



**ORDINARY COUNCIL MEETING OF  
THE HUME CITY COUNCIL**

**MONDAY, 11 SEPTEMBER 2017**

**7.00 PM**

**HUME GLOBAL LEARNING CENTRE, CRAIGIEBURN**

**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.*

All public meetings of the Hume City Council are recorded and published in accordance with Council's Audio Recordings of Council Meetings Policy.



# HUME CITY COUNCIL

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**Notice of an  
ORDINARY COUNCIL MEETING OF THE HUME CITY COUNCIL**  
to be held on Monday, 11 September 2017  
**at 7.00 pm**  
at the Hume Global Learning Centre, Craigieburn

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To: a: Council	Cr Drew Jessop Cr Ann Potter Cr Joseph Haweil Cr Jodi Jackson Cr Carly Moore Cr Leigh Johnson Cr Jack Medcraft Cr Naim Kurt Cr Geoff Porter Cr Karen Sherry Cr Jana Taylor	Mayor Deputy Mayor
b: Officers	Mr Domenic Isola Mr Peter Waite Mr Daryl Whitfort Mr Hector Gaston Mr Michael Sharp Ms Kylie Ezzy	Chief Executive Officer Director Sustainable Infrastructure and Services Director Corporate Services Acting Director Community Services Acting Director Planning and Development Director Communications, Engagement and Advocacy

## **ACKNOWLEDGEMENT OF THE TRADITIONAL CUSTODIANS OF THIS LAND**

*"I would like to acknowledge that we are meeting on Gunung-Willam-Balluk land. The Gunung-Willam-Balluk of the Wurundjeri are the first and original people of this land. I would like to pay my respects to their Elders, past and present, and the Elders from other communities who may be here today."*

## **ORDER OF BUSINESS**

### **1. PRAYER**

Almighty God, we humbly beseech Thee to vouchsafe Thy blessing upon this Council. Direct and prosper its deliberations to the advancement of Thy glory and the true welfare of the people of the Hume City.

Amen

### **2. APOLOGIES**

### **3. DISCLOSURE OF INTEREST**

Councillors' attention is drawn to the provisions of the Local Government Act 1989 in relation to the disclosure of conflicts of interests. Councillors are required to disclose any conflict of interest immediately before consideration or discussion of the relevant item. Councillors are then required to leave the Chamber during discussion and not vote on the relevant item.

**4. ASSEMBLIES OF COUNCIL**

In accordance with section 80A(2) of the Local Government Act 1989, Council is required to report, as soon as practicable, to an Ordinary Meeting of Council, a record of any assemblies of Councillors held.

There are no records of assemblies to report on this section of the Agenda.

**5. CONFIRMATION OF COUNCIL MINUTES**

Minutes of the Ordinary Council Meeting of 14 August 2017 and the Ordinary Council (Town Planning) Meeting of 28 August 2017, including Confidential Minutes.

**RECOMMENDATION:**

**THAT the Minutes of the Ordinary Council Meeting of 14 August 2017 and the Ordinary Council (Town Planning) Meeting of 28 August 2017, including Confidential Minutes, be confirmed.**

**6. RECEIPT OF COUNCIL AND COMMUNITY COMMITTEE MINUTES AND RECOMMENDATIONS TO COUNCIL TO BE ADOPTED****6.1 Unconfirmed Minutes of the Campbellfield Community Centre Committee of Management General Meeting held on 27 July 2017****6.1.1 COMMITTEE RESOLUTIONS:**

- (a) That the correspondence, maintenance items and Treasurer's report be noted.
- (b) That Council repair and carry out maintenance of the hall chairs.

**6.1.2 OFFICER'S COMMENTS:**

- (a) The Committee's maintenance requests, including repair of the hall chairs, have been referred to and discussed with the Coordinator Community Facilities and Learning Programs.
- (b) The Manager Governance has provided written notification to the Committee that Council is conducting a review into the appropriateness of the management of community facilities by Section 86 Committees. The outcome of this review is also scheduled to be presented to Council on 11 September 2017. The report on the review of the Instrument of Delegation to the Committee will also be presented to Council at this meeting.

**6.1.3 RECOMMENDATION:**

- (a) **That the Unconfirmed Minutes of the Campbellfield Community Centre Committee of Management General Meeting held on 27 July 2017 be noted.**
- (b) **That Council notes the correspondence, maintenance items and Treasurer's report.**

**6.2 Unconfirmed Minutes of the Tullamarine Hall Committee of Management meeting held on 26 July 2017****6.2.1 COMMITTEE RESOLUTIONS:**

- (a) The Tullamarine Hall Committee of Management (the Committee) adopted the following items for Council attention:
  - Council to install 4 more heaters;
  - Fix the existing heaters;
  - Repaint main hall and meeting room (to be consulted on colours).



**6.2.2 OFFICER'S COMMENTS:**

- (a) The exterior of the Hall has been repainted as part of Council's facility maintenance program. The Committee has requested that Council also paint the interior of the Hall – to be painted a different colour. This request will be discussed with the Committee by Council's Coordinator Building Maintenance and the Coordinator Community Facilities and Learning Programs.
- (b) The broken heater has been raised in Merit and allocated to officers for action. Council's Coordinator Building Maintenance will discuss the installation of new heaters with the Committee.
- (c) The Manager Governance has provided written notification to the Committee that Council is conducting a review into the appropriateness of the management of community facilities by Section 86 Committees. The outcome of this review is also scheduled to be presented to Council on 11 September 2017. The report on the review of the Instrument of Delegation to the Committee will also be presented to Council at this meeting.

**6.2.3 RECOMMENDATION:**

- (a) **That the Unconfirmed Minutes of the Tullamarine Hall Committee of Management meeting held on 26 July 2017 be noted.**
- (b) **That the Committee's maintenance requests be referred to Council's Coordinator Community Facilities and Learning Programs for actioning.**

**6.3 Unconfirmed Minutes of the Westmeadows Hall Committee of Management General Meeting held on 27 July 2017****6.3.1 COMMITTEE RESOLUTIONS:**

- (a) That the statement of accounts 1-7-2016 to 30-6-2017 be received and adopted and that the statement be forwarded to the Hume City Council for their records.
- (b) That the Hall usage be noted, used every day with due respect by relevant users.
- (c) The Committee discussed the following items requiring Council attention:
  - Table trolley wheel replacement;
  - Interior heater control button not functional
  - Exterior waste bin dangerous protruding wire;
  - Health and safety issue, review required by Building Inspector of existing camber of flooring associated with hall stage.

**6.3.2 OFFICER'S COMMENTS:**

- (a) The Committee's maintenance requests will be raised in Council's Customer Request Management System (Merit) and the Committee will be notified of the outcome.
- (b) The Manager Governance has provided written notification to the Committee that Council is conducting a review into the appropriateness of the management of community facilities by Section 86 Committees. The outcome of this review is also scheduled to be presented to Council on 11 September 2017. The report on the review of the Instrument of Delegation to the Committee will also be presented to Council at this meeting.

**6.3.3 RECOMMENDATION:**

- (a) **THAT the Unconfirmed Minutes of the Westmeadows Hall Committee of Management General Meeting held on 27 July 2017 be noted.**

- (b) That the Committee's maintenance requests be referred to the Coordinator Community Facilities and Learning Programs for action.
- (c) That Council accepts the statement of accounts for the Westmeadows Hall Committee of Management for the period 1 July 2016 to 30 June 2017.

#### 6.4 Unconfirmed Minutes of Gladstone Park Community Centre Committee of Management General Meetings held on 16 May 2017 and 18 July 2017

##### 6.4.1 COMMITTEE RESOLUTIONS:

Resolutions of the Gladstone Park Community Centre Committee of Management requiring Council attention:

##### General Meeting held on 16 May 2017

- (a) The Committee moved that the outstanding matters in the Maintenance Log be noted and referred to the Community Facilities & Learning Programs Department for follow up:
  - (i) Floor buffering been done
  - (ii) Council advised No smoking yellow lines will not be painted surrounding the main door
  - (iii) Air dryer in disabled toilets not working
  - (iv) Trees lopping to be checked
- (b) That the accounts outlined in the Treasurers reports, Balance Sheet and Profit and Loss, Term Deposits Report, Ageing Report and Occupancy sheet be accepted.
- (c) That Carolynne Venn Chairperson, John Timbs Treasurer and Claire Wolny Booking Officer will be the signatories on the Gladstone Park Community Centre's bank account. Two signatories are required at all times to authorise payments.

##### General Meeting held on 18 July 2017

- (d) That Term Deposit 4 due on the 7/9/2017 be reviewed by the Treasurer and Chairperson to reinvest the money at the best available interest rate at the time.
- (e) That Council place an advertisement in the local paper seeking expression of interest for the Secretary's role.
- (f) That the Committee allocates the fee for service for 2017-2018 between the Treasurer and Booking officers rolls. The monthly allowance for telephone and internet to be split \$15 per month each for the Treasurer and Booking officer and \$10 per month for the maintenance person.
- (g) THAT the Committee purchase a vacuum cleaner for the Yellow room.

##### 6.4.2 OFFICER'S COMMENTS:

- (a) Following its Annual General Meeting in February, the Committee's Chairperson, Treasurer and Secretary tendered their resignations. The Chairperson's resignation was effective immediately, the Treasurers resignation took effect on 1 July 2017, and the Secretary's resignation was to take effect following the Committee's meeting on 16 May 2017.
- (b) Following the resignation of its officer bearers, the Committee met formally again on 20 April 2017 at which time it endorsed four new committee members, and four new office bearers. The Committee Secretary advised the Committee that she wished to reverse her decision to resign from the Committee, and instead took on the role of Booking Officer.

- (c) The new Secretary, Simone Bowen has now notified the GPCC Committee of her resignation effective immediately. Booking Officer, Claire Wolny has also retendered her resignation, effective 17 October 2017.
- (d) Officers placed an advertisement in the local paper on 1 August 2017 seeking expressions of interest for a committee secretary.
- (e) Council adopted the fee for service payable to office bearers, to be split between the different officer roles. Due to the new officer resignations, the Committee will again revisit the fee structure for office bearers.
- (f) The Committee's maintenance requests have been referred to and discussed with the Coordinator Community Facilities and Learning Programs.
- (g) The Manager Governance has provided written notification to the Committee that Council is conducting a review into the appropriateness of the management of community facilities by Section 86 Committees. The outcome of this review is also scheduled to be presented to Council on 11 September 2017. The report on the review of the Instrument of Delegation to the Committee will also be presented to Council at this meeting.

#### **6.4.3 RECOMMENDATION:**

- (a) **That the Unconfirmed Minutes of Gladstone Park Community Centre Committee of Management General Meetings held on 16 May 2017 and 18 July 2017, be noted.**
- (b) **That Council notes that Carolynne Venn Chairperson, John Timbs Treasurer and Claire Wolny Booking Officer will be the signatories on the Gladstone Park Community Centre's bank account.**
- (c) **That the Committee's maintenance requests be referred to Council's Coordinator Community Facilities and Learning Programs for actioning.**
- (d) **That Council notes the resignation of committee members and office bearers Simone Bowen (effect 18 July 2017) and Claire Wolny (effective 17 October 2017).**

#### **6.5 Minutes of the Audit Committee Meeting of the Hume City Council held on 25 August 2017**

##### **RECOMMENDATION:**

THAT the Minutes of the Audit Committee Meeting of the Hume City Council held on 25 August 2017 be noted.

## **7. PRESENTATION OF AWARDS**

### **7.1 Residents of the Month - Nominated by Cr Drew Jessop**

Ms Margaret Perkins

Mr Greg Sandilands

### **7.2 Presentation to Hume City Council of Audit Certificate for Emergency Management by the State Emergency Service**

### **7.3 2017 Victorian Disability Sport and Recreation Awards - Inclusive Sport, Recreation or Open Space Infrastructure Award: Livvi's Place Craigieburn, ANZAC Park - Hume City Council and Touched by Olivia Foundation**

**7.4 Sports Aid Grants**

Hume City Council’s Sports Aid Grants program aims to assist young Hume residents with competition and other event related expenses to encourage high achievements and excellence in their chosen sport.

The following recipients have been awarded a Hume City Council Sports Aid Grant to the value identified below.

<b>NAME</b>	<b>FUNDING SOUGHT FOR</b>	<b>AMOUNT</b>
Markis Atoa	U14’s CRL Championships	\$400.00
Tuilepogai Ieremia	U15’s National Championships	\$400.00
Dean Ieremia	NRL Victoria U16’s Development Tour	\$400.00
Alexander Mercier	JLA Games Australian National Lacrosse Team	\$400.00

**8. NOTICES OF MOTION**

Nil

**9. PUBLIC QUESTION TIME**

**10. OFFICER’S REPORTS**

The Mayor will ask the Councillors and gallery at the commencement of this section, which reports they wish to speak to. These reports will then be discussed in the order they appear on the notice paper. Reports not called will be dealt with in a block resolution at the end.

<u>Item No</u>	<u>Title</u>	<u>Page</u>
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<b><u>CULTURE AND COMMUNITY</u></b>		
CC057	Hume City Council Resolution for MAV State Council meeting in October.....	49
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**11. PETITIONS AND JOINT LETTERS****PJL272 Petition requesting that Council consider implementing timed parking restrictions in Russell Street, Campbellfield**

A petition has been received containing 13 signatures, requesting that Council consider implementing timed parking restrictions in Russell Street, Campbellfield.

**RECOMMENDATION:**

**That the Petition be received, circulated to Councillors, and the first named signatory of the Petition be advised that the matter has been referred to the Manager Assets for investigation.**

**12. DEPUTATIONS****13. URGENT BUSINESS****14. DELEGATES REPORTS****15. GENERAL BUSINESS****16. CONFIDENTIAL MATTERS**

The Meeting may be closed to members of the public to consider confidential matters.

**RECOMMENDATION:**

**THAT the Council close the meeting to the public pursuant to Section 89(2) (sub sections as listed), of the Local Government Act 1989 to consider the following items, which are confidential for the reasons indicated:**

Report No.	Title	Reason for Confidential
COGE158	Annual Report on Audit Committee Business Undertaken 2016/17	(h) any other matter which the Council or special committee considers would prejudice the Council or any person
COGE159	Assemblies of Council	(h) any other matter which the Council or special committee considers would prejudice the Council or any person
COSU077	Document Sealing - Novation Deed - Provision of Turf Services	(d) contractual matters
COSU078	Municipal Association of Victoria and Procurement Australia Agencies - Aggregated Panel Contracts	(d) contractual matters

**17 CLOSURE OF MEETING**

**DOMENIC ISOLA  
CHIEF EXECUTIVE OFFICER**

**7/09/2017**

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<b>REPORT NO:</b>	HE062
<b>REPORT TITLE:</b>	Draft Domestic Animal Management Plan 2017-2021
<b>SOURCE:</b>	Gavan O'Keefe, Manager Governance; Emma Schlieff, Team Leader City Laws
<b>DIVISION:</b>	Corporate Services
<b>FILE NO:</b>	HCC04/350
<b>POLICY:</b>	-
<b>STRATEGIC OBJECTIVE:</b>	2.2 Strengthen community safety and respectful behaviour.
<b>ATTACHMENT:</b>	1. <i>DRAFT Domestic Animal Management Plan 2017 - 2021</i>

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**1. SUMMARY OF REPORT:**

- 1.1. The draft Domestic Animal Management Plan (DAMP) has been prepared in accordance with the *Domestic Animals Act 1994*, which requires each municipality to prepare a Domestic Animal Management plan every four years.
- 1.2. The DAMP demonstrates Council's commitment to achieving best practice in Animal Management.

**2. RECOMMENDATION:**

**That Council approve the draft Domestic Animal Management Plan 2017-2021 for public exhibition, seeking community feedback, with submissions closing 6 October 2017.**

**3. LEGISLATIVE POWERS:**

- 3.1. Section 68A of the *Domestic Animals Act 1994* requires that a Domestic Animal Management Plan be produced as outlined in the extract below:

**68A. Councils to prepare domestic animal management plans**

- (1) *Every Council must, in consultation with the Secretary, prepare at 4 year intervals a domestic animal management plan.*
- (2) *A domestic animal management plan prepared by a Council must –*
  - (a) *Set out a method for evaluating whether the animal control services provided by the Council in its municipal district are adequate to give effect to the requirements of this Act and the regulations; and*
  - (b) *Outline programs for the training of authorised officers to ensure that they can properly administer and enforce the requirements of this Act in the Council's municipal district; and*
  - (c) *Outline programs, services and strategies which the Council intends to pursue in its municipal district –*
    - (i) *To promote and encourage the responsible ownership of dogs and cats; and*
    - (ii) *To ensure that people comply with this Act, the regulations and any related legislation; and*
    - (iii) *To minimise the risk of attacks by dogs on people and animals; and*
    - (iv) *To address any over-population and high euthanasia rates for dogs and cats; and*
    - (v) *To encourage the registration and identification of dogs and cats; and*

REPORT NO: HE062 (cont.)

- (vi) *To minimise the potential for dogs and cats to create a nuisance; and*
  - (vii) *To effectively identify all dangerous dogs, menacing dogs and restricted breed dogs in that district and to ensure that those dogs are kept in compliance with this Act and the regulations; and*
  - (d) *Provide for the review of existing orders made under this Act and local laws that relate to the Council's municipal district with a view to determining whether further orders or local laws dealing with the management of dogs and cats in the municipal district are desirable; and*
  - (e) *Provide for the review of any other matters related to the management of dogs and cats in the Council's municipal district that it thinks necessary; and*
  - (f) *Provide for the periodic evaluation of any program, service, strategy or review outlined under the plan.*
- (3) *Every Council must -*
- (a) *Review its domestic animal management plan annually and, if appropriate, amend the plan; and*
  - (b) *Provide the Secretary with a copy of the plan and any amendments to the plan; and*
  - (c) *Publish an evaluation of its implementation of the plan in its annual report*

**4. FINANCIAL IMPLICATIONS:**

- 4.1. Funding has been allocated in the 2017/18 Budget to implement the first year of the DAMP. The 2017/18 Budget is \$1,155,627 including \$30,000 for actions outlined in the DAMP. The budget includes income of \$1,110,500 primarily from animal registrations and infringements.
- 4.2. Future budgetary requirements have been outlined in the DAMP. An overview of actions and resources can be found on pages 35-37 of the DAMP.

**5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:**

There are no direct environmental implications as a result of this report.

**6. CLIMATE CHANGE ADAPTATION CONSIDERATIONS:**

There are no climate change adaptation considerations as a result of this report.

**7. CHARTER OF HUMAN RIGHTS APPLICATION:**

This report and its recommendations align with the intention of and do not limit any of the protected rights under the Victoria Charter of Human Rights.

**8. COMMUNITY CONSULTATION:**

- 8.1. A community survey was undertaken in early 2017 to assess current programs and activities and to gauge community priorities relating to animals. The response was disappointingly low. A brief summary of the findings of the survey are included in the DAMP at section 3.3, although the response rate that does not provide a suitable sample for accurate statistical analysis.
- 8.2. Suggestions received from the survey were:
- information to displayed via signs/noticeboards where dog owners frequent
  - flyers/posters in community locations, e.g community notice boards
  - events, such as pop up information sessions or charity dog walks.

**REPORT NO: HE062 (cont.)**

- 8.3. In the preparation of the Council Plan, Council embarked on an ambitious community consultation and engagement process to inform the development of Council priorities. This included cafe style workshops, pop-up engagement sessions and written submissions.
- 8.4. It is proposed that the DAMP will be placed on public exhibition, with comments sought from the community and interest groups.
- 8.5. Upon the closure of the exhibition period, the comments received will be considered and reported to Council with any variations identified for the formal adoption of the DAMP.

**9. DISCUSSION:**

- 9.1. The draft DAMP has been developed in accordance with Council's obligations under Section 68A of the Domestic Animals Act. The objectives and actions in the DAMP address the requirements of 68A(c).
- 9.2. The DAMP has been developed to address Council Plan 2017-2021 Community Expectation 2.2.4: The health and safety of Hume residents, pets and fauna are protected through responsible and considerate animal management
- 9.3. The major objectives within the DAMP are:
  - increasing animal registration rates
  - reducing the amount of nuisance cats in the community
  - increase the reclaim rate of dogs
  - explore opportunities to partner with surrounding Council's for the provision of a regional animal shelter

**10. CONCLUSION:**

The DAMP demonstrates Council's commitment to achieving best practice in animal management and compliance with the *Domestic Animals Act 1994*.





**HUME CITY COUNCIL**  
**DOMESTIC ANIMAL**  
**MANAGEMENT PLAN**  
**2017 - 2021**  
**DRAFT**

[www.hume.vic.gov.au](http://www.hume.vic.gov.au)



Hume City Council Domestic Animal Management Plan 2017-2021

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DRAFT

Hume City Council Domestic Animal Management Plan 2017-2021

## 1. Introduction & Context

### 1.1 Overview & Methodology

The Domestic Animal Management Plan (Plan) demonstrates Council's commitment to providing a safer environment for the community of Hume by achieving best practice in Animal Management.

In the development of this Plan, Council has considered the requirements of the Domestic Animals Act 1994, and followed the template provided by the Department of Economic Development, Jobs, Transport and Resources (DEDJTR).

The content and actions identified in this plan were populated using statistics and data available from Council's Customer Request Management system and Property and Rating Management System, and data from the Australia Bureau of Statistics.

That data, as well as a community consultation process which included the undertaking of a public survey, and a planning workshop undertaken by Councillors in development of the 2017-2021 Council Plan, has allowed Council to identify key objectives which we are committed to achieve over the lifetime of this Plan and the Council Plan.

### 1.2. Legislative Context

#### Domestic Animals Act 1994

The Domestic Animals Act 1994 is the governing legislation for Local Government in Victoria providing an animal management service in the municipality.

The purpose of the Domestic Animal Act 1994 is to promote animal welfare, the responsible ownership of dogs and cats and the protection of the environment.

Every Council must prepare a domestic animal management plan under Section 68A of the Domestic Animals Act, as follows:

#### 68A Councils to prepare domestic animal management plans

- (1) Every Council must, in consultation with the Secretary (*Department of Economic Development, Jobs, Transport and Resources or DEDJTR*), prepare at 4 year intervals a domestic animal management plan.
- (2) A domestic animal management plan prepared by a Council must—
  - (a) set out a method for evaluating whether the animal control services provided by the Council in its municipal district are adequate to give effect to the requirements of this Act and the regulations; and
  - (b) outline programs for the training of authorised officers to ensure that they can properly administer and enforce the requirements of this Act in the Council's municipal district; and
  - (c) outline programs, services and strategies which the Council intends to pursue in its municipal district—
    - (i) to promote and encourage the responsible ownership of dogs and cats; and
    - (ii) to ensure that people comply with this Act, the regulations and any related legislation; and
    - (iii) to minimise the risk of attacks by dogs on people and animals; and

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Hume City Council Domestic Animal Management Plan 2017-2021

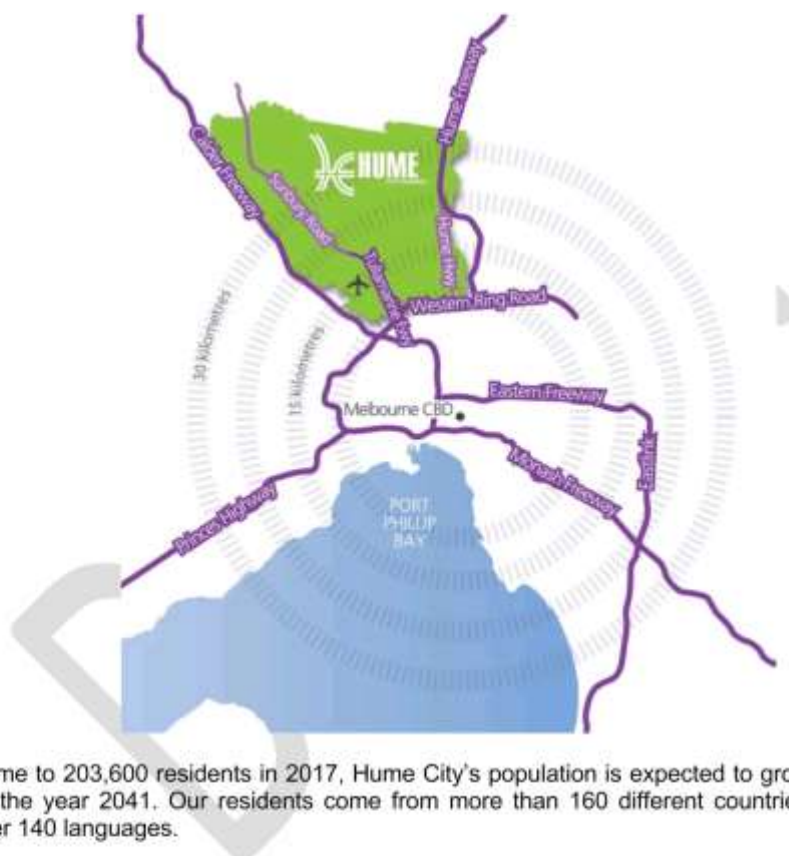
- (iv) to address any over-population and high euthanasia rates for dogs and cats; and
  - (v) to encourage the registration and identification of dogs and cats; and
  - (vi) to minimise the potential for dogs and cats to create a nuisance; and
  - (vii) to effectively identify all dangerous dogs, menacing dogs and restricted breed dogs in that district and to ensure that those dogs are kept in compliance with this Act and the regulations; and
- (d) provide for the review of existing orders made under this Act and local laws that relate to the Council's municipal district with a view to determining whether further orders or local laws dealing with the management of dogs and cats in the municipal district are desirable; and
  - (e) provide for the review of any other matters related to the management of dogs and cats in the Council's municipal district that it thinks necessary; and
  - (f) provide for the periodic evaluation of any program, service, strategy or review outlined under the plan.
- (3) Every Council must—
- (a) review its domestic animal management plan annually and, if appropriate, amend the plan; and
  - (b) provide the Secretary with a copy of the plan and any amendments to the plan; and
  - (c) publish an evaluation of its implementation of the plan in its annual report.

Hume City Council Domestic Animal Management Plan 2017-2021

## 2. About Hume

### 2.2. Snapshot of Hume City

Located just 15 kilometres north of the centre of Melbourne, Hume City is one of the fastest growing and most culturally-diverse communities in Australia. Spanning a total area of 504 square kilometres, Hume City is built around the established suburbs of Broadmeadows, Tullamarine and Gladstone Park in the south, the developing residential suburbs of Craigieburn, Greenvale, Mickleham, Kalkallo and Roxburgh Park in the north-east and the Sunbury township in the north-west. Hume is bound by the local government areas of Moreland, Whittlesea, Brimbank, Macedon Ranges, Melton and Mitchell.



Home to 203,600 residents in 2017, Hume City's population is expected to grow to 345,400 by the year 2041. Our residents come from more than 160 different countries and speak over 140 languages.

### 2.3. Council Plans

#### Hume Horizons 2040

Hume City's community plan, Hume Horizons 2040, is the foundation of Council's Corporate Planning Framework and is a plan for the whole community. Based on extensive community and stakeholder engagement, Hume Horizons 2040 outlines the long-term vision for Hume City, and clearly states our community's expectations and aspirations for the future.

Hume Horizons 2040 consists of a number of themes and strategic objectives in response to the community expectations and aspirations captured during consultation.

Hume City Council Domestic Animal Management Plan 2017-2021

**Council Plan 2017-2021**

The Hume City Council Plan 2017 – 2021 sets a clear strategic direction on important themes including:

- A well-educated and employed community
- A healthy and safe community
- A culturally vibrant and connected community
- A sustainably built and well-maintained City with an environmentally aware community
- A well-governed and engaged community

Under these themes, we have set realistic actions and targets. These together with our strong financial position, our open and accountable leadership and proven track record of getting things done will see the Hume community thrive and prosper in the future.

The Domestic Animal management Plan most closely aligns with Theme 2: A Healthy and Safe Community, which strives to “foster a community which is active and healthy and strengthen community safety and respectful behaviour”.

*Fig 1 – Council Plan 2017 - 2021 Themes*

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



Hume City Council Domestic Animal Management Plan 2017-2021

### 3 Animal Management in Hume

#### 3.1 Data and Statistics

DOGS		
	2013/14	2016/17
No. of registered dogs	17964	18562
No. of menacing dogs	12	20
No. of dangerous dogs	9	8
No. of guard dogs	35	29
No. of Restricted Breed Dogs	40	21
No. of dogs impounded annually	1126	1279
No. of dogs reclaimed	746 (66%)	951 (74%)
No. of dogs rehomed	176 (16%)	165 (13%)
No. of dogs euthanised	204 (18%)	120 (9%)
No. of dogs sent to rescue organisations	(figures not available)	43 (3%)

The most popular dog breed in Hume is the Jack Russell Terrier.

The most popular name for female dogs is 'Bella', and for males is 'Max'.

The majority of cats impounded by Hume are feral, wild or unowned.

CATS		
	2013/14	2016/17
No. of registered cats	5284	6497
No. of cats impounded annually	1478	1962
No. of cats assessed & euthanised under s84O(1) (wild, uncontrollable or diseased & without ID)	1270 (86%)	1479 (75%)
No. of cats euthanised after holding period	(Total euthanasia-breakdown not available)	147 (7%)
No. of cats reclaimed	60 (4%)	40 (2%)
No. of cats rehomed	148 (10%)	229 (11%)
No. of cats sent to rescue organisations	(figures not available)	67 (3%)

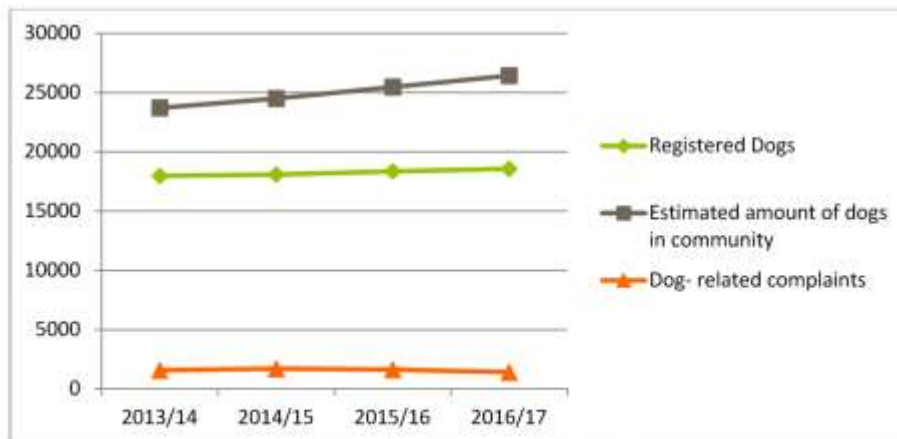
Enforcement		
	2013/14	2016/17
Animal infringements issued	1137	1302
Prosecutions (not inc. unpaid infringements)	13	26
No. Animal Complaints	3535	4952

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Hume City Council Domestic Animal Management Plan 2017-2021

### 3.2 Trends and Assumptions

Data on animals within Hume City Council is able to be gathered through a variety of sources, but there is some data that is unknown and must be assumed or extrapolated based on what we do know. For example, it is impossible to know how many unregistered animals are in the community, or how many animal issues go unreported. Using statistical data and observed trends, we are able to make some educated estimates.



According to Animal Medicine Australia's 2016 survey, 38% of Australian households own a dog, and 29% of households own a cat. Using those figures with the number of households in Hume, we are able to see the estimated dog population in comparison with the amount of registered dogs. As shown in the graph above, the dog registration rate has remained fairly static, while the estimated population has increased along with the number of households. This indicates that there is a significant amount of dogs that are unregistered in the community- approximately 7800 dogs as of 2016/17. The disparity between estimated cats in the community and the amount of registered cats is even greater. The 2016 survey indicated that 29% of households own a cat, which indicates that there may be up to 19,500 owned cats in 2016/17, while only 6497 are registered. This is not taking into account feral or wild cats.

The graph also shows that dog-related complaints have decreased despite the increasing amount of dogs in the community. This may be an indication that Council's efforts to reduce dog attacks, wandering dogs, barking dogs and similar complaints are effective.

### 3.3 Community Consultation

Between 24 February 2017 and 13 April 2017, Council conducted a community survey to inform the contents of this Plan. Invitations to complete the survey were sent out with approximately 26,000 animal registration renewals, and surveys were conducted in person at Craigieburn Festival, Broadmeadows Street Festival and SunFest. In addition, links to the survey were shared on Council's website and social media.

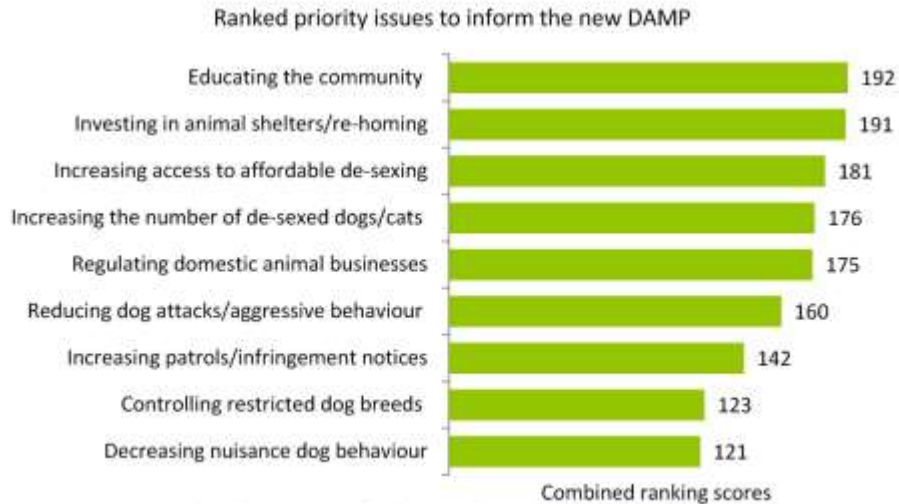


Hume City Council Domestic Animal Management Plan 2017-2021

Council received 36 complete survey responses and 3 incomplete survey responses. This was a disappointing response rate that does not provide a suitable sample for accurate statistical analysis. However, some of the results of the survey are included in the Plan as background.

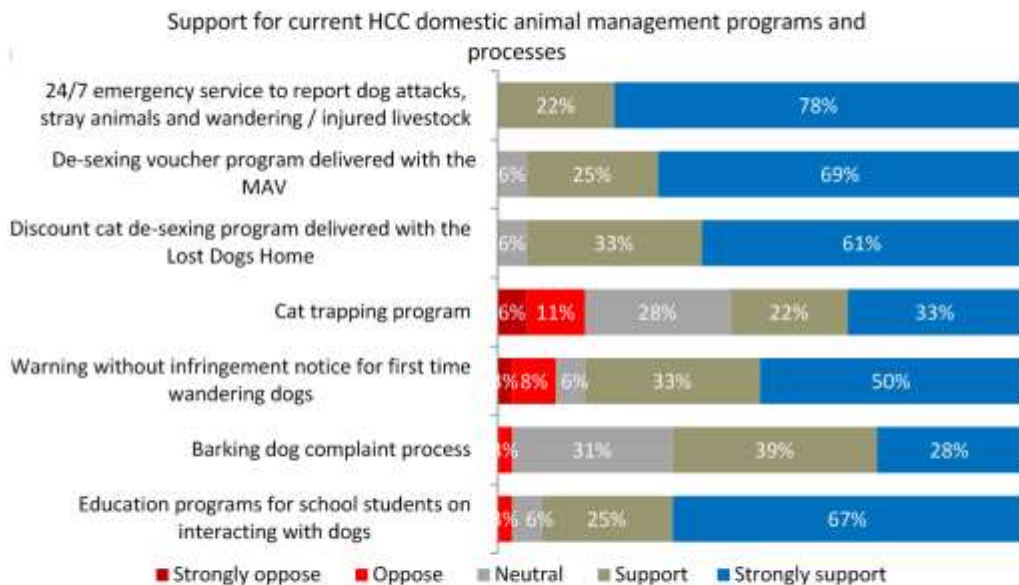
**Priorities**

Respondents were asked to prioritise nine issues to inform the new DAMP, with the results displayed below.



**Current Domestic Animal Management programs**

The survey asked respondents to rate their support of current animal management programs and processes. The majority of respondents were supportive of Council’s current programs and processes (see below).



#### Hume City Council Domestic Animal Management Plan 2017-2021

Five respondents out of 34 indicated they had reported a domestic animal management issue to HCC in the past 12 months. Three of the reports concerned stray and trespassing cats. The other two issues concerned stray and barking dogs.

Of the five, three respondents were not satisfied with the process. One reported being 50 per cent satisfied and one was satisfied. All reported being unsatisfied with the outcome. Only one respondent left a comment on why they were dissatisfied; this comment was "the dog was back that evening".

All provided suggestions for how to improve the process or the outcomes. Three of the improvements were concerned with cat trapping. Two of these suggestions were for more information from HCC about how to care for the welfare of cats caught.

The remaining comment about cat trapping was to have the requirement lifted of telling neighbours a cat trap is being set and for it to be easier to access cat traps.

The final suggestions and comments were that HCC reporting processes took too long and that an animal reported should not have been returned to the owner.

#### ***Comments and suggestions***

Respondents had the opportunity to make comments related to the survey questions or animal management issues in general.

Some respondents suggested other issues which should be considered as part of the new DAMP. The majority of these 14 suggestions concerned cats. Specific suggestions included:

- implementing cat curfew (six references and two emails from community members) with cited concerns about the impact of cats on wildlife (three references)
- need for desexing (two references) with a suggestion for this to be mandatory for non-breeders
- cat registration costs being on par with dogs (1 reference).

Three comments concerned dogs. Two of these were specifically related to public spaces for dogs, these being a request for off leash space in Greenvale and better water bowls than the water bowls currently available in Craigieburn Dog Park. Another dog-related request was for the definition of working dogs to include assistance dogs.

Thirteen respondents left a mixture of suggestions for how HCC could improve its communication of domestic animal management issues. The top suggestion was for direct communication from HCC in the form of letters, newsletters, website links, brochures and information sent out with annual animal registrations. For example:

Post leaflets in the mail once a year that includes basic information about responsible pet ownership and also directing to HCC website for further information. Include links to RSPCA, welfare shelters etc.

Other suggestions were for information to be displayed via signs/notice boards where dog owners frequent and flyers/posters in community locations, such as community notice boards. Additional suggestions were for events, such as pop up information sessions or charity dog walks.

#### Hume City Council Domestic Animal Management Plan 2017-2021

One respondent stated that HCC did not need to do any more as it should be the responsibility of domestic animal owners.

