefits tax		155	168
	Total contributions - monetary		23,952	11,107
	The favourable variance is due to a higher level of developer contributions as a result of continued growth in the City's north.			
	<i>Contributions - capital monetary</i>			
	Contributions		1,458	2,160
	Total contributions - monetary		25,410	13,267
	<i>(b) Non-monetary assets</i>			
	Land under roads		25,374	18,899
	Roads		31,163	18,436
	Bridges		516	-
	Footpaths and cycleways		4,265	2,949
	Drainage works		17,273	12,193
	Land		16,285	4,776
	Car parks		391	163
	Land improvements		476	940
	Total contributions - non-monetary assets		95,743	58,356
	Total contributions		121,153	71,623
	Contributed assets are assets transferred to Council as a result of subdivisional activities or from other entities.			
Note 8	Other income			
	<i>(a) Rental income</i>			
	Investment property rental		939	910
	Other rent		606	456
	Total property rental		1,545	1,366
	<i>(b) Interest income</i>			
	Interest		2,776	1,832
	Interest on rates		615	679
	Unwinding interest effect for provisions		-	894
	Total Interest income		3,391	3,405
	The increase in the unwinding interest effect for provisions is due to the time effect and change in the discount rates used to calculate Council's future landfill and employee benefits provisions. The decrease in the discount rates is greater than the decrease in the inflation rate used to measure the liability for rehabilitation and aftercare costs, therefore this has resulted in interest expense rather than interest income in 2016 (refer note 14).			
	Total other income		4,936	4,771

**Notes to the Financial Report
For the Year Ended 30 June 2016**

	Note	2016 \$'000	2015 \$'000
Note 9 (a) Net gain / (loss) on disposal of property, plant, equipment and infrastructure			
<i>Non-current assets classified as held for sale</i>			
Proceeds from sale		1,038	200
Less cost of assets sold		(658)	(179)
Gain on disposal		<u>380</u>	<u>21</u>
<i>Investment property</i>			
Proceeds from sale		585	-
Less cost of assets sold		(439)	-
Gain on disposal		<u>146</u>	<u>-</u>
<i>Land</i>			
Proceeds from sale		440	935
Less cost of assets sold		(447)	(3,191)
Loss on disposal		<u>(7)</u>	<u>(2,256)</u>
The loss on disposal of land in 2015 is primarily due to a series of land exchanges with the Department of Human Services. As part of the agreement Council will receive works-in-kind. Overall, despite this loss on disposal, the result for Council as part of the land exchange will be favourable.			
<i>Plant and equipment</i>			
Proceeds from sale		436	515
Less cost of assets sold		(521)	(619)
Loss on disposal		<u>(85)</u>	<u>(104)</u>
<i>Buildings</i>			
Proceeds from sale		-	334
Less cost of assets sold		-	(630)
Loss on disposal		<u>-</u>	<u>(296)</u>
The loss on disposal of buildings in 2015 is primarily due to three properties that are no longer used by Council as community housing and were transferred to Active Community Housing Ltd in accordance with an established agreement between Council and the Department of Human Services.			
Total gain/(loss) on disposal of property, plant, equipment and infrastructure		<u>434</u>	<u>(2,635)</u>
Note 9 (b) Net gain on property development			
<i>Racecourse Road development</i>			
Proceeds from sale		9,247	-
Less cost of assets sold		(1,858)	-
Less development fee expenses		(8,674)	-
Add unwinding from development fee obligation		2,334	-
Gain on property development		<u>1,049</u>	<u>-</u>
Note 10 (a) Employee costs			
Wages and salaries		78,308	75,269
Superannuation		7,509	7,239
Annual leave and long service leave		7,211	6,330
Other employee related expenses		3,853	3,960
Fringe benefits tax		153	164
Total employee costs		<u>97,034</u>	<u>92,962</u>
Note 10 (b) Superannuation			
Council made contributions to the following funds:			
Defined benefit fund			
Employer contributions to Local Authorities Superannuation Fund (Vision Super)		586	622
		<u>586</u>	<u>622</u>
Employer contributions payable at reporting date		-	-

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 10 (b) Superannuation (cont.)		Note	2016 \$'000	2015 \$'000
Accumulation funds				
Employer contributions to Local Authorities Superannuation Fund (Vision Super)			5,115	4,967
Employer contributions - other funds			1,807	1,650
			6,923	6,617
Employer contributions payable at reporting date			-	-
Refer to note 34 for further information relating to Council's superannuation obligations.				
Note 11 Materials and services				
Materials			9,761	11,506
Capital works expensed			9,388	4,808
Fleet expenses			2,382	2,731
Contractors and consultants			42,340	39,796
Insurance			1,652	1,599
Building and utility charges			5,195	5,957
Assets written off			839	-
Total materials and services			71,557	66,397
The increase in total materials and services is due to a higher amount of capital works expensed and expenditure on contractors and consultants in 2016. As a result of expenditure on non-council assets for which Council has received funding (including the replacement of street lights with environmentally efficient T5 lights which has led to savings in utility costs despite the City's growth) and which did not meet the capitalisation threshold, capital works expensed has increased. In addition, contractor expenditure for the maintenance of parks and open spaces has increased due to growth. A number of assets have been demolished and written off to make way for new facilities including the old Broadmeadows outdoor swimming pool.				
Note 12 Bad and doubtful debts				
Building infringements			187	210
Local law infringements			409	390
Technical services			81	72
Other			86	51
Total bad and doubtful debts			763	723
Note 13 Depreciation and amortisation				
Depreciation				
<i>Property</i>				
Land improvements			5,690	4,612
Buildings			3,991	3,491
Landfill restoration assets			1,160	191
<i>Plant and Equipment</i>				
Plant and equipment			1,858	1,571
Furniture and equipment			2,514	2,477
<i>Infrastructure</i>				
Roads			14,419	14,501
Bridges			831	840
Footpaths and cycleways			2,280	2,195
Drainage works			4,211	4,361
Car parks			360	308
Total depreciation			37,313	34,547
Amortisation				
Plant and equipment - finance leases			878	929
Total depreciation and amortisation		21	38,191	35,476

