



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

MONDAY, 10 SEPTEMBER 2018

7.00 PM

SUNBURY COUNCIL CHAMBER

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.

This meeting of the Hume City Council will be recorded and published in accordance with Council's Audio Recordings of Council Meetings Policy.

HUME CITY COUNCIL

**Notice of an
ORDINARY COUNCIL MEETING OF THE HUME CITY COUNCIL**
to be held on Monday, 10 September 2018
at 7.00 PM
at the Sunbury Council Chamber

To: a: Council	Cr Geoff Porter Cr Carly Moore Cr Joseph Haweil Cr Jodi Jackson Cr Drew Jessop Cr Leigh Johnson Cr Naim Kurt Cr Jack Medcraft Cr Ann Potter 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 Director Community Services 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

Hume City's religious diversity strengthens and enriches community life and supports the well-being of the citizens of Hume City. Hume City Council acknowledges the importance of spiritual life and the leadership offered by the Hume City Inter Faith Leaders Network. In recognition of the religious diversity of residents in Hume City, Council has invited the Inter Faith Leaders Network to take responsibility for the opening prayer at Council meetings. This evening's prayer will be led by Harshinder Singh of the Sri Guru Singh Sabha Craigieburn.

Prabhaatee:

First, Allah created the Light; then, by His Creative Power, He made all mortal beings,
From the One Light, the entire universe welled up. So who is good, and who is bad?
O people, O siblings of Destiny, do not wander deluded by doubt.

The Creation is in the Creator, and the Creator is in the Creation, totally pervading and permeating all places.

The clay is the same, but the Fashioner has fashioned it in various ways.
There is nothing wrong with the pot of clay – there is nothing wrong with the Potter.
The One True Lord abodes in all; by His making, everything is made.
Whoever realizes the Hukam of His Command, knows the One Lord. He alone is said to be the Lord's slave.
The Lord Allah is Unseen; He cannot be seen. The Guru has blessed me with this sweet molasses.
Says Kabbeer, my anxiety and fear have been taken away; I see the Immaculate Lord pervading everywhere.

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. CONDOLENCE MOTIONS**5. 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.

6. CONFIRMATION OF COUNCIL MINUTES

Minutes of the Ordinary Council Meeting of 13 August 2018, and the Ordinary Council (Town Planning) Meeting of 27 August 2018, including Confidential Minutes.

RECOMMENDATION:

THAT the Minutes of the Ordinary Council Meeting of 13 August 2018, and the Ordinary Council (Town Planning) Meeting of 27 August 2018, including Confidential Minutes, be confirmed.

7. RECEIPT OF COUNCIL AND COMMUNITY COMMITTEE MINUTES AND RECOMMENDATIONS TO COUNCIL TO BE ADOPTED**7.1 Unconfirmed Minutes of the Tullamarine Hall Committee of Management General Meeting held on 25 July 2018****1. COMMITTEE RESOLUTIONS:**

Resolutions of the Tullamarine Hall Committee of Management (the Committee) requiring Council attention:

- (a) The Committee requests that four to six heaters for the hall be paid for from committee funds including upgrade to gas main.

- (b) The meeting minutes state that the Committee unanimously votes that the original name of the hall, which the Committee believes is the Tullamarine War Memorial Hall, is reinstated as the official name for the hall. However, there is no vote recorded in the minutes for this item.

2. OFFICER'S COMMENTS:

2.1 The Manager Governance will write to the Committee to:

- (a) remind them that they are delegated to spend up to \$1,000 on any single purchase of goods or services, to a maximum value of \$6,000 per year (it is likely that they Committee's request to purchase heaters for the hall can be actioned under this delegation);
- (b) advise them that a formal resolution to rename the hall is required before Council can consider this request.

2.2 The Committee's request to upgrade to a gas main will be referred to Council's Coordinator Building Maintenance for investigation.

3. RECOMMENDATION:

- (a) **THAT the Unconfirmed Minutes of the Tullamarine Hall Committee of Management General Meeting held on 25 July 2018 be noted.**

7.2 Unconfirmed Minutes of the Westmeadows Hall Committee of Management General Meeting held on 19 July 2018

1. COMMITTEE RESOLUTIONS REQUIRING COUNCIL CONSIDERATION:

- 1.1 Renaming of Westmeadows Hall – the Westmeadows Hall Committee of Management (the Committee) asked that a progress report on the proposed renaming of the hall to the Foresters Hall, Westmeadows, be made available. It was noted by the Committee that signage and plaques will need to be changed.
- 1.2 That Mrs Helen Dobrautz be nominated an appointed as a Community Member of the Committee.