Twelve respondents suggested additional programs and activities for HCC to consider delivering. The majority were concerned with greater enforcement through more patrols, the use of cameras and cat curfews. Also requests were for HCC to be more responsive to complaints and ongoing professional development for CLOs.

There were many comments concerning improvement to dog on and off-leash spaces. Included was critique of the new Sunbury Dog Park, need for a dog off-leash park in Greenvale, need for all parks to have small dog areas that should be enticing spaces to socialise their dogs. One written correspondence was especially concerned with dogs in inappropriate places – in this instance Sunbury Cemetery, with the request for extra patrols.

There was a desire for more education of domestic animal owners and engagement from HCC with regard to the buildings on new dog parks and on issues of domestic animal management.

### **3.4 Council Plan Consultation**

During the development of the 2017-2021 Council Plan, several actions were identified to achieve the goal of improving responsible animal management. Those actions are described in the following table.

In the preparation of the Council Plan, Council embarked on an ambitious community consultation and engagement process to inform the development of Council Priorities. This included:

- Three place-based 'Council Priorities' world café style workshops which focused on the five themes of Hume Horizons 2040 and included a participative budgeting exercise;
- Ten pop-up engagement sessions at local shopping centres and a further two pop-up engagement sessions at local community events/festivals
- Small group/one-on-one discussions with key stakeholders and written submissions from community groups and interested individuals.

A draft copy of the Council Plan was put out for public comment, and residents were invited to provide submissions based on the Draft.

Over the page are the actions contained within the adopted Council Plan for the next four years.

Hume City Council Domestic Animal Management Plan 2017-2021

Hume City Council Plan 2017-2021

Strategic Objective 2.2: Strengthen Community Safety and Respectful Behaviour

Community Expectation: The health and safety of Hume residents, pets and fauna are protected through responsible and considerate animal management.

What we want to do...	How we will do it...			
<p>Improve responsible animal management.</p>	<p><b>2017/18 action</b></p> <ul style="list-style-type: none"> <li>Finalise the Domestic Animal Management Plan 2017-2021 and commence implementation.</li> <li>Investigate options for improving animal registrations and management including:                             <ul style="list-style-type: none"> <li>Registration when animals are microchipped</li> <li>Free registration periods to increase registration rates</li> <li>Community engagement/ education on responsible pet ownership</li> <li>Considering Council's position on cat-curfews.</li> </ul> </li> <li>Consider options for reducing the number of feral cats in Hume City to protect local flora and fauna (E.g. trapping)</li> <li>Explore opportunities to partner with surrounding councils for the provision of a regional animal shelter, including for non-domestic animals.</li> </ul>	<p><b>Proposed 2018/19 action</b></p> <ul style="list-style-type: none"> <li>Implement and monitor initiatives to improve animal registration, desexing and microchipping</li> <li>Continue to explore opportunities to partner with surrounding councils for the provision of a regional animal shelter, including for non-domestic animals.</li> </ul>	<p><b>Proposed 2019/20 action</b></p>	<p><b>Proposed 2020/21 action</b></p> <ul style="list-style-type: none"> <li>Review the Domestic Animal Management Plan 2017-2021.</li> </ul>



Hume City Council Domestic Animal Management Plan 2017-2021

## 4 Training of Authorised Officers

68(A)(2)(b) Outline programs for the training of authorised officers to ensure that they can properly administer and enforce the requirements of this Act in the Council's municipal district

### 4.4 City Laws Team

The City Laws team is responsible for animal management in Hume City Council. The City Laws department is a part of the Governance division, which sits under the Corporate Services directorate.

The City Laws team consists of seven City Laws Officers and a trainee, who are supervised by the City Laws Team Leader and the City Laws Coordinator and supported by two administration officers. All City Laws Officers are multi-skilled and carry out a range of Local Laws and Animal Management duties. Each City Laws Officer is an Authorised Officer of Council, and may enforce any of the following legislation:

- Hume City Council General Local Law 2013
- Prevention of Cruelty to Animals Act
- Local Government Act
- Country Fire Authority Act 1958
- Domestic Animals Act 1994
- Impoundment of Livestock Act
- Road Safety Rules
- Metropolitan Fire Brigade Act 1958

In addition, City Laws Administration staff have completed related qualifications and industry training, and are able to assist when required.

Officer's skills and knowledge are developed through a mix of 'hands on' training, structured and accredited courses, and industry training.

### 4.5 Current and Planned Training

	Officer							
	x= completed or currently completing							
	1	2	3	4	5	6	7	8
<b>Qualifications</b>								
Certificate IV in Animal Control & Regulation	x	x	x	x	x	x	x	
Certificate IV in Statutory Compliance or Local Government	x	x	x	x	x	x	x	
<b>Industry Training</b>								
DEDJTR- training and information days	Attended on a rotating basis							
AIAM Conference	Attended on a rotating basis							
Microchip Implant Training	x	Planned in 2018						
Animal Handling	x	x	x	x	x	x	x	
Canine Breed Identification	x	x	Planned in 2017					
Interview and Statement Taking	x	x	x	x	x	x	x	VACANT
Computer Skills	x	x	x	x	x	x	x	
Privacy Training	x	x	x	x	x	x	x	
Firearms Training	x	x	x	Planned in 2018				
Induction Program for new staff	x	x	x	x	x	x	x	
Conflict Resolution	x	x	x	x	x	x	x	
<b>OH&amp;S Training</b>								
Manual Handling	x	x	x	x	x	x	x	
First Aid	x	x	x	x	x	x	x	
Dealing with Aggressive Customers	x	x	x	x	x	x	x	
Family Violence Awareness	x	x	x	x	x	x	x	

Hume City Council Domestic Animal Management Plan 2017-2021

**4.6 Our Plans**

In order to maintain the high quality of Authorised Officer Training that Hume has established, we intend to achieve the following objectives over the next four years.

**Objective 1:** Ensure Authorised Officer training continues to meet changing community needs.

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Annually review each officers learning and development needs	Annually	Individual training plans developed
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Ensure all staff have completed Child Safe training to comply with Child Safe Organisation requirements	Annually	All staff have completed Child Safe training

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Hume City Council Domestic Animal Management Plan 2017-2021

## 5. Registration and Identification

68A(2)(c)(v) Outline programs, services and strategies to encourage the registration and identification of dogs and cats - also addresses 68A(2)(a),(c)(i),(c)(ii),(d),(f)

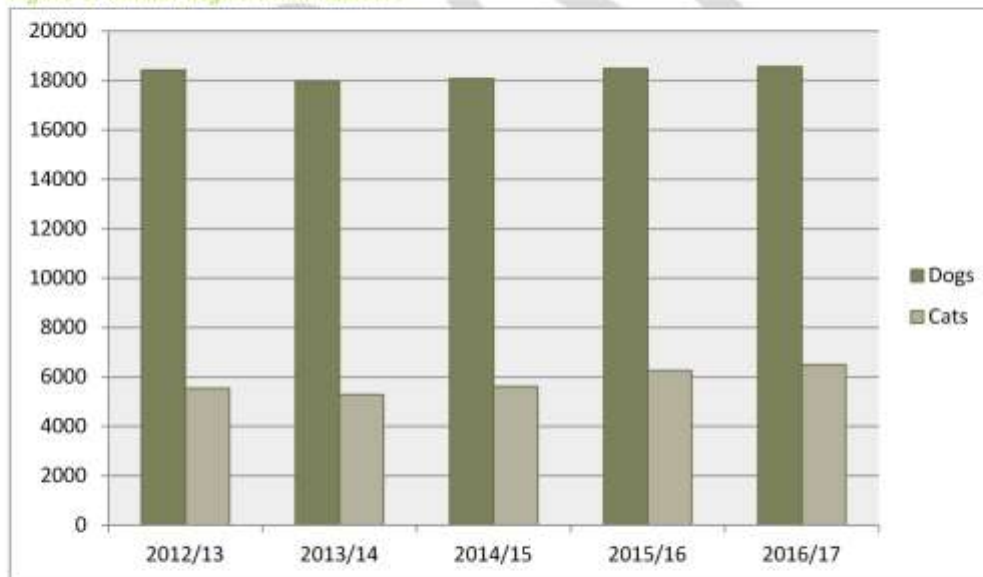
### 5.1 Current Situation and Data

Registration is one of the most important aspects of responsible pet ownership. Registered and identifiable domestic animals allow for more effective and efficient animal management strategies. Identification of animals is critical in investigating complaints, and registered animals are generally able to be more quickly reunited with their owner in the event that they stray.

Registration of dogs and cats has increased in Hume over the last three years (see figure 2), however it is estimated that there may be as many 7,600 unregistered dogs in the municipality (according to figures released in the *Pet Ownership in Australia Summary*, Animal Medicine Australia). The number of unregistered cats is hard to estimate due to the large population of feral and unowned cats in the area.

According to the DAMP survey results, 100% of respondents were aware of the requirement to register dogs and cats over three months of age.

Figure 2: Animal Registration numbers



#### Our Local Laws, Orders, Policies and Procedures

##### Hume City Council General Local Law 2013

5.1.1 Without a permit, an owner or occupier of land less than 4000 square metres in area and situated in a residential area must not keep more than 2 dogs over 3 months old, or 2 cats over 3 months old.

5.1.3 Without a permit a person must not keep in any flat or unit more than 1 dog over 3 months old or 1 cat over 3 months old

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**Policies and Procedures**

Council has Standard Operating Procedures for investigating unregistered animals

**5.1.1 Current Activities**

Education	Compliance
<ul style="list-style-type: none"> <li>• School education programs –upon request</li> <li>• Promote responsible pet ownership through the website and social media</li> <li>• Information about registration process and fees on website and on-hold message</li> <li>• City Laws attends various local festivals and events in the Municipality to encourage people to register their pets</li> <li>• A Variable Message Board is used to display animal registration messages throughout the municipality</li> <li>• Registration forms and information available at all local vets</li> <li>• Information on registration placed in local newspapers and Hume Pride newsletter</li> <li>• Allow online registration</li> <li>• SMS reminders for animal registration renewals</li> </ul>	<ul style="list-style-type: none"> <li>• Annual animal registration renewal notices followed up with reminder notices SMS message phone call</li> <li>• Investigate all unregistered animal complaints</li> <li>• Issue infringement notices for failing to re-register/register</li> <li>• All Authorised officers equipped with microchip scanners and laptops/tablets to check registrations when on patrol</li> <li>• Ensure that all seized or impounded animals are registered prior to release</li> <li>• Follow up registration for animals sold by a Domestic Animal Business</li> <li>• Follow up registration for animals that have been microchipped</li> </ul>

**5.1.2 Summary**

Increasing animal registrations is a key focus of this Plan, as the benefits to the community and the animals are significant. Offering online registration is considered to be a key step forward in making animal registration simple and accessible. Survey results indicated 65.6 per cent (or 21 of 32 respondents) were aware they could register their cat or dog online. Eighty-one per cent (or 17 of 21 respondents) had used the online registration process. The remaining respondents reported that they intended to (9.5% or 2) or that they preferred the paper-based registration process (9.5% or 2).





Hume City Council Domestic Animal Management Plan 2017-2021

5.2 Our Plans

<b>Objective 2: Increase the number of animal registrations by 3% annually</b>		
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Develop an Animal Registration Communications Plan to increase the effectiveness of our education activities	2017/18, reviewed annually	Review reach of information on website and social media
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Consider transitioning to lifetime registration tags instead of annual tags	2017/18	Decision made by Council on whether to implement lifetime tags
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Investigate the viability of free registration periods	2017/18	Viability investigated and results put to Council
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Invite local vets and shelters to become Agents of Registration for Council	2017/18	Vets approached and number that become Agents
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Implement a dedicated resource to door-knock specific areas and identify unregistered animals	2018/19	Number of registrations received over and above normal trends

Hume City Council Domestic Animal Management Plan 2017-2021

## 6 Nuisance

68A(2)(c)(vi) Outline programs, services and strategies to minimise the potential for dogs and cats to create a nuisance- also addresses 68A(2)(a),(c)(i),(c)(ii),(d),(f)

### 6.1 Current Situation and Data

The most common nuisance complaints received by Council relate to cats and dogs contained for collection, and dogs wandering at large. Cats confined for collection recorded the greatest number of reports (see Figure 3).

Council has established two purpose-built dog parks in the municipality, one in Craigieburn and one in Sunbury. The aim of creating these fenced spaces was to allow dog owners to exercise their dogs in a safe and enriching environment.



Planning is currently being undertaken to establish a purpose-built dog park in the Broadmeadows area.

In 2015, Council conducted a survey of 145 people to understand the community's use and impression of the Craigieburn Dog Park. 73% of people rated their overall experience with the park as 'good' to 'very good'. Suggestions for improvement included a barrier between the zone and the small dog zone, more drinking fountains and seating. These changes were implemented in April 2017.

The DAMP 2017 survey attracted many comments regarding current and future off-leash areas, including requests for fenced off-leash parks in different suburbs and suggestions to improve the facilities in current parks.

To help with the issue of wandering dogs, Council has in recent years been more pro-active in seeking s84W orders against residents that own dogs that are impounded repeatedly. S84W of the Domestic Animal Act states:

*If the of a dog or cat is found guilty by the Magistrates' Court of an offence under section 23(4), 24(1), 24(2) or 25(1), the Court may make an order requiring the owner to carry out the works that are specified by the Court for the purpose of ensuring that the animal, which is the subject of the offence, is not able to escape from the owner's premises.*

Council currently has active s84W orders in place for 21 dogs, and has seen a significant drop in wandering at larges complaints against those dogs.

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Figure 3: Animal Requests/Complaints

Complaint/Request	2012/2013	2013/2014	2014/2015	2015/2016	2016/2017
Confined cat for collection	1125	1084	1297	1289	1501
Dogs wandering at large	511	433	487	402	340
Contained dogs for collection	621	660	679	670	1119
Cat trapping program	164	184	355	361	217
Cat complaint	29	53	113	189	62
Barking dogs	69	79	170	199	94
Total	2,519	2,493	3,101	2,906	3,333

**Our Local Laws, Orders, Policies and Procedures**

**Hume City Council General Local Law 2013**

2.3.1: A person in charge of a dog in a municipal place or on a road must:  
a) not permit the excrement of the dog to remain on or in that municipal place or road; and  
b) carry a device suitable for the picking up and cleaning up of an excrement that may be deposited by the dog.

5.1.1 Without a permit, an owner or occupier of land less than 4000 square metres in area and situated in a residential area must not keep more than 2 dogs over 3 months old, or 2 cats over 3 months old.

5.1.3 Without a permit a person must not keep in any flat or unit more than 1 dog over 3 months old or 1 cat over 3 months old

5.3.1 Any structure used for animal housing must be maintained –

- a) in a clean, inoffensive and sanitary condition,
- b) so as not to cause any nuisance, and
- c) to the satisfaction of an Authorised Officer

**Policies and Procedures**

Council has Standard Operating Procedures for investigating barking dog complaints, wandering dog complaints and cat complaints.

**Council Orders**

Council has a 'Dogs in Public Places Policy', and is currently in the process of adopting an updated version of that policy.

Pursuant to Section 26 of the Domestic Animals Act, Council has gazetted by Order of Governor in Council area to be deemed No Dog areas and Off Leash areas. A map and list of these areas can be found at [www.hume.vic.gov.au](http://www.hume.vic.gov.au)

**6.1.1 Current Activities**

**Education**

- Distribute brochures produced by DEDJTR on barking dogs and building cat enclosures.
- Registered dogs are issued a Caution Notice on their first Wandering at Large offence.

**Compliance**

- Recording and investigation of all nuisance complaints
- Free cat trapping program offered to residents



Hume City Council Domestic Animal Management Plan 2017-2021

- Signage placed in parks outlining regarding leash requirements (currently under review for improvement)
- Information on website and social media about:
  - Barking dog management
  - Off leash areas, and control of off-leash dogs
  - Free nuisance cat trapping program provided to residents
  - Confining dogs to property
- City Laws Officers conduct Park Patrols and educate residents on local laws
- Dog waste bags & holders handed out at festivals and events
- Partnered with Lost Dogs Home to provide free or discounted registration for cats using a mobile desexing van.
- Issue Notice to Comply/Notice of Objection/Notice of Abatement/ infringements where necessary
- Orders are sought in the Magistrates Court under section 84W of the Domestic Animals Act when a dog has been impounded more than 3 times in a short time period.
- Patrol parks and streets
- Enforce limits on number of animals allowed on properties.

**6.1.2 Summary**

The collection of stray and feral cats and requests for cat traps make up 50% of all nuisance complaints, followed by contained and wandering dogs at 48%.

Barking dog complaints spiked in 2014/15 and 2015/16, and reduced in 2016/17.

**6.2 Our Plans**

<b>Objective 3: Reduce nuisance dog complaints</b>		
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Review and update the 'Dogs in Public Places Policy'	2017/18	Updated policy adopted
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Investigate viability of providing dog training at Council's established dog parks.	2018/19	Attendance at dog park trial training sessions
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Review information that is sent out regarding barking dogs and wandering dogs	2018/19	Review undertaken and information updated.

Hume City Council Domestic Animal Management Plan 2017-2021

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Review the Local Law to ensure current regulations are effective	2020/21	Local Laws reviewed and amended if appropriate.

**Objective 4: Reduce amount of nuisance cats**

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Expand the cat trapping program	2017/18	Number of traps provided to residents
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Expand the partnership with Lost Dogs Home to provide discounted and free desexing of cats	2018/19	Number of events held, number of cats desexed
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Investigate the viability of implementing a cat curfew	2017/18	Decision made by Council on whether to implement curfew

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Hume City Council Domestic Animal Management Plan 2017-2021

## 7 Dog Attacks

68A(2)(c)(iii) Outline programs, services and strategies to minimise the risk of attacks by dogs on people and animals- also addresses 68A(2)(a),(c)(i),(c)(ii),(d),(f)



### 7.1 Current Situation and Data

Preventing and investigating dog attacks is a critical function of the City Laws Department. Reports of dog attacks per capita have held fairly steady in recent years, however it is impossible to know how many incidents go unreported.

Anecdotally, when investigating dog attacks our Officers are quite often told that there had been previous incidents involving the same dog that were not reported. During the Domestic Animal Management Plan survey in 2017, 8 out of 34 respondents indicated that they had felt threatened or been attacked by a dog in Hume within the last 12 months. Only 2 out of the 8 reported the incident to Council at the time.

	2012/2013	2013/2014	2014/2015	2015/2016	2016/17
No. of Dog Attack report	142	158	191	168	174
Dog attack reports (Per Capita)	7.9	8.6	8.7	8.7	8.6
Population	178,338	183,556	189,015	194,006	201,304

### Our Local Laws, Orders, Policies and Procedures

#### Policies and Procedures

Council has Standard Operating Procedures for investigating dog attacks, dog rushes and threatening dog complaints, as well as for the seizure and prosecution of dogs involved in attacks.



Hume City Council Domestic Animal Management Plan 2017-2021

Council operates a 24/7 emergency after hours service to respond to animal-related issues

**7.1.1 Current Activities**

<b>Education</b>	<b>Compliance</b>
<ul style="list-style-type: none"> <li>• Distribute brochures produced by DEDJTR</li> <li>• Encourage residents to report attacks and near misses</li> <li>• Promote effective confinement of animals</li> <li>• Information on website and social media about dog attacks</li> <li>• Presentation to school children on how to approach dogs – upon request</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure all dog attack complaints are recorded and investigated</li> <li>• Understanding in place with Victoria Police to assist with enforcement of Domestic Animals Act</li> <li>• Prosecution of dog attack offences</li> <li>• Declare attacking dogs menacing/dangerous if appropriate</li> <li>• Patrol parks and streets</li> </ul>

**7.1.2 Summary**

Dog attacks and aggressive dogs have a large impact on the community, and preventing dog attacks is a high priority of this Plan. As the table at 7.1 shows, incidents of dog attacks per capita have remained largely static over the past five years.

A key part of reducing dog attacks is ensuring that dog owners are responsible, and that they keep their dog confined and under effective control, socialised and well exercised. Hume City Council encourages this by providing dog parks, offering reduced registration fee for obedience trained dogs and following up reports of dogs that are not securely confined.

The management of dog attacks when they have occurred is also important, and prosecuting or infringing owners of attacking dogs, and declaring dogs menacing or dangerous are important tools that can be used to prevent further attacks.

**7.2 Our Plans**

**Objective 5:** Educate dog owners on their responsibilities in regards to dog attacks

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Produce education material to be provided to dog owners where threatening or intimidating dog behaviour has been reported	2018/19	Material created and distributed

Hume City Council Domestic Animal Management Plan 2017-2021

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Promote successful prosecution outcomes	Ongoing	Number of media releases
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Patrol off-leash dog parks and provide information to dog owners	Ongoing	Number of patrols conducted

**Objective 6:** Create an enforcement policy to ensure consistent and transparent investigation of dog attacks

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Create internal guidelines for dog attack outcomes eg destruction order, dangerous or menacing declarations	2017/18	Guidelines developed and implemented
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Create an information pack to give to owners of dogs involved in attacks so they are aware of possible outcomes and consequences	2017/18	Information pack developed and distributed





Hume City Council Domestic Animal Management Plan 2017-2021

## 8 Dangerous, Menacing and Restricted Breed Dogs

68A(2)(c)(vii) Outline programs, services and strategies to effectively identify all dangerous dogs, menacing dogs and restricted breed dogs in that district and to ensure that those dogs are kept in compliance with this Act and the regulations- also addresses 68A(2)(a),(c)(i),(c)(ii),(d),(f)

### 8.1 Current Situation and Data

The community expects that Council will utilise all available legislation to control dangerous, menacing and restricted breed dogs. Council currently has 78 registered dogs that are dangerous, menacing or restricted breed (see figure 4).

A dog may be declared dangerous if it has attacked causing serious injury to a person or animal, is trained to attack, or kept as a guard dog on a non-residential property.

A dog may be declared menacing if the dog has rushed at or chased a person or bitten any person or animal causing non-serious injury.

A restricted breed dog is any one of the following breeds: Japanese Tosa, fila Brasileiro, dogo Argentino, Perro de Presa Canario (or Presa Canario), or American Pit Bull Terrier (or Pit Bull Terrier).

The table below shows the number of menacing, dangerous, guard and restricted breed dogs registered in Hume.



	2007/08	2013/14	2016/17
Restricted Breed Dogs	6	40	21
Dangerous Dogs	1	9	8
Guard Dogs	51	35	29
Menacing Dogs	1	14	20
<b>Total:</b>	<b>59</b>	<b>98</b>	<b>78</b>

Figure 4: Declared dangerous, menacing and restricted breed dogs registered in Hume at commencement of each DAMP

### Our Local Laws, Orders, Policies and Procedures

#### Policies and Procedures

Council animal registration form requires all owners to sign a declaration stating that the dog is not a restricted breed.

Council has Standard Operating Procedures for the identification, declaration and management of menacing, dangerous and restricted breed dogs.

Hume City Council Domestic Animal Management Plan 2017-2021

**8.1.1 Current Activities**

**Education**

- Distribute Dangerous and Guard Dog brochures produced by DEDJTR
- Ensure owners of declared dogs are aware of their obligations under the Domestic Animals Act
- Provide information on dangerous, menacing and restricted breed dogs on our website

**Compliance**

- All restricted breed and dangerous dog complaints are investigated by a Senior City Laws Officer
- All declared dogs are recorded on the Victorian Dangerous Dog Registry.
- Patrol industrial areas to identify unregistered guard dogs.
- Annual inspections of all declared dogs
- Prosecution on non compliance

**8.1.2 Summary**

Council will continue to achieve a high rate of compliance with dangerous, menacing and restricted breed dogs by inspecting annually and prosecuting non-compliance.

**8.2 Our Plans**

**Objective 7:** Continue to achieve a high level of compliance for declared dogs

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Create an information pack to be given to owners when a dog is declared	2019/20	Pack created and distributed
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Ensure the Victorian Dangerous Dog Registry is kept up to date	Ongoing	Annual audit of VDDR and Council's registration and inspection records.

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## 9 Overpopulation and Euthanasia

68A(2)(c)(iv) Outline programs, services and strategies to address any over-population and high euthanasia rates for dogs and cats- also addresses 68A(2)(a),(c)(i),(c)(ii),(d),(f)

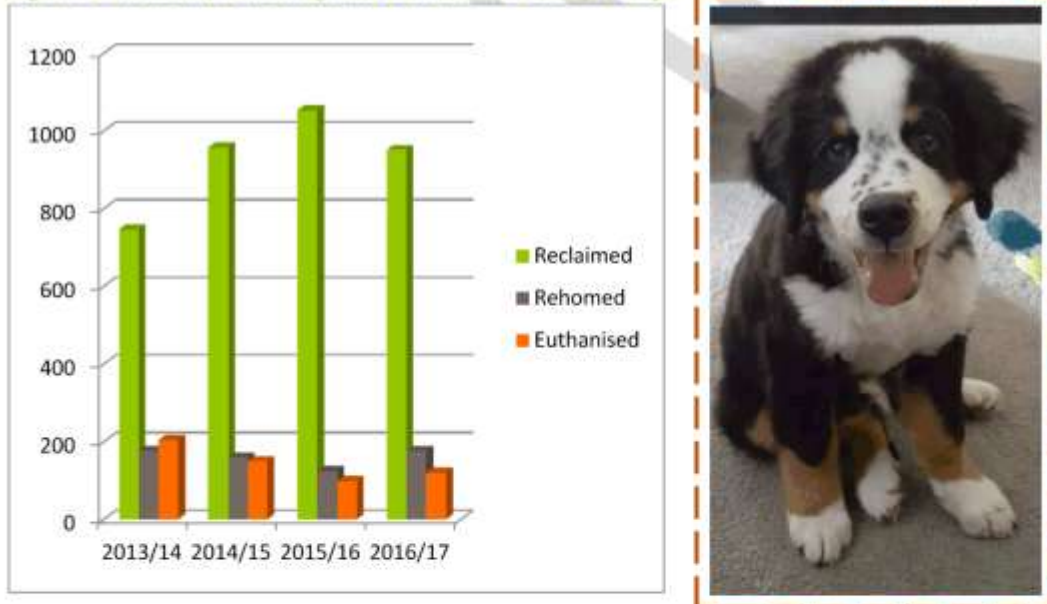
### 9.1 Current Situation and Data

Hume is committed to ensuring that as many animals as possible are reunited with their owners. Increasing registration is the most important aspect of that, and as such we have taken steps to make the process of registration as easy as possible. Residents can now register their pets with Hume online, where previously residents had to come to a Customer Service Office to register their pets in person. Online registration is much more convenient for people who work full time and found it difficult to find time to register in person. Online registration has proven to be very successful.

If an animal cannot be reclaimed and is assessed as suitable for adoption, ideally they will be rehomed through our contracted pound service. Our contracted pound service has made significant improvements regarding rehoming animals in recent years by partnering with dog rescue organisations.

As shown in Figure 5 below, reclaim rates for dogs have increased and the number of dogs euthanised has dropped dramatically since 2009/10, despite more dogs being impounded each year.

Figure 5- Reclaim, rehoming and euthanasia rates for dogs



Cats impounded in Hume have a much higher euthanasia rates. The majority of cats impounded in Hume are feral and unowned, therefore there is no possibility of reclaiming or rehoming.

Of the cats impounded that are not feral, the majority are not registered or identifiable, and are not reclaimed by owners. This is an issue that challenges Councils around Victoria.



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In order to address the number of unwanted cats and kittens that are impounded by Council each year, Council has partnered with the Lost Dogs Home Mobile Desexing Van to provide free and discounted desexing for cats within the municipality.

**290 Cats Desexed**  
as at 30 June 2017



Council also participates in the Municipal Association of Victoria Desexing Voucher Scheme, where participating vets offer desexing at a discounted rate to low income earners. Council then pays 33% of the discounted cost, with the animal owner paying the rest.

Desexing cats is the best way to reduce the population of cats. As the diagram below shows, just one breeding pair of cats can have a huge amount of offspring. Hume City Council will continue to support and encourage residents in having their cats desexed.



An unspayed female cat, her mate, and all of their offspring producing 2 litters per year, with 2.8 surviving kittens per litter can total :



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In a previous iteration of Council's DAMP, the effectiveness of compulsory desexing for cats was investigated. It was found at that time that the vast majority of registered cats were already desexed. This continues to be true, with 95% of registered cats desexed.

**Our Local Laws, Orders, Policies and Procedures**

**Hume City Council General Local Law 2013**

5.1.1: Without a permit, an owner or occupier of land less than 4000 square metres in area and situated in a residential area must not keep more than 2 dogs over 3 months old or 2 cats over 3 months old.

5.1.3: Without a permit a person must not keep in any flat or unit more than 1 dog over 3 months old or 1 cat over 3 months old

5.1.5: Where a person applies for a permit under sub-clause 5.1.1, 5.2.2 or 5.1.3, he or she must ensure that dogs and cats listed on the permit application desexed before a permit will be issued or granted.

5.1.6: Sub-clause 5.1.5 does not apply if the owner is registered to an applicable animal organisation or the animal cannot be desexed due to health reasons verified by a veterinary certificate.

**Policies and Procedures**

Council has Standard operating procedures for the excess animal complaints, cat trapping, cat complaints and dog surrenders

**9.1.1 Current Activities**

**Education**

- Actively promote MAV desexing voucher program
- Partner with Lost Dogs Home to provide discounted and free desexing for cats
- Promote registration and microchipping so pets can be reunited
- Promote responsible pet ownership through website and social media
- Registered dogs that are found wandering at large are returned immediately when possible
- 24/7 After Hours phone service provided so that found dogs wearing current registration tags can be returned immediately
- Established s84Y agreement with local shelter to rehome surrendered dogs

**Compliance**

- Reports of excess animals and hoarding are recorded and investigated
- Free cat trapping program for residents
- Investigate 'backyard breeders' to determine if they need to register as a DAB
- Annual inspections of all declared dogs
- Prosecution of non-compliance regarding excess animals

**9.1.2 Summary**

Reducing euthanasia rates is a priority for the community and for Council. Since the last DAMP, Council has been heavily focused on improving the number of animals reclaimed after impoundment. The figures show that this has caused a large improvement in the amount of dogs reclaimed, but the reclaim and euthanasia rates for cats have not improved. While providing a cat trapping program for residents helps to manage the problem of feral nuisance cats, it means that the number of cats euthanised each year has increased because they are not owned and are not suitable for rehoming. Although in the past Council has considered enforcing compulsory

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desexing of cats, our research showed that the vast majority of cats that are registered are already desexed.

Council considers that the most effective way to address the nuisance cat program is to increase our cat trapping program, while also increasing our desexing program to prevent unwanted kittens.

9.2 Our Plans

**Objective 8:** Reduce the amount of un-desexed animals in the municipality

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Expand the funding discounted and free desexing of cats through the Lost Dogs Home Desexing Van	2018/19	Increased number of cats desexed
Promote the benefits of desexing through Council's website and social media, including the reduced registration fee	Ongoing	Information reviewed annually
Investigate providing incentives to register desexed dogs, eg showbags, discount vouchers etc	2020/21	Incentive/s implemented for registering a desexed animal.

**Objective 9:** Increase the reclaim rate of dogs by 5%

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Place photos of impounded, unidentifiable dogs on a website or Facebook page	2017/18	Review reclaim rate
Investigate entering s84Y agreements with local vets to allow the return registered pets to owners	2018/19	84Y agreements entered into with all interested vets



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## 10 Domestic Animal Businesses

68A(2)(c)(ii) Outline programs, services and strategies which the Council intends to pursue in its municipal district to ensure that people comply with this Act, the regulations and any related legislation- also addresses 68A(2)(a),(c)(i),(d),(f)

### 10.1 Current Situation and Data

There are currently 18 Domestic Animal Businesses (DABs) registered with Hume City Council. Hume's close proximity to the Melbourne International Airport means that it is a popular location for Animal Boarding facilities, and we also have pet shops, breeding establishments and animal shelters (see Figure 7).



Figure 7 - Domestic Animal Businesses in Hume

Boarding Establishments	10
Pet Shops	3
Breeding Establishments	3
Animal Shelters	2

#### Our Local Laws, Orders, Policies and Procedures

##### Hume City Council General Local Law 2013

5.1.1: Without a permit, an owner or occupier of land less than 4000 square metres in area and situated in a residential area must not keep more than 2 dogs over 3 months old or 2 cats over 3 months old.

5.1.3: Without a permit a person must not keep in any flat or unit more than 1 dog over 3 months old or 1 cat over 3 months old

5.1.5: Where a person applies for a permit under sub-clause 5.1.1, 5.2.2 or 5.1.3, he or she must ensure that dogs and cats listed on the permit application desexed before a permit will be issued or granted.

5.1.6: Sub-clause 5.1.5 does not apply if the owner is registered to an applicable animal organisation or the animal cannot be desexed due to health reasons verified by a veterinary certificate.

##### Policies and Procedures

Council has Standard operating procedures for investigating domestic animal business complaints and identifying unregistered animal businesses

#### 10.1.1 Current Activities

##### Education

- Provide copy of Code of Practice to business owners
- Link to information about DAB's on Council's website
- Educate on the requirement for animals advertised for sale to be microchipped

##### Compliance

- Audits of DAB's conducted annually and upon complaint
- Monitoring of websites advertising sale of puppies
- Inspection of premises with over 3 fertile females registered to determine whether they need to register as DAB

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- Properties requiring multiple animal permit must have animals desexed before a permit will be issued, unless they are registered with an applicable organisation
- Prosecute non-compliance

**10.1.2 Summary**

Council works with all Domestic Animal Businesses in the municipality to ensure compliance with the relevant Code of Practice.

**10.2 Our Plans**

**Objective 10:** Ensure all premises that meet the definition of a Domestic Animal Business are registered and comply with legislation

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Identify any unregistered animal businesses	Ongoing	Investigate all potential DABs
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Conduct annual audits on all registered DAB's	Annually	All DAB's audited and compliant
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Check records of animals microchipped in Hume to locate people microchipping litters of puppies/kittens	Annually	Breeders identified and investigated



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## 11 Other Matters

*68A(2)(e) Provide for the review of any other matters related to the management of dogs and cats in the Council's municipal district that it thinks necessary*

### 11.1 Emergency Management

Council has an Emergency Animal Welfare Plan as a sub-plan of the Municipal Emergency management Plan.

### 11.2 Regional Pound

As costs increase in the Animal Shelter Contract, it is becoming necessary that we consider other options for the impoundment of animals within Hume City Council.

### 11.3 Review and Evaluation

In order to address s68A(2)(a) and s68A(3), Council will be evaluating the animal management services outlined in this plan annually. The results of this evaluation will be published in the Hume City Council Annual Report.

**Objective 11:** Meet animal- relates obligations in the Council Plan and the Municipal Emergency Management Plan.

<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Explore opportunities to partner with surrounding Councils for the provision of a regional animal shelter	2019/20	
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Test the Emergency Animal Welfare Plan to ensure its effectiveness	2020/21	Test conducted and results evaluated, any learnings incorporated into Plan.
<i>Action</i>	<i>When</i>	<i>Evaluation</i>
Evaluate the implementation of the DAMP	Annually	Plan evaluated and reported on in Council Annual Report.

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**Appendix 1: Action Plan Summary**

Year	Action	Additional Budget/Resources Required	Evaluation
Annually	<b>Objective 1: Ensure Authorised officer training continues to meet changing community needs</b> Annually review each officers learning and development needs	Nil	Individual training plans completed for each officer
Annually	Ensure all staff have completed Child Safe training to comply with Child Safe Organisation requirements.	Nil	All staff completed training
2017/18	<b>Objective 2: Increase animal registration by 3% annually</b> Develop an Animal Registration Communications Plan to increase the effectiveness of our education activities Consider transitioning to lifetime registration tags instead of annual tags	Nil	Review reach of information on website and social media Decision made by Council on whether to implement
2017/18	Investigate the viability of free registration periods	There will be a reduction in registration income that will be offset by the increase in renewal payments after the first year. 1769 new animals were registered in the 2016/17 FY, representing \$186,000 of income.	-Investigated and results put to Council -Council Plan action completed
2017/18	Invite local vets and shelters to become agents of registration	Nil	-All vets in area approached -Meet LGPRF animal reclaim targets
2018/19	Implement a dedicated resource to door-knock specific areas and identify unregistered animals, and follow up unpaid registration renewals.	The cost of a Band 4 Officer, including oncosts is \$74,688. The cost would be offset by the registration fees recouped by the officer. As of July 2017, there are 1864 animals that have not renewed registration, representing \$72,371 in unpaid registration fees.	-Number of animal registrations received increase over and above normal trends. -Number of animals reclaimed from pound increase -Meet LGPRF animal reclaim targets
2017/18	<b>Objective 3: Reduce nuisance dog complaints</b> Review and update the 'Dogs in Public Places Policy'	Nil	Updated policy adopted
2018/19	Investigate the viability of providing dog training at Council's established dog parks	No cost to investigate. Any costs identified in the investigation to be subject to budget considerations.	Investigated and results put to Council
2018/19	Review information that is sent out regarding barking dogs and wandering dogs	Nil	Review undertaken and information updated
2020/21	Review the Local Law to ensure current regulations are effective	Nil	Local Laws reviewed and amended if appropriate
2017/18	<b>Objective 4: Reduce the amount of nuisance cats</b> Expand the cat trapping program	Funds have been allocated in the 2017/18 budget to purchase additional traps.	-Number of traps provided to residents increased by 5%



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2018/19	Expand the partnership with Lost Dogs Home to provide more discounted and free desexing for cats	An additional \$14,000 is required to increase the number of visits by the desexing van by two, desexing an extra 144 cats	-Number of cats collected from trap increase - Increase number of events held - Increase number of cats desexed.
2017/18	Investigate viability of implementing a cat curfew	Nil	-Decision made by Council on whether to implement curfew -Council Plan action completed
<b>Objective 5: Educate dog owners on their responsibilities in regards to dog attacks</b>			
Ongoing	Promote successful prosecution outcomes	Nil	-Number of media releases -Number of articles published
Ongoing	Patrol off-leash areas and provide information to dog owners	Nil	-Number of patrols conducted increase by 50 annually.
2018/19	Produce education material to be provided where threatening or intimidating dog behaviour has been reported	The cost of producing Hume-specific material (including in multiple languages) is estimated to be \$2500. This cost will include production, translation, printing and shipping.	-Repeat complaints about aggressive dogs decrease
<b>Objective 6: Create an enforcement policy to ensure the consistent and transparent investigation of dog attacks</b>			
2017/18	Create internal guidelines for dog attack outcomes eg destruction order, dangerous or menacing declarations	Nil	Guidelines developed and implemented
2017/18	Create an information pack to give to owners of dogs involved in attacks so they are aware of possible outcomes and consequences.	Nil	Information pack developed and distributed
<b>Objective 7: Continue to achieve a high level of compliance for declared dogs</b>			
Ongoing	Ensure the Victorian Dangerous Dog Registry (VDDR) is kept up to date	Nil	Annual audit of VDDR and Council's registration records
<b>Objective 8: Reduce the amount of un-desexed animals in the municipality</b>			
Ongoing	Promote the benefits of desexing through Council's website and social media, including the reduced registration fee	Nil	Information reviewed annually
2018/19	Expand the funding of discounted and free desexing through the Lost Dogs Home desexing Van	As above	-Increased number of events held
2020/21	Investigate providing incentives to registered desexed dogs e.g showbags, discount vouchers etc	No cost to investigate. Any costs identified in the investigation to be subject to budget considerations.	-Increased number of cats desexed investigated and implemented if viable
<b>Objective 9: Increase the reclaim rate of dogs by 5%</b>			
2017/18	Place photos of impounded, unidentifiable animals on a website or Facebook page	Nil	-Meet LGPRF reclaim rate target
2018/19	Investigate entering s84Y agreements with all local vets to allow the return of registered pets	Nil	-Increase reclaim rate of dogs by 5% -Agreements established with all interested vets

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	<b>Objective 10: Ensure all premises that meet the definition of a Domestic Animal Business are registered and comply with the legislation</b>		-Number of animals registered at vets
Ongoing	Identify any unregistered animal businesses	Nil	Investigate and record all potential DAB's
Annually	Conduct audits of all registered DAB's	Nil	All DAB's audited and compliant
Annually	Check records of animals microchipped in Hume to locate people microchipping litters of puppies/kittens	Nil	High volume breeders identified and investigated
Annually	<b>Objective 11: Meet animal-related obligations in the Council Plan and the Municipal Emergency Management Plan</b>	Nil	Plan evaluated and reported on in Council annual report
2019/20	Evaluate the implementation of the DAMP	Nil	Plan evaluated and reported on in Council Plan action completed
2020/21	Explore opportunities to partner with surrounding Council's for the provision of a regional animal shelter	No cost to explore. Any costs identified in the investigation to be subject to budget considerations.	
	Test the Emergency Animal Welfare Plan to ensure its effectiveness	Nil	Test conducted and learnings incorporated into plan.