**Notes to the Financial Report
For the Year Ended 30 June 2016**

	Note	2016 \$'000	2015 \$'000
Note 14	Borrowing costs		
		800	1,304
	Interest - borrowings	2,249	-
	Loan break costs	165	170
	Interest - finance leases	2,507	-
	Unwinding interest effect for provisions	<u>5,721</u>	<u>1,474</u>
	Total borrowing costs		
<p>The variance is due to the repayment of \$26m in borrowings in 2016 which incurred a loan break-fee, however this will save Council \$7.7 million in interest over the next 10 years.</p> <p>In addition, Council recognises the net present value (NPV) of its future liabilities for its employee benefits and landfill rehabilitation and aftercare costs. To record the increase in these liabilities, the accounting standards require the effect of falling interest rates, known as the unwinding interest effect, to be shown as borrowing costs.</p>			
Note 15	Other expenses		
	Grants, contributions and donations	4,121	4,638
	Auditors' remuneration - external	95	78
	Auditors' remuneration - internal	122	133
	Councillors' allowances	414	407
	Operating lease rentals	1,703	1,799
	Bank charges	447	451
	Total other expenses	<u>6,902</u>	<u>7,506</u>
<p>The decrease in Council contributions is due to several grant funded programs ceasing to operate in 2016.</p>			
Note 16	Cash and cash equivalents		
	Cash at bank and on hand	1,502	19,364
	Money market call account	54,550	20,453
	Committees of management bank accounts	299	418
	Term deposits	24,900	139
	Total cash and cash equivalents	<u>81,251</u>	<u>40,374</u>
<p>Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:</p>			
	Trust funds and deposits	24 8,299	7,180
	Total restricted funds	<u>8,299</u>	<u>7,180</u>
	Total unrestricted cash and cash equivalents	<u>72,952</u>	<u>33,193</u>
	Intended allocations		
<p>Although not externally restricted the following amounts have been allocated for specific future purposes by Council:</p>			
	Cash held to fund carried forward capital works	30,438	22,243
	Statutory reserves	500	500
	Conditional grants unspent	3,395	2,646
	Total funds subject to intended allocations	<u>34,333</u>	<u>25,389</u>
<p>Any variance between unrestricted cash and carried forward capital works will be funded from financial assets being term deposits maturing during the year.</p>			

**Notes to the Financial Report
For the Year Ended 30 June 2016**

	Note	2016 \$'000	2015 \$'000
Note 17	Other financial assets		
	<i>Current</i>		
	Term deposits greater than 90 days	19,950	63,200
		19,950	63,200
	<i>Non-current</i>		
	Unlisted shares at cost - Regional Kitchen Pty Ltd	310	310
		310	310
	This investment is a joint venture between a number of Victorian Councils which established the Regional Kitchen project with the aim of ensuring affordable, nutritious and culturally sensitive meals to older and other vulnerable residents. During the 2015/16 financial year no additional shares were purchased.		
	Total financial assets	20,260	63,510
Note 18	Trade and other receivables		
	<i>Current</i>		
	Rates debtors	13,462	11,444
	Other debtors - statutory	3,964	3,243
	Other debtors - non-statutory	2,323	5,556
	Less: provision for doubtful debts - other debtors	(395)	(352)
	Net GST receivable	2,119	1,808
		21,473	21,699
	<i>Non-current</i>		
	Special rate assessment	306	306
		306	306
	Total trade and other receivables	21,779	22,005
	a) Ageing of Receivables		
	At balance date other debtors representing financial assets were past due. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:		
	Between 0 and 30 days	1,262	4,777
	Past due between 31 and 60 days	200	167
	Past due between 61 and 90 days	656	97
	Past due by more than 90 days	205	515
	Total other debtors - non-statutory	2,323	5,556
	b) Movement in provisions for doubtful debts		
	Balance at the beginning of the year	352	366
	New Provisions recognised during the year	43	-
	Amounts provided for but recovered during the year	-	(14)
	Balance at end of year	395	352
	(c) Ageing of individually impaired Receivables		
	At balance date, other debtors representing financial assets with a nominal value of \$2.323 million (2015: \$5.556 million) were partly impaired. The amount of the provision raised against these debtors was \$0.395 million (2015: \$0.352 million). They individually have been impaired as a result of their doubtful collection due to the fact that they are all outstanding greater than 180 days and no payments have been received from the debtor in the last three months.		
	The ageing of receivables that have been individually determined as impaired at reporting date was:		
	Past due by more than 180 days	395	352

**Notes to the Financial Report
For the Year Ended 30 June 2016**

		Note	2016 \$'000	2015 \$'000
Note 19	Non-current assets classified as held for sale			
	<i>Current</i>			
	Balance at beginning of the financial year		634	174
	Transfer from non-current assets held for sale		10,547	-
	Transfer to property, infrastructure, plant and equipment		(594)	-
	Transfer from property, infrastructure, plant and equipment		-	634
	Disposals		(2,492)	(174)
	Total current		8,095	634
	<i>Non-current</i>			
	Balance at beginning of the financial year		20,176	-
	Transfer to current assets held for sale		(10,547)	-
	Transfer from investment property		-	20,176
	Total non-current		9,629	20,176
	Total non-current assets classified as held for sale		17,724	20,810
Note 20	Other assets			
	Prepayments		881	652
	Accrued income		1,298	1,269
	Total other assets		2,179	1,921