2. OFFICER'S COMMENTS:

- 2.1 Council approved the renaming of the hall to the Foresters Hall, Westmeadows, at its meeting of 13 August 2018. The Committee was notified in writing of Council's decision following this meeting. It was also notified that Council would arrange for replacement signage and plaques.
- 2.2 The Committee has nominated Mrs Helen Dobrautz as a new member of the Committee. It is recommended that Council endorses membership of this new member, subject to her submitting the appropriate documentation to the Manager Governance, and that once received the Manager Governance confirms her membership in writing to the Committee.

3. RECOMMENDATION:

- 3.1 **THAT the Unconfirmed Minutes of the Westmeadows Hall Committee of Management General Meeting held on 19 July 2018 be noted.**
- 3.2 **That Council endorses the appointment of Mrs Helen Dobrautz as a new member of the Westmeadows Hall Committee of Management subject to her submitting the appropriate documentation to the Manager Governance.**

8. PRESENTATION OF AWARDS**8.1 Residents of the Month**

Mr Garry Wilson nominated by Cr Ann Potter

Ms Heidi Saffery nominated by Cr Leigh Johnson

9. NOTICES OF MOTION**NOM396 NOM396 by Cr Jodi Jackson**

I hereby request that pursuant to Council's Governance Local Law 2013 (including Code of Meeting Procedures and Code of Conduct for Councillors) that the following motion be included on the Agenda of the next Ordinary Council Meeting.

1. RECOMMENDATION:**THAT:**

- a) Council notes the ongoing safety issues associated with the existing low level crossing over Aitken Creek between Axminster Drive and Clovelly Drive in Craigieburn.
- b) Council requests that Officers provide an urgent report and a recommendation for Council's consideration at a future Ordinary Meeting of Council regarding the construction of a new bridge to replace the existing low level crossing.

NOM397 NOM397 by Cr Jodi Jackson

I hereby request that pursuant to Council's Governance Local Law 2013 (including Code of Meeting Procedures and Code of Conduct for Councillors) that the following motion be included on the Agenda of the next Ordinary Council Meeting.

1. RECOMMENDATION:**THAT:**

- a) Council notes Hume City Council's response to the Northern Men's Shed's 2016/17 budget submission: "Council will investigate in the next 12 months if there is any Council owned or managed and suitably serviced sites that could accommodate a new Men's Shed".
- b) Formal notice be provided to the Northern Men's Shed Craigieburn of the outcome of that investigation, with copies to be provided to all Councillors.
- c) That Council receive a briefing on the outcome of that investigation, including future actions.

10. PUBLIC QUESTION TIME

11. 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>
<u>EDUCATION AND EMPLOYMENT</u>		
ED023	Environmental Upgrade Agreement (EUA) Opportunity for Council	7
<u>CULTURE AND COMMUNITY</u>		
CC074	Friends of Aileu Annual Report 2017/18	13
<u>SUSTAINABILITY AND ENVIRONMENT</u>		
SU338	Hume City Public Lighting Policy	57
SU339	Phillip Drive, Sunbury - Traffic Investigation.....	81
<u>GOVERNANCE AND ENGAGEMENT</u>		
GE289	Performance Statement 2017/2018.....	91
GE290	Annual Report to Council on Audit Committee Business Undertaken 2017/18	121
GE291	Council Position on Liberal Policy - Sunbury Out of Hume.....	127
GE292	Year End Accounts 2017/18	139
GE293	Support for Drought Affected Communities.....	193

12. PETITIONS AND JOINT LETTERS

PJL279 Petition objecting to stop the excessive use of artificial lighting by Marnong Estate

A petition has been received containing 42 signatures, objecting to stop the excessive use of artificial lighting by Marnong Estate.

RECOMMENDATION:

- 1.1 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 Statutory Planning and Building Control Services for investigation.**

PJL280 Petition to ban the use or release of helium balloons in all Council events held at the Council premises or other venues of Hume City Council.

A petition has been received containing 10 signatures, objecting to the use or release of helium balloons in all Council events held at the Council premises, or other venues of Hume City Council.