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## **Appendix 2: List of Acronyms**

AIAM- Australian Institute of Animal Management

DAA- Domestic Animal Act 1994

DAB- Domestic Animal Business

DAMP- Domestic Animal Management Plan

DEDJTR- Department of Economic Development, Jobs, Transport and Resources

LDH- Lost Dogs Home

MAV- Municipal Association of Victoria

OH&S- Occupational Health & Safety

VDDR- Victorian Dangerous Dog Register

<b>REPORT NO:</b>	CC057
<b>REPORT TITLE:</b>	Hume City Council Resolution for MAV State Council meeting in October
<b>SOURCE:</b>	Nina Stephen, Social Policy and Planning Officer
<b>DIVISION:</b>	Planning and Development
<b>FILE NO:</b>	HCC17/780
<b>POLICY:</b>	Responsible Gaming Policy
<b>STRATEGIC OBJECTIVE:</b>	3.1 Foster socially connected and supported communities.
<b>ATTACHMENTS:</b>	Nil

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**1. SUMMARY OF REPORT:**

- 1.1 As a leadership member of the Alliance for Gambling Reform, it is proposed Council puts forward a resolution for the upcoming Municipal Association of Victoria State Council meeting to be held on Friday 20 October 2017. The resolution calls on the Victorian Parliament to legislate for long-term poker machine policy reform which aligns closely with Council's policy position to promote responsible gaming and support initiatives that seek to minimise, prevent or respond to the harms caused by problem gaming.

**2. RECOMMENDATION:**

- 2.1 That Council at the upcoming Municipal Association of Victoria State Council meeting on Friday 20 October 2017, tables the following resolution:

2.1.1 That the Municipal Association of Victoria State Council calls on the Victorian Parliament to use this once in a generation opportunity to legislate for long-term poker machine policy reform, including:

- (a) Pursuing policies which actively manage annual losses to below \$2 billion a year from the current level of \$2.6 billion.
- (b) Incentives for some of Victoria's 502 pokies venues to remove their machines when the current entitlements expire in 2022.
- (c) Reducing the number of poker machine entitlements in Victoria to below 25,000 from the current level of 30,000 whilst retaining the 50-50 split between pubs and clubs.
- (d) Machine redesign to reduce harm and addiction, such as \$1 maximum bets as recommended by the Productivity Commission.
- (e) A reduction in operating hours from the current level of 20 hours a day which sees dozens of pokies venues as the only social opportunity in some parts of Victoria which are open in the middle of the night.

**3. LEGISLATIVE POWERS:**

In accordance with the *Local Government Act 1989* a function of Council is to endeavor to achieve the best outcomes for the local community, having regard for the long-term cumulative health and wellbeing effects of its decisions.

**REPORT NO: CC057 (cont.)**

**4. FINANCIAL IMPLICATIONS:**

There are no financial implications for Council which will arise from this Report.

**5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:**

There are no environmental sustainability considerations required due to this Report.

**6. CLIMATE CHANGE ADAPTATION CONSIDERATIONS:**

There is no climate change adaptation considerations required due to this Report.

**7. CHARTER OF HUMAN RIGHTS APPLICATION:**

Hume's *Responsible Gaming Policy* is underpinned by the Social Justice Charter to ensure that a human rights based approach guides Council's decision making processes. The Charter seeks to advance a fair and just society and to promote respect for every citizen, encourage community participation, strengthen community wellbeing and reduce the causes of disadvantage.

**8. RESPONSIBLE GAMING POLICY**

8.1 Council's policy on Responsible Gaming acknowledges that gaming is a legitimate form of recreational activity. It also recognizes that gaming can lead to adverse consequences for gamblers, others and the community.

8.2 It also indicates Council's concern about the negative consequences that arise from problem gaming and as part of its commitment to social justice, will support initiatives that seek to minimise, prevent or respond to the harms caused by problem gaming.

8.3 It commits Council to working in partnership with community, service providers and venue operators to promote responsible gaming and minimisation of harm.

**9. COMMUNITY CONSULTATION:**

No direct community consultation was undertaken for the preparation of this report.

**10. DISCUSSION:**

10.1 The Alliance for Gambling Reform is a collaboration of 60 organisations with a shared concern about the harmful and unfair impacts of gambling on communities and its normalisation in Australian culture. The Alliance recognises gambling addiction as a public health issue. It is pursuing a suite of policies that prevent and reduce the harm from poker machine gambling.

10.2 In preparation for the October 2017 Municipal Association of Victoria State Council meeting, the Alliance approached Council to table a resolution which supports the Alliance's draft 2018 Victorian Election Policy Platform.

10.3 The resolution calls on the Victorian Parliament to use this once in a generation opportunity to legislate for long-term poker machine policy reform, including:

10.3.1 Pursuing policies which actively manage annual losses to below \$2 billion a year from the current level of \$2.6 billion.

10.3.2 Incentives for some of Victoria's 502 pokies venues to remove their machines when the current entitlements expire in 2022.

10.3.3 Reducing the number of poker machine entitlements in Victoria to below 25,000 from the current level of 30,000 whilst retaining the 50-50 split between pubs and clubs.

10.3.4 Machine redesign to reduce harm and addiction, such as \$1 maximum bets as recommended by the Productivity Commission.

10.3.5 A reduction in operating hours from the current level of 20 hours a day which sees dozens of pokies venues as the only social opportunity in some parts of Victoria which are open in the middle of the night.



**REPORT NO: CC057 (cont.)**

10.4 The proposed resolution detailed above in paragraph 10.3 is consistent with Council's Responsible Gaming Policy, (2013) which recognizes Council's concern about the negative consequences that arise for residents experiencing problem gaming. Council's policy is underpinned by its commitment to social justice and seeks to promote responsible gaming, minimise harm, and empower the community through strategies such as community building, information sharing and education.

**11. CONCLUSION:**

11.1 Local Government has a very important role to play in regards to the protection of vulnerable communities from the harms associated with electronic gaming machines.

11.2 Working in partnership with the Alliance and its 60 partner organisations, Council is now in a stronger position to collectively advocate for legislative change.

11.3 Tabling the proposed resolution at the upcoming MAV State Council meeting further strengthens the position of the Alliance, and Council, to achieve a suite of long-term policies that will prevent and reduce harm from poker machine gaming.

<b>REPORT NO:</b>	GE225
<b>REPORT TITLE:</b>	Review of the Council Special Committees Established Under Section 86 of the Local Government Act 1989; and Statutory Review of the Instruments of Delegation to Section 86 Committees
<b>SOURCE:</b>	Gavan O'Keefe, Manager Governance
<b>DIVISION:</b>	Corporate Services
<b>FILE NO:</b>	HCC13/476
<b>POLICY:</b>	-
<b>STRATEGIC OBJECTIVE:</b>	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
<b>ATTACHMENT:</b>	1. <i>Section 86 Committees of Management - Instruments of Delegation</i>

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## 1. SUMMARY OF REPORT:

- 1.1 Hume City Council currently has four special committees under Section 86 of the *Local Government Act 1989* (the Act) for the purpose of each managing Council community centres or halls. These special committees are delegated from Council the function, duties and powers to oversee the day to day operation of their respective community facilities.
- 1.2 Section 86(6) of the Act states that a Council must review the instruments of delegation for special committees in force under section 86 of the Act within the period of 12 months after a general election.
- 1.3 It is considered timely to also review the operational effectiveness of those special committees of Council that were established to manage community facilities.
- 1.4 The results of these reviews are presented to Council in this report.

## 2. RECOMMENDATION:

- 2.1 **That the four Local Government Act 1989 Section 86 Committees that manage community facilities be invited to make a submission on the option of the facilities being centrally managed by Council, with the opportunity of a continuing role for existing committee members via the creation of advisory committees.**
- 2.2 **That Council notes that the review of the instruments of delegation for special committees in force under section 86 of the *Local Government Act 1989*, which is required to be completed within the period of 12 months after a general election, has been completed, and approves and signs and seals the updated instruments of delegation for the Westmeadows Hall Committee of Management, the Gladstone Park Community Centre Committee of Management, the Tullamarine Community Hall Committee of Management and the Campbellfield Community Centre Committee of Management (Attachment 1).**
- 2.3 **That under section 81(2B) of the *Local Government Act 1989*, Council exempts the members of special committees who do not receive a fee for service from the requirement to submit a primary or ordinary return as permitted under Section 81(2A) of the Act.**

REPORT NO: GE225 (cont.)

**3. LEGISLATIVE POWERS:**

The *Local Government Act* 1989

**4. FINANCIAL IMPLICATIONS:**

The Committees manage their own bank accounts for each of their respective facilities.

The Instrument of Delegation prescribes expenditure limitations, contractual arrangement rules and the financial obligations of the Committees.

**5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:**

There are no environmental sustainability considerations in respect to this report.

**6. CLIMATE CHANGE ADAPTATION CONSIDERATIONS:**

There are no climate change adaptation implications in respect to this report.

**7. CHARTER OF HUMAN RIGHTS APPLICATION:**

The matters considered in this report do not engage any of the rights protected in Victorian Charter of Human Rights.

**8. COMMUNITY CONSULTATION:**

The special committees of Council, established under Section 86 of the Act to manage community facilities, were consulted during the required statutory review of their Instruments of Delegation.

All committees have been notified in writing that Council is conducting a review into the appropriateness of the management of community facilities by Section 86 Committees.

**9. DISCUSSION:**

**REVIEW OF THE MANAGEMENT OF COMMUNITY FACILITIES BY SECTION 86 COMMITTEES**

**9.1 Background**

9.1.1 Hume City Council has utilised Section 86 Committees to manage community halls since the Council was created in 1994. The committees existed under the previous City of Broadmeadows and City of Keilor (Tullamarine Hall).

9.1.2 The model of having committees to manage the halls had benefits in that there was ownership of a local facility by the local community, who were the beneficiaries of having a hall in their local community. The model provided for overall management of the facility by the committee with minimal oversight provided by Council staff.

9.1.3 This arrangement was seen as providing an accessible, well maintained facility for the local community at a minimum cost to council.

**9.2 Governance Considerations**

9.2.1 This arrangement has worked well over the years, however in recent years problems have emerged to challenge the efficacy of the management by committees.

9.2.2 The committees are increasingly finding it harder to get local residents to nominate to be committee members, with the burden left to a shrinking core of committee members. Getting members to nominate to be office bearers for these committees is increasingly difficult with members disinclined to be a treasurer or secretary for their respective committees.

REPORT NO: GE225 (cont.)

- 9.2.3 The committees struggle to be able to have membership that complies with their instrument of delegation that limits representation from user groups to less than 50% of the committee membership.
- 9.2.4 The statutory obligations on Section 86 Committees in their reporting and compliance obligations has increased over the years with changes to the Act. Statutory obligations are often not complied with satisfactorily. This relates in particular to meeting procedures, quorums, conflicts of interest, etc.
- 9.2.5 The time required of Council staff to deal with committee issues is now at a stage where staff are regularly dealing with committee issues. The support now provided is well beyond what should be required of officers in assisting committees.

9.3 **Customer service considerations**

- 9.3.1 The task of being a bookings officer or contact for hall enquires, while paid as a ‘fee for service’ position by the committees is not being carried out to customer expectations.
- 9.3.2 Several contact officers have not enjoyed good health and they have not been available on a regular basis to provide access for casual bookings and to process deposit refunds.

9.4 **Financial Considerations**

- 9.4.1 Committees are expected to generate enough revenue from hall hire to pay outgoings; however, the total of cash and term deposits held by two of the Committees has reduced over the past two financial years. An analysis of the current year’s cash books indicate that this trend is likely to continue and the two Committees will have to cease operating in the near future due to a lack of funds.
- 9.4.2 Officer bearers receive a fee for service, with the highest paid individual office bearer receiving \$1,910 per year, inclusive of a monthly telephone and internet allowance.
- 9.4.3 Current financial standing of committees

Committee of Management	Net Operating Profit for 2016/17	Currently held in bank accounts
Campbellfield Community Centre	\$1,311.67	\$20,006.45
Gladstone Park Community Centre	\$28,889.45	\$168,643.03
Tullamarine Hall	-\$6,770.22	\$61,771.27
Westmeadows Hall	\$2,504.20	\$82,267.39

- 9.4.4 If any Committee chooses to hand back their responsibilities for facility management to Council, that Committee’s bank account would be closed and the balance paid to Council. If any Committee ceased to continue, it could seek an assurance that any funds transferred to Council could be quarantined so that they can only be used on the hall or community centre from which they were transferred.

**GUIDANCE PROVIDED BY COUNCIL**

9.5 **Delegation purpose**

The committee’s purpose as defined in Council’s Instrument of Delegation is to “have responsibility for effectively managing and controlling the property for the benefit of users of the property and for the wider community.”

REPORT NO: GE225 (cont.)

9.6 Council Plan

9.6.1 Relevant Council Plan Objective:

Strategic Objective 3.1: Foster socially connected and supported communities

Community Expectation 3.1.2: Local community groups are supported through the provision of accessible, inclusive and affordable community infrastructure, places and spaces

9.6.2 The actions under this Council Plan objective for 2017/18 include:

- Implement Council's review of fees and charges relating to community facilities.
- Commence implementation of a new facilities management system (Envibe) and make improvements to booking processes, including online options.

The Council Plan action for 2018/19 is to:

- Finalise the review of community facilities and commence a phased implementation of actions to maximise use of existing community facilities, ensuring equitable and appropriate access.

9.7 Achieving the Council Plan

9.7.1 Council has adopted a uniform fee structure for hiring all Council community facilities. This new fee structure will apply to the community facilities managed by the Section 86 Committees.

9.7.2 Council will soon implement the Envibe booking system to centralise community facility availability access and booking enquiries. The centralisation of the community facility fee setting and booking process is designed, in keeping with the council plan objective, to improve access to affordable community places (i.e. meeting and hall facilities).

9.7.3 The existing structure of independent management by the S86 committees is contrary to the objective centralisation of the management of community facilities.

**OUTCOMES OF REVIEW**

9.8 Options for management of the facilities

	Option	Comment
1.	To continue Section 86 Committees operating/managing the four community facilities with no changes.	There are problems with operation of the current model and achievement of council plan objectives is compromised.
2.	Revoke the committee delegations and manage the facilities in house.	This would achieve the council plan objective, however it does not utilise the local community members who are interested in the operation and maintenance of the community facility.
3.	Change the committee delegations from that of section 86 committees with obligations for management of the facility, to that of an advisory committee. The management of the facility to be centrally managed by the Community Development and Learning department.	This option provides for those interested community members to still have a role in the use of the community facilities, utilizing their knowledge of the facility and their proximity and afterhours observations of usage.

REPORT NO: GE225 (cont.)

9.9 Recommended approach

- 9.9.1 The centralisation of the fee setting and bookings of community facilities combined with the difficulties committees are facing in attracting members and complying with governance arrangements suggests that the management of community facilities by Section 86 Committees needs to be reviewed.
- 9.9.2 That the option of the four facilities being managed directly by the Community Development and Learning department, with a role for existing committee members in delivering the benefits of having local community members taking an active interest in the facilities through the establishment of an advisory committee, be explored.
- 9.9.3 Under the Act, Council may establish an advisory committee. Advisory committees do not have any delegated powers, nor can they open or manage a bank account. Advisory committee members do not have the reporting obligations that Section 86 Committee Members do.
- 9.9.4 An advisory committee could also recommend and liaise with Council on the expenditure of the funds currently held by each committee. It is expected that these funds would be spent on major capital works and repairs or asset acquisition (tables, chairs, etc.), this being the purpose for that they are held.
- 9.9.5 Council in considering the change in management of the four facilities to being directly managed by the Community Development and Learning department, should seek comment from the committees, and their views on the role of an advisory committee to advise council officers on maintenance issues and the general operation of the facility, including expenditure of funds held by the committee.
- 9.9.6 Following the consideration of any submissions received, Council would then consider its options with the ongoing management of these facilities.
- 9.9.7 The Committees could be reminded that in accordance with their Instrument of Delegation, the Committee may at any meeting, agree to request to disband and hand back their responsibilities to Council.
- 9.9.8 It is suggested that if the change in management were to proceed, it would take effect no later than 30 June 2018.

**10. STATUTORY REVIEW OF INSTRUMENTS OF DELEGATION OF SECTION 86 COMMITTEES**

- 10.1 The Act states that a Council must review the instruments of delegation for special committees in force under section 86 of the Act within the period of 12 months after a general election. As the most recent general election was held in October 2016, this review must be completed by October 2017.

**10.2 Audit Committee**

Council's Audit Committee is a special committee of Council. The Audit Committee operates under a Charter and an Instrument of Delegation from Council to the Committee. Both of these documents have been reviewed by the Audit Committee and were adopted by Council at its meeting of 27 March 2017.



**REPORT NO: GE225 (cont.)**

**10.3 Community Facility Management Special Committees**

- 10.3.1 The instruments of delegation for community facility management special committees were last reviewed in 2013.
- 10.3.2 All community facility management special committees were invited to provide their feedback into the current statutory review process, the review of the instrument of delegation, and in particular, to highlight any parts of their delegation that they thought needed consideration under the review. No changes to the delegations were requested by the committees.
- 10.3.3 All committees were notified in writing on 22 August 2017 that Council is conducting a review into the appropriateness of the management of community facilities by Section 86 Committees.
- 10.3.4 Reference to legislation has been generalised throughout the draft updated Instrument of Delegation to ensure that references to the Local Government Act and other relevant legislation is updated. All other suggested amendments within the document are of a formatting and/or cosmetic change only. No changes are suggested to financial obligations, fee settings, membership structure or meeting requirements, as the existing conditions are assessed as adequate.

**10.4 Exemption from the Requirement to Submit Returns**

Previously office bearers who do not receive a fee for service have asked for an exemption from having to fill in ordinary returns as the information sought is intrusive.

It is recommended that under section 81(2A) of the Act, Council continues to exempt the members of community facility management special committees who do not receive a fee for service from the requirement to submit a primary or ordinary return. This exemption is currently in place, however section 81(2B) of the Act requires all such extensions to be reviewed within the period of 12 months after a general election.

**11. CONCLUSION:**

Council has an obligation under the Act to review its delegations to Section 86 Committees, the review allows these Committees to make comment on their management of community facilities.



## **INSTRUMENT OF DELEGATION**

PURSUANT TO SECTION 86  
OF THE LOCAL GOVERNMENT  
ACT 1989 FOR THE  
ESTABLISHMENT OF A SPECIAL  
COMMITTEE OF COUNCIL

Campbellfield Community Centre  
Committee of Management

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INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

Pursuant to, and in exercise of, the powers conferred by Section 86 of the *Local Government Act 1989* ('the Act'), Hume City Council ('Council') appoints the **Campbellfield Community Centre Committee of Management** as a Special Committee and hereby delegates the powers, duties and functions of the Council as set forth in the Terms of Reference specified herein.

This Instrument of Delegation ('Instrument') is authorised by a resolution of Council passed on # MONTH 2017.

**TERMS OF REFERENCE**

**1. NAME OF COMMITTEE AND SUBJECT LAND**

- 1.1 The full name of the Special Committee is Campbellfield Community Centre Committee of Management ("the Committee").
- 1.2 The subject land described herein is Campbellfield Community Centre, Somerset Road, Campbellfield VIC 3061 ("the Property"). The Council is the owner or lessee of the property which includes any buildings installed on the property.

**2. PURPOSE**

- 2.1 The Committee will, under delegation from Council, have responsibility for effectively managing and controlling the property for the benefit of users of the property and for the wider community.
- 2.2 In performing its duties, the committee will maintain effective working relationships with Councillors, Council staff and facility hirers. To perform their roles effectively, each committee member should have an understanding of their responsibilities and obligations as committee members.

**3. ROLES AND RESPONSIBILITIES**

**3.1 Committee Powers, Duties and Functions**

The Council delegates to the Committee with respect to the management and control of the property the following powers, duties and functions:

**Use of Facility**

- 3.1.1 To receive applications for hire and/or use of the property, and to allocate times and collect hire fees for such use amongst organisations or individuals.
- 3.1.2 The Committee, in making the allocation, shall give preference to organisations based within the Municipality of Hume City Council.
- 3.1.3 To determine and enforce conditions of hire, including times for the use of the property, subject to the terms of any Lease or vesting order by which Council occupies the property, Council local laws and policies and State and Federal laws.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 3.1.4 To be responsible for ensuring that the conditions of use imposed by Council local laws and policies and State and Federal laws are enforced and to report to the Council any breach thereof, and refer to the Council any breach which cannot be appropriately dealt with by the Committee.

**Fees**

- 3.1.5 To charge and collect the appropriate fee for facility use, including the collection and return of bond payments.

**Facility Maintenance**

- 3.1.6 To ensure that the property and its surrounds under the management of the Committee are maintained at all times in a clean condition and are used in a reasonable and lawful manner.
- 3.1.7 To take such action as is necessary and enter into contracts with any other body or person for the purposes of arranging any goods and services (including cleaning, removal of rubbish or security) associated with the running of the property in accordance with the financial parameters within which the Committee is delegated to operate.
- 3.1.8 To promptly report to Council the need for minor maintenance or repairs to the property, or any incidence of vandalism, breakage or damage of buildings in accordance with maintenance reporting procedures.
- 3.1.9 Council approval must be sought for alterations or the undertaking of works to the property, prior to any alterations or work commencing.
- 3.1.10 To not cause duplication or copying of keys for the property or to change any locks on the property. Any issuing of additional keys must be made through the Council.

**3.2 Council Obligations**

The Council shall:

- 3.2.1 be responsible for the payment of all water and sewerage charges if any are levied on the property;
- 3.2.2 provide for all insurances of the property;
- 3.2.3 be responsible for the payment of all essential service maintenance of the property;
- 3.2.4 reserve for itself or any other person or body nominated by Council the right to use all or any of the facilities of the property for Council business, or for a use approved by Council, at any reasonable time without charge, provided that Council provides the Committee with two working days' notice of its intention to use the property, and that this use does not conflict with any other permanent user group booking; and
- 3.2.5 have the right at all reasonable times to inspect the property and if as a result of any such inspection the Council desires to carry out repairs, improvements or other works on or in respect of the property, all allocations of time made by the Committee for the use of the property shall be suspended or altered.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL**3.3 Financial Obligations****Contracts and Expenditure**

- 3.3.1 The Committee may enter into contracts for goods and service for any one occurrence up to the value of \$1000 and not exceeding a total amount of \$6,000 per annum. Any expenditure in aggregate over the yearly total of \$6,000 is to be referred to Council for approval.
- 3.3.2 The Committee may make any single purchase of goods or services not costing more than \$1000 and not exceeding a total amount of \$6,000 per annum. Any expenditure in aggregate over the yearly total of \$6,000 is to be referred to Council for approval.
- 3.3.3 In entering into any contract in respect to clause 3.3.1, the Committee must be able to demonstrate that it has chosen the "best on offer".
- 3.3.4 No contract entered into is to be for a period of greater than 12 months in duration.
- 3.3.5 All monies received by the Committee shall be paid within five (5) working days into a bank account in the Committee's name and amounts shall only be drawn from that account on the signature of any two Committee members as resolved by the Committee.
- 3.3.6 To pay from funds received by the Committee all rates, taxes and other charges (if any) assessed by the Council on the premises, electricity or gas, petty cash, any costs incurred under clause 3.3.1, and any fees for service and secretarial expenses approved under clause 5.3.3.

**Financial Records and Reporting**

- 3.3.7 The Committee shall provide and keep financial records in accordance with Section 140 of the Act or any other later equivalent or sub-ordinate legislation in force at the time, and shall record all monies received and paid by the Committee and the purposes for which such monies are received and paid.
- 3.3.8 The Committee shall on or before the 31<sup>st</sup> day of July in each year cause the accounts of the Committee to be balanced up to the 30<sup>th</sup> day of June of that year and made ready for audit. The Chairperson of the Committee shall advise the Chief Executive Officer of the Council that the accounts are ready for audit.
- 3.3.9 The provisions of the Act or any other later equivalent or sub-ordinate legislation in force at the time relating to the auditing and inspection of the accounts of municipalities shall apply with respect to the accounts of the Committee. The accounts of the Committee shall be taken to form part of the accounts of the Council.

**Surplus Funds**

- 3.3.10 To invest any surplus funds in accordance with the Council Investment policy.

**Fee Setting**

- 3.3.11 To recommend to Council, through Council's annual budget setting process, the Committee's suggested fees and charges associated with the use of the property.



INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

3.3.12 To collect and retain charges or fees for the use of the property, including income received from the sales of any kiosk or other franchises complementary to the operation of the property, subject to any Council policy, and the provisions of the Act.

**4. MEMBERSHIP**

- 4.1 The Committee, unless otherwise approved by Council, shall comprise an odd number of members (a minimum of five up to a maximum of nine) to be appointed by Council resolution.
- 4.2 Committee membership shall be comprised of any combination of the following:
- Councillor(s)
  - Local residents
  - User club representatives
- 4.3 Unless otherwise approved by Council, membership on the Committee by user clubs representatives is not to exceed half of the membership of the Committee. Individual user clubs are to have no more than two representatives on the Committee. Where there is difficulty filling the required number of positions in a particular membership category, Council approval can be sought to alter the membership composition. As far as is practicable, all user groups are to be equally represented on the Committee.
- 4.4 The members of the Committee shall at the Annual General Meeting of the Committee (see clause 5.3.3) elect from their number a person to be Chairperson and this person shall hold office until the next Annual General Meeting or until he or she ceases to be a member of the Committee.
- 4.5 Unless otherwise approved by Council, local resident members must be residents of the Hume City Council and meet the criteria for membership specified in clause 4.7. They will be recommended for appointment by the Committee at a public meeting of the Committee. They will be recommended for appointment to the Council at an Ordinary Meeting of Council. Persons such appointed by the Council shall hold office until they are re-appointed by the Committee at the Committee's Annual General Meeting, or until they resign. Members may be re-elected.
- 4.6 The Chairperson shall determine the manner in which persons representing organisations using the property are to be nominated as members. The Chairperson shall nominate the user group representatives for recommendation to Council. User group representatives must meet the membership criteria specified in clause 4.7 and user group members may be re-elected.
- 4.7 Unless otherwise approved by Council, the qualification to be a local resident member or a user organisation representative shall be those that are applicable from the 'Qualifications to be a Councillor' provisions of the Act. Specifically, the following criteria will apply in determining the suitability of a person to be a member of the Committee:
- 4.7.1 A person is qualified to be a local resident member of the Committee if they reside in, and are qualified to be enrolled on, the voters' roll of Council.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 4.7.2 A person is not capable of becoming or continuing to be a member of the Committee or nominating as a member if –
- (a) he or she is an undischarged bankrupt;
  - (b) his or her property is subject to control under the law relating to bankruptcy; or
  - (c) he or she is of unsound mind.
- 4.7.2 Unless otherwise approved by Council, the disqualification to be a local resident member or a user organisation representative shall be similar to the 'Disqualifications' provisions of the Act.
- 4.8 No person chosen, elected or nominated under clauses 4.5 and 4.6 shall become a member of the Committee until:
- 4.8.1 the Council has been given advice in writing of the name, postal address, contact phone number and details of membership category of each person;
  - 4.8.2 the nominated member has signed a Statement of Acceptance of Responsibilities and Obligations as a Special Committee Member; and
  - 4.8.3 the Council has passed a resolution appointing them as a member.
- The Chairperson shall be responsible for ensuring that the requirements of 4.8.1 and 4.8.2 are given to Council immediately following the nomination of a new Committee member.
- 4.9 The Committee may co-opt as many additional members as it sees fit, but no such co-opted member shall have any voting rights at Committee Meetings.
- 4.10 Notwithstanding anything contained herein, a Committee member who is absent from three consecutive Committee Meetings, or who is absent from a majority of meetings within a 12 month period, without approval by the Committee, shall forfeit his or her membership. The member shall not be eligible for recommendation to Council for reappointment to the Committee unless the member provides just cause to the Council for his or her reappointment.
- 4.11 The Committee shall be responsible for filling any casual vacancy that occurs on the Committee in such a manner as it deems appropriate. The person who fills the casual vacancy must comply with clause 4.7 and the requirements of clause 4.8.
- 4.12 The Committee may at any meeting appoint sub-committees for any purpose and the Chairperson shall ex-officio be a member of all such sub-committees.
- 5.1 The meetings of the Committee shall be conducted in accordance with the provisions of the Act and subject to any local laws and any resolutions made by Hume City Council.
- 5.2 The proceedings of the Committee will be open to the public, except to the extent that the Committee decides that the matters fall within the reasons under the Act, that a meeting may be closed to members of the public.
- 5.3 The Committee shall hold an Annual General Meeting on a date fixed by the Chairperson no later than 28 February each year. Such meetings shall:

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 5.3.1 Receive an annual report from the Chairperson to be presented to Council;
  - 5.3.2 Elect the chairperson and other office bearers and advise the Council of the elections;
  - 5.3.3 Recommend the fees for service arrangements for office bearers to Council; and
  - 5.3.4 Set meeting dates for the following twelve months
- 5.4 The Committee shall hold at least two other formal meetings during the year on such dates as set by the Committee at its Annual General Meeting. The first meeting, to be held no later than 31 July, shall receive and adopt the financial statements and accounts for the previous financial year ending 30 June.
- 5.5 Extra meetings may be scheduled throughout the year if the Committee believes they are required.
- 5.6 The Secretary shall give notice of all meetings to all Committee members in the manner directed by the Committee.
- 5.7 The Chairperson shall arrange for reasonable notice to the public of meetings of the Committee in accordance with the Act.
- 5.8 The quorum at any Committee Meeting shall be half of the voting members of the Committee plus one. To facilitate compliance with this clause, meeting minutes shall identify voting and non-voting members present, apologies and non-attendees.
- 5.9 Members of the Committee including the Chairperson, but not including those co-opted pursuant to clause 4.9, present at a meeting of the Committee shall have one vote on each matter before the Chair. In the event that voting on any matter is equal, the Chairperson shall have a second vote, subject to the Act.
- 5.10 The Chairperson shall take the chair at all meetings at which he or she is present. In his or her absence, the members present may appoint one of their members to chair the meeting.
- 5.11 In accordance with the Act, full and concise minutes shall be kept of the proceedings at all meetings.
- 5.12 A copy of the unconfirmed minutes of the meeting shall be forwarded to Council within 14 working days of the meeting.
- 5.13 After confirmation of the minutes, a copy shall be signed by the Chairperson of the meeting at which they are confirmed. The Chairperson shall arrange to forward this signed copy of the minutes to Council within 14 working days of the meeting at which they were confirmed.
- 5.14 In accordance with the provisions of the Act, Committee members shall declare any conflicts of interests in matters being addressed by the Committee.
- 6.1 The Committee may at any meeting, agree to request to disband and hand back their responsibilities to Council.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 6.2 The Council may for any reason disband the Committee and upon notice to that effect being given by Council to Committee Members, the Committee shall be disbanded.
- 6.3 The Chairperson shall, on the disbanding as provided in clauses 6.1 or 6.2 above, within one month arrange for:
  - 6.3.1 a financial statement to be prepared, audited and presented to Council in accordance with clause 3.3.6;
  - 6.3.2 the Committee's bank account to be closed and the balance paid to Council; and
  - 6.3.3 hand over to Council all keys to pavilions and other buildings formerly under the management of the Committee.

The Instrument comes into force when the common seal of the Council is affixed to this Instrument and shall remain in force for an unlimited period until such time as the Council shall determine by resolution either to vary or revoke the delegations.

**THE COMMON SEAL** of **HUME CITY COUNCIL** was hereto affixed on  
the ..... day of ..... 2017,  
in the presence of:

COUNCILLOR .....

CHIEF EXECUTIVE OFFICER.....



## **INSTRUMENT OF DELEGATION**

PURSUANT TO SECTION 86  
OF THE LOCAL GOVERNMENT  
ACT 1989 FOR THE  
ESTABLISHMENT OF A SPECIAL  
COMMITTEE OF COUNCIL

Gladstone Park Community Centre  
Committee of Management

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INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

Pursuant to, and in exercise of, the powers conferred by Section 86 of the *Local Government Act 1989* ('the Act'), Hume City Council ('Council') appoints the **Gladstone Park Community Centre Committee of Management** as a Special Committee and hereby delegates the powers, duties and functions of the Council as set forth in the Terms of Reference specified herein.

This Instrument of Delegation ('Instrument') is authorised by a resolution of Council passed on # MONTH 2017.

**TERMS OF REFERENCE**

**1. NAME OF COMMITTEE AND SUBJECT LAND**

- 1.1 The full name of the Special Committee is Gladstone Park Community Centre Committee of Management ("the Committee").
- 1.2 The subject land described herein is Gladstone Park Community Centre, South Circular Drive, Gladstone Park VIC 3043 ("the Property"). The Council is the owner or lessee of the property which includes any buildings installed on the property.

**2. PURPOSE**

- 2.1 The Committee will, under delegation from Council, have responsibility for effectively managing and controlling the property for the benefit of users of the property and for the wider community.
- 2.2 In performing its duties, the committee will maintain effective working relationships with Councillors, Council staff and facility hirers. To perform their roles effectively, each committee member should have an understanding of their responsibilities and obligations as committee members.

**3. ROLES AND RESPONSIBILITIES**

**3.1 Committee Powers, Duties and Functions**

The Council delegates to the Committee with respect to the management and control of the property the following powers, duties and functions:

**Use of Facility**

- 3.1.1 To receive applications for hire and/or use of the property, and to allocate times and collect hire fees for such use amongst organisations or individuals.
- 3.1.2 The Committee, in making the allocation, shall give preference to organisations based within the Municipality of Hume City Council.
- 3.1.3 To determine and enforce conditions of hire, including times for the use of the property, subject to the terms of any Lease or vesting order by which Council occupies the property, Council local laws and policies and State and Federal laws.



INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 3.1.4 To be responsible for ensuring that the conditions of use imposed by Council local laws and policies and State and Federal laws are enforced and to report to the Council any breach thereof, and refer to the Council any breach which cannot be appropriately dealt with by the Committee.

**Fees**

- 3.1.5 To charge and collect the appropriate fee for facility use, including the collection and return of bond payments.

**Facility Maintenance**

- 3.1.6 To ensure that the property and its surrounds under the management of the Committee are maintained at all times in a clean condition and are used in a reasonable and lawful manner.
- 3.1.7 To take such action as is necessary and enter into contracts with any other body or person for the purposes of arranging any goods and services (including cleaning, removal of rubbish or security) associated with the running of the property in accordance with the financial parameters within which the Committee is delegated to operate.
- 3.1.8 To promptly report to Council the need for minor maintenance or repairs to the property, or any incidence of vandalism, breakage or damage of buildings in accordance with maintenance reporting procedures.
- 3.1.9 Council approval must be sought for alterations or the undertaking of works to the property, prior to any alterations or work commencing.
- 3.1.10 To not cause duplication or copying of keys for the property or to change any locks on the property. Any issuing of additional keys must be made through the Council.

**3.2 Council Obligations**

The Council shall:

- 3.2.1 be responsible for the payment of all water and sewerage charges if any are levied on the property;
- 3.2.2 provide for all insurances of the property;
- 3.2.3 be responsible for the payment of all essential service maintenance of the property;
- 3.2.4 reserve for itself or any other person or body nominated by Council the right to use all or any of the facilities of the property for Council business, or for a use approved by Council, at any reasonable time without charge, provided that Council provides the Committee with two working days' notice of its intention to use the property, and that this use does not conflict with any other permanent user group booking; and
- 3.2.5 have the right at all reasonable times to inspect the property and if as a result of any such inspection the Council desires to carry out repairs, improvements or other works on or in respect of the property, all allocations of time made by the Committee for the use of the property shall be suspended or altered.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL**3.3 Financial Obligations****Contracts and Expenditure**

- 3.3.1 The Committee may enter into contracts for goods and service for any one occurrence up to the value of \$1000 and not exceeding a total amount of \$6,000 per annum. Any expenditure in aggregate over the yearly total of \$6,000 is to be referred to Council for approval.
- 3.3.2 The Committee may make any single purchase of goods or services not costing more than \$1000 and not exceeding a total amount of \$6,000 per annum. Any expenditure in aggregate over the yearly total of \$6,000 is to be referred to Council for approval.
- 3.3.3 In entering into any contract in respect to clause 3.3.1, the Committee must be able to demonstrate that it has chosen the "best on offer".
- 3.3.4 No contract entered into is to be for a period of greater than 12 months in duration.
- 3.3.5 All monies received by the Committee shall be paid within five (5) working days into a bank account in the Committee's name and amounts shall only be drawn from that account on the signature of any two Committee members as resolved by the Committee.
- 3.3.6 To pay from funds received by the Committee all rates, taxes and other charges (if any) assessed by the Council on the premises, electricity or gas, petty cash, any costs incurred under clause 3.3.1, and any fees for service and secretarial expenses approved under clause 5.3.3.