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 21 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2016	Accumulated Depreciation	WDV 30 June 2016	At Fair Value 30 June 2015	Accumulated Depreciation	WDV 30 June 2015
Land	979,565	(31,836)	947,730	919,295	(24,986)	894,309
Buildings	167,346	(2,055)	165,291	164,137	(5,210)	158,927
Plant and Equipment	55,739	(35,904)	19,835	52,247	(31,492)	20,755
Infrastructure	1,419,678	(325,701)	1,093,977	1,363,463	(296,568)	1,066,895
Work in progress	45,208	-	45,208	33,505	-	33,505
	2,667,536	(395,496)	2,272,041	2,532,647	(358,255)	2,174,392

Summary of Work in Progress

	Opening WIP 2016	Additions	Transfers	Write Offs	Closing WIP 2016
Land Improvements	13,973	6,935	2,928	4,022	13,958
Buildings	5,017	29,872	5,636	516	28,737
Plant and Equipment	234	5,610	4,567	636	641
Infrastructure	14,281	19,406	27,601	4,214	1,872
Total	33,505	61,823	40,732	9,388	45,208

	Land - specialised	Land - non specialised	Land improvements	Landfill restoration assets	Total Land	Buildings - specialised	Total Buildings	Work In Progress	Total Property
Land and Buildings									
At fair value 1 July 2015	770,406	59,741	68,706	20,444	919,297	164,137	164,137	18,990	1,102,424
Accumulated depreciation at 1 July 2015	-	-	(21,938)	(3,048)	(24,986)	(5,208)	(5,208)	-	(30,194)
	770,406	59,741	46,768	17,396	894,311	158,929	158,929	18,990	1,072,230
Movements in fair value									
Acquisition of assets at fair value	200	-	-	-	200	-	-	36,807	37,007
Contributed assets at fair value	41,659	-	476	-	42,135	-	-	-	42,135
Revaluation increments	11,054	1,533	-	-	12,587	606	606	-	13,193
Fair value of assets disposed	(447)	-	-	-	(447)	-	-	-	(447)
Fair value of assets written off	-	-	-	-	-	(919)	(919)	-	(919)
Transfers	(3,362)	5,841	3,315	-	5,794	3,522	3,522	(13,102)	(3,786)
	49,104	7,374	3,791	-	60,269	3,209	3,209	23,705	87,183
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	(5,690)	(1,160)	(6,850)	(3,991)	(3,991)	-	(10,841)
Accumulated depreciation of asset written off	-	-	-	-	-	80	80	-	80
Revaluation increments/decrements	-	-	-	-	-	7,071	7,071	-	7,071
Transfers	-	-	-	-	-	(7)	(7)	-	(7)
	-	-	(5,690)	(1,160)	(6,850)	3,153	3,153	-	(3,697)
At fair value 30 June 2016	819,510	67,115	72,496	20,444	979,565	167,346	167,346	42,695	1,189,607
Accumulated depreciation at 30 June 2016	-	-	(27,628)	(4,208)	(31,836)	(2,055)	(2,055)	-	(33,891)
	819,510	67,115	44,869	16,236	947,730	165,291	165,291	42,695	1,155,716

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 21 Property, infrastructure, plant and equipment (cont'd)

Plant and Equipment	Note	Heritage	Plant and equipment	Furniture and equipment	Leased plant and equipment	Work In Progress	Total plant and equipment
At fair value 1 July 2015		464	16,129	31,085	4,579	234	52,491
Accumulated depreciation at 1 July 2015		-	(6,950)	(21,791)	(2,761)	-	(31,502)
		464	9,179	9,294	1,818	234	20,989
Movements in fair value							
Acquisition of assets at fair value		-	1	123	-	5,610	5,734
Fair value of assets disposed		-	(1,350)	-	-	-	(1,350)
Transfers		25	2,903	1,781	-	(5,203)	(495)
		25	1,554	1,904	-	407	3,890
Movements in accumulated depreciation							
Depreciation and amortisation		-	(1,858)	(2,514)	(878)	-	(5,249)
Accumulated depreciation of disposals		-	847	-	-	-	847
		-	(1,011)	(2,514)	(878)	-	(4,403)
At fair value 30 June 2016		489	17,683	32,989	4,579	641	56,381
Accumulated depreciation at 30 June 2016		-	(7,961)	(24,305)	(3,639)	-	(35,905)
		489	9,722	8,684	940	641	20,476

Infrastructure	Note	Roads	Bridges	Footpaths and cycleways	Car Parks	Drainage	Work In Progress	Total Infrastructure
At fair value 1 July 2015		734,272	86,285	112,625	16,686	413,595	14,281	1,377,744
Accumulated depreciation at 1 July 2015		(137,710)	(20,726)	(29,252)	(4,318)	(104,561)	-	(296,567)
		596,562	65,559	83,373	12,368	309,034	14,281	1,081,177
Movements in fair value								
Acquisition of assets at fair value		-	-	-	-	-	19,406	19,406
Contributed assets at fair value		31,163	516	4,265	391	17,273	-	53,608
Revaluation increments/(decrements)		(14,104)	(11,031)	(3,256)	108	3,589	-	(24,694)
Transfers		22,457	33	4,039	231	541	(31,815)	(4,514)
		39,516	(10,482)	5,048	730	21,403	(12,409)	43,806
Movements in accumulated depreciation								
Depreciation and amortisation		(14,419)	(831)	(2,280)	(360)	(4,211)	-	(22,101)
Revaluation increments/decrements		(9,131)	2,386	503	(551)	(238)	-	(7,031)
		(23,550)	1,555	(1,777)	(911)	(4,449)	-	(29,132)
At fair value 30 June 2016		773,788	75,803	117,673	17,416	434,998	1,872	1,421,550
Accumulated depreciation at 30 June 2016		(161,260)	(19,171)	(31,029)	(5,229)	(109,010)	-	(325,699)
		612,528	56,632	86,644	12,187	325,988	1,872	1,095,851