RECOMMENDATION:

- 1.1 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 Sustainable Environment for investigation.**

13. DEPUTATIONS**14. URGENT BUSINESS****15. DELEGATES REPORTS****16. GENERAL BUSINESS****17. 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
COHE035	Contract - Design and Construct a Prefabricated Modular Social Room Building at John McMahon Reserve, Sunbury	(d) contractual matters
COGE206	Assemblies of Council - August 2018	(h) any other matter which the Council or special committee considers would prejudice the Council or any person

18 CLOSURE OF MEETING

**DOMENIC ISOLA
CHIEF EXECUTIVE OFFICER**

06/09/2018

REPORT NO:	ED023
REPORT TITLE:	Environmental Upgrade Agreement (EUA) Opportunity for Council
SOURCE:	George Osborne, Manager Economic Development
DIVISION:	Planning and Development
FILE NO:	HCC12/629
POLICY:	-
STRATEGIC OBJECTIVE:	1.2 Create conditions which support business growth and create local jobs for Hume residents.
ATTACHMENTS:	Nil

1. SUMMARY OF REPORT:

Environmental Upgrade Agreements are a Council-supported financing mechanism that can help businesses access funding for building works to improve energy efficiency, reduce greenhouse gas emissions, manage the risks associated with increasing energy costs. An EUA enables building owners, tenants, and investors to secure long-term finance for building upgrades on attractive terms. Such an approach is consistent with the *Council Plan 2017-2021 (2018/19 Actions)* to support industries and enterprises to prosper and develop sustainably. It is recommended that Council endorses its support for the EUAs being implemented for eligible Hume businesses.

2. RECOMMENDATION:

That Council endorses its support for Environmental Upgrade Agreements (EUAs), to allow businesses to engage accredited providers to provide associated finance for eligible Hume businesses.

3. LEGISLATIVE POWERS:

- 3.1 EUAs were previously only available for upgrades to buildings in the City of Melbourne, through the City of Melbourne Act 2001.
- 3.2 On 9 September 2015, by amending the *Local Government Act 1989*, the Victorian Government provided all Victorian councils the option of offering EUAs to their business community.

4. FINANCIAL IMPLICATIONS:

- 4.1 EUA offers a source of finance which is generally not otherwise available to tenants – which represent a significant proportion of occupiers of commercial and industrial buildings in the municipality.
- 4.2 There is a Council 'one-off' establishment cost of \$11,890 for a Special Rates and Charges module for Tech 1 which provides an EUA facility to be operated by the Finance and Property Department. The extent of on-going administration by Council, both through facilitation by Economic Development and management by Finance and Property will depend on the uptake of EUAs by Hume businesses. Current indications are that Council could expect an initial tranche of 8-10 applications and perhaps 3-5 applications per annum after Year 1.
- 4.3 Loan repayments will be recovered by a Special Rate and Charge imposed by Council on the lender with payment passed to the financial institution. Each Special Rate and Charge is implemented specifically for each individual application and does not require negotiation or advertising.

REPORT NO: ED023 (cont.)

- 4.4 EUA application fees are covered by the relevant businesses. It is suggested that for an application to be successful that Council rates should be completely up to date for that business prior to entering the agreement.
- 4.5 EUA legislation is enshrined in the Victorian *Local Government Act 1989* and gives power to Council's CEO to enter into an Environmental Upgrade Agreement on behalf of the Council and to declare, and levy, an environmental upgrade charge.
- 4.6 Administration
- 4.6.1 The EUA model is based on a business making application to an accredited lender. Multiple institutions including AXA Investment Managers and Better Building Finance (Sustainable Melbourne Fund) currently operate in this space in Victoria. A pre-approved application is submitted by the owner (supported by the lending institution) to Council which releases funds once Council has processed the application for environmental upgrade finance in accordance with standard template documents.
- 4.6.2 The EUA charge, called an Environmental Upgrade Charge (EUC) is a voluntary charge entered into by a ratepayer and Council, and is issued separately to current Council rates. Adopting the EUA scheme does not affect any rate capping restrictions on Council. Council is not liable for any unpaid Environmental Upgrade Charges. Council will only be liable to pay the lender once a repayment has been collected by the Council.
- 4.6.3 In the event that the building owner ceases a EUC repayment, it is the responsibility of the Council to instigate standard normal debt recovery procedures in accordance with Council's enforcement procedures and powers conferred under the Local Government Act. If the building owner becomes insolvent, unpaid EUCs will be considered equal to other rate charges and assume priority over other debt on the property.
- 4.7 In operating this scheme, it should be noted that;
- 4.7.1 This scheme will be managed as a Special Rate and Charge.
- 4.7.2 Council to remit to the lender within 7-8 days from the due date of the payment (providing payment is received).
- 4.7.3 In event of default – no requirement or obligation on Council to make good. Should the EUC not be repaid it is not Council's liability.
- 4.7.4 The transactions will not be held as a debt on Council's balance sheet.
- 4.7.5 Council will not become a collection agent for lenders.
- 4.7.6 A 28-day cooling off period is enshrined in legislation.
- 4.7.7 The lending institution takes responsibility for the preparation of all contract documents for each stage of the process for Council's review.
- 4.7.8 Council will be able to pre-approve documentation.
- 4.7.9 The lending institution pays the building owner GST exclusive (the building owner then pays the system installer).