**Financial Records and Reporting**

- 3.3.7 The Committee shall provide and keep financial records in accordance with Section 140 of the Act or any other later equivalent or sub-ordinate legislation in force at the time, and shall record all monies received and paid by the Committee and the purposes for which such monies are received and paid.
- 3.3.8 The Committee shall on or before the 31<sup>st</sup> day of July in each year cause the accounts of the Committee to be balanced up to the 30<sup>th</sup> day of June of that year and made ready for audit. The Chairperson of the Committee shall advise the Chief Executive Officer of the Council that the accounts are ready for audit.
- 3.3.9 The provisions of the Act or any other later equivalent or sub-ordinate legislation in force at the time relating to the auditing and inspection of the accounts of municipalities shall apply with respect to the accounts of the Committee. The accounts of the Committee shall be taken to form part of the accounts of the Council.

**Surplus Funds**

- 3.3.10 To invest any surplus funds in accordance with the Council Investment policy.

**Fee Setting**

- 3.3.11 To recommend to Council, through Council's annual budget setting process, the Committee's suggested fees and charges associated with the use of the property.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

3.3.12 To collect and retain charges or fees for the use of the property, including income received from the sales of any kiosk or other franchises complementary to the operation of the property, subject to any Council policy, and the provisions of the Act.

**4. MEMBERSHIP**

- 4.1 The Committee, unless otherwise approved by Council, shall comprise an odd number of members (a minimum of five up to a maximum of nine) to be appointed by Council resolution.
- 4.2 Committee membership shall be comprised of any combination of the following:
- Councillor(s)
  - Local residents
  - User club representatives
- 4.3 Unless otherwise approved by Council, membership on the Committee by user clubs representatives is not to exceed half of the membership of the Committee. Individual user clubs are to have no more than two representatives on the Committee. Where there is difficulty filling the required number of positions in a particular membership category, Council approval can be sought to alter the membership composition. As far as is practicable, all user groups are to be equally represented on the Committee.
- 4.4 The members of the Committee shall at the Annual General Meeting of the Committee (see clause 5.3.3) elect from their number a person to be Chairperson and this person shall hold office until the next Annual General Meeting or until he or she ceases to be a member of the Committee.
- 4.5 Unless otherwise approved by Council, local resident members must be residents of the Hume City Council and meet the criteria for membership specified in clause 4.7. They will be recommended for appointment by the Committee at a public meeting of the Committee. They will be recommended for appointment to the Council at an Ordinary Meeting of Council. Persons such appointed by the Council shall hold office until they are re-appointed by the Committee at the Committee's Annual General Meeting, or until they resign. Members may be re-elected.
- 4.6 The Chairperson shall determine the manner in which persons representing organisations using the property are to be nominated as members. The Chairperson shall nominate the user group representatives for recommendation to Council. User group representatives must meet the membership criteria specified in clause 4.7 and user group members may be re-elected.
- 4.7 Unless otherwise approved by Council, the qualification to be a local resident member or a user organisation representative shall be those that are applicable from the 'Qualifications to be a Councillor' provisions of the Act. Specifically, the following criteria will apply in determining the suitability of a person to be a member of the Committee:
- 4.7.1 A person is qualified to be a local resident member of the Committee if they reside in, and are qualified to be enrolled on, the voters' roll of Council.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 4.7.2 A person is not capable of becoming or continuing to be a member of the Committee or nominating as a member if –
- (a) he or she is an undischarged bankrupt;
  - (b) his or her property is subject to control under the law relating to bankruptcy; or
  - (c) he or she is of unsound mind.
- 4.7.2 Unless otherwise approved by Council, the disqualification to be a local resident member or a user organisation representative shall be similar to the 'Disqualifications' provisions of the Act.
- 4.8 No person chosen, elected or nominated under clauses 4.5 and 4.6 shall become a member of the Committee until:
- 4.8.1 the Council has been given advice in writing of the name, postal address, contact phone number and details of membership category of each person;
  - 4.8.2 the nominated member has signed a Statement of Acceptance of Responsibilities and Obligations as a Special Committee Member; and
  - 4.8.3 the Council has passed a resolution appointing them as a member.
- The Chairperson shall be responsible for ensuring that the requirements of 4.8.1 and 4.8.2 are given to Council immediately following the nomination of a new Committee member.
- 4.9 The Committee may co-opt as many additional members as it sees fit, but no such co-opted member shall have any voting rights at Committee Meetings.
- 4.10 Notwithstanding anything contained herein, a Committee member who is absent from three consecutive Committee Meetings, or who is absent from a majority of meetings within a 12 month period, without approval by the Committee, shall forfeit his or her membership. The member shall not be eligible for recommendation to Council for reappointment to the Committee unless the member provides just cause to the Council for his or her reappointment.
- 4.11 The Committee shall be responsible for filling any casual vacancy that occurs on the Committee in such a manner as it deems appropriate. The person who fills the casual vacancy must comply with clause 4.7 and the requirements of clause 4.8.
- 4.12 The Committee may at any meeting appoint sub-committees for any purpose and the Chairperson shall ex-officio be a member of all such sub-committees.
- 5.1 The meetings of the Committee shall be conducted in accordance with the provisions of the Act and subject to any local laws and any resolutions made by Hume City Council.
- 5.2 The proceedings of the Committee will be open to the public, except to the extent that the Committee decides that the matters fall within the reasons under the Act, that a meeting may be closed to members of the public.
- 5.3 The Committee shall hold an Annual General Meeting on a date fixed by the Chairperson no later than 28 February each year. Such meetings shall:

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 5.3.1 Receive an annual report from the Chairperson to be presented to Council;
  - 5.3.2 Elect the chairperson and other office bearers and advise the Council of the elections;
  - 5.3.3 Recommend the fees for service arrangements for office bearers to Council; and
  - 5.3.4 Set meeting dates for the following twelve months
- 5.4 The Committee shall hold at least two other formal meetings during the year on such dates as set by the Committee at its Annual General Meeting. The first meeting, to be held no later than 31 July, shall receive and adopt the financial statements and accounts for the previous financial year ending 30 June.
- 5.5 Extra meetings may be scheduled throughout the year if the Committee believes they are required.
- 5.6 The Secretary shall give notice of all meetings to all Committee members in the manner directed by the Committee.
- 5.7 The Chairperson shall arrange for reasonable notice to the public of meetings of the Committee in accordance with the Act.
- 5.8 The quorum at any Committee Meeting shall be half of the voting members of the Committee plus one. To facilitate compliance with this clause, meeting minutes shall identify voting and non-voting members present, apologies and non-attendees.
- 5.9 Members of the Committee including the Chairperson, but not including those co-opted pursuant to clause 4.9, present at a meeting of the Committee shall have one vote on each matter before the Chair. In the event that voting on any matter is equal, the Chairperson shall have a second vote, subject to the Act.
- 5.10 The Chairperson shall take the chair at all meetings at which he or she is present. In his or her absence, the members present may appoint one of their members to chair the meeting.
- 5.11 In accordance with the Act, full and concise minutes shall be kept of the proceedings at all meetings.
- 5.12 A copy of the unconfirmed minutes of the meeting shall be forwarded to Council within 14 working days of the meeting.
- 5.13 After confirmation of the minutes, a copy shall be signed by the Chairperson of the meeting at which they are confirmed. The Chairperson shall arrange to forward this signed copy of the minutes to Council within 14 working days of the meeting at which they were confirmed.
- 5.14 In accordance with the provisions of the Act, Committee members shall declare any conflicts of interests in matters being addressed by the Committee.
- 6.1 The Committee may at any meeting, agree to request to disband and hand back their responsibilities to Council.



INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 6.2 The Council may for any reason disband the Committee and upon notice to that effect being given by Council to Committee Members, the Committee shall be disbanded.
- 6.3 The Chairperson shall, on the disbanding as provided in clauses 6.1 or 6.2 above, within one month arrange for:
  - 6.3.1 a financial statement to be prepared, audited and presented to Council in accordance with clause 3.3.6;
  - 6.3.2 the Committee's bank account to be closed and the balance paid to Council; and
  - 6.3.3 hand over to Council all keys to pavilions and other buildings formerly under the management of the Committee.

The Instrument comes into force when the common seal of the Council is affixed to this Instrument and shall remain in force for an unlimited period until such time as the Council shall determine by resolution either to vary or revoke the delegations.

**THE COMMON SEAL** of **HUME CITY COUNCIL** was hereto affixed on  
the ..... day of ..... 2017,  
in the presence of:

COUNCILLOR .....

CHIEF EXECUTIVE OFFICER.....



## **INSTRUMENT OF DELEGATION**

PURSUANT TO SECTION 86  
OF THE LOCAL GOVERNMENT  
ACT 1989 FOR THE  
ESTABLISHMENT OF A SPECIAL  
COMMITTEE OF COUNCIL

Tullamarine Hall Committee of  
Management

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INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

Pursuant to, and in exercise of, the powers conferred by Section 86 of the *Local Government Act 1989* ('the Act'), Hume City Council ('Council') appoints the **Tullamarine Hall Committee of Management** as a Special Committee and hereby delegates the powers, duties and functions of the Council as set forth in the Terms of Reference specified herein.

This Instrument of Delegation ('Instrument') is authorised by a resolution of Council passed on # MONTH 2017.

**TERMS OF REFERENCE**

**1. NAME OF COMMITTEE AND SUBJECT LAND**

- 1.1 The full name of the Special Committee is Tullamarine Hall Committee of Management ("the Committee").
- 1.2 The subject land described herein is Tullamarine Hall, Spring Street, Tullamarine VIC 3043 ("the Property"). The Council is the owner or lessee of the property which includes any buildings installed on the property.

**2. PURPOSE**

- 2.1 The Committee will, under delegation from Council, have responsibility for effectively managing and controlling the property for the benefit of users of the property and for the wider community.
- 2.2 In performing its duties, the committee will maintain effective working relationships with Councillors, Council staff and facility hirers. To perform their roles effectively, each committee member should have an understanding of their responsibilities and obligations as committee members.

**3. ROLES AND RESPONSIBILITIES**

**3.1 Committee Powers, Duties and Functions**

The Council delegates to the Committee with respect to the management and control of the property the following powers, duties and functions:

**Use of Facility**

- 3.1.1 To receive applications for hire and/or use of the property, and to allocate times and collect hire fees for such use amongst organisations or individuals.
- 3.1.2 The Committee, in making the allocation, shall give preference to organisations based within the Municipality of Hume City Council.
- 3.1.3 To determine and enforce conditions of hire, including times for the use of the property, subject to the terms of any Lease or vesting order by which Council occupies the property, Council local laws and policies and State and Federal laws.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 3.1.4 To be responsible for ensuring that the conditions of use imposed by Council local laws and policies and State and Federal laws are enforced and to report to the Council any breach thereof, and refer to the Council any breach which cannot be appropriately dealt with by the Committee.

**Fees**

- 3.1.5 To charge and collect the appropriate fee for facility use, including the collection and return of bond payments.

**Facility Maintenance**

- 3.1.6 To ensure that the property and its surrounds under the management of the Committee are maintained at all times in a clean condition and are used in a reasonable and lawful manner.
- 3.1.7 To take such action as is necessary and enter into contracts with any other body or person for the purposes of arranging any goods and services (including cleaning, removal of rubbish or security) associated with the running of the property in accordance with the financial parameters within which the Committee is delegated to operate.
- 3.1.8 To promptly report to Council the need for minor maintenance or repairs to the property, or any incidence of vandalism, breakage or damage of buildings in accordance with maintenance reporting procedures.
- 3.1.9 Council approval must be sought for alterations or the undertaking of works to the property, prior to any alterations or work commencing.
- 3.1.10 To not cause duplication or copying of keys for the property or to change any locks on the property. Any issuing of additional keys must be made through the Council.

**3.2 Council Obligations**

The Council shall:

- 3.2.1 be responsible for the payment of all water and sewerage charges if any are levied on the property;
- 3.2.2 provide for all insurances of the property;
- 3.2.3 be responsible for the payment of all essential service maintenance of the property;
- 3.2.4 reserve for itself or any other person or body nominated by Council the right to use all or any of the facilities of the property for Council business, or for a use approved by Council, at any reasonable time without charge, provided that Council provides the Committee with two working days' notice of its intention to use the property, and that this use does not conflict with any other permanent user group booking; and
- 3.2.5 have the right at all reasonable times to inspect the property and if as a result of any such inspection the Council desires to carry out repairs, improvements or other works on or in respect of the property, all allocations of time made by the Committee for the use of the property shall be suspended or altered.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL**3.3 Financial Obligations****Contracts and Expenditure**

- 3.3.1 The Committee may enter into contracts for goods and service for any one occurrence up to the value of \$1000 and not exceeding a total amount of \$6,000 per annum. Any expenditure in aggregate over the yearly total of \$6,000 is to be referred to Council for approval.
- 3.3.2 The Committee may make any single purchase of goods or services not costing more than \$1000 and not exceeding a total amount of \$6,000 per annum. Any expenditure in aggregate over the yearly total of \$6,000 is to be referred to Council for approval.
- 3.3.3 In entering into any contract in respect to clause 3.3.1, the Committee must be able to demonstrate that it has chosen the "best on offer".
- 3.3.4 No contract entered into is to be for a period of greater than 12 months in duration.
- 3.3.5 All monies received by the Committee shall be paid within five (5) working days into a bank account in the Committee's name and amounts shall only be drawn from that account on the signature of any two Committee members as resolved by the Committee.
- 3.3.6 To pay from funds received by the Committee all rates, taxes and other charges (if any) assessed by the Council on the premises, electricity or gas, petty cash, any costs incurred under clause 3.3.1, and any fees for service and secretarial expenses approved under clause 5.3.3.

**Financial Records and Reporting**

- 3.3.7 The Committee shall provide and keep financial records in accordance with Section 140 of the Act or any other later equivalent or sub-ordinate legislation in force at the time, and shall record all monies received and paid by the Committee and the purposes for which such monies are received and paid.
- 3.3.8 The Committee shall on or before the 31<sup>st</sup> day of July in each year cause the accounts of the Committee to be balanced up to the 30<sup>th</sup> day of June of that year and made ready for audit. The Chairperson of the Committee shall advise the Chief Executive Officer of the Council that the accounts are ready for audit.
- 3.3.9 The provisions of the Act or any other later equivalent or sub-ordinate legislation in force at the time relating to the auditing and inspection of the accounts of municipalities shall apply with respect to the accounts of the Committee. The accounts of the Committee shall be taken to form part of the accounts of the Council.

**Surplus Funds**

- 3.3.10 To invest any surplus funds in accordance with the Council Investment policy.

**Fee Setting**

- 3.3.11 To recommend to Council, through Council's annual budget setting process, the Committee's suggested fees and charges associated with the use of the property.



INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

3.3.12 To collect and retain charges or fees for the use of the property, including income received from the sales of any kiosk or other franchises complementary to the operation of the property, subject to any Council policy, and the provisions of the Act.

**4. MEMBERSHIP**

- 4.1 The Committee, unless otherwise approved by Council, shall comprise an odd number of members (a minimum of five up to a maximum of nine) to be appointed by Council resolution.
- 4.2 Committee membership shall be comprised of any combination of the following:
- Councillor(s)
  - Local residents
  - User club representatives
- 4.3 Unless otherwise approved by Council, membership on the Committee by user clubs representatives is not to exceed half of the membership of the Committee. Individual user clubs are to have no more than two representatives on the Committee. Where there is difficulty filling the required number of positions in a particular membership category, Council approval can be sought to alter the membership composition. As far as is practicable, all user groups are to be equally represented on the Committee.
- 4.4 The members of the Committee shall at the Annual General Meeting of the Committee (see clause 5.3.3) elect from their number a person to be Chairperson and this person shall hold office until the next Annual General Meeting or until he or she ceases to be a member of the Committee.
- 4.5 Unless otherwise approved by Council, local resident members must be residents of the Hume City Council and meet the criteria for membership specified in clause 4.7. They will be recommended for appointment by the Committee at a public meeting of the Committee. They will be recommended for appointment to the Council at an Ordinary Meeting of Council. Persons such appointed by the Council shall hold office until they are re-appointed by the Committee at the Committee's Annual General Meeting, or until they resign. Members may be re-elected.
- 4.6 The Chairperson shall determine the manner in which persons representing organisations using the property are to be nominated as members. The Chairperson shall nominate the user group representatives for recommendation to Council. User group representatives must meet the membership criteria specified in clause 4.7 and user group members may be re-elected.
- 4.7 Unless otherwise approved by Council, the qualification to be a local resident member or a user organisation representative shall be those that are applicable from the 'Qualifications to be a Councillor' provisions of the Act. Specifically, the following criteria will apply in determining the suitability of a person to be a member of the Committee:
- 4.7.1 A person is qualified to be a local resident member of the Committee if they reside in, and are qualified to be enrolled on, the voters' roll of Council.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 4.7.2 A person is not capable of becoming or continuing to be a member of the Committee or nominating as a member if –
- (a) he or she is an undischarged bankrupt;
  - (b) his or her property is subject to control under the law relating to bankruptcy; or
  - (c) he or she is of unsound mind.
- 4.7.2 Unless otherwise approved by Council, the disqualification to be a local resident member or a user organisation representative shall be similar to the 'Disqualifications' provisions of the Act.
- 4.8 No person chosen, elected or nominated under clauses 4.5 and 4.6 shall become a member of the Committee until:
- 4.8.1 the Council has been given advice in writing of the name, postal address, contact phone number and details of membership category of each person;
  - 4.8.2 the nominated member has signed a Statement of Acceptance of Responsibilities and Obligations as a Special Committee Member; and
  - 4.8.3 the Council has passed a resolution appointing them as a member.
- The Chairperson shall be responsible for ensuring that the requirements of 4.8.1 and 4.8.2 are given to Council immediately following the nomination of a new Committee member.
- 4.9 The Committee may co-opt as many additional members as it sees fit, but no such co-opted member shall have any voting rights at Committee Meetings.
- 4.10 Notwithstanding anything contained herein, a Committee member who is absent from three consecutive Committee Meetings, or who is absent from a majority of meetings within a 12 month period, without approval by the Committee, shall forfeit his or her membership. The member shall not be eligible for recommendation to Council for reappointment to the Committee unless the member provides just cause to the Council for his or her reappointment.
- 4.11 The Committee shall be responsible for filling any casual vacancy that occurs on the Committee in such a manner as it deems appropriate. The person who fills the casual vacancy must comply with clause 4.7 and the requirements of clause 4.8.
- 4.12 The Committee may at any meeting appoint sub-committees for any purpose and the Chairperson shall ex-officio be a member of all such sub-committees.
- 5.1 The meetings of the Committee shall be conducted in accordance with the provisions of the Act and subject to any local laws and any resolutions made by Hume City Council.
- 5.2 The proceedings of the Committee will be open to the public, except to the extent that the Committee decides that the matters fall within the reasons under the Act, that a meeting may be closed to members of the public.
- 5.3 The Committee shall hold an Annual General Meeting on a date fixed by the Chairperson no later than 28 February each year. Such meetings shall:

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 5.3.1 Receive an annual report from the Chairperson to be presented to Council;
  - 5.3.2 Elect the chairperson and other office bearers and advise the Council of the elections;
  - 5.3.3 Recommend the fees for service arrangements for office bearers to Council; and
  - 5.3.4 Set meeting dates for the following twelve months
- 5.4 The Committee shall hold at least two other formal meetings during the year on such dates as set by the Committee at its Annual General Meeting. The first meeting, to be held no later than 31 July, shall receive and adopt the financial statements and accounts for the previous financial year ending 30 June.
- 5.5 Extra meetings may be scheduled throughout the year if the Committee believes they are required.
- 5.6 The Secretary shall give notice of all meetings to all Committee members in the manner directed by the Committee.
- 5.7 The Chairperson shall arrange for reasonable notice to the public of meetings of the Committee in accordance with the Act.
- 5.8 The quorum at any Committee Meeting shall be half of the voting members of the Committee plus one. To facilitate compliance with this clause, meeting minutes shall identify voting and non-voting members present, apologies and non-attendees.
- 5.9 Members of the Committee including the Chairperson, but not including those co-opted pursuant to clause 4.9, present at a meeting of the Committee shall have one vote on each matter before the Chair. In the event that voting on any matter is equal, the Chairperson shall have a second vote, subject to the Act.
- 5.10 The Chairperson shall take the chair at all meetings at which he or she is present. In his or her absence, the members present may appoint one of their members to chair the meeting.
- 5.11 In accordance with the Act, full and concise minutes shall be kept of the proceedings at all meetings.
- 5.12 A copy of the unconfirmed minutes of the meeting shall be forwarded to Council within 14 working days of the meeting.
- 5.13 After confirmation of the minutes, a copy shall be signed by the Chairperson of the meeting at which they are confirmed. The Chairperson shall arrange to forward this signed copy of the minutes to Council within 14 working days of the meeting at which they were confirmed.
- 5.14 In accordance with the provisions of the Act, Committee members shall declare any conflicts of interests in matters being addressed by the Committee.
- 6.1 The Committee may at any meeting, agree to request to disband and hand back their responsibilities to Council.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 6.2 The Council may for any reason disband the Committee and upon notice to that effect being given by Council to Committee Members, the Committee shall be disbanded.
- 6.3 The Chairperson shall, on the disbanding as provided in clauses 6.1 or 6.2 above, within one month arrange for:
  - 6.3.1 a financial statement to be prepared, audited and presented to Council in accordance with clause 3.3.6;
  - 6.3.2 the Committee's bank account to be closed and the balance paid to Council; and
  - 6.3.3 hand over to Council all keys to pavilions and other buildings formerly under the management of the Committee.

The Instrument comes into force when the common seal of the Council is affixed to this Instrument and shall remain in force for an unlimited period until such time as the Council shall determine by resolution either to vary or revoke the delegations.

**THE COMMON SEAL** of **HUME CITY COUNCIL** was hereto affixed on  
the ..... day of ..... 2017,  
in the presence of:

COUNCILLOR .....

CHIEF EXECUTIVE OFFICER.....



## **INSTRUMENT OF DELEGATION**

PURSUANT TO SECTION 86  
OF THE LOCAL GOVERNMENT  
ACT 1989 FOR THE  
ESTABLISHMENT OF A SPECIAL  
COMMITTEE OF COUNCIL

Westmeadows Hall Committee of  
Management

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INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

Pursuant to, and in exercise of, the powers conferred by Section 86 of the *Local Government Act 1989* ('the Act'), Hume City Council ('Council') appoints the **Westmeadows Hall Committee of Management** as a Special Committee and hereby delegates the powers, duties and functions of the Council as set forth in the Terms of Reference specified herein.

This Instrument of Delegation ('Instrument') is authorised by a resolution of Council passed on # MONTH 2017.

**TERMS OF REFERENCE**

**1. NAME OF COMMITTEE AND SUBJECT LAND**

- 1.1 The full name of the Special Committee is Westmeadows Hall Committee of Management ("the Committee").
- 1.2 The subject land described herein is Westmeadows Hall, Raleigh Street, Westmeadows VIC 3049 ("the Property"). The Council is the owner or lessee of the property which includes any buildings installed on the property.

**2. PURPOSE**

- 2.1 The Committee will, under delegation from Council, have responsibility for effectively managing and controlling the property for the benefit of users of the property and for the wider community.
- 2.2 In performing its duties, the committee will maintain effective working relationships with Councillors, Council staff and facility hirers. To perform their roles effectively, each committee member should have an understanding of their responsibilities and obligations as committee members.

**3. ROLES AND RESPONSIBILITIES**

**3.1 Committee Powers, Duties and Functions**

The Council delegates to the Committee with respect to the management and control of the property the following powers, duties and functions:

**Use of Facility**

- 3.1.1 To receive applications for hire and/or use of the property, and to allocate times and collect hire fees for such use amongst organisations or individuals.
- 3.1.2 The Committee, in making the allocation, shall give preference to organisations based within the Municipality of Hume City Council.
- 3.1.3 To determine and enforce conditions of hire, including times for the use of the property, subject to the terms of any Lease or vesting order by which Council occupies the property, Council local laws and policies and State and Federal laws.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL

- 3.1.4 To be responsible for ensuring that the conditions of use imposed by Council local laws and policies and State and Federal laws are enforced and to report to the Council any breach thereof, and refer to the Council any breach which cannot be appropriately dealt with by the Committee.

**Fees**

- 3.1.5 To charge and collect the appropriate fee for facility use, including the collection and return of bond payments.

**Facility Maintenance**

- 3.1.6 To ensure that the property and its surrounds under the management of the Committee are maintained at all times in a clean condition and are used in a reasonable and lawful manner.
- 3.1.7 To take such action as is necessary and enter into contracts with any other body or person for the purposes of arranging any goods and services (including cleaning, removal of rubbish or security) associated with the running of the property in accordance with the financial parameters within which the Committee is delegated to operate.
- 3.1.8 To promptly report to Council the need for minor maintenance or repairs to the property, or any incidence of vandalism, breakage or damage of buildings in accordance with maintenance reporting procedures.
- 3.1.9 Council approval must be sought for alterations or the undertaking of works to the property, prior to any alterations or work commencing.
- 3.1.10 To not cause duplication or copying of keys for the property or to change any locks on the property. Any issuing of additional keys must be made through the Council.

**3.2 Council Obligations**

The Council shall:

- 3.2.1 be responsible for the payment of all water and sewerage charges if any are levied on the property;
- 3.2.2 provide for all insurances of the property;
- 3.2.3 be responsible for the payment of all essential service maintenance of the property;
- 3.2.4 reserve for itself or any other person or body nominated by Council the right to use all or any of the facilities of the property for Council business, or for a use approved by Council, at any reasonable time without charge, provided that Council provides the Committee with two working days' notice of its intention to use the property, and that this use does not conflict with any other permanent user group booking; and
- 3.2.5 have the right at all reasonable times to inspect the property and if as a result of any such inspection the Council desires to carry out repairs, improvements or other works on or in respect of the property, all allocations of time made by the Committee for the use of the property shall be suspended or altered.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
1989 FOR THE ESTABLISHMENT OF A SPECIAL COMMITTEE OF COUNCIL**3.3 Financial Obligations****Contracts and Expenditure**

- 3.3.1 The Committee may enter into contracts for goods and service for any one occurrence up to the value of \$1000 and not exceeding a total amount of \$6,000 per annum. Any expenditure in aggregate over the yearly total of \$6,000 is to be referred to Council for approval.
- 3.3.2 The Committee may make any single purchase of goods or services not costing more than \$1000 and not exceeding a total amount of \$6,000 per annum. Any expenditure in aggregate over the yearly total of \$6,000 is to be referred to Council for approval.
- 3.3.3 In entering into any contract in respect to clause 3.3.1, the Committee must be able to demonstrate that it has chosen the "best on offer".
- 3.3.4 No contract entered into is to be for a period of greater than 12 months in duration.
- 3.3.5 All monies received by the Committee shall be paid within five (5) working days into a bank account in the Committee's name and amounts shall only be drawn from that account on the signature of any two Committee members as resolved by the Committee.
- 3.3.6 To pay from funds received by the Committee all rates, taxes and other charges (if any) assessed by the Council on the premises, electricity or gas, petty cash, any costs incurred under clause 3.3.1, and any fees for service and secretarial expenses approved under clause 5.3.3.

**Financial Records and Reporting**

- 3.3.7 The Committee shall provide and keep financial records in accordance with Section 140 of the Act or any other later equivalent or sub-ordinate legislation in force at the time, and shall record all monies received and paid by the Committee and the purposes for which such monies are received and paid.
- 3.3.8 The Committee shall on or before the 31<sup>st</sup> day of July in each year cause the accounts of the Committee to be balanced up to the 30<sup>th</sup> day of June of that year and made ready for audit. The Chairperson of the Committee shall advise the Chief Executive Officer of the Council that the accounts are ready for audit.
- 3.3.9 The provisions of the Act or any other later equivalent or sub-ordinate legislation in force at the time relating to the auditing and inspection of the accounts of municipalities shall apply with respect to the accounts of the Committee. The accounts of the Committee shall be taken to form part of the accounts of the Council.

**Surplus Funds**

- 3.3.10 To invest any surplus funds in accordance with the Council Investment policy.

**Fee Setting**

- 3.3.11 To recommend to Council, through Council's annual budget setting process, the Committee's suggested fees and charges associated with the use of the property.

INSTRUMENT OF DELEGATION PURSUANT TO SECTION 86 OF THE LOCAL GOVERNMENT ACT  
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3.3.12 To collect and retain charges or fees for the use of the property, including income received from the sales of any kiosk or other franchises complementary to the operation of the property, subject to any Council policy, and the provisions of the Act.

**4. MEMBERSHIP**

- 4.1 The Committee, unless otherwise approved by Council, shall comprise an odd number of members (a minimum of five up to a maximum of nine) to be appointed by Council resolution.
- 4.2 Committee membership shall be comprised of any combination of the following:
- Councillor(s)
  - Local residents
  - User club representatives
- 4.3 Unless otherwise approved by Council, membership on the Committee by user clubs representatives is not to exceed half of the membership of the Committee. Individual user clubs are to have no more than two representatives on the Committee. Where there is difficulty filling the required number of positions in a particular membership category, Council approval can be sought to alter the membership composition. As far as is practicable, all user groups are to be equally represented on the Committee.
- 4.4 The members of the Committee shall at the Annual General Meeting of the Committee (see clause 5.3.3) elect from their number a person to be Chairperson and this person shall hold office until the next Annual General Meeting or until he or she ceases to be a member of the Committee.
- 4.5 Unless otherwise approved by Council, local resident members must be residents of the Hume City Council and meet the criteria for membership specified in clause 4.7. They will be recommended for appointment by the Committee at a public meeting of the Committee. They will be recommended for appointment to the Council at an Ordinary Meeting of Council. Persons such appointed by the Council shall hold office until they are re-appointed by the Committee at the Committee's Annual General Meeting, or until they resign. Members may be re-elected.
- 4.6 The Chairperson shall determine the manner in which persons representing organisations using the property are to be nominated as members. The Chairperson shall nominate the user group representatives for recommendation to Council. User group representatives must meet the membership criteria specified in clause 4.7 and user group members may be re-elected.
- 4.7 Unless otherwise approved by Council, the qualification to be a local resident member or a user organisation representative shall be those that are applicable from the 'Qualifications to be a Councillor' provisions of the Act. Specifically, the following criteria will apply in determining the suitability of a person to be a member of the Committee:
- 4.7.1 A person is qualified to be a local resident member of the Committee if they reside in, and are qualified to be enrolled on, the voters' roll of Council.

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- 4.7.2 A person is not capable of becoming or continuing to be a member of the Committee or nominating as a member if –
- (a) he or she is an undischarged bankrupt;
  - (b) his or her property is subject to control under the law relating to bankruptcy; or
  - (c) he or she is of unsound mind.
- 4.7.2 Unless otherwise approved by Council, the disqualification to be a local resident member or a user organisation representative shall be similar to the 'Disqualifications' provisions of the Act.
- 4.8 No person chosen, elected or nominated under clauses 4.5 and 4.6 shall become a member of the Committee until:
- 4.8.1 the Council has been given advice in writing of the name, postal address, contact phone number and details of membership category of each person;
  - 4.8.2 the nominated member has signed a Statement of Acceptance of Responsibilities and Obligations as a Special Committee Member; and
  - 4.8.3 the Council has passed a resolution appointing them as a member.
- The Chairperson shall be responsible for ensuring that the requirements of 4.8.1 and 4.8.2 are given to Council immediately following the nomination of a new Committee member.
- 4.9 The Committee may co-opt as many additional members as it sees fit, but no such co-opted member shall have any voting rights at Committee Meetings.
- 4.10 Notwithstanding anything contained herein, a Committee member who is absent from three consecutive Committee Meetings, or who is absent from a majority of meetings within a 12 month period, without approval by the Committee, shall forfeit his or her membership. The member shall not be eligible for recommendation to Council for reappointment to the Committee unless the member provides just cause to the Council for his or her reappointment.
- 4.11 The Committee shall be responsible for filling any casual vacancy that occurs on the Committee in such a manner as it deems appropriate. The person who fills the casual vacancy must comply with clause 4.7 and the requirements of clause 4.8.
- 4.12 The Committee may at any meeting appoint sub-committees for any purpose and the Chairperson shall ex-officio be a member of all such sub-committees.
- 5.1 The meetings of the Committee shall be conducted in accordance with the provisions of the Act and subject to any local laws and any resolutions made by Hume City Council.
- 5.2 The proceedings of the Committee will be open to the public, except to the extent that the Committee decides that the matters fall within the reasons under the Act, that a meeting may be closed to members of the public.
- 5.3 The Committee shall hold an Annual General Meeting on a date fixed by the Chairperson no later than 28 February each year. Such meetings shall:



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- 5.3.1 Receive an annual report from the Chairperson to be presented to Council;
- 5.3.2 Elect the chairperson and other office bearers and advise the Council of the elections;
- 5.3.3 Recommend the fees for service arrangements for office bearers to Council; and
- 5.3.4 Set meeting dates for the following twelve months
- 5.4 The Committee shall hold at least two other formal meetings during the year on such dates as set by the Committee at its Annual General Meeting. The first meeting, to be held no later than 31 July, shall receive and adopt the financial statements and accounts for the previous financial year ending 30 June.
- 5.5 Extra meetings may be scheduled throughout the year if the Committee believes they are required.
- 5.6 The Secretary shall give notice of all meetings to all Committee members in the manner directed by the Committee.
- 5.7 The Chairperson shall arrange for reasonable notice to the public of meetings of the Committee in accordance with the Act.
- 5.8 The quorum at any Committee Meeting shall be half of the voting members of the Committee plus one. To facilitate compliance with this clause, meeting minutes shall identify voting and non-voting members present, apologies and non-attendees.
- 5.9 Members of the Committee including the Chairperson, but not including those co-opted pursuant to clause 4.9, present at a meeting of the Committee shall have one vote on each matter before the Chair. In the event that voting on any matter is equal, the Chairperson shall have a second vote, subject to the Act.
- 5.10 The Chairperson shall take the chair at all meetings at which he or she is present. In his or her absence, the members present may appoint one of their members to chair the meeting.
- 5.11 In accordance with the Act, full and concise minutes shall be kept of the proceedings at all meetings.
- 5.12 A copy of the unconfirmed minutes of the meeting shall be forwarded to Council within 14 working days of the meeting.
- 5.13 After confirmation of the minutes, a copy shall be signed by the Chairperson of the meeting at which they are confirmed. The Chairperson shall arrange to forward this signed copy of the minutes to Council within 14 working days of the meeting at which they were confirmed.
- 5.14 In accordance with the provisions of the Act, Committee members shall declare any conflicts of interests in matters being addressed by the Committee.
  
- 6.1 The Committee may at any meeting, agree to request to disband and hand back their responsibilities to Council.

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- 6.2 The Council may for any reason disband the Committee and upon notice to that effect being given by Council to Committee Members, the Committee shall be disbanded.
- 6.3 The Chairperson shall, on the disbanding as provided in clauses 6.1 or 6.2 above, within one month arrange for:
  - 6.3.1 a financial statement to be prepared, audited and presented to Council in accordance with clause 3.3.6;
  - 6.3.2 the Committee's bank account to be closed and the balance paid to Council; and
  - 6.3.3 hand over to Council all keys to pavilions and other buildings formerly under the management of the Committee.

The Instrument comes into force when the common seal of the Council is affixed to this Instrument and shall remain in force for an unlimited period until such time as the Council shall determine by resolution either to vary or revoke the delegations.

**THE COMMON SEAL** of **HUME CITY COUNCIL** was hereto affixed on  
the ..... day of ..... 2017,  
in the presence of:

COUNCILLOR .....

CHIEF EXECUTIVE OFFICER.....

<b>REPORT NO:</b>	GE226
<b>REPORT TITLE:</b>	Year End Accounts 2016/17
<b>SOURCE:</b>	Fadi Srour, Manager Finance and Property Development
<b>DIVISION:</b>	Corporate Services
<b>FILE NO:</b>	HCC16/217
<b>POLICY:</b>	-
<b>STRATEGIC OBJECTIVE:</b>	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
<b>ATTACHMENTS:</b>	1. <i>Financial Statements 2016-17</i> 2. <i>Proposed Management Representation Letter</i>

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### 1. SUMMARY OF REPORT:

- 1.1 The 2016/17 Financial Report has been completed by officers and provided to the Auditor General's agent, RSM Australia and were reviewed by the Audit Committee on Friday 25 August 2017.
- 1.2 Council is required to pass a resolution giving its approval in principal to the Financial Report prior to submission of the report to the Auditor General. Council must also authorise two Councillors to certify the Financial Report in its final form in accordance with section 131 of the *Local Government Act* 1989 (the Act) after any recommended changes have been made and agreed to by the Auditor General. It has been the practice in the past to authorise the Mayor and the Finance Portfolio Councillor to certify the Financial Report in its final form.

### 2. RECOMMENDATION:

- 2.1 **That Council resolves to approve in principal the Financial Statements for the year ended 30 June 2017.**
- 2.2 **That the Mayor, Councillor Drew Jessop and Councillor Carly Moore be authorised to certify the statements in their final form after any recommended changes have been made and agreed to by the Auditor General.**

### 3. FINANCIAL IMPLICATIONS:

The 2016/17 version of the Local Government Model Financial Report was used to produce Council's Financial Report which represents the preferred presentation of Local Government Victoria.

#### 3.1 Financial Report

As outlined in the Financial Report, including the Budget comparison at Note 2a, Council continues to have a strong financial position with the key working capital/liquidity ratio remaining strong and the budget to actual variances being favourable.