Notes to the Financial Report
For the Year Ended 30 June 2016

Note 21 Property, infrastructure, plant and equipment (cont'd)

Valuation basis

Non-specialised land, non-specialised buildings

Non-specialised land and non-specialised buildings are valued using the market based direct comparison method. Under this valuation method, the assets are compared to recent comparable sales. For non-specialised land and non-specialised buildings, an independent valuation was performed by a qualified valuer, Mr Bill Katsianis AAPI, Certified Practising Valuer, Australian Property Institute Member No: 62961 to determine the fair value using the market based direct comparison method. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2016. To the extent that non-specialised land and non-specialised buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market based direct comparison approach.

Specialised land and specialised buildings

An independent valuation of Council's specialised land and specialised buildings was performed by a qualified valuer, Mr Bill Katsianis AAPI, Certified Practising Valuer, Australian Property Institute Member No: 62961 and Westlink Consulting. The valuation was performed using both the cost approach and market approach, adjusted for restrictions in use. The effective date of the valuation is 30 June 2016.

Land under roads

Land under roads is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement. Valuation of land under roads was undertaken by a qualified valuer, Mr Bill Katsianis AAPI, Certified Practising Valuer, Australian Property Institute Member No: 62961. The valuation of land under roads is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. All freehold land reserved for road purposes is valued at a discount of 85% - 95% to market value based on legal precedents and valuation methodology with an adjustment of between 60% and 70% made for the Englobo value, 15% for access rights and private interests and 10% for other infrastructure assets within roadways.

Infrastructure

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation. Economic obsolescence and the asset's condition has also been factored into the calculation. Infrastructure assets contain significant unobservable adjustments, therefore these assets are classified as Level 3.

A valuation of Council's infrastructure assets was performed by Mr. David Fricke, a Professional Engineer (Bachelor of Engineering, Civil) & MBA. The valuation was performed based on the depreciated replacement cost of the assets. The effective date of the valuation is 30 June 2016.

There were no changes in valuation techniques throughout the period to 30 June 2016. For all assets measured at fair value, the current use is considered the highest and best use.

Fair Value Hierarchy

Details of the Council's information about the fair value hierarchy as at 30 June 2016 are as follows:

Asset Class	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	Total \$ '000
Land				
Land - non specialised	-	67,115	-	67,115
Land - specialised	-	-	819,510	819,510
Total land	-	67,115	819,510	886,625
Buildings				
Buildings - non specialised	-	-	-	-
Buildings - specialised	-	-	165,291	165,291
Total buildings	-	-	165,291	165,291
Infrastructure				
Roads	-	-	612,528	612,528
Bridges	-	-	56,632	56,632
Footpaths and cycleways	-	-	86,644	86,644
Car parks	-	-	12,187	12,187
Drainage works	-	-	325,988	325,988
Total infrastructure	-	-	1,093,979	1,093,979
Grand total	-	67,115	2,078,780	2,145,895

Notes to the Financial Report
For the Year Ended 30 June 2016

Note 21 Property, infrastructure, plant and equipment (cont'd)

	2016	2015
	\$'000	\$'000
<i>Description of significant unobservable inputs into level 3 valuations</i>		
<i>Specialised land and land under roads</i> 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 10% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$1 and \$2,060 per square metre.	819,510	770,406
<i>Specialised buildings</i> are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$750 to \$5,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 1 year to 50 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.	165,291	158,929
<i>Infrastructure assets</i> 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 1 year 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.	1,093,979	1,066,895
Reconciliation of specialised land		
Land under roads	114,915	78,220
Parks and reserves	704,595	692,186
Total specialised land	819,510	770,406

**Notes to the Financial Report
For the Year Ended 30 June 2016**

	2016 \$'000	2015 \$'000
Note 22 Investment property		
Land		
Balance at beginning of the financial year	26,174	45,755
Transfers to investment property	-	317
Transfers to non-current assets held for sale	-	(20,176)
Disposals	(426)	(818)
Fair value adjustments	698	1,096
Balance at end of the financial year	<u>26,446</u>	<u>26,174</u>
Buildings		
Balance at beginning of the financial year	4,692	4,974
Transfers from investment property	-	(75)
Disposals	-	(369)
Fair value adjustments	244	162
Balance at end of the financial year	<u>4,936</u>	<u>4,692</u>
Total investment property at end of the financial year	<u>31,382</u>	<u>30,866</u>

Valuation of investment property has been determined by a qualified valuer, Mr Bill Katsianis AAPI, Certified Practising Valuer, Australian Property Institute Member No: 62961, 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 23 Trade and other payables		
Trade payables	2,441	5,313
Accrued operating expenses	5,303	6,109
Accrued capital expenses	7,689	8,041
Accrued other expenses	182	354
Accrued salaries and wages	3,417	2,331
Total trade and other payables	<u>19,032</u>	<u>22,148</u>

Note 24 Trust funds and deposits		
Current		
Other refundable deposits	2,212	1,735
Fire services levy	4,531	4,281
Total current trust funds and deposits	<u>6,743</u>	<u>6,016</u>
Non-current		
Refundable deposits	570	372
Retention amounts	433	439
Other refundable deposits	553	353
Total non-current trust funds and deposits	<u>1,556</u>	<u>1,164</u>
Total trust funds and deposits	<u>8,299</u>	<u>7,180</u>

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. The outstanding amounts at 30 June 2016 were paid in August.