5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:

- 5.1 Council's *Greenhouse Action Plan (GAP) 2018-2022* focuses on reducing greenhouse gas emissions, primarily in Council operations, but also with the Hume community, including the business community. Goal 6 of the GAP is to demonstrate climate leadership, collaborate with others and advocate and facilitate further action to reduce emissions. It also seeks to continue to support energy efficiency and renewable energy use in Hume's commercial and industrial sector through the Business Efficiency

REPORT NO: ED023 (cont.)

Network, EnergySmart and associated programs. EUAs provide Council with an opportunity to further demonstrate climate leadership within the municipality.

- 5.2 EUAs can help businesses access funding for building works to improve energy efficiency, reduce greenhouse gas emissions, manage the risks associated with increasing energy costs, reduce waste, and reduce water use. An EUA enables building owners, tenants, and investors to secure long-term finance for building upgrades on attractive terms.
- 5.3 EUAs have the potential to result in significant energy savings by supporting the installation of efficient energy systems such as roof-top solar photo-voltaic. EUA finance is not however, limited to such installation and may also be sought for environmental improvements relating to building efficiency such as thermal efficiency, refrigeration, water or wastewater enhancements.
- 5.4 One potential outcome will be reduced energy use and greenhouse gas emission from commercial/industrial businesses in the region. This will help achieve Council's objectives pursuant to the Council Plan and the GAP.

6. DISCUSSION:

- 6.1 On 9 September 2015, by amending the *Local Government Act 1989*, the Victorian Government provided all Victorian councils the option of offering EUAs to their business community. Environmental Upgrade Agreements (EUAs) were originally created by the City of Melbourne which established the Sustainable Melbourne Fund for its delivery. The model has now been replicated in New South Wales and South Australia.
- 6.2 Since Environmental Upgrade Finance became available in Victoria, 18 councils have adopted the scheme and 32 projects representing \$23 million of investments have received finance. These projects are reported to have delivered \$3 million in annual savings to Victorian businesses and resulted in annual reductions in greenhouse gas emissions of 14,000 tonnes.
- 6.3 Escalating electricity and gas costs, combined with significant reductions in the cost of installation of systems such as solar photo-voltaic, and the consequential reduced term for return on investment (now much less than 10 years which was 'the norm' two years ago) has seen a significant spike in interest in the installation of alternative forms of renewable energy by businesses across Australia.
- 6.4 In the past year at Hume, at least eight businesses have indicated an interest in using EUAs to finance upgrades to roof-top solar photo-voltaic (PV):
 - 6.4.1 Two of these businesses were considering schemes with an installed capacity of 30 kW to 100 kW;
 - 6.4.2 Three were looking at 100 kW to 500 kW schemes;
 - 6.4.3 Two had sought expressions of interest for 500 kW to 1000 kW (1 MW) schemes;
 - 6.4.4 One business is at an advanced stage of commitment to a > 1MW scheme; The monetary value of the installs typically ranges from \$500k to between \$1-2m;
 - 6.4.5 To provide some context for this level of interest - a total of about 2000kW (2MW) is substantial and, if realised, would position Hume businesses at the forefront of uptake of solar PV behind areas such as Greater Shepparton where there has been considerable uptake of solar at companies such as SPC Ardmona.

REPORT NO: ED023 (cont.)