##### 3.1.1 Income Statement

- (a) The surplus for the year was \$209.03m against a budget of \$117.79m, a favourable variance of \$91.24m.
- (b) The underlying surplus, which excludes one-off items, was \$33.68m which was \$18.76m favourable to budget. The primary reasons being due to the to the advance payment (50%) of the 2017/18 Victoria Grants Commission (VGC) funding of \$6.9m, stronger supplementary rates

REPORT NO: GE226 (cont.)

income and favourable subdivision, planning and building fees whilst expenditure was in line with budget.

- (c) In comparison to budget, major variances are outlined below:
- (i) Rates and charges  
\$3.55m favourable due to higher than expected supplementary rates income as a result of continued strong growth in the City's north.
  - (ii) Statutory fees and fines  
\$1.5m favourable primarily due to higher subdivision, planning and building fees as a result of continued strong subdivisional growth as well as local laws infringement income due to increased enforcement.
  - (iii) User fees  
\$1.74m favourable variance is due to higher than expected building inspection fees, statutory planning fees and asset protection fees and inspections as a result of strong building activity.
  - (iv) Grants – operating  
\$10.4m favourable primarily due to the advance payment (50%) of the 2017/18 VGC funding of \$6.9m and additional funding in Family, Youth and Children Services of \$1.9m for the unbudgeted preschool ratio supplement and higher preschool utilisation.
  - (v) Contributions – monetary  
\$8.98m favourable predominantly due to a higher level of developer contributions as a result of continued growth in the City's north.
  - (vi) Contributions – non-monetary assets  
\$61.55m favourable due to a higher level of developer contributed assets in the form of land, land under roads, roads, footpaths and drainage contributions as a result of continued growth in the City's north.
  - (vii) Other income  
\$1.59m favourable due to favourable interest income as a result of holding higher than expected cash balances throughout the year and because Council recognises the net present value (NPV) of its future liabilities for its employee benefits and landfill rehabilitation and aftercare costs. The accounting standards require the effect of the reduction in the liability caused by the movement in discount and inflation rates, known as the unwinding interest effect, to be shown as interest income.
  - (viii) Net gain on property development  
\$0.8m unfavourable variance relates to the timing of the sale and settlement of lots relating to the development of the Racecourse Road site in Sunbury.
  - (ix) Fair value adjustments for investment property  
\$2.98m favourable due to a stronger than expected revaluation of approximately 10% compared to an expected 2% increase.

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- (x) Employee costs  
\$6.95m favourable primarily due to staff vacancies which is partially offset by an unfavourable variance of \$3.3m in agency staff.
- (xi) Materials and services  
\$8.23m unfavourable due to \$3.4m in capital works projects expensed as the expenditure did not meet Council's asset capitalisation threshold and \$3.3m in agency staff due to temporary resources employed to backfill vacant positions during the recruitment process. It is the practice of Council to budget for a full complement of staff and not for agency staff.
- (xii) Bad and doubtful debts  
\$0.71m unfavourable as it is Council's policy not to budget for bad debts as all attempts are made to recover outstanding amounts.
- (xiii) Depreciation and amortisation  
\$1.09m favourable variance due to a higher than anticipated level of carried forward component of the capital works program from 2015/16 into 2016/17.
- (xiv) Other expenses  
\$0.7m favourable due to the outright purchase of plant which was originally budgeted to be leased.

3.2 275 Racecourse Road, Sunbury

- 3.2.1 The accounting treatment relating to the development at 275 Racecourse Road will be consistent with that of the previous financial year.
- 3.2.2 During the 2016/17 financial year, approximately 24% (109 lots) of the total developable area was sold and settled which has resulted in a net gain of \$2.63m.
- 3.2.3 The developer, Frasers Property, has advised Council of the lots that will be available for sale in 2017/18. Approximately 67% (236 lots) of the total developable area will be available for sale from 2017/18 onwards which has been used as a basis for determining the current/non-current split in the corresponding assets and liabilities.

3.3 Financial ratios

- 3.3.1 The key financial ratios as reported in Council's Performance Statement are within Council's set financial parameters.
- 3.3.2 The key working capital ratio is 312% which is well above Council's target of 110%.
- 3.3.3 Cash Flow Statement
  - (a) The Cash Flow Statement identifies cash at the end of the financial year of \$157.57m which includes \$70m of term deposits which are classified as financial assets. This is a \$63.47m favourable variance to budget and the key points are:  
  
The net cash position provided by operating activities is favourable to budget for the following reasons:
    - (i) variances as outlined in the Income Statement.



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- (ii) commencing the year with a higher than expected cash balance primarily due to a higher level of carried forward capital works.
- (iii) the net GST refund which is not budgeted for.
- (iv) payments for capital works were below expectations primarily due to a larger than expected level of carried forward works which will be completed in 2017/18. Some projects did not commence during the year and whilst others did but have not yet been completed. The key projects that this relates to include construction of Arena District Active Reserve (Greenvale Lakes), the Sunbury Aquatic Centre upgrade, Broadmeadows Town Hall redevelopment, construction of the Meadowlink path and land purchases including the Greenvale West Community Centre and the Loop Road carpark and a new depot site.

**4. DISCUSSION:**

- 4.1 The Financial Report is substantially complete and has been provided to RSM Australia for review.
- 4.2 This Financial Report has been prepared on the accrual and going concern bases and complies with Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Act and the *Local Government (Planning and Reporting) Regulations 2014*.
- 4.3 In accordance with paragraph 4.1.2 of the Audit Committee Charter, the Audit Committee is required to review the Financial Report and determine if it is complete. Following this review, it will allow the Financial Report to be provided to Council on 11 September 2017 to allow Council to give in principal approval of the Financial Report for the financial year ended 30 June 2017.
- 4.4 In addition, RSM Australia will need to forward to the Auditor General a key deliverables package, including:
  - 4.4.1 Audited Financial Report and Performance Statement;
  - 4.4.2 Recommended audited opinion on the Financial Report and Performance Statement; and
  - 4.4.3 Explanations of material variances (+ or – 10%) between 2015/16 and 2016/17 and any new or unusual items.
- 4.5 The Chief Executive Officer is also required to provide the Victorian Auditor General's Office (VAGO) with a signed Management Representation Letter which states that to the best of Council's abilities, Council has fulfilled its responsibilities as set out in the terms of the audit engagement for the preparation and fair presentation of the Financial Report in accordance with Australian Accounting Standards and the requirements of the Act (attachment 2).
- 4.6 Subject to the clearance of all outstanding matters, including those arising from a quality review by VAGO it is anticipated that by late September 2017, Council will receive the Auditor-General's opinion on the Financial Report.
- 4.7 Within four weeks of signing the Financial Report, the Auditor General is required to provide Council with a management letter in the required format containing observations and recommendations which have been cleared by management.

**REPORT NO: GE226 (cont.)**

**5. CONCLUSION:**

The Financial Report has been completed and reviewed by the Audit Committee. The Audit Committee has recommended to Council that it resolve to agree in principle to the Financial Report for the year ended 30 June 2017 and to authorise two Councillors to certify the Financial Report in its final form.

Hume City Council  
 2016/2017 Financial Report

Comprehensive Income Statement  
 For the Year Ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
<b>Income</b>			
Rates and charges	3	163,372	151,879
Statutory fees and fines	4	13,135	12,497
User fees	5	23,819	21,662
Grants - operating	6 (a)	46,705	29,304
Grants - capital	6 (b)	21,085	8,948
Contributions - monetary	7 (a)	33,697	25,410
Contributions - non-monetary assets	7 (b)	114,183	95,743
Other income	8	5,550	4,321
Net gain on disposal of property, plant, equipment and infrastructure	9 (a)	171	434
Net gain on property development	9 (b)	2,626	1,049
Fair value adjustments for investment property	22	3,591	942
<b>Total income</b>		<b>427,934</b>	<b>352,189</b>
<b>Expenses</b>			
Employee costs	10 (a)	(98,183)	(97,034)
Materials and services	11	(73,140)	(71,557)
Bad and doubtful debts	12	(713)	(763)
Depreciation and amortisation	13	(40,173)	(38,191)
Borrowing costs	14	(129)	(5,721)
Other expenses	15	(6,568)	(6,902)
<b>Total expenses</b>		<b>(218,906)</b>	<b>(220,168)</b>
<b>Surplus for the year</b>		<b>209,028</b>	<b>132,021</b>
<b>Other comprehensive income</b>			
<b>Items that will not be reclassified to surplus or deficit in future periods</b>			
Net asset revaluation increment / (decrement)	29 (a)	147,285	(11,461)
<b>Total comprehensive result</b>		<b>356,313</b>	<b>120,560</b>

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

Hume City Council 2016/2017 Financial Report			
Balance Sheet As at 30 June 2017			
	Note	2017 \$'000	2016 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	16	87,568	56,351
Other financial assets	17	70,000	44,850
Trade and other receivables	18	32,327	21,677
Non-current assets classified as held for sale	19	10,517	8,095
Other assets	20	1,620	2,179
<b>Total current assets</b>		<b><u>202,032</u></b>	<b><u>133,152</u></b>
<b>Non-current assets</b>			
Trade and other receivables	18	300	306
Financial assets	17	310	310
Property, plant, equipment and infrastructure	21	2,538,701	2,255,804
Investment property	22	38,422	31,382
Non-current assets classified as held for sale	19	2,635	9,629
Intangible assets	23	15,077	16,237
<b>Total non-current assets</b>		<b><u>2,595,445</u></b>	<b><u>2,313,668</u></b>
<b>Total assets</b>		<b><u>2,797,477</u></b>	<b><u>2,446,820</u></b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	24	17,585	19,236
Trust funds and deposits	25	6,910	6,743
Provisions	26	26,128	23,295
Interest-bearing loans and borrowings	27	1,221	1,147
Development fee obligation	28	12,962	10,169
<b>Total current liabilities</b>		<b><u>64,806</u></b>	<b><u>60,590</u></b>
<b>Non-current liabilities</b>			
Trust funds and deposits	25	3,899	1,556
Provisions	26	24,210	27,114
Interest-bearing loans and borrowings	27	559	1,083
Development fee obligation	28	3,310	12,097
<b>Total non-current liabilities</b>		<b><u>31,978</u></b>	<b><u>41,850</u></b>
<b>Total liabilities</b>		<b><u>96,784</u></b>	<b><u>102,440</u></b>
<b>Net assets</b>		<b><u>2,700,693</u></b>	<b><u>2,344,380</u></b>
<b>Equity</b>			
Accumulated surplus		1,479,278	1,302,929
Asset revaluation reserve	29(a)	1,135,225	987,940
Other reserves	29(b)	86,190	53,511
<b>Total equity</b>		<b><u>2,700,693</u></b>	<b><u>2,344,380</u></b>

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

Hume City Council  
 2016/2017 Financial Report

Statement of Changes in Equity  
 For the Year Ended 30 June 2017

	Note	Total 2017 \$'000	Accumulated Surplus 2017 \$'000	Asset Revaluation Reserve 2017 \$'000	Other Reserves 2017 \$'000
<b>2017</b>					
Balance at beginning of the financial year		2,344,380	1,302,929	987,940	53,511
Surplus for the year		209,028	209,028	-	-
Net asset revaluation increment	29(a)	147,285	-	147,285	-
Transfers to other reserves	29(b)	-	(37,860)	-	37,860
Transfers from other reserves	29(b)	-	5,182	-	(5,182)
<b>Balance at end of the financial year</b>		<b>2,700,693</b>	<b>1,479,278</b>	<b>1,135,225</b>	<b>86,190</b>
		Total 2016 \$'000	Accumulated Surplus 2016 \$'000	Asset Revaluation Reserve 2016 \$'000	Other Reserves 2016 \$'000
<b>2016</b>					
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	29(a)	(11,461)	-	(11,461)	-
Transfers to other reserves	29(b)	-	(28,237)	-	28,237
Transfers from other reserves	29(b)	-	3,245	-	(3,245)
<b>Balance at end of the financial year</b>		<b>2,344,380</b>	<b>1,302,929</b>	<b>987,940</b>	<b>53,511</b>

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



Hume City Council  
 2016/2017 Financial Report

Cash Flow Statement  
 For the Year Ended 30 June 2017

		2017	2016
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Note	\$'000	\$'000
<b>Cash flows from operating activities</b>			
Rates and charges		156,470	147,268
Statutory fees and fines		12,955	11,672
User fees		24,574	26,918
Grants - operating		46,704	29,415
Grants - capital		18,822	11,055
Contributions - monetary		33,992	24,553
Trust funds and deposits taken		23,462	20,300
Other receipts		5,049	4,665
Net GST refund		13,743	11,279
Employee costs		(97,086)	(94,782)
Materials and services		(86,316)	(88,619)
Trust funds and deposits repaid		(20,948)	(19,177)
Other payments		(6,578)	(6,898)
<b>Net cash provided by operating activities</b>	30	<u>124,843</u>	<u>77,649</u>
<b>Cash flows from investing activities</b>			
Payments for property, plant, equipment and infrastructure		(70,202)	(52,911)
Payments for investments		(70,000)	(44,850)
Proceeds from sale of property, plant, equipment and infrastructure		900	2,325
Proceeds from investments		44,850	63,200
Proceeds from property development		1,405	572
<b>Net cash used in investing activities</b>		<u>(93,047)</u>	<u>(31,664)</u>
<b>Cash flows from financing activities</b>			
Finance costs		(129)	(3,214)
Repayment of borrowings		(450)	(26,794)
<b>Net cash used in financing activities</b>		<u>(579)</u>	<u>(30,008)</u>
Net increase in cash and cash equivalents		31,217	15,977
Cash and cash equivalents at the beginning of the financial year		56,351	40,374
<b>Cash and cash equivalents at the end of the financial year</b>	16	<u>87,568</u>	<u>56,351</u>
Financing arrangements	31		
Restrictions on cash assets	16		

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

Hume City Council  
 2016/2017 Financial Report

Statement of Capital Works  
 For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'000
<b>Property</b>		
Land	5,400	2,085
Land improvements	7,945	2,913
Buildings	31,813	27,470
<b>Total property</b>	<u>45,158</u>	<u>32,468</u>
<b>Plant and equipment</b>		
Heritage	21	85
Plant and equipment	3,840	2,833
Furniture and equipment	4,214	2,180
<b>Total plant and equipment</b>	<u>8,075</u>	<u>5,098</u>
<b>Infrastructure</b>		
Roads	8,854	9,285
Bridges	154	10
Footpaths and cycleways	2,583	5,299
Car parks	333	129
Drainage	1,104	468
<b>Total infrastructure</b>	<u>13,028</u>	<u>15,191</u>
<b>Total capital works expenditure</b>	<u>66,261</u>	<u>52,757</u>
<b>Represented by:</b>		
New asset expenditure	40,610	32,131
Asset renewal expenditure	18,008	15,007
Asset expansion expenditure	3,521	314
Asset upgrade expenditure	4,122	5,305
<b>Total capital works expenditure</b>	<u>66,261</u>	<u>52,757</u>

The total capital works expenditure excludes an amount of \$3.4m in 2016/17 (\$9.4m in 2015/16) 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.

**Notes to the Financial Report**  
**For the Year Ended 30 June 2017**

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**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)).
- the determination of landfill provisions (refer to note 1 (q)).

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

**(b) 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.

Notes to the Financial Report  
For the Year Ended 30 June 2017

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 2017. 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 invoice 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.

Notes to the Financial Report  
For the Year Ended 30 June 2017

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**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 (i) 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.

Notes to the Financial Report  
 For the Year Ended 30 June 2017

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
<b>Property</b>		
Land		
land	-	1
land improvements	1 - 20 years	10
landfill restoration assets	2 - 20 years	10
land under roads	-	1
Buildings		
buildings	50 years	10
<b>Plant and Equipment</b>		
Plant and machinery	1 - 10 years	1
Furniture and equipment	1 - 10 years	1
<b>Heritage Assets</b>		
Heritage and culture	-	10
<b>Infrastructure</b>		
Roads		
road pavements and seals	12 - 75 years	10
road formation (earthworks)	-	10
Bridges	50 - 100 years	10
Footpaths and cycleways	50 years	10
Kerb and channel	60 years	10
Car parks		
Sealed	12 - 75 years	10
Unsealed	-	10
Drainage assets (pits and pipes)	100 years	10
Other infrastructure	5 - 75 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.



Notes to the Financial Report  
For the Year Ended 30 June 2017

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**Note 1 (cont.)**

**(j) Investment property**

Investment property is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by 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 25).

**(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.

Notes to the Financial Report  
For the Year Ended 30 June 2017

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**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 2033. 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.

Notes to the Financial Report  
For the Year Ended 30 June 2017

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**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 34 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**

The following new AAS's have been issued that are not mandatory for the 30 June 2017 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

*Revenue from contracts with customers (AASB 15), Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)*

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

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

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

**(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) Committees of management**

Hume City Council currently has four special committees under Section 86 of the Local Government Act 1989 (the Act) for the purpose of each managing Council community centres or halls. These special committees are delegated from Council the function, duties and powers to oversee the day to day operation of their respective community facilities.

**(z) Principles of consolidation**

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 2017

**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 27 June 2016. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council sets guidelines and parameters for 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 2017 \$'000	Actual 2017 \$'000	Variance 2017 \$'000	%	Ref
<b>Income</b>					
Rates and charges	159,818	163,372	3,554	2%	1
Statutory fees and fines	11,634	13,135	1,501	13%	2
User fees	22,084	23,819	1,735	8%	3
Grants - operating	36,304	46,705	10,401	29%	4
Grants - capital	21,495	21,085	(410)	(2%)	
Contributions - monetary	24,722	33,697	8,975	36%	5
Contributions - non-monetary assets	52,636	114,183	61,547	117%	6
Other income	3,960	5,550	1,590	40%	7
Net gain on disposal of property, plant, equipment and infrastructure	-	171	171	100%	8
Net gain on property development	3,405	2,626	(779)	(23%)	9
Fair value adjustments for investment property	609	3,591	2,982	490%	10
<b>Total income</b>	<b>336,667</b>	<b>427,934</b>	<b>91,267</b>		
<b>Expenses</b>					
Employee costs	105,128	98,183	6,945	7%	11
Materials and services	64,910	73,140	(8,230)	(13%)	12
Bad and doubtful debts	-	713	(713)	(100%)	13
Depreciation and amortisation	41,260	40,173	1,087	3%	14
Borrowing costs	311	129	182	59%	15
Other expenses	7,271	6,568	703	10%	16
<b>Total expenses</b>	<b>218,880</b>	<b>218,906</b>	<b>(26)</b>		
<b>Surplus for the year</b>	<b>117,787</b>	<b>209,028</b>	<b>91,241</b>		

**Notes to the Financial Report**  
**For the Year Ended 30 June 2017**

**Note 2 Budget comparison (cont.)**

**a) Income and Expenditure (cont.)**

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

<b>Ref</b>	<b>Item</b>	<b>Explanation</b>
1	Rates and charges	The favourable variance is due to the raising of supplementary rates income of \$2.7m above budget as a result of strong growth.
2	Statutory fees and fines	The favourable variance relates to the continued growth and increase in market activity across the municipality which has lead to higher subdivision, planning and building fees. Also contributing to the favourable variance are Local Laws infringements due to increased enforcement activity.
3	User fees	The favourable variance is due to higher than expected building inspection fees, statutory planning fees and asset protection fees and inspections as a result of higher activity.
4	Grants - operating	The favourable variance relates to: <ul style="list-style-type: none"> <li>• The advance payment of 50% of the 2017/18 Victorian Grants Commission (VGC) funding of \$6.9m which was received in 2016/17;</li> <li>• Additional funding in Family, Youth and Children Services of \$1.9m for the unbudgeted preschool ratio supplement and the higher utilisation in preschools and childcare activities; and</li> <li>• Unbudgeted additional funding in Aged and Disability Services \$0.5m.</li> </ul>
5	Contributions - monetary	The favourable variance is due to a higher level of developer contributions as a result of continued growth in the north of the municipality including Lockerbie, Craigieburn and Greenvale. It should be noted that this income gives rise to future infrastructure obligations.
6	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 as follows: <ul style="list-style-type: none"> <li>• In 2016/17 Council received contributed assets from 85 subdivisions;</li> <li>• The total length of the road network increased by 45 km; and</li> <li>• The total length of footpath network increased by 87 km.</li> </ul>
7	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 carried forward capital works.  In addition, Council recognises the net present value (NPV) of its future liabilities for its employee benefits and landfill rehabilitation and aftercare costs. The accounting standards require the effect of the reduction in the liability caused by the movement in discount and inflation rates, known as the unwinding interest effect, to be shown as interest income.
8	Net gain on disposal of property, plant, equipment and infrastructure	The gain is due to the disposal of plant and equipment and a parcel of land.
9	Net gain on property development	The unfavourable variance relates to the timing of the sale and settlement of lots relating to the development of the Racecourse Road site in Sunbury.
10	Fair value adjustments for investment property	The favourable variance relates to the higher than expected movement in the value of Council's investment properties. The revaluation resulted in an average increase of 10% compared to an expected 2% increase.
11	Employee costs	The favourable variance is due to staff vacancies.
12	Materials and services	The unfavourable variance primarily relates to the following unbudgeted expenditure: <ul style="list-style-type: none"> <li>• \$3.3m in agency staff due to temporary resources employed to backfill vacant positions during the recruitment process, offset by a favourable variance in employee costs. It is the practice of Council to budget for a full compliment of staff and not for agency staff; and</li> <li>• \$3.4m in capital works projects expensed on assets as it did not meet Council's capitalisation recognition criteria as outlined in note 1.</li> </ul>
13	Bad and doubtful debts	Council does not budget for bad debts as all attempts are made to recover outstanding amounts.
14	Depreciation and amortisation	The variance is primarily due to the higher than budgeted carried forward component of the capital works program from 2015/16 into 2016/17.
15	Borrowing costs	The favourable variance is primarily due to the outright purchase of plant which resulted in a saving in interest on finance leases.
16	Other expenses	The favourable variance is primarily due to the outright purchase of plant which was originally budgeted to be leased.

Notes to the Financial Report  
For the Year Ended 30 June 2017

Note 2: Budget comparison (cont.)

b) Capital Works

	Budget 2017 \$'000	Actual 2017 \$'000	Variance 2017 \$'000	%	Ref
<b>Property</b>					
Land	12,250	5,400	6,850	56%	1
Land improvements	14,082	7,945	6,137	44%	2
Buildings	37,530	31,813	5,817	15%	3
<b>Total Property</b>	<b>63,962</b>	<b>45,158</b>	<b>18,804</b>		
<b>Plant and Equipment</b>					
Heritage	75	21	54	71%	4
Plant and equipment	3,377	3,840	(463)	(14%)	5
Furniture and equipment	3,510	4,114	(704)	(20%)	6
<b>Total Plant and Equipment</b>	<b>6,962</b>	<b>8,075</b>	<b>(1,113)</b>		
<b>Infrastructure</b>					
Roads	11,242	8,854	2,388	21%	7
Bridges	100	154	(54)	(54%)	8
Footpaths and cycleways	4,935	2,583	2,352	48%	9
Car parks	520	333	187	36%	10
Drainage	1,200	1,104	96	8%	
<b>Total Infrastructure</b>	<b>17,997</b>	<b>13,028</b>	<b>4,969</b>		
<b>Total Capital Works Expenditure</b>	<b>88,921</b>	<b>66,261</b>	<b>22,660</b>		
<b>Represented by:</b>					
New asset expenditure	49,787	40,610	9,177		
Asset renewal expenditure	25,610	18,008	7,602		
Asset expansion expenditure	4,860	3,521	1,339		
Asset upgrade expenditure	8,864	4,122	4,742		
<b>Total Capital Works Expenditure</b>	<b>88,921</b>	<b>66,261</b>	<b>22,660</b>		

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

Ref	Item	Explanation
1	Land	The variance relates to a number of budgeted acquisitions which did not occur during the year for: <ul style="list-style-type: none"> <li>a multi-purpose community facility at Greenvale Gardens. Council has approved the purchase of the land in August 2017 and contract documents are being prepared to facilitate the land transaction from the developer to Council's ownership.</li> <li>additional car parking within the Broadmeadows Town Centre. Council is currently in negotiations with Vic Roads for the proposed purchase of land.</li> <li>a potential depot site. Council is currently in the process of determining a suitable site for a new depot.</li> </ul> Therefore funds for these projects have been carried forward into, and are expected to occur in, the 2017/18 financial year.
2	Land improvement	The variance relates to a number of incomplete projects including: <ul style="list-style-type: none"> <li>construction of Arena District Active Reserve (Greenvale Lakes)</li> <li>works at Jacana Valley as part of the masterplan.</li> <li>skate, scooter and BMX strategy implementation works,</li> <li>Broadmeadows Valley Park (John Ihan Memorial Reserve) works,</li> <li>Local shopping centre upgrades, and</li> <li>Pascoe Vale Rd gateway treatments.</li> </ul> Funds for these projects have been carried forward into the 2017/18 financial year.
3	Buildings	The variance relates to a number of incomplete projects including: <ul style="list-style-type: none"> <li>OS Aitken Reserve pavilion upgrade;</li> <li>Broadmeadows Town Hall upgrade;</li> <li>the Hume Global Learning Centre in Sunbury;</li> <li>Sunbury Lawn Tennis Club modular building;</li> <li>Aitken Hill community centre; and</li> <li>Greenvale Recreation Reserve pavilion number 1 extension.</li> </ul> Funds for these projects have been carried forward into the 2017/18 financial year.
4	Heritage	The variance relates to incomplete public art projects.
5	Plant and equipment	The variance relates to the outright purchase of plant which was originally budgeted to be leased.
6	Furniture and equipment	The variance relates to expenditure budgeted for in 2015/16 but was completed in 2016/17 for: <ul style="list-style-type: none"> <li>the Information Services upgrade program; and</li> <li>Library stock replacement.</li> </ul>
7	Roads	The variance relates to a number of incomplete projects including: <ul style="list-style-type: none"> <li>Sunshine Avenue reconstruction;</li> <li>the local road asphalt resurfacing program; and</li> <li>expenditure that did not meet the capitalisation threshold.</li> </ul>
8	Bridges	The variance relates to a project for bridge repairs which was budgeted for in 2015/16 but was completed in 2016/17.
9	Footpaths and cycleways	The variance relates to a delay in the commencement of the Meadowlink path works which is now expected to be completed in 2017/18.
10	Car parks	The variance relates to the 2016/17 incomplete indented parking bays program and the Boardman Reserve carpark which will be completed in 2017/18.



**Notes to the Financial Report  
For the Year Ended 30 June 2017**

	Note	2017 \$'000	2016 \$'000
<b>Note 3</b>	<b>Rates and charges</b>		
<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 2016/17 was \$33.427 billion (2015/16 - \$30.274 billion). The 2016/17 rate in the CIV dollar was 0.42514 (2015/16 - 0.44480).</p>			
		108,287	100,283
	Residential	8,415	8,126
	Commercial	20,266	19,634
	Industrial	8,726	8,501
	Rural	2,102	1,952
	Organic waste fees	684	615
	Interest on rates	14,892	12,768
	Revenue in lieu of rates	<u>163,372</u>	<u>151,879</u>
	<b>Total rates and charges</b>		
<p>The increase in rates and charges is primarily due to a rate increase of 2.5% 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 was first applied in the rating year commencing 1 July 2016.</p>			
<b>Note 4</b>	<b>Statutory fees and fines</b>		
	Land information certificates	198	164
	Building fines and infringements	1,826	2,207
	Registrations and permits	1,391	1,383
	Subdivisions	3,675	3,718
	Traffic / PERIN / Animals	4,316	3,984
	Town planning	1,440	923
	Other / Miscellaneous	289	118
	<b>Total statutory fees and fines</b>	<u>13,135</u>	<u>12,497</u>
<p>The variance is primarily due to increased Town Planning fees and Local Laws infringements due to increased enforcement activity.</p>			
<b>Note 5</b>	<b>User fees</b>		
	Landfill/Garbage	4,807	4,722
	Recreational facilities	6,948	6,504
	Community services	6,927	6,452
	Building	1,383	1,092
	General and supplementary valuation data	885	187
	Cemetery fees	511	256
	Town planning	405	325
	Human resources	605	525
	Other/Miscellaneous	1,348	1,599
	<b>Total user fees</b>	<u>23,819</u>	<u>21,662</u>
<p>There has been an increase in general valuation data income which is consistent with the sale of this data every two years to the State Revenue Office. The increase in fees across the board reflects the continued growth and increase in market activity across the municipality.</p>			

Notes to the Financial Report  
For the Year Ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
<b>Note 6</b>			
<b>Grants</b>			
Grants were received in respect of the following:			
<b>Summary of grants</b>			
Commonwealth funded grants		39,024	15,677
State funded grants		28,766	22,575
<b>Total grants</b>		<b>67,790</b>	<b>38,252</b>
<i>(a) Operating</i>			
<b>Recurrent - Commonwealth Government</b>			
Victoria grants commission - general purpose		16,948	5,494
Victoria grants commission - local roads		3,278	1,059
Aged and disability services		5,018	80
Economic development		27	41
Family, youth and children's services		2,802	2,955
Public health services		-	36
Waste		-	48
Community development and learning		446	130
Population health		27	-
Parks		-	26
<b>Recurrent - State Government</b>			
Statutory planning and building control services		64	-
Community and activity centre planning		5	-
Public health services		33	197
City laws		313	282
Waste		6	6
Environmental services		36	35
Parks		107	117
Waste and cleansing services		36	35
Sustainable environment		15	-
Aged and disability services		2,530	6,645
Family, youth and children's services		10,899	7,839
Youth services		26	-
Health and community wellbeing management		3	-
Population health		213	25
Maternal and child health		2,083	2,486
Community development and learning		1,793	1,768
<b>Total grants - operating</b>		<b>46,705</b>	<b>29,304</b>
<i>(b) Capital</i>			
<b>Commonwealth Government</b>			
Asset development		10,479	5,808
<b>State Government</b>			
Asset development		10,571	3,140
Aged and disability services		35	-
<b>Total grants - capital</b>		<b>21,085</b>	<b>8,948</b>
<b>Unspent grants received on condition that they be spent in a specific manner</b>			
Balance at start of year		3,395	2,646
Received during the financial year and remained unspent at balance date		6,766	3,395
Received in prior years and spent during the financial year		(2,601)	(2,646)
<b>Balance at year end</b>		<b>7,560</b>	<b>3,395</b>

Notes to the Financial Report  
For the Year Ended 30 June 2017

Note	Contributions	Note	2017 \$'000	2016 \$'000
	<i>(a) Contributions - monetary</i>			
	Contributions		27,778	23,752
	Sponsorships		44	45
	Fringe benefits tax		147	155
	<b>Total contributions - monetary</b>		<b>27,969</b>	<b>23,952</b>
	The favourable variance is primarily due to a higher level of developer contributions as a result of continued growth in the municipality.			
	<i>Contributions - capital monetary</i>			
	Contributions		5,728	1,458
	<b>Total contributions - monetary</b>		<b>33,697</b>	<b>25,410</b>
	<i>(b) Non-monetary assets</i>			
	Land under roads		28,242	25,374
	Roads		39,672	31,163
	Bridges		531	516
	Footpaths and cycleways		5,932	4,265
	Drainage works		20,790	17,273
	Land		18,327	16,285
	Car parks		53	391
	Land improvements		636	476
	<b>Total contributions - non-monetary assets</b>		<b>114,183</b>	<b>95,743</b>
	<b>Total contributions</b>		<b>147,880</b>	<b>121,153</b>
	Contributed assets are assets transferred to Council as a result of subdivisional activities or from other entities.			
Note 8	<b>Other income</b>			
	<i>(a) Rental income</i>			
	Investment property rental		999	939
	Other rent		741	606
	<b>Total rental</b>		<b>1,740</b>	<b>1,545</b>
	<i>(b) Interest income</i>			
	Interest		2,626	2,776
	Unwinding interest effect for provisions		1,184	-
	<b>Total interest income</b>		<b>3,810</b>	<b>2,776</b>
	Council recognises the net present value (NPV) of its future liabilities for its employee benefits and landfill rehabilitation and aftercare costs. The accounting standards require the effect of the reduction in the liability caused by the movement in discount and inflation rates, known as the unwinding interest effect, to be shown as interest income. In 2015/16, there was an increase in the liability due to the movement in discount and inflation rates resulting in an interest expense (refer to note 14).			
	<b>Total other income</b>		<b>5,550</b>	<b>4,321</b>

Notes to the Financial Report  
For the Year Ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
<b>Note 9 (a) Net gain on disposal of property, plant, equipment and infrastructure</b>			
<i>Non-current assets classified as held for sale</i>			
Proceeds from sale	-	-	1,038
Less cost of assets sold	-	-	(658)
Gain on disposal	-	-	<b>380</b>
<i>Investment property</i>			
Proceeds from sale	-	-	585
Less cost of assets sold	-	-	(439)
Gain on disposal	-	-	<b>146</b>
<i>Land</i>			
Proceeds from sale	214	-	440
Less cost of assets sold	-	-	(447)
Gain/(loss) on disposal	<b>214</b>	-	<b>(7)</b>
<i>Plant and equipment</i>			
Proceeds from sale	686	-	436
Less cost of assets sold	(729)	-	(521)
Loss on disposal	<b>(43)</b>	-	<b>(85)</b>
<b>Total gain on disposal of property, plant, equipment and infrastructure</b>		<b>171</b>	<b>434</b>
<b>Note 9 (b) Net gain on property development</b>			
<i>Racecourse Road development</i>			
Proceeds from sale	23,240	-	9,247
Interest earned on deposits	22	-	-
Less cost of assets sold	(4,771)	-	(1,858)
Less development fee expenses	(21,857)	-	(8,674)
Add unwinding of development fee obligation	5,994	-	2,334
Gain on property development	<b>2,626</b>	-	<b>1,049</b>
<b>Note 10 (a) Employee costs</b>			
Wages and salaries		80,108	78,308
Superannuation	10 (b)	7,624	7,509
Annual leave and long service leave		6,958	7,211
Other employee related expenses		3,385	3,853
Fringe benefits tax		108	153
<b>Total employee costs</b>		<b>98,183</b>	<b>97,034</b>
<b>Note 10 (b) Superannuation</b>			
Council made contributions to the following funds:			
<b>Defined benefit fund</b>			
Employer contributions to Local Authorities Superannuation Fund (Vision Super)		568	586
Employer contributions payable at reporting date		-	-
<b>Accumulation funds</b>			
Employer contributions to Local Authorities Superannuation Fund (Vision Super)		5,050	5,115
Employer contributions - other funds		2,006	1,807
		<b>7,056</b>	<b>6,923</b>
<b>Total superannuation</b>	10 (a)	<b>7,624</b>	<b>7,509</b>
Employer contributions payable at reporting date		-	-
Refer to note 35 for further information relating to Council's superannuation obligations.			

Notes to the Financial Report  
 For the Year Ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
<b>Note 11</b>	<b>Materials and services</b>		
	Materials	11,004	9,761
	Capital works expensed	3,436	9,388
	Fleet expenses	2,632	2,382
	Contractors and consultants	47,803	42,340
	Insurance	1,683	1,652
	Building and utility charges	5,101	5,195
	Assets expensed	1,481	839
	<b>Total materials and services</b>	<b>73,140</b>	<b>71,557</b>
	<p>Year on year there has been minimal movement however there has been an expenditure reclassification between capital works and operating expenditure for items which were maintenance in nature. This has resulted in a reduction in capital works expensed offset by contractors and consultants.</p> <p>Also contributing to the variance are the costs associated with the maintenance of parks and open spaces due to subdivisional growth throughout the municipality and the cost of coordinating Council's elections which occurs every four years.</p>		
<b>Note 12</b>	<b>Bad and doubtful debts</b>		
	Statutory planning and building control services	196	199
	Technical services	24	62
	City laws	410	409
	Other	83	93
	<b>Total bad and doubtful debts</b>	<b>713</b>	<b>763</b>
<b>Note 13</b>	<b>Depreciation and amortisation</b>		
	<b>Depreciation</b>		
	<i>Property</i>		
	Land improvements	6,039	5,690
	Buildings	3,926	3,991
	<i>Plant and Equipment</i>		
	Plant and equipment	2,012	1,858
	Plant and equipment - finance leases	659	878
	Furniture and equipment	2,495	2,514
	<i>Infrastructure</i>		
	Roads	16,034	14,419
	Bridges	744	831
	Footpaths and cycleways	2,415	2,280
	Drainage works	4,434	4,211
	Car parks	255	360
	<b>Total depreciation</b>	<b>39,013</b>	<b>37,031</b>
	<b>Amortisation</b>		
	Intangible assets (landfill restoration assets)	1,160	1,160
	<b>Total amortisation</b>	<b>1,160</b>	<b>1,160</b>
	<b>Total depreciation and amortisation</b>	<b>40,173</b>	<b>38,191</b>

Refer to note 21 and 23 for a more detailed breakdown of depreciation and amortisation charges.