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.

Notes to the Financial Report
For the Year Ended 30 June 2016

Note 25 Provisions

	Employee benefits					Total
	Annual leave	Long service leave	Other employee benefits	Landfill rehabilitation and after care	Carbon tax provision	
	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000	\$ '000
2016						
Balance at beginning of the financial year	7,490	16,076	243	23,293	-	47,102
Additional provisions	6,636	2,406	331	-	-	9,373
Amounts used	(6,513)	(1,488)	(355)	(217)	-	(8,573)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	65	401	-	2,040	-	2,507
Balance at end of the financial year	7,678	17,395	219	25,116	-	50,409
2015						
Balance at beginning of the financial year	7,345	14,639	265	7,948	350	30,547
Additional provisions	6,061	1,863	305	17,074	-	25,303
Amounts used	(5,959)	(1,113)	(327)	(105)	(350)	(7,854)
Increase / (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	43	687	-	(1,625)	-	(894)
Balance at end of the financial year	7,490	16,076	243	23,293	-	47,102

(a) Employee benefits

	2016	2015
	\$'000	\$'000
<i>(i) Current provisions expected to be settled within 12 months</i>		
Annual leave	3,676	3,630
Long service leave	1,343	1,239
Other	219	243
Total	5,238	5,112
<i>(i) Current provisions expected to be settled after 12 months</i>		
Annual leave	4,002	3,860
Long service leave	13,836	12,518
Total	17,838	16,378
<i>(ii) Non-current</i>		
Long service leave	2,217	2,319
Total	2,217	2,319
Aggregate carrying amount of employee benefits:		
Current	23,075	21,490
Non-current	2,217	2,319
Total	25,292	23,809

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 25 Provisions (cont.)

(i) Current

All annual leave and the long service leave entitlements representing seven or more years.

Council is required to separately disclose current provisions that are expected to be settled within 12 months (measured at undiscounted amounts) and those expected to be settled after 12 months (discounted to NPV).

(ii) Non-current

Long service leave representing less than seven years of continuous service measured at present value.

Other long-term employee benefits that do not fall due within 12 months after the end of the period measured at present value.

(b) Landfill rehabilitation and aftercare provision

Under the *Environment Protection Act 1970* Council is obligated to restore the Bolinda Rd and Riddell Rd landfill sites to a particular standard. The Bolinda Rd site has ceased operating as a landfill and rehabilitation works are substantially complete. The site is currently operating as a Resource Recovery Centre / Waste Transfer Station. With respect to the Riddell Rd site, current projections which are based on EPA requirements, indicate that the landfill operations will cease in 2030 however restoration work is expected to occur bi-annually from 2018 and therefore aftercare costs will also commence from 2018. The forecast life of the Riddell Rd site is based on current estimates of remaining capacity and the forecast rate of infill. In accordance with EPA guidelines siting, design, operation and rehabilitation of landfills (published August 2015) clause 8.1.3 rehabilitation of a landfill should be initiated once two years have elapsed since commencement of filling. The provision for landfill rehabilitation 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 the current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Council does not expect to receive reimbursement from a third party.

	2016 \$'000	2015 \$'000
Current		
Rehabilitation and aftercare costs	220	1,885
Total current	<u>220</u>	<u>1,885</u>
Non-current		
Rehabilitation and aftercare costs	24,897	21,408
Total non-current	<u>24,897</u>	<u>21,408</u>
Total landfill provisions	<u>25,117</u>	<u>23,293</u>
 (d) Total provisions		
Current	23,295	23,375
Non-current	27,114	23,727
Total	<u>50,409</u>	<u>47,102</u>

Notes to the Financial Report
For the Year Ended 30 June 2016

	2016 \$'000	2015 \$'000
Note 26 Interest-bearing loans and borrowings		
<i>Current</i>		
Borrowings	-	756
Borrowings - superannuation	-	14,250
Total current	<u>-</u>	<u>15,006</u>
<i>Non-current</i>		
Borrowings	-	11,314
Total non-current	<u>-</u>	<u>11,314</u>
Total interest-bearing loans and borrowings	<u>-</u>	<u>26,320</u>
The maturity profile for Council's borrowings is:		
Not later than one year	-	15,006
Later than one year and not later than five years	-	3,564
Later than five years	-	7,750
Total interest-bearing loans and borrowings	<u>-</u>	<u>26,320</u>
During the 2015/16 financial year, Council has repaid \$25.95 million in borrowings. Borrowings were taken out years ago at prevailing interest rates of 6.4%. However, with the introduction of the Fair Go Rates System (FGRS) capping rate increases to CPI, the amount by which rates can now be raised versus the loan interest rate of 6.4% has widened even further and therefore it makes financial sense to repay the borrowings early. In doing so, this will save Council a net \$5.5 million in interest over the next 10 years which will improve Council's underlying financial position and further strengthen its balance sheet. Further information on the FGRS can be found at http://delwp.vic.gov.au/fairgorates .		
<i>Finance leases</i>		
Council had the following obligations under finance leases for the lease of equipment (the sum of which is recognised as a liability after deduction of future lease finance charges included in the obligation):		
Not later than one year	1,259	642
Later than one year and not later than five years	1,136	2,395
Total minimum lease payments	<u>2,395</u>	<u>3,037</u>
Less: Future finance charges	<u>(165)</u>	<u>(329)</u>
Recognised in the balance sheet as:	<u>2,230</u>	<u>2,708</u>
<i>Current</i>		
Leases	1,147	477
Total current	<u>1,147</u>	<u>477</u>
<i>Non-current</i>		
Leases	1,083	2,231
Total non-current	<u>1,083</u>	<u>2,231</u>
Total finance leases	<u>2,230</u>	<u>2,708</u>
Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	1,147	15,483
Non-current	1,083	13,545
Total interest-bearing loans and borrowings	<u>2,230</u>	<u>29,028</u>