6.5 A summary of benefits for Council and business is provided in the table below;

For Building Owners	For Tenants	For Council
<p>A secured loan allows building owners access to capital at a competitive rate and longer term than traditional loans.</p> <p>EUA loans are tied to the property and do not usually affect a building owner's borrowings or loan capacity.</p> <p>EUAs help building owners undertake upgrades by providing a financing mechanism that does not affect their personal debt and supports a payback mechanism that reduces the impact on cash flow.</p> <p>The upgrades improve a building's environmental performance, capital value and long-term attractiveness to tenants.</p> <p>A reduction in energy and water consumption reduces building operational costs and carbon emissions.</p> <p>Implementing more efficient equipment reduces ongoing maintenance costs.</p>	<p>EUA upgrades create improved amenity with more competitive (reduced overheads), energy efficient and environmentally friendly workplaces.</p>	<p>A program of building retrofits via EUAs will help rejuvenate business precincts, make them more environmentally friendly and attractive to workers and employers alike, and help stimulate the local economy and create jobs.</p> <p>Upgraded building stock helps attract and retain businesses and will increase demand for more energy efficient buildings.</p> <p>Implementing EUAs will provide an additional attraction for investment by business to Hume.</p>

7. CONCLUSION:

- 7.1 Comment from one of the organisations which has approached Council was that it had estimated that its proposed solar array would save the business \$70,000 with an after tax Net Present Value (NPV) (the difference between the present value of cash inflows and the present value of cash outflows over a period of time) of \$35,000 over a ten-year finance term. According to the company's projections, these savings would be achieved with a concurrent annual reduction in greenhouse gas emissions equivalent to 479 tonnes CO₂ a year.
- 7.2 In summary, the EUA will be managed as a Special Rate and Charge and Council's role will be to levy the loan repayment using the Council rates system and remit the payment to the lender. Council is only required to pay the lender once the monies have been received.
- 7.3 EUAs afford an excellent opportunity for Council to partner with businesses within the municipality to reduce their operating costs, improve the asset value of commercial building stock and create more resource efficient enterprises. Through the Business Efficiency Network (BEN), Hume Council has developed a range of innovative

REPORT NO: ED023 (cont.)

programs to support competitive resource efficiency for Hume enterprises, including Energy\$mart, GreenLight, ASPIRE and the ongoing quarterly BEN Forums.

- 7.4 Upgrading buildings is a proven creator of local jobs and investment, increases environmental performance and hence asset value. Implementing EUAs, will again demonstrate Council's intent to support Hume business growth, support business sustainability through the BEN and deliver on its Greenhouse Action Plan.

REPORT NO:	CC074
REPORT TITLE:	Friends of Aileu Annual Report 2017/18
SOURCE:	Chris Adams, Friends of Aileu Project Officer
DIVISION:	Community Services
FILE NO:	HCC05/29-06
POLICY:	-
STRATEGIC OBJECTIVE:	3.1 Foster socially connected and supported communities.
ATTACHMENT:	1. <i>Friends of Aileu Annual Report 2017/18</i>

1. SUMMARY OF REPORT:

- 1.1 This report presents to Council the Friends of Aileu Annual Report (Attachment 1), which provides a summary of activities implemented for the East Timor Partnership Project in 2017/18.

2. RECOMMENDATION:

That Council notes the programs and activities that have been undertaken for the Friends of Aileu East Timor Partnership Project as detailed in the 2017/18 Annual Report.

3. LEGISLATIVE POWERS:

The primary purpose of Local Government under the Local Government Act (1989) is to ensure 'peace, order and good government'. It was in this context that the friendship relationships linking various Local Governments in Australia with District Administrations in Timor-Leste, including that between Hume and Moreland Councils with Aileu were established, commencing in 2000.

4. FINANCIAL IMPLICATIONS:

There are no financial implications arising from this report.

5. ENVIRONMENTAL SUSTAINABILITY CLIMATE CHANGE ADAPTATION CONSIDERATIONS:

- 5.1 The projects and activities included in this report were undertaken in support of the Friendship Agreement, which includes a commitment to assisting the Municipality of Aileu to build a sustainable future.
- 5.2 The supporting MOU's between Hume and Moreland Councils and various Australian partner organisations - the Shire of Campaspe and the Campaspe East Timor Association in Friendship (CETAF), Merri Community Health Services, the Alternative Technology Association (ATA) and the Centre for Education and Research in Environmental Strategies (CERES), recognise the need for sustainable development.
- 5.3 Positive impacts on environmental sustainability in Aileu are a consideration for all projects and activities supported by these and other partner organisations.