Notes to the Financial Report  
 For the Year Ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
<b>Note 14</b>	<b>Borrowing costs</b>		
	Interest - borrowings	-	800
	Loan break costs	-	2,249
	Interest - finance leases	129	165
	Unwinding interest effect for provisions	-	2,507
	<b>Total borrowing costs</b>	<b>129</b>	<b>5,721</b>
	The variance is due to the repayment of \$26m in borrowings in 2015/16 which incurred a loan break-fee.		
	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 decrease/increase in these liabilities, the accounting standards require the effect of falling/rising interest rates, known as the unwinding interest effect, to be shown as interest income/expense.		
<b>Note 15</b>	<b>Other expenses</b>		
	Grants, contributions and donations	4,169	4,121
	Auditors' remuneration - external	99	95
	Auditors' remuneration - internal	124	122
	Councillors' allowances	408	414
	Operating lease rentals	1,333	1,703
	Bank charges	435	447
	<b>Total other expenses</b>	<b>6,568</b>	<b>6,902</b>
	The variance is primarily due to the outright purchase of plant which was previously leased.		
<b>Note 16</b>	<b>Cash and cash equivalents</b>		
	Cash at bank and on hand	2,843	1,502
	Money market call account	59,594	54,550
	Committees of management bank accounts	331	299
	Term deposits	24,800	-
	<b>Total cash and cash equivalents</b>	<b>87,568</b>	<b>56,351</b>
	Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
	Trust funds and deposits	25 10,809	8,299
	Total restricted funds	<b>10,809</b>	<b>8,299</b>
	<b>Total unrestricted cash and cash equivalents</b>	<b>76,759</b>	<b>48,052</b>
	<b>Intended allocations</b>		
	Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
	Cash held to fund carried forward capital works	35,676	30,438
	Statutory reserves	500	500
	Conditional grants unspent	6 7,560	3,395
	<b>Total funds subject to intended allocations</b>	<b>43,736</b>	<b>34,333</b>



Notes to the Financial Report  
For the Year Ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
<b>Note 17</b>	<b>Other financial assets</b>		
	<i>Current</i>		
	Term deposits greater than 90 days	70,000	44,850
		<u>70,000</u>	<u>44,850</u>
	<i>Non-current</i>		
	Unlisted shares at cost - Regional Kitchen Pty Ltd	310	310
		<u>310</u>	<u>310</u>
	This investment in the Regional Kitchen is a joint venture between a number of Victorian Councils which the Kitchen project with the aim of providing affordable, nutritious and culturally sensitive meals to older and other vulnerable residents.		
	<b>Total financial assets</b>	<u>70,310</u>	<u>45,160</u>
<b>Note 18</b>	<b>Trade and other receivables</b>		
	<i>Current</i>		
	Rates debtors	16,266	13,667
	Statutory fees	3,138	3,759
	Other debtors	10,934	2,323
	Less: provision for doubtful debts	(427)	(395)
	GST receivable	2,416	2,323
		<u>32,327</u>	<u>21,677</u>
	<i>Non-current</i>		
	Special rate scheme	300	306
		<u>300</u>	<u>306</u>
	<b>Total trade and other receivables</b>	<u>32,627</u>	<u>21,983</u>
	<b>a) Ageing of Receivables</b>		
	At balance date other debtors representing financial assets were past due but not impaired. The ageing of these debtors are as follows:		
	Between 0 and 30 days	10,026	1,262
	Past due between 31 and 60 days	137	200
	Past due between 61 and 90 days	556	656
	Past due by more than 90 days	215	205
	<b>Total other debtors</b>	<u>10,934</u>	<u>2,323</u>
	<b>b) Movement in provisions for doubtful debts</b>		
	Balance at the beginning of the year	395	352
	New provisions recognised during the year	32	43
	<b>Balance at end of year</b>	<u>427</u>	<u>395</u>
	<b>(c) Ageing of individually impaired Receivables</b>		
	At balance date, other debtors representing financial assets with a nominal value of \$10.934 million (2016: \$2.323 million) were partly impaired. The amount of the provision raised against these debtors was \$0.427 million (2016: \$0.395 million) which represents outstanding debts greater than 180 days where no payments have been received in the last three months.		

Notes to the Financial Report  
 For the Year Ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
<b>Note 19</b>	<b>Non-current assets classified as held for sale</b>		
	<i>Current</i>		
	Balance at beginning of the financial year	8,095	634
	Transfer from non-current assets held for sale	6,994	10,547
	Transfer to property, plant, equipment and infrastructure	-	(594)
	Transfer from property, plant, equipment and infrastructure	199	-
	Disposals	(4,771)	(2,492)
	<b>Total current</b>	<b>10,517</b>	<b>8,095</b>
	<i>Non-current</i>		
	Balance at beginning of the financial year	9,629	20,176
	Transfer to current assets held for sale	(6,994)	(10,547)
	<b>Total non-current</b>	<b>2,635</b>	<b>9,629</b>
	<b>Total non-current assets classified as held for sale</b>	<b>13,152</b>	<b>17,724</b>
<b>Note 20</b>	<b>Other assets</b>		
	Prepayments	865	881
	Accrued income	755	1,298
	<b>Total other assets</b>	<b>1,620</b>	<b>2,179</b>

Notes to the Financial Report  
For the Year Ended 30 June 2017

Note 21 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At fair value 30 June 2016	Acquisitions	Contributions	Revaluation	Depreciation	Disposal	Assets expensed	Transfers	Capital works WIP expensed	At fair value 30 June 2017
Land	931,493	23	47,205	100,291	(6,039)	-	(11)	10,115	-	1,092,077
Buildings	165,291	-	-	-	(3,926)	-	-	5,941	-	167,306
Plant and Equipment	19,835	170	-	-	(5,166)	(698)	-	7,294	-	21,435
Infrastructure	1,093,977	-	66,978	37,994	(23,882)	-	(1,467)	12,411	-	1,186,012
Work in progress	45,208	69,489	-	-	-	-	-	(39,409)	(3,418)	71,870
	<b>2,255,804</b>	<b>69,682</b>	<b>114,183</b>	<b>147,285</b>	<b>(39,013)</b>	<b>(698)</b>	<b>(1,478)</b>	<b>(3,646)</b>	<b>(3,418)</b>	<b>2,538,701</b>

Summary of Work in Progress

	Opening WIP 2016	Additions	Transfers	Capital works WIP expensed	Closing WIP 2017
Land Improvements	13,959	13,978	13,640	656	13,641
Buildings	28,736	32,245	7,561	431	52,989
Plant and Equipment	641	8,326	6,801	420	1,746
Infrastructure	1,872	14,940	11,407	1,911	3,494
Total	<b>45,208</b>	<b>69,489</b>	<b>39,409</b>	<b>3,418</b>	<b>71,870</b>

Land and Buildings	Note	Land - specialised	Land - non- specialised	Land improvements	Total Land	Buildings - specialised	Total Buildings	Work in Progress	Total Property
At fair value 1 July 2016		819,510	67,115	72,497	959,122	167,348	167,346	42,695	1,169,163
Accumulated depreciation at 1 July 2016		-	-	(27,628)	(27,628)	(2,053)	(2,055)	-	(29,683)
		<b>819,510</b>	<b>67,115</b>	<b>44,869</b>	<b>931,494</b>	<b>165,291</b>	<b>165,291</b>	<b>42,695</b>	<b>1,139,480</b>
<b>Movements in fair value</b>									
Acquisition of assets at fair value		-	-	23	23	-	-	46,223	46,246
Contributed assets at fair value		48,589	-	836	47,205	-	-	-	47,205
Revaluation increments		100,816	8,475	-	109,291	-	-	-	109,291
Fair value of assets expensed		-	-	(1,895)	(1,895)	-	-	-	(1,895)
Capital works WIP expensed		-	-	-	-	-	-	(1,088)	(1,088)
Transfers		3,252	(342)	7,205	10,115	5,896	5,896	(21,202)	(5,191)
		<b>150,637</b>	<b>8,133</b>	<b>7,675</b>	<b>166,445</b>	<b>5,896</b>	<b>5,896</b>	<b>23,933</b>	<b>196,275</b>
<b>Movements in accumulated depreciation</b>									
Depreciation and amortisation		-	-	(6,039)	(6,039)	(3,926)	(3,926)	-	(9,965)
Accumulated depreciation of asset expensed		-	-	178	178	-	-	-	178
Transfers		-	-	-	-	45	45	-	45
		-	-	(5,861)	(5,861)	(3,881)	(3,881)	-	(9,742)
At fair value 30 June 2017		970,147	75,248	80,172	1,125,567	173,242	173,242	66,628	1,365,437
Accumulated depreciation at 30 June 2017		-	-	(33,489)	(33,489)	(5,936)	(5,936)	-	(39,425)
		<b>970,147</b>	<b>75,248</b>	<b>46,683</b>	<b>1,092,078</b>	<b>167,306</b>	<b>167,306</b>	<b>66,628</b>	<b>1,326,012</b>

Notes to the Financial Report  
For the Year Ended 30 June 2017

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 2016		489	17,683	32,989	4,578	641	56,380
Accumulated depreciation at 1 July 2016		-	(7,961)	(24,805)	(3,639)	-	(35,505)
		489	9,722	8,684	939	641	20,475
<b>Movements in fair value</b>							
Acquisition of assets at fair value		-	13	157	-	8,326	8,496
Fair value of assets disposed		-	(2,244)	-	-	-	(2,244)
Capital works WIP expensed		-	-	-	-	(420)	(420)
Transfers		-	4,150	3,144	-	(6,801)	494
		-	1,919	3,303	-	1,105	6,325
<b>Movements in accumulated depreciation</b>							
Depreciation and amortisation		-	(2,012)	(2,495)	(659)	-	(5,166)
Accumulated depreciation of disposals		-	1,546	-	-	-	1,546
		-	(466)	(2,495)	(659)	-	(3,620)
At fair value 30 June 2017		489	19,602	36,290	4,578	1,746	62,706
Accumulated depreciation at 30 June 2017		-	(8,427)	(26,800)	(4,298)	-	(39,525)
		489	11,175	9,490	280	1,746	23,180

Infrastructure	Note	Roads	Bridges	Footpaths and cycleways	Car Parks	Drainage	Work in Progress	Total Infrastructure
At fair value 1 July 2016		773,767	75,802	112,673	17,416	435,000	1,872	1,421,550
Accumulated depreciation at 1 July 2016		(161,260)	(19,170)	(31,030)	(5,230)	(109,011)	-	(325,701)
		612,527	56,632	86,643	12,186	325,989	1,872	1,095,849
<b>Movements in fair value</b>								
Acquisition of assets at fair value		-	-	-	-	-	14,940	14,940
Contributed assets at fair value		39,607	531	5,932	53	20,790	-	66,914
Revaluation increments/decrements		38,108	-	(3,520)	(196)	10,346	-	44,775
Fair value of assets expensed		(4,711)	-	-	(256)	-	-	(4,967)
Capital works WIP expensed		-	-	-	-	-	(1,911)	(1,911)
Transfers		11,957	289	3,109	(8,762)	1,819	(11,407)	1,005
		84,961	820	5,518	(9,121)	32,955	1,622	120,756
<b>Movements in accumulated depreciation</b>								
Depreciation and amortisation		(16,034)	(744)	(2,415)	(255)	(4,434)	-	(23,882)
Accumulated depreciation of asset expensed		3,354	-	-	145	-	-	3,499
Revaluation increments/decrements		(6,398)	-	1,729	(79)	(2,030)	-	(6,775)
Contributed assets		64	-	-	-	-	-	64
Transfers		(1,763)	-	-	1,763	-	-	-
		(20,777)	(744)	(886)	1,574	(6,464)	-	(27,097)
At fair value 30 June 2017		858,748	76,623	123,191	12,295	467,955	3,494	1,542,306
Accumulated depreciation at 30 June 2017		(182,097)	(19,815)	(31,716)	(3,656)	(115,475)	-	(352,798)
		676,711	56,708	91,475	8,639	352,480	3,494	1,189,507

Notes to the Financial Report  
 For the Year Ended 30 June 2017

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

**Valuation basis**

**Non-specialised land**

Non-specialised land is valued using the market based direct comparison method. Under this valuation method, the assets are compared to recent comparable sales. For non-specialised land, 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. A formal revaluation of land was not complete as this generally occurs every two years in line with requirement to undertake general revaluations for rating purposes. The effective date of the most recent formal revaluation was 30 June 2016. However, the property market in Victoria has seen a material increase in prices over the last year and therefore a managerial revaluation was undertaken using an indexed approach based on preliminary data available for the municipality. The increase was on average 12% and is consistent with what has occurred across Victoria. To the extent that non-specialised land does 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 engloba (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 Engloba value, 15% for access rights and private interests and 10% for other infrastructure assets within roadways.

**Fair Value Hierarchy**

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

Asset Class	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	Total \$ '000	DoV
<b>Land and Buildings</b>					
Land - non specialised	-	75,248	-	75,248	Jun-17
Land - specialised	-	-	970,147	970,147	Jun-17
Buildings - specialised	-	-	167,306	167,306	Jun-16
<b>Total</b>	-	<b>75,248</b>	<b>1,137,453</b>	<b>1,212,701</b>	

Notes to the Financial Report  
 For the Year Ended 30 June 2017

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

2017  
\$'000

2016  
\$'000

**Valuation of infrastructure**

Valuation of infrastructure assets has been determined in accordance with a valuation undertaken by Mr. David Fricke, a Professional Engineer (Bachelor of Engineering, Civil) & MBA.

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.

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

Asset Class	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	Total \$ '000	DoV
<b>Infrastructure</b>					
Roads	-	-	676,711	676,711	Jun-16
Bridges	-	-	56,708	56,708	Jun-16
Footpaths and cycleways	-	-	91,475	91,475	Jun-17
Car parks	-	-	8,639	8,639	Jun-16
Drainage works	-	-	352,480	352,480	Jun-17
<b>Total</b>	-	-	<b>1,186,013</b>	<b>1,186,013</b>	

*Description of significant unobservable inputs into level 3 valuations*

*Specialised land and land under roads* is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 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.

970,147

819,510

*Specialised buildings* are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$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.

167,306

165,291

*Infrastructure assets* are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 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.

1,186,013

1,093,977

**Reconciliation of specialised land**

Land under roads

159,155

114,915

Parks and reserves

810,992

704,595

**Total specialised land**

**970,147**

**819,510**



Notes to the Financial Report  
For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'000
<b>Note 22 Investment property</b>		
<b>Land</b>		
Balance at beginning of the financial year	26,446	26,174
Transfers from land into investment property	2,291	-
Disposals	-	(426)
Fair value adjustments	2,975	698
<b>Balance at end of the financial year</b>	<u>31,712</u>	<u>26,446</u>
<b>Buildings</b>		
Balance at beginning of the financial year	4,936	4,692
Transfers from buildings into investment property	1,158	-
Fair value adjustments	616	244
<b>Balance at end of the financial year</b>	<u>6,710</u>	<u>4,936</u>
<b>Total investment property at end of the financial year</b>	<u><b>38,422</b></u>	<u><b>31,382</b></u>
<i>Valuation of investment property</i>		
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 significant 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.		
<b>Note 23 Intangible assets - Landfill airspace</b>		
Balance at beginning of the financial year	20,444	20,444
Accumulated amortisation	(5,367)	(4,207)
<b>Balance at end of the financial year</b>	<u>15,077</u>	<u>16,237</u>

Notes to the Financial Report  
 For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'000
<b>Note 24 Trade and other payables</b>		
Trade payables	3,040	2,441
Accrued expenses	14,269	16,591
GST payable	274	204
<b>Total trade and other payables</b>	<b>17,585</b>	<b>19,237</b>
<b>Note 25 Trust funds and deposits</b>		
<i>Current</i>		
Refundable deposits	2,910	1,531
Developer contributions - equalisation trusts	-	681
Fire services levy	4,000	4,531
<b>Total current trust funds and deposits</b>	<b>6,910</b>	<b>6,743</b>
<i>Non-current</i>		
Refundable deposits	458	570
Retention amounts	466	433
Other refundable deposits	1,941	553
Developer contributions - equalisation trusts	1,034	-
<b>Total non-current trust funds and deposits</b>	<b>3,899</b>	<b>1,556</b>
<b>Total trust funds and deposits</b>	<b>10,809</b>	<b>8,299</b>

*Purpose and nature of items*

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

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

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

Developer contributions - equalisation trusts - A land owner who subdivides land within a Precinct Structure Plan (PSP) must make a contribution to Council for public open space in accordance with Clause 52.01 of the Hume Planning Scheme. This is calculated as a percentage of the land that will be used for commercial or residential purposes (the developable land). Where open space is being provided on one property in excess of the percentage required, the developer is considered to have overprovided open space. Where open space is not provided or open space is provided below the percentage amount the developer is considered to have underprovided. Under providers are required to pay a levy which is calculated based on the value of their land. Council collects the levy and reimburses the money collected to developers who have overprovided.

Notes to the Financial Report  
For the Year Ended 30 June 2017

Note 26 Provisions

	Employee benefits				Total \$ '000
	Annual leave \$ '000	Long service leave \$ '000	Other employee benefits \$ '000	Landfill rehabilitation and after care \$ '000	
<b>2017</b>					
Balance at beginning of the financial year	7,678	17,395	219	25,116	50,409
Additional provisions	6,705	2,366	289	-	9,360
Amounts used	(6,356)	(1,364)	(310)	(217)	(8,247)
Increase / (decrease) in the discounted amount arising because of time and the effect of any change in the discount rate	(151)	69	-	(1,101)	(1,184)
<b>Balance at end of the financial year</b>	<b>7,876</b>	<b>18,466</b>	<b>198</b>	<b>23,798</b>	<b>50,338</b>
<b>2016</b>					
Balance at beginning of the financial year	7,490	16,076	243	23,293	47,102
Additional provisions	6,636	2,406	331	-	9,374
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
<b>Balance at end of the financial year</b>	<b>7,678</b>	<b>17,395</b>	<b>219</b>	<b>25,116</b>	<b>50,410</b>

(a) Employee benefits

(i) Current provisions expected to be settled within 12 months

	2017 \$'000	2016 \$'000
Annual leave	3,828	3,676
Long service leave	1,437	1,343
Other	198	219
<b>Total</b>	<b>5,462</b>	<b>5,238</b>

(ii) Current provisions expected to be settled after 12 months

	2017 \$'000	2016 \$'000
Annual leave	4,048	4,002
Long service leave	14,664	13,836
<b>Total</b>	<b>18,712</b>	<b>17,838</b>

(ii) Non-current

	2017 \$'000	2016 \$'000
Long service leave	2,365	2,217
<b>Total</b>	<b>2,365</b>	<b>2,217</b>

Aggregate carrying amount of employee benefits:

	2017 \$'000	2016 \$'000
Current	24,174	23,075
Non-current	2,365	2,217
<b>Total</b>	<b>26,539</b>	<b>25,292</b>

Notes to the Financial Report  
 For the Year Ended 30 June 2017

**Note 26 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.

	2017 \$'000	2016 \$'000
<i>Current</i>		
Rehabilitation and aftercare costs	1,954	220
<b>Total current</b>	<u>1,954</u>	<u>220</u>
<i>Non-current</i>		
Rehabilitation and aftercare costs	21,845	24,897
<b>Total non-current</b>	<u>21,845</u>	<u>24,897</u>
<b>Total landfill provisions</b>	<u>23,799</u>	<u>25,117</u>
<b>(d) Total provisions</b>		
Current	26,128	23,295
Non-current	24,210	27,114
<b>Total</b>	<u>50,338</u>	<u>50,409</u>

Notes to the Financial Report  
 For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'000
<b>Note 27 Interest-bearing loans and borrowings</b>		
<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	1,270	1,259
Later than one year and not later than five years	564	1,136
Total minimum lease payments	<u>1,834</u>	<u>2,395</u>
Less: Future finance charges	(54)	(165)
Recognised in the balance sheet as:	<u><b>1,780</b></u>	<u><b>2,230</b></u>
<i>Current</i>		
Leases	1,221	1,147
<b>Total current</b>	<u><b>1,221</b></u>	<u><b>1,147</b></u>
<i>Non-current</i>		
Leases	559	1,083
<b>Total non-current</b>	<u><b>559</b></u>	<u><b>1,083</b></u>
<b>Total finance leases</b>	<u><b>1,780</b></u>	<u><b>2,230</b></u>
Aggregate carrying amount of interest-bearing loans and borrowings:		
Current	1,221	1,147
Non-current	559	1,083
<b>Total interest-bearing loans and borrowings</b>	<u><b>1,780</b></u>	<u><b>2,230</b></u>

Notes to the Financial Report  
For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'000
<b>Note 28: Development fee obligation</b>		
<i>Current</i>		
Opening balance	10,169	-
Transfer from non-current	8,787	12,503
Unwinding of developer fee obligation	(5,994)	(2,334)
	<u>12,962</u>	<u>10,169</u>
<i>Non-current</i>		
Opening balance	12,097	24,600
Transfer to current	(8,787)	(12,503)
	<u>3,310</u>	<u>12,097</u>
<b>Total development fee obligation</b>	<b><u>16,272</u></b>	<b><u>22,266</u></b>

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 2016/17 financial year, a total of 109 lots were sold (46 lots in 2015/16) with a total area of 58,326 square metres (22,712 square metres in 2015/16) representing approximately 24% of the total developable area (9% in 2015/16).

**Note 29 Reserves**

	Balance at beginning of financial year	Increment / (decrement)	Balance at end of financial year
(a)	\$'000	\$'000	\$'000
<b>2017</b>			
<b>Property</b>			
Land	468,050	93,293	561,343
Buildings	19,960	-	19,960
Land under roads	19,312	15,998	35,310
	<u>507,322</u>	<u>109,291</u>	<u>616,613</u>
<b>Plant and equipment</b>			
Plant and equipment	285	-	285
	<u>285</u>	<u>-</u>	<u>285</u>
<b>Infrastructure</b>			
Roads	251,822	31,708	283,530
Bridges	17,201	-	17,201
Footpaths and cycleways	38,426	(1,795)	36,631
Car parks	5,324	(235)	5,089
Drainage works	133,935	8,316	142,251
	<u>446,708</u>	<u>37,994</u>	<u>484,702</u>
<b>Investment property</b>			
Land	33,297	-	33,297
Buildings	328	-	328
	<u>33,625</u>	<u>-</u>	<u>33,625</u>
<b>Total asset revaluation reserves</b>	<b><u>987,940</u></b>	<b><u>147,285</u></b>	<b><u>1,135,225</u></b>

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



Notes to the Financial Report  
For the Year Ended 30 June 2017

Note 29 Reserves (cont.)

	Balance at beginning of financial year	Increment / (decrement)	Balance at end of financial year	
	\$'000	\$'000	\$'000	
(a) <i>Asset revaluation reserves (cont.)</i>				
<b>2016</b>				
<b>Property</b>				
Land	466,784	1,266	468,050	
Buildings	12,283	7,677	19,960	
Land under roads	7,991	11,321	19,312	
	487,058	20,264	507,322	
<b>Plant and equipment</b>				
Plant and equipment	285	-	285	
	285	-	285	
<b>Infrastructure</b>				
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	
	478,433	(31,725)	446,708	
<b>Investment property</b>				
Land	33,297	-	33,297	
Buildings	328	-	328	
	33,625	-	33,625	
<b>Total asset revaluation reserves</b>	<b>999,401</b>	<b>(11,461)</b>	<b>987,940</b>	
	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) <i>Other reserves</i>				
<b>2017</b>				
Recreation land	3,514	1,675	(1,758)	3,431
Development levies	42,457	26,648	(29)	69,077
Conditional grants	3,395	7,560	(3,395)	7,560
Reserve - landfills	500	-	-	500
Investment reserve	3,645	1,977	-	5,622
<b>Total other reserves</b>	<b>53,511</b>	<b>37,860</b>	<b>(5,182)</b>	<b>86,190</b>
<b>2016</b>				
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
<b>Total other reserves</b>	<b>28,519</b>	<b>28,237</b>	<b>(3,245)</b>	<b>53,511</b>

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 2017

	2017 \$'000	2016 \$'000
<b>Note 30 Reconciliation of cash flows from operating activities to surplus</b>		
Surplus for the year	209,028	132,021
Depreciation and amortisation	40,173	38,191
Gain on disposal of property, plant, equipment and infrastructure	(204)	(434)
Net gain on property development	(2,626)	(1,049)
Contributions - non-monetary assets	(114,183)	(95,743)
Developer contribution - land swap	-	(80)
Asset written off	1,481	839
Fair value adjustments for investment property	(3,591)	(942)
Borrowing costs	129	3,214
<i>Change in assets and liabilities:</i>		
Increase in rates debtors	(2,593)	(2,018)
(Increase) / decrease in other debtors	(8,083)	2,512
Increase in provision for doubtful debts	32	43
(Increase)/decrease in other assets	559	(567)
Increase / (decrease) in trade and other payables	2,283	(2,764)
Increase in trust funds and deposits	2,510	1,119
Increase/(decrease) in provisions	(70)	3,307
<b>Net cash provided by operating activities</b>	<b><u>124,843</u></b>	<b><u>77,649</u></b>
<b>Note 31 Financing arrangements</b>		
Finance leases	3,543	3,543
Credit card facility	400	400
Less: used facilities	(3,664)	(3,655)
Unused facilities	<b><u>279</u></b>	<b><u>288</u></b>

Notes to the Financial Report  
For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'000
<b>Note 32 Commitments</b>		
The Council has entered into the following commitments:		
<b>Operating</b>		
Waste collection	8,034	13,403
Maintenance	-	17
Hume libraries	-	124
Parking management and enforcement services	99	678
Other	-	20
<b>Total operating</b>	<b>8,133</b>	<b>14,242</b>
The decrease in waste collections primarily relates to a number of contracts expiring in 2016/17 and 2017/18 including the recyclable kerbside collection service and annual audit of kerbside recyclables. Also contributing are the outright purchase of plant which was originally leased.		
Not later than 1 year	2,656	5,339
Later than 1 year and not later than 2 years	2,630	3,528
Later than 2 years and not later than 5 years	2,847	5,346
Later than 5 years	-	28
<b>Total commitments</b>	<b>8,133</b>	<b>14,242</b>
<b>Capital</b>		
Buildings	9,635	27,413
Road construction and development	2,154	1,888
Other	6,155	1,795
<b>Total capital</b>	<b>17,944</b>	<b>31,096</b>
The decrease in the capital commitments for buildings primarily relates to completed works at Craigieburn ANZAC Park which includes the Hume Regional Aquatic Centre (SPLASH) and Athletics Centre (SPRINT).		
Not later than 1 year	16,961	30,599
Later than 1 year and not later than 2 years	983	465
Later than 2 years and not later than 5 years	-	32
Later than 5 years	-	-
<b>Total commitments</b>	<b>17,944</b>	<b>31,096</b>
<b>Total commitments</b>	<b>26,077</b>	<b>45,338</b>
<b>Note 33 Operating leases</b>		
<b>(a) Operating lease commitments</b>		
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	167	267
Later than 1 year and not later than 2 years	96	151
Later than 2 years and not later than 5 years	49	145
<b>Total operating lease commitments</b>	<b>312</b>	<b>563</b>
<b>(b) Operating lease receivables</b>		
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 2 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	262	656
Later than 1 year and not later than 5 years	183	207
<b>Total operating lease commitments</b>	<b>445</b>	<b>863</b>

Notes to the Financial Report  
For the Year Ended 30 June 2017

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**Note 34 Contingent liabilities and contingent assets**

**Contingent liabilities**

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 2017, current public liability claims excess which are considered to have a financial exposure for Council was \$110,000 (2015/16, \$110,000).

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 \$110 million (2015/16, \$112 million).

**Note 35 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. The Defined Benefit category provides lump sum benefits based on years of service and final average salary. In certain circumstances a defined benefit member may be eligible to purchase a lifetime pension with up to 50% of their lump sum benefit. The accumulation category receives fixed contributions from Council and Council's legal or constructive obligation is limited to these contributions.

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 2017, this was 9.5% (9.5% in 2015/16) as required under Superannuation Guarantee legislation). Council's commitment to accumulation plans is limited to making contributions in accordance with the minimum statutory requirements. No further liability accrues to Council as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

The Superannuation Guarantee (SG) rate will remain at 9.5% for the next 4 years, increasing to 10% from 1 July 2021, and eventually to 12% from 1 July 2025.

**Defined Benefit**

As provided under Paragraph 34 of AASB 119 – Employee Benefits, 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 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 Hume City 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.

Notes to the Financial Report  
For the Year Ended 30 June 2017

Note 35 Superannuation (cont.)

As a multi-employer sponsored plan, the Fund was established as a mutual scheme to allow for the mobility of the workforce between the participating employers without attaching a specific liability to particular employees and their current employer. Therefore, 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. While there is an agreed methodology to allocate any shortfalls identified by the Fund Actuary for funding purposes, there is no agreed methodology to allocate benefit liabilities, assets and costs between the participating employers for accounting purposes. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 because of the pooled nature of the Fund's Defined Benefit category.

**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 2016, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. It was determined that the Vested Benefit Indexed (VBI) of the Defined Benefit category of which Council is a contributing employer was 102.0% (105.8% at 30 June 2015). To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns 7.0% pa  
Salary inflation 4.25% pa  
Price inflation (CPI) 2.5% pa.

As at 30 June 2017, the estimated VBI for the sub-plan was 103.1%.

The Australian Prudential Regulation Authority (APRA) superannuation prudential standard (SP5 160) - Defined Benefit Matters determines the funding requirements of a defined benefit (DB) arrangement. Under this standard:

- The VBI is the measure to determine whether there is an unfunded liability; and
- Any unfunded liability that arises must be paid within three years.

Under SP5 160, the VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2016 interim actuarial investigation showed that the Defined Benefit category was in a satisfactory financial position under SP5 160. As a result, the Fund Actuary determined that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

The Fund's employer funding arrangements comprise of three components as follows:

1. Regular contributions – which are ongoing contributions needed to fund the balance of benefits for current members and pensioners;
2. Funding calls – which are contributions in respect of each participating employer's share of any funding shortfalls that arise; and
3. Retrenchment increments – which are additional contributions to cover the increase in liability arising from retrenchments.

Council is also required to make additional contributions to cover the contributions tax payable on components 2 and 3 referred to above.

Employees are also required to make member contributions to the Fund. As such, assets accumulate in the Fund to meet member benefits, as defined in the Trust Deed, as they accrue.

Notes to the Financial Report  
For the Year Ended 30 June 2017

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**Note 35 - Superannuation (cont'd)**

**Employer contributions**

**Regular contributions**

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

**Funding calls**

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

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

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

**2016 interim actuarial investigation surplus amounts**

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

A VBI surplus of \$40.3 million; and

A total service liability surplus of \$156 million.

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

**2017 full triennial actuarial investigation**

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



**Notes to the Financial Report**  
**For the Year Ended 30 June 2017**

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**Note 36 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.

**Notes to the Financial Report**  
**For the Year Ended 30 June 2017**

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**Note 36 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 34.

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.

Notes to the Financial Report  
For the Year Ended 30 June 2017

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**Note 36 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 27.

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 2017

Note 37	Related party disclosures	2017 No.
(i)	<b>Entities related to Council</b>	
	During the 2016/17 financial year there were no entities that were either controlled, jointly controlled or which Council had a significant influence over (2015/16 nil).	-
(ii)	<b>Key Management Personnel</b>	
	Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:	
	<b>Councillors</b>	
	Councillor Helen Patsikatheodorou (Mayor 1/07/2016 to 22/10/2016)	
	Councillor Jack Ogilvie (1/07/2016 to 22/10/2016)	
	Councillor Adem Atmaca (1/07/2016 to 22/10/2016)	
	Councillor Vic Dougall (1/07/2016 to 22/10/2016)	
	Councillor Alan Bolton (1/07/2016 to 22/10/2016)	
	Councillor Casey Nunn (1/07/2016 to 22/10/2016)	
	Councillor Chandra Bamunusinghe (1/07/2016 to 22/10/2016)	
	Councillor Geoff Porter (1/07/2016 to 22/10/2016; 7/11/2016 to current)	
	Councillor Steve Medcraft (1/07/2016 to 22/10/2016; 7/11/2016 to current)	
	Councillor Ann Potter (1/07/2016 to 22/10/2016; 7/11/2016 to current)	
	Councillor Drew Jessop (1/07/2016 to 22/10/2016; Mayor 7/11/2016 to current)	
	Councillor Carly Moore (7/11/2016 to Current)	
	Councillor Jana Taylor (7/11/2016 to Current)	
	Councillor Karen Sherry (7/11/2016 to Current)	
	Councillor Joseph Hawell (7/11/2016 to Current)	
	Councillor Jodi Jackson (7/11/2016 to Current)	
	Councillor Leigh Johnson (7/11/2016 to Current)	
	Councillor Naim Kurt (7/11/2016 to Current)	
	Total number of Councillors	18
	Chief Executive Officer and other Key Management Personnel	6
	<b>Total Key Management Personnel</b>	<u>24</u>
(iii)	<b>Remuneration of Key Management Personnel</b>	<b>\$'000</b>
	Short-term benefits	1,960
	Post employment benefit	147
	Other long-term benefits	39
	<b>Total Remuneration</b>	<u>2,146</u>
	Where a senior officer has temporarily acted in a Key Management Personnel (KMP) position which was not vacant during the financial year, their remuneration has been included in note 38 and therefore is not reported above.	
	The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:	
		2017 No.
	\$0 - \$9,999	6
	\$20,000 - \$29,999	8
	\$30,000 - \$39,999	3
	\$80,000 - \$89,999	1
	\$250,000 - \$259,999	1
	\$260,000 - \$269,999	1
	\$270,000 - \$279,999	2
	\$280,000 - \$289,999	1
	\$380,000 - \$389,999	1
		<u>24</u>

Notes to the Financial Report  
 For the Year Ended 30 June 2017

Note 37 Related party disclosures (cont.)

(iv) Transactions with related parties

During the period Council entered into the following transactions with related parties.

Nature of transaction	2016/17 \$'000	Comment
Employee Costs	29	A close family member of a Council's KMP is employed part time by Council under the relevant pay award on an arm's length basis.
Supply of Goods	439	Up to the 2nd June 2017, the Hume City Council Chief Executive Officer was a board member of the Regional Kitchen Group (RFK Pty Ltd, trading as Community Chef and Regional Kitchen Pty Ltd both wholly owned by Victorian local governments) which is a meals production facility established to ensure affordable, nutritious and culturally sensitive meals to older and other vulnerable residents.
<b>Total</b>	<b>468</b>	

(v) Outstanding balances with related parties

The were no significant outstanding balances at the end of the reporting period in relation to transactions with related parties.

(vi) Loans to/from related parties

No loans have been made, guaranteed or secured by the Council to a related party during the reporting year (2015/16, Nil).

(vii) Commitments to/from related parties

No loans have been made, guaranteed or secured by the Council to a related party during the reporting year (2015/16, Nil).

Notes to the Financial Report  
For the Year Ended 30 June 2017

Note 38	Senior Officer Remuneration	2017 No.	2016 No.
	A Senior Officer is an officer of Council, other than Key Management Personnel, who:		
	a) has management responsibilities and reports directly to the Chief Executive; or		
	b) whose total annual remuneration exceeds \$142,000		
	The number of Senior Officers are shown below in their relevant income bands:		
	Income Range:		
	\$142,000 - \$149,999	12	11
	\$150,000 - \$159,999	6	6
	\$160,000 - \$169,999	5	5
	\$170,000 - \$179,999	2	6
	\$180,000 - \$189,999	4	5
	\$190,000 - \$199,999	5	-
	\$200,000 - \$209,999	3	1
	\$220,000 - \$229,999	1	2
	\$230,000 - \$239,999	1	-
		39	36
	Total Remuneration for the reporting year for Senior Officers included above, amounted to:	<b>\$'000</b> 6,627	<b>\$'000</b> 5,947

Hume City Council  
2016/2017 Financial Report

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**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: 11 September 2017  
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 2017 and the financial position of the Council as at that date.

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

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

Cr Carly Moore  
Councillor  
Date: 11 September 2017  
Melbourne

Cr Drew Jessop  
Mayor  
Date: 11 September 2017  
Melbourne

Domenic Isola  
Chief Executive Officer  
Date: 11 September 2017  
Melbourne



Our File: HCC17/205  
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Tuesday, 12 September 2017

Mr Tim Loughnan  
Sector Director  
Financial Audit  
Victorian Auditor-General's Office  
Level 24, 35 Collins Street  
MELBOURNE VIC 3000

Dear Mr Loughnan

**RE: REPRESENTATIONS BY THE CHIEF EXECUTIVE OFFICER IN RELATION TO THE FINANCIAL REPORT OF HUME CITY COUNCIL FOR THE YEAR ENDED 30 JUNE 2017**

This representation letter is provided in connection with your audit of the financial report and performance statement of Hume City Council for the year ended 30 June 2017. The audit is undertaken for the purpose of you being able to obtain sufficient and appropriate audit evidence on which to express an opinion as to whether the financial report presents fairly, in all material respects, in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989* and whether the performance statement presents fairly in accordance with the requirements of the *Local Government Act 1989*.

We confirm that, to the best of our knowledge and belief, the representations we make below are based on information available to us, having made such enquiries as we considered necessary to appropriately inform ourselves on these matters.

#### **Preparation of the financial report**

We have fulfilled our responsibilities, as set out in the terms of the audit engagement, for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the requirements of *Local Government Act 1989*.

1. We have prepared the financial report as a not-for-profit entity for the purpose of reporting under Australian Accounting Standards.
2. All transactions have been recorded in the accounting records and are reflected in the financial report.<sup>1</sup>
3. Proper accounts and records of the transactions and affairs of the council and such other records as sufficiently explain the financial operations and financial position of the council have been kept in accordance with the *Local Government Act 1989*, where applicable.

<sup>1</sup> ASA 580 *Written Representations*, paragraph 11(b)

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4. The effects of uncorrected misstatements are immaterial, both individual and in the aggregate, to the financial report as a whole.<sup>2</sup>

**Access to information**

5. We have provided you with:
- access to all information of which we are aware that is relevant to the preparation of the financial report such as records, documentation and other matters
  - any additional information that you have requested from us for the purpose of the audit
  - unrestricted access to persons within the council from whom you determined it necessary to obtain audit evidence.<sup>3</sup>

**Controlled entities**

6. We have undertaken a control assessment using the criteria outlined in AASB 10 *Consolidated Financial Statements*. Our assessment has not identified any controlled or jointly controlled entities that require consolidation.

**Joint arrangements**

7. We have undertaken an assessment of our contractual arrangements to determine whether they are joint arrangements as per the requirements of AASB 11 *Joint Arrangements*. Our assessment has not identified any joint arrangements that require disclosure.

**Fraud disclosure**

8. We are not aware of any actual or suspected fraud affecting Hume City Council that involves:
- management
  - employees who have significant roles in internal control or
  - others where the fraud could have a material effect on the financial report.<sup>4</sup>
9. We are not aware of any allegations of fraud, or suspected fraud, affecting Hume City Council's financial report communicated by employees, former employees, analysts, regulators or others<sup>5</sup>.

**Internal control**

10. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and/or error<sup>6</sup>. We

<sup>2</sup> ASA 450 *Evaluation of Misstatements Identified during the Audit*, paragraph 14

<sup>3</sup> ASA 580.11(a)/ASA 210 *Agreeing the Terms of Audit Engagements*, paragraph 6

<sup>4</sup> ASA 240 *The Auditor's Responsibilities Relating to Fraud in an Audit of a Financial Report*, paragraph 39(c)

<sup>5</sup> ASA 240.39(d)

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have established and maintained an adequate internal control structure to facilitate the preparation of a reliable financial report, and adequate financial records have been maintained. We have disclosed to you details of all deficiencies in internal control of which we are aware.

**Legal**

11. There are no known or suspected instances of non-compliance with laws or regulations whose effects should be considered when preparing the financial report.
12. There is no known actual or possible litigation and claims whose effects should be considered when preparing the financial report.
13. The council has satisfactory title to all assets (excluding those assets held in the name of the Crown), and there are no liens or encumbrances on such assets nor has any asset, with the exception of assets under finance lease, been pledged as collateral.
14. The council has complied with all aspects of contractual agreements that would have a material effect on the financial report in the event of noncompliance.
15. Hume City Council has been properly managed in accordance with the requirements of the *Local Government Act 1989*.
16. We have complied with, in all material respects, the requirements of *Local Government Act 1989* for the establishment and keeping of relevant accounts, registers and other appropriate records.