Notes to the Financial Report
For the Year Ended 30 June 2016

	2016	2015
	\$'000	\$'000
Note 27 Development fee obligation		
<i>Current</i>		
Opening balance	-	-
Transfer from non-current	12,503	-
Unwinding of developer fee obligation	(2,334)	-
	<u>10,169</u>	<u>-</u>
<i>Non-current</i>		
Opening balance	24,600	-
Development fee obligation	-	24,600
Transfer to current	(12,503)	-
	<u>12,097</u>	<u>24,600</u>
Total development fee obligation	<u>22,266</u>	<u>24,600</u>

In December 2011, Council entered into an agreement with Frasers Property for the development of 50.1 ha of land at 275 Racecourse Road, Sunbury. The agreement was conditional upon obtaining rezoning and planning approval. These were obtained in March 2015, making the agreement unconditional. The nature of the agreement required Frasers Property to pay to council \$24.6m upfront giving rise to an obligation for Council to grant a non-exclusive licence over the site to Frasers Property to develop it.

Council treated the upfront payment received from the developer of \$24.6m as a non-current liability (developer fee obligation). Assets were transferred from non-current to current assets held for sale and the corresponding portion of the developer fee obligation liability was transferred from a non-current to a current liability based on the expected timing of the settlement. The outstanding developer fee obligation liability will be recognised in the Income Statement progressively as Council fulfils its' obligation when the lots are settled - this effect is referred to as the unwinding of the development fee obligation.

During the 2015/16 financial year, a total of 46 lots were sold with a total area of 22,712 square metres representing approximately 9% of the total developable area.

Note 28 Reserves

	Balance at beginning of financial year	Increment / (decrement)	Balance at end of financial year
	\$'000	\$'000	\$'000
(a) Asset revaluation reserves			
2016			
Property			
Land	466,784	1,266	468,050
Buildings	12,283	7,677	19,960
Land under roads	7,991	11,321	19,312
	<u>487,058</u>	<u>20,264</u>	<u>507,322</u>
Plant and equipment			
Plant and equipment	285	-	285
	<u>285</u>	<u>-</u>	<u>285</u>
Infrastructure			
Roads	275,058	(23,236)	251,822
Bridges	25,846	(8,645)	17,201
Footpaths and cycleways	41,178	(2,752)	38,426
Car parks	5,767	(443)	5,324
Drainage works	130,584	3,351	133,935
	<u>478,433</u>	<u>(31,725)</u>	<u>446,708</u>
Investment property			
Land	33,297	-	33,297
Buildings	328	-	328
	<u>33,625</u>	<u>-</u>	<u>33,625</u>
Total asset revaluation reserves	<u>999,401</u>	<u>(11,461)</u>	<u>987,940</u>

The revaluation decrement for infrastructure assets reflects current construction costs as determined by recent subdivision activity.

Notes to the Financial Report
For the Year Ended 30 June 2016

Note 28 Reserves (cont.)

	Balance at beginning of financial year	Increment / (decrement)	Balance at end of financial year	
	\$'000	\$'000	\$'000	
(a) Asset revaluation reserves (cont.)				
2015				
Property				
Land	466,784	-	466,784	
Buildings	12,283	-	12,283	
Land under roads	7,991	-	7,991	
	<u>487,058</u>	<u>-</u>	<u>487,058</u>	
Plant and equipment				
Plant and equipment	285	-	285	
	<u>285</u>	<u>-</u>	<u>285</u>	
Infrastructure				
Roads	308,055	(32,997)	275,058	
Bridges	26,887	(1,041)	25,846	
Footpaths and cycleways	43,750	(2,572)	41,178	
Car parks	4,797	970	5,767	
Drainage works	152,651	(22,067)	130,584	
	<u>536,140</u>	<u>(57,707)</u>	<u>478,433</u>	
Investment property				
Land	33,297	-	33,297	
Buildings	328	-	328	
	<u>33,625</u>	<u>-</u>	<u>33,625</u>	
Total asset revaluation reserves	<u>1,057,108</u>	<u>(57,707)</u>	<u>999,401</u>	
	Balance at beginning of financial year	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000
(b) Other reserves				
2016				
Recreation land	2,518	1,595	(599)	3,514
Development levies	20,182	22,275	-	42,457
Conditional grants	2,646	3,395	(2,646)	3,395
Reserve - landfills	500	-	-	500
Investment reserve	2,673	972	-	3,645
Total other reserves	<u>28,519</u>	<u>28,237</u>	<u>(3,245)</u>	<u>53,511</u>
2015				
Recreation land	1,415	1,103	-	2,518
Development levies	13,031	10,124	(2,973)	20,182
Conditional grants	5,352	2,665	(5,371)	2,646
Reserve - landfills	500	-	-	500
Investment reserve	2,306	1,469	(1,101)	2,673
Total other reserves	<u>22,604</u>	<u>15,361</u>	<u>(9,446)</u>	<u>28,519</u>

The recreation land and development levies reserves are restricted reserves whereby funds are required to be spent on specific projects in accordance with the monies received.