6. CHARTER OF HUMAN RIGHTS APPLICATION:

- 6.1 Human Rights, as enshrined in the *Victorian Charter of Human Rights and Responsibilities Act. (Vic 2006)*, have been taken into account in the design of the East Timor Partnership Project. The Project is delivered within the policy context of these rights and of the Hume Social Justice Charter.

REPORT NO: CC074 (cont.)

6.2 The right to life and the right to participate in public life have been applied as follows:

6.2.1 The East Timor Partnership Project has been designed to identify and deliver programs and projects in conjunction with Aileu partners that address their local priorities, and which improve the health and well-being, education, economic and environmental outcomes for the people of Aileu.

6.2.2 Ongoing support and advice has been provided to the Aileu Municipal Administration and the Aileu Relationship Commission as Aileu continues its transition to elected responsible local government.

7. COMMUNITY CONSULTATION:

The Friends of Aileu Community Committee (FACC) was consulted in relation to the preparation and content of this report.

8. DISCUSSION:

8.1 Background

8.1.1 The management arrangements for the East Timor Partnership Project, renewed by agreement between the Director Social Development, Moreland City Council, and the Director Community Services, Hume City Council, in June 2017, provide for the submission of an annual report to both Councils.

8.1.2 The East Timor Partnership Project operates to implement:

(a) The Friendship Relationship between Moreland, Hume and Aileu, which was first entered into in 2000 and most recently renewed in 2016.

(b) The Municipal Cooperation Agreements between each of the Council's and the Government of Timor-Leste, which provide for each Council to support the Aileu municipality during the decentralisation process and the transition to responsible local government, signed in 2016.

8.1.3 Guiding the implementation of these relationships is the Friends of Aileu Strategy and Action Plan 2016-2020, adopted by both Moreland and Hume City Council's in August 2016.

8.2 Social implications

The positive social implications of the East Timor Partnership Project are illustrated by the broad range of personal and organisational interactions, and partnership activities documented in the Annual Report at Attachment 1. These include the development of community connections and community capacities within Moreland and Hume and within Timor-Leste and the municipality of Aileu.

8.3 Economic implications

The East Timor Partnership Project has positive implications for the economic development of the municipality of Aileu, including through visitation and support it engenders for health, education, livelihood and cultural and economic development activities undertaken in Aileu, both in the public sector and by community organisations.

8.4 Regional/Strategic implications

8.4.1 Council's participation in the East Timor Partnership Project entails an active partnership between Moreland and Hume City Councils, community organisations and the members of both Councils' communities who serve on the Friends of Aileu Community Committee.

8.4.2 Friends of Aileu plays a role in developing positive community relationships both locally, and more broadly within Melbourne, Victoria and interstate, through its engagement with local businesses and other community

REPORT NO: CC074 (cont.)

- organisations and community members, including those associated with the East Timorese community.
- 8.4.3 Friends of Aileu plays a role in developing positive regional relationships through its engagement and cooperation with relevant arms of the Governments of Victoria, Australia and Timor-Leste, including the Aileu Municipal Administration.
- 8.5 Actions undertaken and in progress during 2018
- 8.5.1 The evaluation process for the Friends of Aileu and the activities, projects and programs it supports continue to progress
- 8.5.2 Improved use of modern communication channels and media to better encourage engagement within and between our communities
- 8.5.3 Awareness-raising and fundraising activities including:
- a) A youth-oriented music event at CERES, which raised funds for the Timor-Leste school garden program;
 - b) The annual Friends of Aileu Dinner and Forum in, which featured two members of Melbourne's East Timorese community, Jose Pires and Chico dos Santos, speaking on East Timorese culture from their personal experiences and perspectives, raised funds for the Aileu Resource and Training Centre
 - c) Stall holder participation in the Broadmeadows and Glenroy Festivals and Sydney Road Street Party; and
 - d) Delivery of the annual Friends of Aileu Trivia Night at Coburg Town Hall.
- 8.5.4 A visit to Aileu by the Project Officer in June-July, which:
- a) Served to strengthen relationships with the Aileu Municipal Administration and other partners, gain a better understanding of progress towards decentralisation of central government functions to local government and progress with friendship related activities;
 - b) Included a role as co-facilitator for a CERES Global engagement visit focussing on sharing skills and knowledge on sustainable agriculture, permaculture practices and school gardens.
- 8.5.5 Preparing media and planning appropriate activities to celebrate the 20th anniversary of the Friends of Aileu in May 2020 including the consideration of an informative/experiential exhibition at Hume Galleries.
- 8.6 Friendship connections were renewed and extended by:
- 8.6.1 Visits to Aileu by:
- a) the Australia Timor-Leste Election Observer Mission (AETEOM) delegation to Aileu for the presidential elections (March);
 - b) Australia's AETEOM delegate to Aileu attended the parliamentary elections (July);
 - c) Members of the Campaspe East Timor Association in Friendship (August);
 - d) Chair of Merri Health and East Timor Project Officer (June-July).
- 8.6.2 Engagement with Jose Maria Tilman, of the Aileu University Students Association and the Aileu Rotaract Club, and who met with and addressed the Friends of Aileu Community Committee, the Greenvale Rotary Club and others while in Melbourne studying English on a Walter Mangold Scholarship.