**Accounting estimates**

17. 17. We believe that the significant assumptions and judgements we have used in making accounting estimates for inclusion in the financial report are reasonable, appropriately supported and, where required, disclosed<sup>7</sup>.

**Financial statement disclosures**

18. The financial report discloses all significant accounting policies used in the preparation of the financial report. We considered the substance of the underlying transactions as well as their legal form in selecting the appropriate accounting policies and related disclosures for the financial report.
19. The following have been properly recorded and/or disclosed in the financial report:
  - a. arrangements involving restrictions on cash balances and line-of-credit or similar arrangements

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<sup>6</sup> ASA 240.39(b)

<sup>7</sup> ASA 540 *Auditing Accounting Estimates, Including Fair Value Accounting Estimates, and Related Disclosures*, paragraph 22

**Asset and liability fair values (including property, plant and equipment)**

20. We consider the measurement methods, including related assumptions, used to determine fair values relating to assets and liabilities to be appropriate based on the nature and purpose of the asset/liability. These have been consistently applied and appropriately disclosed in the financial report.

In addition, we have considered the requirements of AASB 13 *Fair Value Measurement* relating to the fair value of property, plant and equipment. These assets have been valued on the basis that the highest and best use of the asset is obtained from its current use, taking into consideration what is physically possible, legally permissible and financially feasible. Our fair value assessment did not identify any internal or external events that would trigger a reassessment of the assets' highest and best use. Further, we confirm that the assumptions used by us in the categorisation of observable and un-observable inputs within the fair value valuation hierarchy are reasonable and have been fully disclosed in accordance with the accounting standards and other applicable financial reporting requirements.

21. We have considered the requirements of AASB 136 *Impairment of Assets* when assessing the impairment of assets and in ensuring that no assets are stated in excess of their recoverable amount.
22. Asset useful lives have been reviewed and we are satisfied that they reflect the assets' expected period of use.
23. Allowances for depreciation have been adjusted for all important items of property, plant and equipment that have been abandoned or are otherwise unusable.

**Related parties and key management personnel**

24. We have determined who are the key management personnel of Hume City Council in accordance with AASB 124 *Related Party Disclosures* and we are satisfied that our assessment is completed and appropriate.
25. We are satisfied that the compensation paid to key management personnel has been properly reported in note 37 to the financial statements in accordance with AASB 124 *Related Party Disclosures*, and includes all required components of compensation. We have not identified any significant transactions with government-related entities that would require disclosure in accordance with AASB 124 *Related Party Disclosures*.
26. We have disclosed to you the identity of all non-government related parties (including any controlled entities), related party relationships and transactions of which we are aware. We have assessed these transactions to be material to the financial statements and therefore required to be disclosed in the financial report

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under AASB 124 *Related Party Disclosures*. Appropriate disclosure has been made.

27. We have appropriately accounted for and disclosed in the financial report all material related party relationships and transactions in accordance with AASB 124 *Related Party Disclosures*.

**Senior Officers disclosures**

28. We have disclosed the remuneration of all senior officers other than key management personnel, which have been separately disclosed.

**Responsible persons and executive officer disclosures**

29. We have disclosed the number and names of any individual who held a responsible person position for Hume City Council at any time during the year, including all remuneration received/receivable by those individuals as per the requirements of AASB 124 *Related Party Disclosures*.
30. We have disclosed the names of the relevant responsible Ministers at any time during the year.
31. We have disclosed the remuneration of all executive officers as per the requirements of AASB 124 *Related Party Disclosures*. This includes all short-term, post-employment, other long-term benefits and any termination benefits.

**Future plans**

32. There were no material commitments for construction or acquisition of property, plant and equipment or to acquire other non-current assets, such as investments or intangibles, other than those disclosed in the financial report.
33. We have no plans or intentions that may materially affect the carrying values or classification of any assets and liabilities.

**Going concern**

34. We have assessed the council's ability to continue as a going concern and believe there are reasonable grounds to believe that the entity will be able to pay its debts as and when they fall due.

**Subsequent events**

35. No events have occurred subsequent to the balance sheet date that would require adjustment to, or disclosure in, the financial report.

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**Preparation of the performance statement**

36. We have prepared and presented the performance statement in conformity with the requirements of *Local Government (Planning and Reporting) Regulations 2014*. We consider the indicators to present fairly the performance of the council.
37. All relevant matters have been recorded in the council's records and are reflected in the performance statement<sup>8</sup>.
38. We believe the effects of uncorrected misstatements are not material, both individually and in the aggregate, to the performance statement taken as a whole. A list of all uncorrected misstatements is attached to this representation letter (refer Appendix A)<sup>9</sup>.
39. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and/or error. We have established and maintained an adequate internal control structure to facilitate the preparation of a reliable performance statement. We have disclosed to you details of all deficiencies in internal control of which we are aware<sup>10</sup>.

**Publication of the financial report**

40. With respect to publication of the financial report and performance statement in hard copy, we will ensure that:
  - a. the financial report and performance statement accurately reflects the audited financial report and performance statement and
  - b. the independent auditor's report has been reproduced accurately and in full.
41. The electronic presentation of the financial report and performance statement is our responsibility. Our responsibility includes ensuring that the electronic version of the financial report, the performance statement and the independent auditor's report presented on the website are the same as the final signed version of the financial report, the performance statement and independent auditor's report.
42. The Annual Report may include additional financial and/or non-financial information other than the financial report, the performance statement and the independent auditor's report (referred to as 'other information'). With respect to other information that is included in the council's Annual Report, we have informed you of all the sections/separate documents that we expect to issue that may comprise other information. With regard to any other information that we have not provided to you prior to the date of the auditor's report, that we intend to prepare and issue such

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<sup>8</sup> ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*, paragraph 56(b)

<sup>9</sup> ASAE 3000.A137

<sup>10</sup> ASAE 3000.A137

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Conclusion

We understand that your examination was made in accordance with the *Audit Act 1994* and Australian Auditing Standards and was, therefore, designed primarily for the purpose of expressing an audit opinion on the financial report and performance statement of the council taken as a whole, and that your tests of the financial records and other auditing procedures were limited to those which you considered necessary for that purpose.

This letter is provided for and on behalf of Hume City Council.

Yours sincerely

**DOMENIC ISOLA**  
**CHIEF EXECUTIVE OFFICER**



<b>REPORT NO:</b>	GE227
<b>REPORT TITLE:</b>	Performance Statement 2016/2017
<b>SOURCE:</b>	Ben Jordan, Coordinator Council and Service Planning
<b>DIVISION:</b>	Communications, Engagement and Advocacy
<b>FILE NO:</b>	HCC15/412
<b>POLICY:</b>	-
<b>STRATEGIC OBJECTIVE:</b>	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
<b>ATTACHMENTS:</b>	<ol style="list-style-type: none"><li>1. <i>Performance Statement 2016/2017</i></li><li>2. <i>Governance and Management Checklist 2016/2017</i></li><li>3. <i>Materiality Guidelines</i></li></ol>

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**1. SUMMARY OF REPORT:**

This report is to provide to Council the final Performance Statement 2016/2017 that includes the indicators and requirements of the Local Government Performance Reporting Framework (LGPRF). The Performance Statement 2016/2017 and LGPRF information has been provided to the Auditor General's agent, RSM Australia Pty Ltd and reviewed by the Audit Committee on Friday 25 August 2017.

Council is required to pass a resolution giving its approval in principle to the Performance Statement prior to submission of the statement to the Auditor General. Council must also authorise two Councillors to certify the statement in its final form after any recommended changes have been made and agreed to by the Auditor General. It has been the practice in the past that the Mayor and the Finance Portfolio Councillor are recommended to be authorised to certify the Performance Statement in its final form

**2. RECOMMENDATION:**

- 2.1 That Council resolves to approve in principal the Performance Statement (Attachment 1) for the financial year ending 30 June 2017 and note the associated Governance and Management Checklist (Attachment 2).**
- 2.2 That the Mayor, Councillor Drew Jessop and Councillor Carly Moore be authorised to certify the statements in their final form after any recommended changes have been made and agreed to by the Auditor General.**
- 2.3 That Council note the Materiality Guidelines (Attachment 3) adopted in 2016 that are used in the preparation of the Performance Statement and LGPRF reporting in accordance with Local Government Victoria Best Practice Guidelines.**

**3. LEGISLATIVE POWERS:**

*Local Government Act 1989*

*Local Government Amendment (Performance Reporting and Accountability) Act 2014.*

**4. CHARTER OF HUMAN RIGHTS APPLICATION:**

The collection and provision of information for the Performance Statement 2016/2017 including the requirements of the Local Government Performance Reporting Framework is conducted within the policy context of the *Hume City Council Social Justice Charter (2014)* and the *Charter of Human Rights and Responsibilities Act 2006*.

REPORT NO: GE227 (cont.)

5. DISCUSSION:

- 5.1 In February 2014, the Victorian Government approved legislation to introduce a new, mandatory Local Government Performance Reporting Framework, the *Local Government Amendment (Performance Reporting and Accountability) Act 2014*. This Act came into effect on 18 April 2014, with the first formal reporting period being 1 July 2014 to 30 June 2015.
- 5.2 This report and attachments provide data on the third financial year of formal reporting for the LGPRF as part of the preparation of the Performance Statement for the 2016/2017 Annual Report.
- 5.2.1 Attachment 1 is the Performance Statement 2016/2017 in the format prescribed by Local Government Victoria (LGV). The Act requires that Council's Annual Report contain an Audited Performance Statement including the prescribed indicators of the LGPRF and results for each indicator. These indicators measure Council's service performance, financial performance and sustainable capacity.
- In some instances, comments have been included to provide context or factual information on the indicator results and to explain material variation in year to year results or future year forecasts.
- 5.2.2 Attachment 2 is the Governance and Management Checklist required for the LGPRF and Council's Annual Report. Information submitted in this checklist is used to determine whether Council has strong governance and management frameworks in place covering community engagement, planning, monitoring reporting and decision-making.
- 5.2.3 Attachment 3 is Materiality Guidelines that have been developed in accordance with the *LGV Better Practice Guide* to assist in the preparation of the Performance Statement and LGPRF reporting and comparing year to year results. The Materiality Guidelines provide thresholds for the service performance, financial performance and sustainable capacity indicators taking into account both quantitative and qualitative factors and circumstances specific to each service indicator.
- 5.2.4 The Performance Statement 2016/2017, Governance and Management Checklist, Materiality Guidelines and all information required for the Local Government Performance Reporting Framework (LGPRF) has been provided to the Auditor General's agent, RSM Australia Pty Ltd.
- 5.2.5 In accordance with paragraph 4.1.2 of the Audit Committee Charter, the Audit Committee is required to review the Performance Statement and determine if it is complete. A report and the three attachments (accompanying this report) were provided to the Audit Committee on Friday 25 August 2017 with the following recommendations:
1. That the Audit Committee recommend that Council provide in-principal approval of the Performance Statement 2016/2017.
  2. That the Audit Committee note the 2016/2017 governance and management checklist, service performance information and indicator results, comparisons to previous year's results and material variation comments.
- 5.3 Following in principal approval of the final Performance Statement, RSM Australia Pty Ltd will forward the signed Performance Statement 2016/2017 to the Victorian Auditor General's Office.

**REPORT NO: GE227 (cont.)**

- 5.4 Subject to the clearance arising from a quality review by the Victorian Auditor General's Office, it is anticipated that by late September 2017, Council will receive the Auditor General's opinion on the Performance Statement 2016/2017.
- 5.5 The Performance Statement will be included in the Annual Report 2016/2017 and submitted to the Minister for Local Government prior to 30 September 2017 as required by the *Local Government Act 1989*.
- 5.6 Final submission and approval of all Hume City Council's LGPRF information (including the Governance and Management Checklist and service performance information) to the *Know Your Council Website* is required by 30 September 2017.
- 5.7 The *Know Your Council Website* with comparative LGPRF data for the 2016/2017 Financial Year is expected to go live in November 2017 (date to be confirmed).

**6. CONCLUSION:**

Council has collected and reported information for the preparation and presentation of the Performance Statement 2016/2017 and Governance and Management Checklist including meeting all the requirements of the Local Government Performance Reporting Framework.

The documents have been reviewed by RSM Australia Pty Ltd and presented to the Audit Committee on 25 August 2017. The Audit Committee has recommended to Council that it resolve to approve in principle the Performance Statement for the year ended 30 June 2017 and to authorise two Councillors to certify the statement in its final form.

Following certification, the Performance Statement will be provided for inclusion in Council's Annual Report 2016/2017 and the LGPRF data will be submitted to the *Know Your Council Website*.

## Performance Statement for the year ended 30 June 2017

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 504 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 207,830 residents (as at 30 June 2016), Hume City's population is expected to grow to 345,400 by the year 2041.

Hume residents come from more than 156 different countries and speak over 153 languages – each week, 52 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 5.8 per cent of metropolitan Melbourne's total migration intake, and 29 per cent of metropolitan Melbourne's humanitarian intake stream.

Hume City Council received 2,566 birth notifications in 2014/15, 2,977 in 2015/16 and 2,969 birth notifications in 2016/17.

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.

**Sustainable Capacity Indicators**

For the year ended 30 June 2017

Ref Reg R15(3), Sch3, R16(1), R17(2)					
<i>Indicator / Measure</i>		<b>Results 2015</b>	<b>Results 2016</b>	<b>Results 2017</b>	<b>Material Variations</b>
C1	<b>Population</b> <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,083.17	\$1,134.85	\$1,053.29	
C2	<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$6,778.95	\$6,826.13	\$6,960.61	
C3	<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	158.68	158.11	163.85	
C4	<b>Own-source revenue</b> <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$933.75	\$993.70	\$1,021.34	
C5	<b>Recurrent grants</b> <i>Recurrent grants per head of municipal population</i>  [Recurrent grants / Municipal population]	\$231.18	\$169.63	\$236.19	The increase in 2016/17 is largely due to the advance payment of 50% of the 2017/18 VGC funding received in 2016/17.
C6	<b>Disadvantage</b> <i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	2.00	2.00	2.00	

## **Sustainable Capacity Indicators**

For the year ended 30 June 2017

### **Definitions**

"adjusted underlying revenue" means total income other than:

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

(b) non-monetary asset contributions; and

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

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

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

"population" means the resident population estimated by council

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

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

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

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

**Service Performance Indicators**

For the year ended 30 June 2017

Ref Reg R15(1), Sch3, R16(1), R17(2)					
<i>Service / indicator / measure</i>		<b>Results 2015</b>	<b>Results 2016</b>	<b>Results 2017</b>	<b>Material Variations</b>
AF6	<p><b>Aquatic Facilities</b>  <b>Utilisation</b>  <i>Utilisation of aquatic facilities</i></p> <p>[Number of visits to aquatic facilities / Municipal population]</p>	3.65	3.67	3.13	The denominator of this indicator is based on the ABS's Estimated Residential Population. The ABS revised Hume's population figures following the 2016 Census and significantly increased the ERP from previous years. This impacts on year to year comparability and highlights that Hume is an Interface council with significant population growth.
AM4	<p><b>Animal Management</b>  <b>Health and safety</b>  <i>Animal management prosecutions</i></p> <p>[Number of successful animal management prosecutions]</p>	10.00	21.00	24.00	Council continues to take a strong approach to animal management and ensuring all animal management issues are thoroughly investigated and prosecuted.
FS4	<p><b>Food Safety</b>  <b>Health and safety</b>  <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</p>	89.00%	81.20%	93.28%	Council follows up all critical and major non-compliances. 93.28% of critical and major non-compliances received in 2016 were followed up in 2016. This is the first year this indicator is being calculated by calendar year (2016) and has impacted on year on year variances.



**Service Performance Indicators**

For the year ended 30 June 2017

Ref Reg R15(1), Sch3, R16(1), R17(2)					
<b>Service / indicator / measure</b>		<b>Results 2015</b>	<b>Results 2016</b>	<b>Results 2017</b>	<b>Material Variations</b>
G5	<p><b>Governance Satisfaction</b> <i>Satisfaction with council decisions</i></p> <p>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</p>	55.00	60.00	61.00	
HC6	<p><b>Home and Community Care (HACC) Participation</b> <i>Participation in HACC service</i></p> <p>[Number of people that received a HACC service / Municipal target population for HACC services] x100</p>	9.00%	9.40%	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
HC7	<p><b>Participation</b> <i>Participation in HACC service by CALD people</i></p> <p>[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100</p>	8.00%	7.57%	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
LB4	<p><b>Libraries Participation</b> <i>Active library members</i></p> <p>[Number of active library members / Municipal population] x100</p>	11.00%	10.84%	10.19%	The denominator of this indicator is based on the ABS's Estimated Residential Population. The ABS revised Hume's population figures following the 2016 Census and significantly increased the ERP from previous years. This impacts on year to year comparability and highlights that Hume is an Interface council with significant population growth.

**Service Performance Indicators**

For the year ended 30 June 2017

Ref Reg R15(3), Sch3, R16(1), R17(2)					
Service / indicator / measure		Results 2015	Results 2016	Results 2017	Material Variations
MC4	<p><b>Maternal and Child Health (MCH) Participation</b> <i>Participation in the MCH service</i></p> <p>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</p>	71.00%	71.23%	69.03%	Council transitioned to a new Maternal and Child Health information management system during 2015/16 and this information was not reported in Performance Statement. Although Council had an increased number of MCH consultations in 2016/17, the drop in participation as a proportion of enrolments reflects the challenges of meeting the needs of a growing and diverse community. Council has invested in further resources in its Budget 2017/18 to respond to these challenges.
MC5	<p><b>Participation</b> <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>	72.00%	65.01%	68.85%	Council transitioned to a new Maternal and Child Health information management system during 2015/16 and this information was not reported in Performance Statement. The 2015/16 figure has now been provided and is reflected in the results.
R5	<p><b>Roads Satisfaction</b> <i>Satisfaction with sealed local roads</i></p> <p>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</p>	60.00	66.00	62.00	

**Service Performance Indicators**

For the year ended 30 June 2017

Ref Reg R15(3), Sch3, R16(1), R17(2)					
<i>Service / indicator / measure</i>		<b>Results 2015</b>	<b>Results 2016</b>	<b>Results 2017</b>	<b>Material Variations</b>
SP4	<p><b>Statutory Planning</b>  <b>Decision making</b>  <i>Council planning decisions upheld at VCAT</i></p> <p>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</p>	35.00%	64.71%	22.22%	In 2016/17, 18 Council planning decisions were appealed at VCAT with 14 set aside indicating that VCAT was less supportive of Council planning decisions than in 2015/16.
WC5	<p><b>Waste Collection</b>  <b>Waste diversion</b>  <i>Kerbside collection waste diverted from landfill</i></p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	33.00%	32.87%	34.58%	

**Definitions**

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

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

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

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

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

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

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

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

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

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

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

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

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

"major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

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

"population" means the resident population estimated by council

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

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

**Financial Performance Indicators**

For the year ended 30 June 2017

Ref Reg R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)		Results					Forecasts				Material Variations
Dimension / indicator / measure	2015	2016	2017	2018	2019	2020	2021				
E1 <i>Efficiency Revenue level</i> Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,493.55	\$1,483.17	\$1,515.96	\$1,581.62	\$1,613.25	\$1,645.52	\$1,678.43				
E2 <i>Expenditure level</i> Expenses per property assessment [Total expenses / Number of property assessments]	\$2,884.11	\$2,872.75	\$2,716.16	\$2,791.15	\$2,904.45	\$3,001.04	\$3,099.50				

**Financial Performance Indicators**

For the year ended 30 June 2017

Ref Reg	R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)	Results					Forecasts			Material Variations
		2015	2016	2017	2018	2019	2020	2021		
E3	<i>Efficiency Workforce turnover Resignations and terminations compared to average staff</i>	10.00%	7.61%	8.13%	4.99%	4.99%	5.00%	5.00%	The difference between the budget and Performance Statement is that the budget is based on FTE staff whereas the Performance Statement is based on 'head-count'. In addition, the budget includes a conservative estimate of expected turnover following the organisational restructure whereas the Performance Statement estimates are based on the LGV target bands for workforce turnover.	
	[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x 100									

**Financial Performance Indicators**

For the year ended 30 June 2017

Ref Reg	R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)	Results					Forecasts			Material Variations
Dimension / indicator / measure	2015	2016	2017	2018	2019	2020	2021			
L1 <b>Liquidity</b> <i>Working capital</i> Current assets compared to current liabilities	191.00%	220.16%	311.75%	311.80%	383.74%	449.76%	507.24%	The favourable variance is due to an increase in cash balances and receivables despite the increase in current liabilities. The cash balance has increased in 2016/17 mainly due to grants received in advance (VGC, Aged Services and capital works) and a higher level of carried forward capital works from 2017/18. The higher ratios in the forecast years are due to a higher level of cash and receivables due to increases in income for rates, user fees and grants and a reduction in trade and other payables due to a reduction in capital works expenditure.		
[Current assets / Current liabilities] x100										



**Financial Performance Indicators**

For the year ended 30 June 2017

Ref Reg	R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)	Dimension / indicator / measure	Results			Forecasts			Material Variations	
			2015	2016	2017	2018	2019	2020		2021
L2		Liquidity <i>Unrestricted cash compared to current liabilities</i>	107.00%	22.72%	50.96%	249.57%	313.72%	376.49%	434.28%	The favourable variance is due to an increase in cash balances. Cash balances have increased for reasons including increased cash contributions and an increase in other capital and operating grants (which includes the advance payment of 50% of the 2017/18 VGC funding). In the forecast years, there is no restricted cash relating to carried forward capital works as it is assumed that all capital works will be spent within the relevant year. There is a difference between the ratios published in the budget and Performance Statement due to the inclusion of additional restricted reserves (e.g. Developer Reserves and other funds allocated for future super calls) resulting in lower restricted cash balance in the budget.

**Financial Performance Indicators**

For the year ended 30 June 2017

Ref Reg	R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)							Material Variations
Dimension / indicator / measure	2015	2016	2017	2018	2019	2020	2021	
O1	Obligations Asset renewal compared to depreciation							
	51.00%	40.22%	46.16%	66.33%	54.95%	50.61%	46.21%	
	[Asset renewal expense / Asset depreciation] x100							
								<p>The increase is due to a greater level of renewal expenditure on Council's fleet and plant items and replacement of Council's information technology equipment in 2016/17 compared to 2015/16. The 2017/18 forecast year includes the carried forward renewal expenditure. Forecast years also include the reconstruction of several major roads within the municipality. There is difference between the ratios published in the budget document and Performance Statement due to the inclusion of amortisation expenditure in the budget resulting in higher asset depreciation.</p>

**Financial Performance Indicators**

For the year ended 30 June 2017

Ref Reg	R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)	Results							Material Variations
		2015	2016	2017	2018	2019	2020	2021	
	<b>Dimension / indicator / measure</b>								
O2	<b>Obligations Loans and borrowings compared to rates</b> [Interest bearing loans and borrowings / Rate revenue] x100	21.00%	1.49%	1.09%	0.33%	0.00%	0.00%	0.00%	The reduction in 2016/17 compared to 2015/16 is due to a decrease in outstanding finance leases. In the forecast years no loans or finance leases are expected to be required.
O3	<b>Loans and borrowings repayments compared to rates</b> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	2.00%	20.10%	0.35%	0.34%	0.32%	0.00%	0.00%	In 2015/16, Council's loan balances were repaid resulting in a significantly higher ratio compared to 2016/17. From 2016/17 to 2018/19, only finance leases remain.

**Financial Performance Indicators**

For the year ended 30 June 2017

Ref Reg		R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)									
Dimension / indicator / measure	2015	Results			Forecasts				Material Variations		
		2016	2017	2018	2019	2020	2021				
<b>Obligations Indebtedness</b>  O4 <i>Non-current liabilities compared to own source revenue</i>  [Non-current liabilities / Own source revenue] x100	36.00%	21.71%	15.07%	13.06%	13.18%	12.28%	12.06%	Between 2015/16 and 2016/17, non-current liabilities were reduced mainly due to a reduction in the development fee obligation as more lots for the development site are settled. Own source revenue increased in line with growth and price increases in rates, user fees and grants. This has resulted in a favourable (decrease) in this ratio.			

**Financial Performance Indicators**

For the year ended 30 June 2017

Ref Reg	R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)	Results							Material Variations
		2015	2016	2017	2018	2019	2020	2021	
OP1	Operating position <i>Adjusted underlying result (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	11.00%	11.81%	24.34%	18.06%	13.87%	11.91%	10.80%	There has been an increase in the underlying surplus between 2015/16 and 2016/17 for reasons including an increase in rates revenue, user fees, operating grants and operating cash contributions due to growth and price increases. The difference between the SRP and the Performance Statement is that a number of items are excluded from the underlying surplus in the SRP (e.g. fair value adjustments for investment property, contributions cash and net gain on property development). The ratio is decreasing in future years due to the price index applied for the future expenditure increase being higher than 2% assumption used for rates revenue increase under the rates capping scheme which results in the deteriorating underlying surplus.

**Financial Performance Indicators**

For the year ended 30 June 2017

Ref Reg	R15(2), Sch3, R16(1), R16(2), R17(2), R17(3)	Results							Material Variations
Dimension / indicator / measure	2015	2016	2017	2018	2019	2020	2021		
S1	<p><b>Stability</b></p> <p><b>Rates concentration</b></p> <p>Rates compared to adjusted underlying revenue</p> <p>[Rate revenue / Adjusted underlying revenue] x100</p>	60.00%	59.81%	56.47%	60.12%	61.76%	62.23%	62.10%	<p>The difference between the SRP and the Performance Statement is that a number of items are excluded from the underlying revenue in the SRP (e.g. fair value adjustments for investment property, contributions cash and net gain on property development).</p>
S2	<p><b>Rates effort</b></p> <p>Rates compared to property values</p> <p>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</p>	0.47%	0.48%	0.47%	0.47%	0.47%	0.48%	0.47%	<p>The difference between the SRP and the Performance Statement is that the rates value used in the SRP excludes rates in lieu and other rates related charges (e.g. additional pensioner rebates granted by Council which reduces the rates income). The Performance Statement includes all rates income which results in a variance.</p>

## Financial Performance Indicators

For the year ended 30 June 2017

### Definitions

"adjusted underlying revenue" means total income other than:

(a) non-recurrent grants used to fund capital expenditure; and  
(b) non-monetary asset contributions; and

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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



**Other Information**

For the year ended 30 June 2017

<p><b>1. Basis of preparation</b></p> <p>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 <i>Local Government Act 1989</i> and Local Government (Planning and Reporting) Regulations 2014.</p> <p>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).</p> <p>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.</p> <p>The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 26 June 2017 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.</p>
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**Certification of the Performance Statement**

<p>Ref Reg R18(1), R18 (2)</p> <p>In my opinion, the accompanying performance statement has been prepared in accordance with the <i>Local Government Act 1989</i> and the Local Government (Planning and Reporting) Regulations 2014.</p> <p>.....</p> <p>Fadi Srour, B.Bus (Acc), CA  <b>Principal Accounting Officer</b>  <b>Dated:</b> 11/09/2017</p> <p>In our opinion, the accompanying performance statement of Hume City Council for the year ended 30 June 2017 presents fairly the results of council's performance in accordance with the <i>Local Government Act 1989</i> and the Local Government (Planning and Reporting) Regulations 2014.</p> <p>The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.</p> <p>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.</p> <p>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.</p> <p>.....</p> <p>Carly Moore  <b>Councillor</b>  <b>Dated:</b> 11/09/2017</p> <p>.....</p> <p>Drew Jessop  <b>Mayor</b>  <b>Dated:</b> 11/09/2017</p> <p>.....</p> <p>Domenic Isola  <b>Chief Executive Officer</b>  <b>Dated:</b> 11/09/2017</p>
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Governance and Management Checklist

LG131(3), R12

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 Commentary or link to document if answer is YES
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	YES	26/06/2017		<a href="https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/council_plan/council_plan_2017-2021_incorporating_the_strategic_resource_plan_lores.pdf">https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/council_plan/council_plan_2017-2021_incorporating_the_strategic_resource_plan_lores.pdf</a>
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	26/06/2017		<a href="https://www.hume.vic.gov.au/files/sharedassets/hume_website/budgets/2017-18_adopted_annual_budget.pdf">https://www.hume.vic.gov.au/files/sharedassets/hume_website/budgets/2017-18_adopted_annual_budget.pdf</a>
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	
GC6	Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Current strategy in operation	YES	27/06/2016		<a href="https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/council_plan/council_plan_final_2016-2017_incorporating_strategic_resource_plan.pdf">https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/council_plan/council_plan_final_2016-2017_incorporating_strategic_resource_plan.pdf</a>
GC7	Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation	YES	27/03/2017		<a href="https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/policies/cp2011-11-38_risk_management_policy.doc">https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/policies/cp2011-11-38_risk_management_policy.doc</a>
GC8	Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation	YES	28/09/2015		<a href="https://www.hume.vic.gov.au/files/content/hume_website/about_us/contact_details/your_council/media_publications_amp_forms/policies_amp_strategies/policies/cp2011-11-25_fraud_control_policy.doc">https://www.hume.vic.gov.au/files/content/hume_website/about_us/contact_details/your_council/media_publications_amp_forms/policies_amp_strategies/policies/cp2011-11-25_fraud_control_policy.doc</a>
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	23/06/2017		

Governance and Management Checklist

LG131(3), R12

	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 Commentary or link to document if answer is YES
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	26/06/2017		
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	14/02/2017		
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	30/06/2012		
GC13	Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation	YES	24/02/2017		
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	22/05/2017		
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	1/07/2016		
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	22/02/2017		<a href="https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/council_plan/council_plan_2013-2017_2016-2017_actions_second_quarter_progress_report.pdf">https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/council_plan/council_plan_2013-2017_2016-2017_actions_second_quarter_progress_report.pdf</a>
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. 12/09/2016, Q1. 21/11/2016, Q2. 27/02/2017, Q3. 24/04/2017	
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		26/08/2016 and 24/02/2017	
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		26/08/2016 and 24/02/2017	

**Governance and Management Checklist**

LG131(3), R12

	<b>Governance and Management Item</b>	<b>Required</b>	<b>YES/ NO</b>	<b>Date if YES (single item/date)</b>	<b>Dates if YES (multiple items/dates)</b>	<b>Reason(s) if answer is NO Commentary or link to document if answer is YES</b>
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	17/10/2016		
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	6/02/2017		
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 96(6) of the Act	YES		Instrument of Delegation to the Chief Executive Officer 12/12/2016 Instrument of Delegation to Members of Council Staff 12/12/2016 Instrument of Sub-delegation by the Chief Executive Officer to Members of Council Staff 4/05/2017 Instrument of Delegation of Powers Prescribed by Legislation to the Chief Executive Officer to Members of Council Staff 1/07/2016	
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: 11/09/2017

\_\_\_\_\_  
 Drew Jessop  
**Mayor**  
 Dated: 11/09/2017



## Materiality Guidelines

### 2016-17 Reporting Period

Hume City Council has established materiality thresholds for Service Performance, Financial Performance and Sustainability Capacity indicators, taking into account both quantitative and qualitative factors and circumstances specific to each service indicator.

In considering materiality thresholds, a standard variance of 10% between the current year and previous year's result has generally been applied, however reference to the current and previous year's result and 2014/15 benchmark data has also been considered against each indicator. Where appropriate, alternative thresholds have been applied to some indicators as the standard 10% variance isn't applicable or appropriate. The table below provides greater detail of the materiality thresholds applied to each indicator.

Service Performance Indicators		
Service/indicator/measure	Measure expressed as:	Materiality threshold:
<b>Aquatic Facilities</b>		
<b>Satisfaction</b> User satisfaction with aquatic facilities (optional measure)	Index score of satisfaction out of 100	Movement +/- greater than 5
<b>Service standard</b> Health inspections of aquatic facilities	Number of health inspections per council aquatic facility	Movement of +/- 1
Reportable safety incidents at aquatic facilities	Number of WorkSafe reportable aquatic safety incidents	Movement +/- greater than 3  (most incidences reported relate to personal health issues)
<b>Service cost</b> Cost of indoor aquatic facilities	\$ direct cost less any income received of providing indoor aquatic facilities per visit	Movement of +/- 10% from previous year's result
Cost of outdoor aquatic facilities	\$ direct cost less any income received of providing outdoor aquatic facilities per visit	Movement of +/- 10% from previous year's result
<b>Utilisation</b> Utilisation of aquatic facilities	Number of visits to aquatic facilities per head of municipal population	Movement of +/- 0.25
<b>Animal Management</b>		
<b>Timeliness</b> Time taken to action animal requests	Number of days taken to action animal requests	Movement of +/- 1 day
<b>Service standard</b> Animals reclaimed	% of collected animals reclaimed	Movement of +/- 3%
<b>Service cost</b> Cost of animal management service	\$ direct cost of the animal management service per registered animal	Movement of +/- 10% from previous year's result

Service Performance Indicators		
Service/indicator/measure	Measure expressed as:	Materiality threshold:
<b>Health and safety</b> Animal management prosecutions	Number of prosecutions	Movement of +/- 5 prosecutions
<b>Food Safety</b>		
<b>Timeliness</b> Time taken to action food complaints	Number of days taken to action food complaints	Movement of +/- 1 day
<b>Service standard</b> Food safety assessments	% of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment	Movement of +/- 10% from previous year's result
<b>Service cost</b> Cost of food safety service	\$ direct cost of the food safety service per registered food premises	Movement of +/- 10% from previous year's result
<b>Health and safety</b> Critical and major non-compliance notifications	% of critical and major non-compliance outcome notifications that are followed up by council	Movement of +/- 10% from previous year's result
<b>Governance</b>		
<b>Transparency</b> Council resolutions at meetings closed to the public	% of council resolutions made at meetings closed to the public	Movement of +/- 10% from previous year's result
<b>Consultation and engagement</b> Satisfaction with community consultation and engagement	Satisfaction rating out of 100	Movement +/- greater than 5
<b>Attendance</b> Council attendance at council meetings	% of council attendance at ordinary and special council meetings	Movement of +/- 5%
<b>Service cost</b> Cost of governance	\$ direct cost of the governance service per councillor	Movement of +/- \$10% from previous year's result
<b>Decision making</b> Satisfaction with council decisions	Satisfaction rating out of 100	Movement +/- greater than 5
<b>Home and Community Care – Removed from the 2016-17 Indicators</b>		
<b>Libraries</b>		
<b>Utilisation</b> Library collection usage	Number of library collection item loans per library collection item	Movement of +/- 0.5 loans
<b>Resource standard</b> Standard of library collection	% of the library collection that has been purchased in the last 5 years	Movement of +/- 5%
<b>Service cost</b> Cost of library service	\$ direct cost of the library service per visit	Movement of +/- 10% from previous year's result
<b>Participation</b> Active library members	% of the municipal population that are active library members	Movement of +/- 10% from previous year's result
<b>Maternal and Child Health</b>		



Service Performance Indicators		
Service/indicator/measure	Measure expressed as:	Materiality threshold:
<b>Satisfaction</b> Participation in first MCH home visit	% of infants enrolled in the MCH service who receive the first MCH home visit	Movement of +/- 10% from previous year's result
<b>Service standard</b> Infant enrolments in the MCH service	% of infants enrolled in the MCH service	Movement of +/- 5%
<b>Service cost</b> Cost of the MCH service	\$ cost of the MCH service per hour of service delivered	Movement of +/- 10% from previous year's result
<b>Participation</b> Participation in MCH service	% of children enrolled who participate in the MCH services	Movement of +/- 10% from previous year's result
Participation in MCH service by Aboriginal children	% of Aboriginal children enrolled who participate in the MCH service	Movement of +/- 10% from previous year's result
<b>Roads</b>		
<b>Satisfaction of use</b> Sealed local road requests	Number of sealed local road requests per 100 kilometres of sealed local road	Movement of +/- 10% from previous year's
<b>Condition</b> Sealed local roads below the intervention level	% of sealed local roads that are below the renewal intervention level	Movement of +/- 5%
<b>Service cost</b> Cost of sealed local road reconstruction	\$ direct reconstruction cost per square metre of sealed local roads reconstructed	Movement of +/- 10% from previous year's result
Cost of sealed local road resealing	\$ direct resealing cost per square metre of sealed local roads resealed	Movement of +/- 10% from previous year's result
<b>Satisfaction</b> Satisfaction with sealed local roads	Satisfaction rating out of 100	Movement +/- greater than 5
<b>Statutory Planning</b>		
<b>Timeliness</b> Time taken to decide planning applications	Days between receipt of a planning application and a decision on the application	Movement of +/- 10% from previous year's result
<b>Service standard</b> Planning applications decided within 60 days	% of planning application decisions made within 60 days	Movement of +/- 10% from previous year's result
<b>Service cost</b> Cost of statutory planning service	\$ direct cost of the statutory planning service per planning application	Movement of +/- 10% from previous year's result
<b>Decision making</b> Planning decisions upheld at VCAT	% of decisions subject to review by VCAT that were not set aside	Movement of +/- 5%
<b>Waste Collection</b>		
<b>Satisfaction</b> Kerbside bin collection requests	Number of kerbside bin collection requests per 1000 kerbside bin collection households	Movement of +/- 10% from previous year's result

Service Performance Indicators		
Service/indicator/measure	Measure expressed as:	Materiality threshold:
<b>Service standard</b> Kerbside collection bins missed	Number of kerbside collection bins missed per 10,000 scheduled kerbside collection bin lifts	Movement of +/- 10% from previous year's result
<b>Service cost</b> Cost of kerbside garbage collection service	\$ direct cost of the kerbside garbage bin collection service per kerbside garbage collection bin	Movement of +/- 10% from previous year's result
Cost of kerbside recyclables collection service	\$ direct cost of the kerbside recyclables collection service per kerbside recyclables collection bin	Movement of +/- 10% from previous year's result
<b>Waste diversion</b> Kerbside collection waste diverted from landfill	% of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill	Movement of +/- 3%

Service/indicator/measure	Measure expressed as:	Materiality threshold:
<b>Efficiency</b>		
Average residential rate per residential property assessment	Residential rate revenue (\$) per residential property assessment	Movement of +/- 10% from previous year's result
Expenses per property assessment	Total expenses (\$) per property assessment	Movement of +/- 10% from previous year's result
Resignations and terminations compared to average staff	The number of permanent staff resignations and terminations as a percentage of the average number of permanent staff	If less than 5% or greater than 15% for year
<b>Liquidity</b>		
Current assets compared to current liabilities	Current assets as a percentage of current liabilities	Movement of +/- 10% from previous year's result
Unrestricted cash compared to current liabilities	Unrestricted cash as a percentage of current liabilities	Movement of +/- 10% from previous year's result
<b>Obligations</b>		
Asset renewal compared to depreciation	Asset renewal expense as a percentage of depreciation	Movement of +/- 10% from previous year's result
Loans and borrowings compared to rates	Interest bearing loans and borrowings as a percentage of rate revenue	Movement of +/- 10% from previous year's result
Loans and borrowings repayments compared to rates	Interest and principal repayments on interest bearing loans and borrowings as a percentage of rate revenue	Movement of +/- 10% from previous year's result

<i>Service/indicator/measure</i>	<b>Measure expressed as:</b>	<b>Materiality threshold:</b>
Non-current liabilities compared to own source revenue	Non-current liabilities as a percentage of own source revenue	Movement of +/- 10% from previous year's result
<b>Operating position</b>		
Adjusted underlying surplus (or deficit)	Underlying surplus (or deficit) as a percentage of adjusted underlying revenue	Movement of +/- 10% from previous year's result
<b>Stability</b>		
Rates compared to adjusted underlying revenue	Rate revenue as a percentage of adjusted underlying revenue	Movement of +/- 10% from previous year's result
Rates compared to property values	Rate revenue as a percentage of the capital improved value of rateable properties in the municipality	Movement of +/- 10% from previous year's result

<b>Sustainability Capacity Indicators</b>		
<i>Service/indicator/measure</i>	<b>Measure expressed as:</b>	<b>Materiality threshold:</b>
Expenses per head of municipal population	Total expenses (\$) per head of municipal population	Movement of +/- 10% from previous year's result
Infrastructure per head of municipal population	Value of infrastructure (\$) per head of municipal population	Movement of +/- 10% from previous year's result
Population density per length of road	Municipal population per kilometre of local road	Movement of +/- 5% from previous year's result
Own-source revenue per head of municipal population	Own-source revenue (\$) per head of municipal population	Movement of +/- 10% from previous year's result
Recurrent grants per head of municipal population	Recurrent grants (\$) per head of municipal population	Movement of +/- 10% from previous year's result
Relative Socio-Economic Disadvantage	The relative Socio-Economic Disadvantage of the municipality (Index of relative Socio-Economic Disadvantage by decile)	Movement of +/-1

<b>REPORT NO:</b>	GE228
<b>REPORT TITLE:</b>	Infringement Management Policy Review
<b>SOURCE:</b>	Peter Faull, Coordinator Governance & Corporate Support
<b>DIVISION:</b>	Corporate Services
<b>FILE NO:</b>	HCC13/492
<b>POLICY:</b>	Infringement Management Policy
<b>STRATEGIC OBJECTIVE:</b>	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
<b>ATTACHMENT:</b>	1. <i>Infringement Management Policy</i>

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**1. SUMMARY OF REPORT:**

- 1.1 The Infringement Management Policy has been reviewed to reflect amendments made to the *Infringement Acts 2006*, and to incorporate new statutory requirements resulting from the early commencement of certain initiatives contained with the *Fines Reform Act 2014*.
- 1.2 This report presents Council with an updated Infringements Management Policy for consideration and adoption. The report was first considered by Council at its meeting of 28 August 2017, at which time it was deferred to a subsequent Council meeting for further consideration.