**Notes to the Financial Report
For the Year Ended 30 June 2016**

	2016 \$'000	2015 \$'000
Note 29 Reconciliation of cash flows from operating activities to surplus		
Surplus for the year	132,021	94,363
Depreciation and amortisation	38,191	35,476
(Gain) / loss on disposal of property, plant, equipment and infrastructure	(434)	2,635
Net gain on property development	(1,049)	-
Contributions - non-monetary assets	(95,743)	(58,356)
Developer contribution - land swap	(80)	-
Asset written off	839	-
Fair value adjustments for investment property	(942)	(1,258)
Borrowing costs	3,214	1,474
<i>Change in assets and liabilities:</i>		
Increase in rates debtors	(2,018)	(857)
(Increase) / decrease in other debtors	2,512	(3,423)
Increase in provision for doubtful debts	43	-
Increase in other assets	(567)	(283)
Increase / (decrease) in trade and other payables	(2,764)	4,229
Increase in trust funds and deposits	1,119	3,736
Increase in provisions	3,307	2,023
Net cash provided by operating activities	<u>77,649</u>	<u>79,760</u>
Note 30 Financing arrangements		
Borrowings	-	31,250
Finance leases	3,543	3,718
Credit card facility	400	400
Less: used facilities	(3,655)	(35,074)
Unused facilities	<u>288</u>	<u>294</u>

**Notes to the Financial Report
For the Year Ended 30 June 2016**

	2016 \$'000	2015 \$'000
Note 31 Commitments		
The Council has entered into the following commitments:		
<i>Operating</i>		
Waste collection	13,403	14,247
Maintenance	17	77
Security services	-	137
Hume libraries	124	82
Parking Management and Enforcement Services	678	1,240
Other	20	42
Total operating	14,242	15,825
<i>Capital</i>		
Buildings	27,413	4,649
Road construction and development	1,888	3,849
Other	1,795	7,873
Total capital	31,096	16,371
The increase in the capital commitments for buildings primarily relates to works for Council's new sports and aquatic centre known as 'Craigieburn Park'.		
Total commitments	45,338	32,196
Not later than 1 year	35,939	20,658
Later than 1 year and not later than 2 years	3,993	3,838
Later than 2 years and not later than 5 years	5,378	7,699
Later than 5 years	28	-
Total commitments	45,338	32,196
Note 32 Operating leases		
(a) Operating lease commitments		
At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than 1 year	267	552
Later than 1 year and not later than 2 years	151	217
Later than 2 years and not later than 5 years	145	248
Total operating lease commitments	563	1,017
(b) Operating lease receivables		
The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 7 years. All leases include a CPI based revision of the rental charge annually.		
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than 1 year	656	760
Later than 1 year and not later than 5 years	207	651
Total operating lease commitments	863	1,411

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 33 Contingent liabilities and contingent assets

Contingent liabilities

The Council is presently involved in some 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 report.

As at 30 June 2016, current public liability claims excess which are considered to have a financial exposure for Council was \$110,000 (2014/15, \$130,000).

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the 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.

Contingent assets

Developer contributions to be received in respect of estates currently under development total \$112 million (2014/15, \$86 million).

Note 34 Superannuation

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

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2016, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

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

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

Funding arrangements

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

As at 30 June 2015, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 105.8%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns 7.0% pa

Salary information 4.25% pa

Price inflation (CPI) 2.5% pa.

Note 34 Superannuation (cont'd)

Vision Super has advised that the estimated VBI at 30 June 2016 was 102.0%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2015 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 2015 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 2016, this rate was 9.5% of members' salaries (9.5% in 2014/2015). 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.

2015 Interim actuarial investigation surplus amounts

The Fund's interim actuarial investigation as at 30 June 2015 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$130.8 million; and
- A total service liability surplus of \$239 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 2015. The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses. Council was notified of the 30 June 2015 VBI during August 2015.

Future superannuation contributions

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

Note 35 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 Note 1 of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council 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 rate.

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

- 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.

Note 35 Financial Instruments (cont.)

(c) Credit risk

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

- we have a policy for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our investment policy.

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.

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

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet 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.

Note 35 Financial Instruments (cont.)

(d) Liquidity risk (cont.)

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

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

e) Fair value

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

Fair value hierarchy

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

(f) Sensitivity disclosure analysis

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

- A parallel shift of + 1 % and -0.5% in market interest rates (AUD) from year-end rates of 1.5%.

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.

Notes to the Financial Report
For the Year Ended 30 June 2016

Note 36 Related party transactions

(i) Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

Councillors	Councillor Helen Patsikatheodorou (Mayor 28/10/2015 to Current)
	Councillor Jack Ogilvie
	Councillor Ann Potter
	Councillor Drew Jessop
	Councillor Adem Atmaca (Mayor 1/07/2015 to 28/10/2015)
	Councillor Vic Dougall
	Councillor Geoff Porter
	Councillor Steve Medcraft
	Councillor Alan Bolton
	Councillor Casey Nunn
	Councillor Chandra Bamunusinghe

Chief Executive Officer Domenic Isola

(ii) Remuneration of Responsible Persons

The numbers of Responsible Officers, whose total remuneration from Council and any related entities fall within the following bands:

	2016	2015
	No.	No.
\$30,000 - \$39,999	9	9
\$40,000 - \$49,999	1	1
\$80,000 - \$89,999	1	1
\$350,000 - \$359,999	-	1
\$360,000 - \$369,999	1	-
	<u>12</u>	<u>12</u>
	\$'000	\$'000
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	782	760

(iii) No retirement benefits have been made by the Council to a Responsible Person (2014/15, Nil).