REPORT NO: CC074 (cont.)

- 8.6.3 Strengthening the engagement with Melbourne's East Timorese community, especially with the Melbourne East Timorese Activity Centre, the Timorese Association of Victoria and the East Timorese Students Association.
- 8.6.4 The Friends of Aileu Community Committee met six times during 2017, and supported a range of community engagement and fundraising activities.
- 8.7 In Aileu, activities supported by the Friends of Aileu included:
 - 8.7.1 Completion of the external works at the Laulara Birthing Centre by the Aileu Municipal Administration and Aileu Health Service.
 - 8.7.2 The Aileu Resource and Training Centre's annual Aileu Science and Reading Contest with the Ministry of Education, its annual Aileu Expo of Culture and Traditional Products with local government, non-government and community partners, and continuing its staff development program.
 - 8.7.3 The Uma Ita Nian Clinic's nutrition and disability support programs.

9. CONCLUSION:

- 9.1 The work undertaken through the East Timor Partnership Project during 2017/18 has continued to strengthen community relationships, supported positive social and economic outcomes, and is aligned with Council's commitment in the Municipal Cooperation Agreement.

Friends of Aileu

A partnership established in 2000

BUILDING STRONG COMMUNITIES IN TIMOR-LESTE AND AUSTRALIA



Friends of Aileu Annual Report 2017/18

Prepared by Chris Adams, Friends of Aileu Project Officer



CONTENTS

Section	Title	Page
	Cover photographs: <ul style="list-style-type: none"> • Presenting a copy of the renewed Friendship Agreement, July 2017 • Aileu Science and Reading Contest, July 2017 • Volunteers at Sydney Road Street Party, March 2017 • Statue of Aileu’s symbol (sacred seat/twisted root) Aileu Hospital • Guests enjoying the Trivia Night Fundraiser, August 2017 	
	CONTENTS	1
	Maps: <ul style="list-style-type: none"> • Timor-Leste part of Australia’s nearby Asia-Pacific region • Aileu Municipality 	2
	Photographs: <ul style="list-style-type: none"> • Friends of Aileu Election Observers, Aileu, March 2017 • Bus Stop / Parking Area Restaurant / Shop Strip, Aileu, July 2017 	3
	Summary: 2017 A Year of Growing Friendship and Cooperation	4
1	About this Report	8
2	Introduction	8
3	Activities 2017	10
3.1	Governance	10
3.2	Information Sharing, Awareness Raising and Fundraising	10
3.3	Collaboration with Melbourne’s East Timorese Community	13
3.4	Networking Activities	14
3.5	Partnership Activities	15
3.6	Funding and Support for Aileu Partners	17
3.7	Australia Timor-Leste Election Observer Missions	19
3.8	Other Visits to Timor-Leste	20
4	Achievements in 2017	28
5	Action Undertaken and in Progress 2018	29
	Attachments	31

1 Friends of Aileu Community Committee Membership

31



Timor-Leste: part of Australia’s nearby Asia-Pacific region



Aileu Municipality



Friends of Aileu Election Observers, Aileu Municipal Administration, March 2017



Bus Stop / Parking Area Restaurant / Shop Strip, Aileu, July 2017

Summary

2017: A Year of Growing Friendship and Cooperation with Aileu and within Moreland and Hume

Some of the highlights of the growing friendship and cooperation with Aileu during 2017 are outlined below.