**2. RECOMMENDATION:**

- 2.1 **THAT Council revokes the Infringement Management Policy that was adopted by Council on 27 April 2015.**
- 2.2 **THAT Council adopts the Infringement Management Policy provided as Attachment 1 to this report.**

**3. LEGISLATIVE POWERS:**

- 3.1 *Infringements Act 2006*
- 3.2 *Fines Reform Act 2014*
- 3.3 *Fines Reform and Infringements Acts Amendment Act 2016*

**4. FINANCIAL IMPLICATIONS:**

Under the *Fines Reform Act 2014*, Council will now not collect revenue from individuals who complete a Work and Development Permit in lieu of paying an infringement, however, it is often vulnerable and disadvantaged people who cannot pay their fines due to acute financial hardship, so whilst Council will not collect revenue on these occasions, collection rates in these circumstances are already low.

**5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:**

There are no environmental sustainability implications in respect to this report.

**6. CLIMATE CHANGE ADAPTATION CONSIDERATIONS:**

There are no climate change adaptation implications in respect to this report.

**7. CHARTER OF HUMAN RIGHTS APPLICATION:**

The rights protected in *The Charter of Human Rights and Responsibilities Act 2006* were considered and it was determined that Council has acted compatibly with these rights when conducting this policy review.

REPORT NO: GE228 (cont.)

**8. COMMUNITY CONSULTATION:**

Community consultation is not required because the updates recommended to the Infringement Management Policy are required in order to comply with legislative changes that commenced on 1 July 2017.

**9. DISCUSSION:**

9.1 The Department of Justice and Regulation provides the following background information on the introduction of the *Fines Reform Act 2014*:

- (a) the *Fines Reform Act 2014* establishes a new fines recovery model for the collection and enforcement of fines in Victoria;
- (b) a new administrative body called Fines Victoria will be responsible for collecting and enforcing infringement fines and court fines;
- (c) a statutory position of Director, Fines Victoria, will be established.
- (d) the *Fines Reform Act 2014* contains measures designed to assist vulnerable and disadvantaged members of the community, who are often disproportionately impacted because they cannot pay and require other options to deal with their fines. These include a Work and Development Permit scheme, which will enable eligible people to finalise their infringement fines by undertaking approved treatment and activities.

9.2 The date of commencement of the *Fines Reform Act 2014*, which includes amendments to the *Infringement Acts 2006*, was extended by the *Fines Reform and Infringements Acts Amendment Act 2016* so that certain initiatives commenced on 1 July 2017, with full commencement of the *Fines Reform Act 2014* being on 31 December 2017.

9.3 Council's Infringement Management Policy has been updated to incorporate legislative changes that applied as of 1 July 2017, being:

9.4 Introduction of the Work and Development Permit (WDP) Scheme

9.4.1 The WDP scheme is a new initiative to help vulnerable and disadvantaged people who cannot pay their fines due to acute financial hardship. An eligible person's sponsor (who is accredited by the Secretary, Department of Justice and Regulation) can apply to the Secretary for a WDP which will enable them to clear an unpaid fine by participating in approved activities supervised by their sponsor. Successful completion of a WDP will clear the eligible person's infringement debt, however, a person with a WDP can also opt out at any stage and choose to pay the balance owing on their infringement/s.

9.5 Introduction of a New Infringement Review Ground – Person Unaware

9.5.1 The *Infringements Act 2006* allows individuals who receive an infringement notice to request the issuing enforcement agency to review the decision to issue that notice. A new ground for review of an infringement notice is being introduced called 'Person Unaware'.

9.5.2 A person may seek an internal review on grounds that they were unaware that an infringement notice had been served and where service of the notice was not personal service. An application under the person unaware ground must be made within 14 days of the applicant becoming aware of the infringement notice.

9.5.3 The definition of an authorized address in the *Infringements Act 2006* is an address recorded in relation to a person in a register kept by a public statutory body (including, in relation to a director, alternate director or secretary of a company within the meaning of the Corporations Act, the Australian Securities

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and Investments Commission) if by law that person or another person is required to notify that public statutory body of any change in that address. For Council, this definition will apply to individuals with authorized addresses that are maintained by VicRoads, and for companies that are maintained by Australian Securities and Investments Commission (ASIC).

9.5.4 Whilst this review ground is not limited to circumstances only involving a change of address, evidence is required from the applicant to support whatever reason is submitted as to why they were unaware of the infringement, and this must be done within 14 days of becoming aware of the infringement.

9.5.5 A successful application under the Person Unaware review ground will have the effect of ‘resetting’ the infringement back to the original penalty amount. At this point in time the individual can then pay the infringement, request a payment plan, request a WDR, elect to have the matter heard in Court, or request another review of the infringement based on one of the other review grounds.

9.6 Introduction of a New Special Circumstances Category – Family Violence

9.6.1 The *Infringements Act 2006* allows individuals who receive an infringement notice to request that the issuing enforcement agency review the decision to issue that notice due to special circumstances. To apply for a review due to special circumstances, a person will currently need to have, or be experiencing, any one of the following:

- (i) a mental or intellectual disability, disorder or illness;
- (ii) an addiction to drugs, alcohol or a volatile substance;
- (iii) homelessness.

9.6.2 These amendments will add a new category of ‘family violence’ that can be considered under the review category of special circumstances. This category relates to a person who is a victim of family violence and family violence results in the person being unable to control the conduct which constitutes the offence.

9.7 Exceptional Circumstances – Financial Hardship

9.7.1 Financial hardship is not a ground for review, but Council may consider such applications under the exceptional circumstances ground. Where a person is experiencing financial hardship and is unable to pay their outstanding fines, Council should and does assist the applicant, where appropriate, to negotiate a payment plan.

9.8 Other Legislative Changes

9.8.1 Other legislative changes which came into effect on 1 July 2017 are the introduction of an internal review oversight function (which gives the Director, Fines Victoria the power to request information from an enforcement agency about a specific internal review that the agency has conducted), the harmonisation of court powers to deal with fine defaulters, and the reinstatement of an improved ‘Time Served’ scheme for prisoners.

9.8.2 Of these, the internal review oversight function is the only one that will effect Council, and this only via the Director, Fines Victoria having powers to oversee, monitor and report on the operation of the internal review scheme, which can include the making of guidelines setting out the purposes of internal review and the obligations of enforcement agencies in performing the internal review function. The internal review oversight function was vested in the

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Secretary to the Department of Justice and Regulation as of 1 July 2017 until the Director role commences on 31 December 2017.

- 9.9 Upon full commencement of the *Fines Reform Act 2014* on 31 December 2017, the following will occur:
- (a) establishment of Fines Victoria;
  - (b) appointment of the Director, Fines Victoria;
  - (c) shorter collection and enforcement timeframes for infringement fines;
  - (d) the replacement of the current revocation process by an administrative enforcement review process;
  - (e) more effective powers and sanctions to enforce unpaid fines;
  - (f) consolidation of fines into a single payment arrangement;
  - (g) collection and enforcement of court fines by the Director.
- 9.10 These changes will allow Fines Victoria to offer and manage payment plan arrangement on behalf of Council (and all agencies that issue infringements) for eligible individuals.
- 9.11 As well as changes made to the Infringement Management Policy to reflect legislative changes that took effect as of 1 July 2017, some other minor changes have been made to the policy to reflect current practice in the management of infringements at Council.
- 9.12 The Infringements Management Policy has been given a review date of 30 June 2018, however if it is required to be amended earlier than that to comply with the full commencement of the *Fines Reform Act 2014* in December 2017, then the policy will be presented to Council with the necessary changes for re-adoption at an earlier time.
- 9.13 Council's internal systems, processes and procedures have been updated to accommodate the legislative changes that commenced on 1 July 2017. The information provided to individuals who receive infringements, as well as general information provided about infringements to members of the public, was also updated to reflect changes to legislation.

**Other Changes to Policy**

- 9.14 Following input from Councillors, the attached Infringements Management Policy includes the following clause:

'Any person who receives an infringement for parking in a designated narrow street will be entitled, on request for a review, to have that infringement withdrawn and instead be issued with a warning. This review ground only applies to that person's first offence in any designated narrow street within the municipality of Hume.'

- 9.15 Following Councillor input the CEO's confidential guidelines will now also give further consideration to cases of extreme financial hardship.

**10. CONCLUSION:**

It is recommended that Council adopts the attached Infringement Management Policy, which has been reviewed and updated to comply, where applicable, with legislative changes that took effect on 1 July 2017.





# INFRINGEMENT MANAGEMENT POLICY

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Policy Reference No:	CP2013-10-03
File Reference No:	HCC – CM13/1359
Strategic Objective:	Health, Safety and Wellbeing
Date of Adoption:	28 August 2017
Date for Review:	30 June 2018
Responsible Officer:	MANAGER GOVERNANCE
Department:	GOVERNANCE

Hume City Council: INFRINGEMENT MANAGEMENT POLICY

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**1. POLICY STATEMENT**

- 1.1 This Infringement Management Policy (the Policy) defines the standards and expectations set by Council, for the exercise of all duties, functions and responsibilities involved in carrying out any enforcement of Legislation in the Hume City Council.
- 1.2 Council is committed to ensure enforcement is carried out in the public interest and is transparent, fair, efficient and consistent.

**2. PURPOSE**

- 2.1 The aim of this Policy is to:
  - 2.1.1 Document Council's approach to the management of infringements issued by Council's authorised officers; *and*
  - 2.1.2 To ensure that regulatory functions are exercised consistently and without bias and in accordance with Council's obligations under the Local Government Act.
- 2.2 The management of infringements will be auditable and transparent and in accordance with the requirements of the Infringements Act 2006 which establishes a standard framework for issuing and enforcing infringement notices.

**3. SCOPE**

- 3.1 The Local Government Act 1989 empowers Local Government Authorities (LGA) to administer any delegated State Government Act and Local Law as listed in Section 8 of this Policy.
- 3.2 The Infringements Act 2006 and Fines Reform Act 2014 provide the legislative framework for the administration of infringements in Victoria.
- 3.3 The Act is supported by the Infringements Regulations 2016. There are currently over 50 legislative instruments in Victoria containing infringement offences.
- 3.4 This Policy is to be applied for infringement management in the Statutory Planning and Building Control Services, Assets, Waste, City Laws, Sustainable Environment, Public Health and any other applicable departments of Council.

**4. OBJECTIVE**

- 4.1 The objective of this Policy is to provide a consistent, accountable and transparent process for infringement management.

**5. POLICY IMPLEMENTATION**

- 5.1 This Policy provides standards and direction to ensure that all regulatory functions undertaken on behalf of Council are undertaken in a manner that reflects Council's Corporate Values, whilst complying with Council's Employee Code of Conduct.
- 5.2 This Policy establishes clear and lawful guidelines when exercising regulatory functions by providing:
  - 5.2.1 Enforcement options which ensure a consistent, impartial and fair application of the law.
  - 5.2.2 Guidance for Authorised Officers in their use of discretion.
  - 5.2.3 Clear and concise guidelines, which are consistent with guidelines issued by the Attorney General.

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- 5.2.4 Ensuring that all warnings, infringement notices, notices and reports are correctly recorded within Council's systems and contain all the necessary elements to establish the alleged offence.
- 5.3 The Departments responsible for authorised officers will implement this Policy by ensuring their staff:
  - 5.3.1 Are trained and competent to use procedures that support the Policy.
  - 5.3.2 Have access to this Policy and supporting procedures and legislation.
- 5.4 Reporting to the Department of Justice and Regulation:
  - 5.4.1 Under the Infringements Act 2006 and regulations, an enforcement agency must provide prescribed information to the Department of Justice and Regulation every six months in relation to each category of infringement offences as follows:
    - a) The number of official warnings;
    - b) The number of official warnings withdrawn;
    - c) The number of infringement notices issued;
    - d) The number of infringement notices withdrawn;
    - e) The number of persons served with an infringement notice who elect to have the matter heard and determined in court, or in the case of a child, the Children's Court;
    - f) The number of applications for internal review under each of the grounds and the number of applications for internal review decided;
    - g) The number of applications for payment plans received by the enforcement agency and as far as practicable:
      - The total number of payment plans offered.
      - The total number of payment plans commenced.
      - In relation to commenced payment plans, the number defaulted.
    - h) The number of applications for review under Special Circumstances – Family Violence.

**6. POLICY STATEMENTS**

**6.1 GENERAL**

- 6.1.1 Policy Statements will be presented in the order of the Infringement Management process i.e.
  - Issue of Infringements
  - Payment of Infringements
  - Infringement Review
  - Consideration of Special Circumstances and Exceptional Circumstances
  - Financial Hardship
  - Infringement Recovery
  - Work And Development Scheme
  - Prosecutions

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6.1.2 The Chief Executive Officer (CEO) or Councillors are not to become involved in reviews of infringement notices and will not hear deputations regarding individual Infringement notices. Where an appeal is not confirmed the next course of review is an appeal through the Courts.

6.1.3 If the CEO or Councillors receive an application to review an infringement the application should be forwarded to Council's Executive Officer or another staff member so that it is recorded in Council's Record Management System and forwarded to the Infringement Management Unit where policy, guidelines and processes will be followed.

**6.2 ISSUE OF INFRINGEMENTS**

6.2.1 Authorised Officers have a statutory obligation to enforce the legislation conferred upon Council. Such enforcement actions may include verbal or written warnings and directions, the issue of infringement notices for certain offences or undertaking further legal action for serious and recalcitrant breaches of law.

6.2.2 Infringements must be issued in accordance with the Policy for any sighted contravention of the Local Law or any State Legislation that Council is authorised to enforce.

6.2.3 All infringements must be recorded and monitored on Councils CI Property and Rating Infringement Module or other database as approved by the CEO.

6.2.4 Information regarding the Infringements Management process shall be available in plain English and able to be accessed by the community either through [www.hume.vic.gov.au](http://www.hume.vic.gov.au) or in hard copy from the Council Customer Service Centres.

6.2.5 If at any point an authorised officer suspects that a procedural error may have occurred, the matter should be referred for review immediately and without the necessity for an application for review. A hold will be placed on the Infringement notice so as not to incur late fees until the matter is reviewed and response provided.

**6.3 PAYMENT OF INFRINGEMENTS**

6.3.1 All infringements must be paid by the due date on the infringement notice.

6.3.2 Infringements may be paid by installments or by negotiating an extension on the due date from the time it is first issued to avoid extra fees being accrued (where applicable) i.e. a payment plan.

6.3.3 Payment plans (instalments) are to be available as per the criteria listed below to any person (not a company) who is able to prove financial hardship:

- a) Payment plans are only available on 2 occasions (not on an ongoing basis). This includes instalment plans, extensions of time to pay or a combination of both;
- b) If a person defaults by not making a payment within 14 days of the due date, as per the payment plan conditions, the plan will be considered to be in default;
- c) A default letter will be sent advising payment is required within 7 days and if this payment is not received the payment plan will be cancelled and the matter will proceed to the next stage in the infringement lifecycle, which may include Court.

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- 6.3.4 A person who receives one of the following benefits is eligible for payment plans as of right:
  - Centrelink Health Care Card;
  - Pensioner Concession Card;
  - Department of Veterans' Affairs Concession Card.
- 6.3.5 The minimum amount accepted per fortnight for a payment plan is to be based on the total amount of the accumulated penalty amounts to be paid within a 12 month period (i.e. total dollar value divided by 26 fortnights). The minimum payment amount is not to be less than \$20.00, or in the case of extreme financial hardship, \$10.00, per fortnight. Persons suffering extreme financial hardship will be dealt with on a case by case basis, however full payment is never to exceed a 24 month term.
- 6.3.6 Extensions of the time to pay infringements in full will be considered (2 to 8 weeks depending on the amount of the infringement) without penalty.
- 6.3.7 A company is not eligible to be offered a payment plan (instalment) arrangement but may be offered up to two 8 week extensions of time to pay an infringement.

**6.4 INFRINGEMENT REVIEW**

- 6.4.1 Council acknowledges the right of people issued with infringement notices to seek a review of the circumstances of the notice before further legal action is taken under various Acts and Regulations. All such reviews will be dealt with fairly, impartially and consistently.
- 6.4.2 When applying for review of an infringement, the applicant must:
  - a) Complete the form "Application to Review an Infringement" (Attachment 1), or submit a written request for a review, either in person or by mail or by e-mail to [contactus@hume.vic.gov.au](mailto:contactus@hume.vic.gov.au). A person may also submit an application for review online on Council's website.
  - b) Set out the circumstances and basis for disputing the alleged offence and the grounds on which the decision should be reviewed:
    - was contrary to law;
    - involved a mistake of identity;
    - that special circumstances apply to the person;
    - the conduct for which the infringement notice was served should be excused having regard to any exceptional circumstances relating to the infringement offence;
    - Person unaware of infringement.
  - c) Include any documentary evidence or information supporting their application (please note, for all incidents where a person is relying on evidentiary circumstances, they will be required to declare the information on a statutory declaration in the first instance).
  - d) State the applicant's current address for service of the outcome of the decision.
  - e) A request for review of a parking infringement may also be lodged directly with Council's Parking Services Contractor.

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- 6.4.3 The "Application to Review an Infringement" application form may change from time to time.
- 6.4.4 A request for a review may only be made once in relation to any one infringement offence in respect of the applicant.
- 6.4.5 If a review is requested and the decision to issue the infringement is upheld, the time to pay the fine will be extended by either 2 weeks from date of the response letter or 1 week from the due date of the infringement, whichever is the greater time period.
- 6.4.6 A person issued with an infringement notice may elect to have the matter referred to Open Court at any time.
- 6.4.7 Infringement Reviews must be conducted in accordance with the confidential guidelines as approved by the CEO.
- 6.4.8 The outcome of the review is to be forwarded to the applicant in writing within 21 days of Council making a decision on the review.
- 6.4.9 Infringement Notices that are not withdrawn by a review panel and are referred to Court will be processed in accordance with the procedure outlined in the Magistrates' Court Act 1989.
- 6.4.10 Any person who receives an infringement for parking in a designated narrow street will be entitled, on request for a review, to have that infringement withdrawn and instead be issued with a warning. This review ground only applies to that person's first offence in any designated narrow street within the municipality of Hume.

6.5 **REVIEW GROUND - SPECIAL CIRCUMSTANCES**

- 6.5.1 A person in receipt of an infringement may also apply for a review of the infringement if there are special circumstances.
- 6.5.2 Special circumstances include:
  - a mental or intellectual disability or disorder, disease or illness;
  - a serious addiction to drugs, or alcohol or a volatile substance, that resulted in the person being unable to understand or control the behaviour that resulted in an offence;
  - homelessness resulting in an inability to control the behaviour constituting the offence;
  - is a victim of family violence.

6.5.3 Note:

(a) Homelessness is defined in Regulation 7 of the Infringement (General) Regulations as:

- the person is living in crisis accommodation;
- the person is living in transitional accommodation;
- the person is living in any other accommodation provided under the *Supported Accommodation Assistance Act 1994* of the Commonwealth;

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- the person has inadequate access to safe and secure housing as defined in section 4 of the *Supported Accommodation Assistance Act 1994* of the Commonwealth.
- (b) Family violence is defined as a behaviour by a person towards a family member of that person if that behaviour:
- is physically or sexually abusive; or
  - is emotionally or psychologically abusive; or
  - is economically abusive; or
  - is threatening; or
  - is coercive; or
  - in any other way controls or dominates the family member and causes that family member to feel fear for the safety or wellbeing of that family member or another person; or
  - behaviour by a person that causes a child to hear or witness, or otherwise be exposed to the effects of, behaviour referred to above.

6.5.4 Applications for review under the special circumstances clause must be supported with documentation or proof of the circumstances.

**6.6 REVIEW GROUND - EXCEPTIONAL CIRCUMSTANCES**

6.6.1 A person in receipt of an infringement may apply for a review of the infringement if there are exceptional circumstances.

6.6.2 Exceptional circumstances are not specifically defined and hence the applicant will be required to explain the circumstances and have supporting material as evidence to back up their case (e.g. a doctor's letter).

6.6.3 The Guide provided as Attachment 2 is from the Department of Justice and Regulation website and provides some assistance with applications that cite Exceptional and Special Circumstances.

**6.7 FINANCIAL HARDSHIP**

6.7.1 Whilst financial hardship is not a ground for review, Council may consider such applications under the exceptional circumstances ground.

6.7.2 Alternatively, where a person is experiencing financial hardship and is unable to pay their outstanding fines, Council should assist the applicant, where appropriate, to negotiate a payment plan.

**6.8 INFRINGEMENT RECOVERY**

6.8.1 The Infringement Recovery Process shall be in accordance with this Policy.

6.8.2 Within 30 days of the expiry of the due date for payment of the Penalty Reminder Notice, recovery of the infringement and related costs (where applicable) of the infringement will commence via either Council solicitor letter or a Recovery Agency.

6.8.3 The Recovery Agency or solicitor will attempt to recover the outstanding infringement amount and where necessary have any directions or breaches on the notice complied with (using appropriate measures) over a 90 day period.

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- 6.8.4 The use of a Recovery Agency will require reports to be forwarded of unpaid infringements for review with regard to issuing summons on a monthly basis.
- 6.8.5 If a notice is not paid, even after a reminder (with late fee added) has been sent, the matter can be referred to Court.
- 6.8.6 Infringement notices issued under the Environment Protection Act 1970 are to be referred to Court after the Penalty Reminder Notice stage so that if another person is identified as the offender during the Court process, this person can be charged with the offence.

**6.9 WORKING AND DEVELOPMENT SCHEME (WDP)**

- 6.9.1 The WDP scheme is a new initiative to help vulnerable and disadvantaged people who cannot pay their fines due to acute financial hardship.
- 6.9.2 If a person is eligible for a WDP, their sponsor (who is accredited by the Secretary, Department of Justice and Regulation) will be able to apply to the Secretary for a WDP which will enable the eligible person to clear an unpaid fine by participating in approved activities supervised by their sponsor.
- 6.9.3 To be eligible for a WDP, a person will need to have, or be experiencing, any one of the following:
- a mental or intellectual disability, disorder or illness;
  - an addiction to drugs, alcohol or a volatile substance;
  - homelessness;
  - family violence;
  - acute financial hardship.
- 6.9.4 Approved WDP activities under the supervision of a sponsor may include:
- Drug and alcohol counselling;
  - Unpaid / voluntary work;
  - Courses included educational, vocation or life skills;
  - Medical or mental health treatment provided by a doctor, nurse or psychologist;
  - Mentoring programs (for people under the age of 25 years).

**6.10 PROSECUTIONS**

- 6.10.1 Following the expiry of the recovery period, proceedings may be instigated through the Magistrates Court or any other applicable Court.
- 6.10.2 The following factors may indicate that it is in the Public Interest to commence or continue a prosecution:
- The need to maintain the rule of law (for example, an offence which is a community safety issue such as illegal parking near schools, a health or building offence etc).
  - The need for deterrence, (for example, an offence that represents a negative impact on the environment and/or appearance of the city

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- such as an unsightly premise, an asset protection issue or any other planning infringement).
  - The need to maintain public confidence in Council acting in the interest of the community and as a regulator.
  - There is a total value of infringement and costs exceeding \$200.
  - That a person has incurred 3 or more infringements.
- 6.10.3 The following factors may indicate that it is not in the Public Interest to pursue a prosecution:
- The youth, age, physical or mental health or special infirmity of the alleged offender or of a witness.
  - The triviality of the offence i.e. the infringement value is under \$75.
  - The availability of alternatives to prosecution.
  - The financial capacity or insolvency of the offender.
  - The offender rectifies the act or omission which led to the charge.
  - The likely length of the hearing or the expense of pursuing the prosecution.
  - The likely outcome in the event of a finding of guilt having regard to the punishment.
- 6.10.4 Should Council's Prosecutions and Compliance Officer, or any other appropriately authorised/delegated officer become aware that an error has been made or of new circumstances, the matter must be reviewed internally, and if appropriate, must not proceed to Court. No request in writing is required on such occasions.
- 6.10.5 Unpaid Infringements that are considered unrecoverable will be written off.

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**7 DEFINITIONS AND ABBREVIATIONS**

- 7.1 The following definitions are applicable within this Policy:
- 7.1.1 Act - The Infringements Act 2006.
  - 7.1.2 Council - means Hume City Council.
  - 7.1.3 Authorised Officer - means an Officer granted appropriate delegated authority under the Local Government Act 1993 and other legislation for which the Council is responsible.
  - 7.1.4 Recovery Agency - a company endorsed by Council to collect outstanding monies owed.
  - 7.1.5 Manager is a person appointed as a Manager at Council.
  - 7.1.6 .

**8 RELATED DOCUMENTS LEGISLATION / GUIDELINES**

- 8.1 This Policy Document relies on the provisions contained by not limited to the following Acts, Regulations and Guidelines:
- 8.1.1 Hume City Council's General Local Law 1
  - 8.1.2 State Legislation
    - Local Government Act 1989
    - Road Safety Act 1986
    - Metropolitan Fire Brigades Act 1958
    - Country Fire Authority Act 1958
    - Domestic Animals Act 1994
    - Environment Protection Act 1970
    - Fines Reform Act 2014
    - Infringements Act 2006
    - Tobacco Act 1987
    - Magistrates' Court Act 1989
    - Impoundment of Livestock Act
    - Prevention of Cruelty to Animals Act 1986
    - Summary Offences Act 1966
    - Magistrates Court Act 1989
    - Evidence Act 2008
    - Victorian Civil and Administrative Tribunal Act 1998
    - Building Act 1993
    - Planning and Environment Act 1987 [s147(4)]
    - Road Management Act 2004
    - Food Act 1984
    - Acts and regulations including Part 14 of residential Tenancies Act 1997
    - Any Regulations made and in-force under the above listed Acts
  - 8.1.3 This Policy relates to the following Council policies, plans or manuals:
    - Employee Code Of Conduct;
    - Council's applicable Complaints Handling Policy/s;
    - Department's individual applicable procedures, work instructions and guidelines;
    - Infringement Management Guidelines.

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**Attachment 1**

## Application for Internal Review (Infringements Only)

1. Please complete all sections below to have your infringement reviewed. Please complete the white sections, print clearly in ink using BLOCK letters, cross where applicable and then sign below.
2. Only one Internal Review may be submitted per Infringement Notice, unless applying when an internal review has been granted on the ground of Person Unaware of Fine.
3. Internal reviews are not permitted for an alleged drink driving, driving under the influence of drugs, or excessive speed infringements that result in a loss of licence.

**Applicant details**

Who is applying (confirm who is making the application):

Person named on the infringement notice     Other person with consent (You must also complete the "Consent for Internal Review" on reverse side of this page)     Authorised company representative

**Your personal details**

Surname / Company Name

First name / Company A/CN

Address of person / Company

State    Postcode

Email

**Infringement details**

Your infringement number    Vehicle registration number

**Grounds for application**

Descriptions are located on the reverse side of this page:

Emptied Circumstances (See description 1)     Contrary to Law (See description 2)     Special Circumstances (See description 3)     Mistaken Identity (See description 4)

Person Unaware of Fine (See description 5)     Penalty Reminder Notice / Fee Waiver Request (See description 6)

I have attached an explanation of my circumstances and ground(s) in support of my application

**Declaration details**

I understand that this is the only Internal Review for this Infringement that I am able to submit pursuant to s.22 (2) of the Infringements Act 2006.

I declare that the information that I have supplied in this form, and any attachments to this form, are true and correct to the best of my knowledge.

I understand that by making a false or misleading statement in support of this claim, I may be prosecuted.

Signature of Applicant

Date

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**Description of relevant grounds for internal review appeal**

**1 Exceptional Circumstances**  
 Please provide details of the exceptional circumstances (where you have committed the offence due to unforeseen or unpreventable circumstances, e.g. medical emergencies).

**2 Contrary to Law**  
 Please provide the reasons why you consider the decision to issue you with an infringement was unlawful (e.g. the infringement was not valid).

**3 Special Circumstances**  
 Special circumstances include:  
 • a mental or intellectual disability, disorder, disease or illness  
 • a serious addiction to drugs, alcohol or volatile substance  
 • homelessness, or  
 • family violence within the meaning of the Family Violence Protection Act 2008.  
 You must provide evidence (e.g. letter, report, statement) from one of the following parties to support your application:  
 • a case worker, case manager or social worker  
 • a general practitioner, psychiatrist or psychologist, or  
 • an accredited drug treatment agency.  
 Evidence (e.g. letter, statement or a report) from practitioner or case work should include the following information:  
 • the practitioner/case worker's qualification and relationship with you, including the period of engagement  
 • the nature, severity and duration of your condition or your circumstances:  
 a) whether you were suffering from the relevant condition or circumstances at the time the offence was committed, and  
 b) whether, in the opinion of the practitioner/case worker, it is more likely than not that your condition/ circumstances resulted in your inability to understand or control the conduct constituting the offence.  
 The practitioner or agency report must show that because of your condition/situation you could not understand or control constituting the offence.

**4 Mistaken Identity**  
 Please provide an explanation of why you rely on the ground of mistake of identity (including evidence e.g. copy of your driver's licence, in support).

**5 Person Unaware of Fine**  
 An application made on the ground of 'person unaware' must:  
 • be made within 14 days of you becoming aware of the infringement notice (You may evidence the date that you became aware of the infringement notice by executing a statutory declaration)  
 • state the grounds on which the decision should be reviewed, and  
 • provide your current address for service.

**6 Penalty Reminder Notice Fee Waiver Request**  
 Please provide the reasons why you believe the Penalty Reminder Notice Fee should be waived.  
 Note: The original penalty amount is still applicable under this request.

**Applicants please note:**

If you do not provide sufficient information, the enforcement agency may request further information. If you do not provide this further information within 28 days of the date of request, the enforcement agency may determine the application without further information. Internal reviews are not permitted for an alleged drink-driving, driving under the influence of drugs, or excessive speed infringements that result in a loss of licence.

**Consent for internal review**

To be completed if another person is acting on your behalf.

I (person named in the infringement) \_\_\_\_\_  
 of (address of person named on the infringement) \_\_\_\_\_, give my  
 consent to (name of person making the application on your behalf) \_\_\_\_\_ to apply  
 for an Internal Review on my behalf to Infringement Number \_\_\_\_\_.

Signature of person named on the infringement \_\_\_\_\_  
 Date: D D / M M / Y Y Y Y

Signature of other person with consent \_\_\_\_\_  
 Date: D D / M M / Y Y Y Y

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Hume City Council: INFRINGEMENT MANAGEMENT POLICY

**Attachment 2 :**

Detailed Practitioner's Reports: Instructions for Practitioners

**A Guide to Special and Exceptional Circumstances Applications**  
For health practitioners, case workers and support agencies

DEPARTMENT OF JUSTICE  
Victoria

**What is a Practitioner's Report?**

Practitioners may be asked to provide a report to support a patient's application for review of the issue or an infringement notice under the Infringements Act 2006 (the "Act"). A person may apply for a review in one of two ways:

- Every person who receives an infringement notice is entitled to an internal review of the decision to issue the notice. This review is undertaken by the enforcement agency that issued the notice, under section 22 of the Act.
- Similarly, under section 55 of the Act, if the Infringements Court has issued an Enforcement Order in respect of an outstanding infringement, that person may apply for the withdrawal or cancellation of the Order (called a "revocation" of the Order).

A practitioner may be asked to provide a 'Detailed Practitioner's Report' where a patient applies because of 'special circumstances' or 'exceptional circumstances'.

There is no restriction on the format of a detailed practitioner's report, however, a practitioner should address the questions contained in this pamphlet.

The purpose of the detailed practitioner's report is to set out details of the client's condition and treatment, in support of their claim of special or exceptional circumstances. Without these details, their claim may fail.

**What are 'special circumstances'?**

A 'special circumstances' application must meet two tests.

Firstly, a person must suffer from one of the following three types of conditions:

- a mental or intellectual disability, disorder, disease or illness, or
- a serious addiction to drugs, alcohol or volatile substance, or
- homelessness.

Secondly, if a person claims that they are suffering from a serious drug, alcohol or volatile substance addiction, or some form of mental disability, illness or disorder, they must show:

- that because of this condition, they could not understand the behaviour was against the law, or
- that because of this condition, they could not control the conduct for which they received the infringement.

If a person claims they are experiencing homelessness, they must show that because of this condition, they could not control the conduct for which they received the infringement.

**What are 'exceptional circumstances'?**

Applications may be made on the basis of 'exceptional circumstances'. This term is not defined in the Act and applications may be made on any basis.

If a person wishes to claim exceptional circumstances on the basis of medical or health reasons, they will require supporting evidence from their practitioner to show that because of particular circumstances they should be excused from liability to pay the infringement.

*"...your assistance helps create a fairer justice system, addressing those in need..."*

**Detailed Practitioner's Reports: Instructions for Practitioners**  
Infringements System Oversight Unit

DEPARTMENT OF JUSTICE  
Victoria

Practitioners may be asked to provide a report to support a patient's application for review of the issue of an infringement notice under the Infringements Act 2006. Reports should address the questions below:

**Who may provide a 'Detailed Practitioner's Report'?**

Reports can be accepted from:

- in the case of an application based on a mental or intellectual disability, disorder, disease or illness - a general practitioner, psychiatrist or psychologist;
- in the case of an application based on a serious alcohol or drug dependency condition - a general practitioner, psychiatrist, psychologist or an accredited drug treatment agency;
- in the case of an application based on homelessness - a case worker, case manager, social worker, agency funded under the Supported Accommodation Assistance Act 1994, or other health service provider.

A practitioner should state:

- the practitioner's qualifications; and
- position in their employer organisation (if applicable); and
- how many occasions they have seen/treated the patient.

Generally, a practitioner's report will be regarded as current if dated within 12 months of the date of the client's request for review. In some circumstances, reports may be accepted outside this timeframe.

**Reports relating to a client claiming an addiction or a mental or intellectual disorder**

The practitioner needs to include the following:

1. What is the diagnosis?
  - What is the nature and severity of the illness or condition?
  - How long has the person had the illness or condition? Please specify dates if possible.
2. Has the illness, condition or addiction resulted in the person being unable to either understand or control the conduct that constitutes the offence?
  - Has the person suffering and/or diagnosed with the illness or condition at the time of committing the offences?
  - If so, how did the illness or condition contribute to the offence?
  - Is the person taking medication, or undergoing any treatment or rehabilitation?
3. Is there any other relevant information?

**Reports relating to a client claiming homelessness**

The practitioner needs to include the following:

1. What are the person's current living arrangements?
  - How long has the person been homeless?
  - Was the person homeless at the time of the offence?
2. Has homelessness resulted in the person being unable to control the conduct that constitutes the offence?
  - If so, how did the homelessness contribute to the offences?
  - Does (or did) the person suffer from any other illnesses which may be relevant in determining whether the person was able to control or prevent the conduct for which the infringement notice was issued?
  - If so, is the person taking medication, undergoing any treatment or rehabilitation?
3. Is there any other relevant information?

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[http://www.justice.vic.gov.au/resources/ae90b54d-0d7c-404s-a070-4527653b6cec/infringement\\_notice\\_special\\_circumstances.pdf](http://www.justice.vic.gov.au/resources/ae90b54d-0d7c-404s-a070-4527653b6cec/infringement_notice_special_circumstances.pdf)

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