(iv) No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting year (2014/15, Nil).

(v) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council who has management responsibilities and reports directly to the Chief Executive Officer or whose total annual remuneration exceeds \$139,000.

The number of Senior Officers other than the Responsible Persons, are shown below in their relevant income bands:

	2016	2015
	No.	No.
Income Range:		
\$130,000 - \$139,999	5	6
\$140,000 - \$149,999	9	4
\$150,000 - \$159,999	4	6
\$160,000 - \$169,999	3	9
\$170,000 - \$179,999	7	5
\$180,000 - \$189,999	4	1
\$190,000 - \$199,999	2	2
\$200,000 - \$209,999	2	-
\$220,000 - \$229,999	-	2
\$240,000 - \$249,999	1	1
\$250,000 - \$259,999	2	1
\$260,000 - \$269,999	2	-
\$270,000 - \$279,999	-	1
	<u>41</u>	<u>38</u>

(i) The above amounts include termination payments where applicable.

	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	7,149	6,504

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 36 Related party transactions (cont.)

(v) Transactions with responsible persons

Council made payments to the following community groups and organisations. As these groups and organisations play a significant role in the community, Council representation is expected. However the Council representative does not receive any direct commercial benefit as a result of their role on the committee or board.

Company	Related Councillors / Officers	Position Held	2015/16 \$'000	2014/15 \$'000	Nature of transaction
Community Chef	Domenic Isola	Director	454	419	The Hume City Council Chief Executive Officer currently sits on the boards of both Regional Kitchen Pty Ltd and RFK Pty Ltd (trading as Community Chef) which is a Local Government owned meals production facility established to ensure affordable, nutritious and culturally sensitive meals to older and other vulnerable residents.
Merri Creek Management Committee Inc	Andrew Jessop	Vice President	136	142	Payments were made to the Merri Creek Management Committee Inc which included funding allocations from Council and payments to contractors.
Meadow Heights Learning Shop	Andrew Jessop's Spouse Vic Dougall	Full Time Employee Board Member	98	81	Payments were made to the Meadow Heights Learning Shop which included contributions towards operations including utilities and maintenance and funding allocations from Council.
Dallas Neighbourhood House Inc	Helen Patsikatheodorou	Ordinary Committee Member	57	27	Payments were made to the Dallas Neighbourhood House which included the provision of training and funding allocations from Council.
Craigieburn Education & Community Centre	Andrew Jessop	Committee Member	29	25	Payments were made to the Craigieburn Education & Community Centre for funding allocations from Council.
Brite Services (Brite Plants/Brite Pak)	Helen Patsikatheodorou's Spouse Vic Dougall	Board Member Director	26	33	Payments were made to the Brite Services which included payments for plant hire services, funding allocations from Council and payments to contractors.
Dianella Community Health Inc	Casey Nunn	Honorary Director	3	476	Payments were made to the Dianella community Health Inc which included the provision of training and other services and funding allocations from Council.
Broadmeadows Disability Services	Geoff Porter	Director	1	1	Payments were made to the Broadmeadows Disability Services which included payments for catering and funding allocations from Council.
St Thomas Uniting Church Craigieburn	Andrew Jessop	Committee Member	1	-	Payments were made to the St Thomas Uniting Church Craigieburn for funding allocations from Council.
Greek Orthodox Community Of	Helen Patsikatheodorou's Spouse Vic Dougall	Committee Member Committee Member	1	3	Payments were made to the Broadmeadows Greek Orthodox Community for funding allocations from Council.
North Victoria Sri Lankan Welfare Association	Chandra Bamunusinghe	President	1	1	Payments were made to the North Victoria Sri Lankan Welfare Association for funding allocations from Council.
Total			807	1,208	

Certification of the Financial Report

Statement by Principal Accounting Officer

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.



Fadi Srour, B.Bus(Acc), CA
Principal Accounting Officer
Date: 12 September 2016
Melbourne

Statement by Councillors and Chief Executive Officer

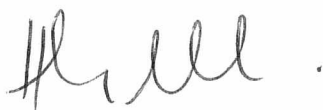
In our opinion the accompanying financial statements present fairly the financial transactions of Hume City Council for the year ended 30 June 2016 and the financial position of the Council as at that date.

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

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



Alan Bolton
Councillor
Date: 12 September 2016
Melbourne



Helen Patsikatheodorou
Mayor
Date: 12 September 2016
Melbourne



Domenic Isola
Chief Executive Officer
Date: 12 September 2016
Melbourne

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Hume City Council

The Financial Report

I have audited the accompanying financial report for the year ended 30 June 2016 of the Hume City Council which comprises the comprehensive income statement, balance sheet, statement of changes in equity, cash flow statement, statement of capital works, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report.

The Councillors' Responsibility for the Financial Report

The Councillors of the Hume City Council are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Councillors, as well as evaluating the overall presentation of the financial report.

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

Independent Auditor's Report (continued)

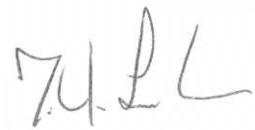
Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, I and my staff and delegates complied with the applicable independence requirements of the Australian Auditing Standards and relevant ethical pronouncements.

Opinion

In my opinion the financial report presents fairly, in all material respects, the financial position of the Hume City Council as at 30 June 2016 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

MELBOURNE
16 September 2016


Dr Peter Frost
Acting Auditor-General

Hume City Council

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HumeLink

Hume City Council's
multilingual telephone information service.
General enquiries: Telephone 9205 2200

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