Project Officer and Carlo Carli, FACC/Merri Health, with Aileu Municipal Health Service staff

Renewing and extending friendship connections:

- Gary and Anne Jungwirth and six friends visited Aileu as international observers for the presidential elections in March, spending time with Aileu friends and partners and finding out more about Timor, including touring to Atauro Island, Balibo, Oecusse and Kupang, West Timor
- Andrea Spinoso was an international observer for the parliamentary elections in July, staying on to work with the Aileu Municipal Youth Centre
- Robyn and Noel Lucas, Margaret McMullen and other members and friends of the Campaspe East Timor Association in Friendship, met with the Aileu Municipal Administration and Aileu Resource and Training Centre on their way between Dili and Ainaro, where they worked as part of a Ballarat Friends of Ainaro Teachers for Timor professional development team

- Carlo Carli, Chair of Merri Health, and family, joined the Project Officer on a visit to Aileu in late-June and early-July, identifying where Friends of Aileu can best support our Aileu partners' initiatives to improve community health, education and livelihoods
- Jose Maria Tilman, who has provided leadership to both the Aileu University Students Association and Aileu Rotaract, addressed meetings of the Friends of Aileu Community Committee and Greenvale Rotary, and participated in arrange of Friends of Aileu activities while in Melbourne studying English on a Walter Mangold scholarship
- Friends of Aileu collaborated with the Melbourne East Timorese community, including:
 - The November METAC (Melbourne East Timorese Activity Centre) community welcome dinner, hosted by Hume City Council, with guest speakers including Ana Noronha, Office Manager, Timor-Leste Honorary Consulate in Melbourne, Gizela de Carvalho of the Timor-Leste Women's Network (Rede Feto) and community members, Robin dos Santos and Antoninho Francisco dos Santos
 - A community screening of the film *Time to Draw The Line*, on the Timor Sea Maritime Boundary issue, at The Nova in Carlton
 - The TAV (Timorese Association in Victoria) celebration of the 15th anniversary of the restoration of independence, at the Coburg Bowls Club
 - A series of forums and workshops, *Timor Now and Then*, by the Melbourne University Student conservators for Timor-Leste, with the Foundling Archive at The Good Room in Brunswick
- A significant increase in the participation in Friends of Aileu events by members of the local East Timorese communities and Timor-Leste students attending university in Melbourne.



East Timorese Students Association members at METAC dinner hosted in Hume

Community engagement and fundraising:

As well as the huge success of the annual Trivia Night fundraiser for the Aileu University Scholarship Program, other events of note included:

- The anniversary dinner and forum held at Hume Global Learning Centre in May, where Dr Brian Hilton of World Vision and Andrew Mahar AO of xpanFoundation provided insights into livelihood and revegetation activities in Aileu and Baguia, Timor-Leste
- The Friends of Laulara's community evening of music and pizza at Jjarra's Farmgate Café, Inverloch, in January
- A Giving Circle Dinner in April, organised by Glenyys and Graham Romanes and Jenni and Noel Blencowe and friends
- Two new youth-focussed events organised by Aoife Carli Hannan and friends, at the CERES Pavilion in February and The Howler in September, raising funds for school gardens and community art projects in Aileu.



Chico dos Santos speaking at school gardens fundraiser, CERES

Some of the outcomes in Aileu

Friends of Aileu's support for education and professional development in 2017 saw:

- Mariana Coro Martins successfully complete the second year of her primary school teaching qualification, with four High Distinctions and four Distinctions in second semester.
- Sabino Lere of the ARTC complete the final semesters of an IT degree
- Anna Marques of the ARTC embark on study for an Accounting degree.

Support from Friends of Aileu and partners has enabled:

- The Aileu Resource and Training Centre (ARTC) to continue to develop the scope and positive impacts of the annual Aileu Science and Reading Contest, in collaboration with the Ministry of Education, and the annual Aileu Expo, in collaboration with an increasing range of local community organisations and groups and the government sector in Aileu
- The Uma Ita Nian Parish Clinic to continue its Nutrition Program for mothers and babies
- The Aileu Municipal Administration and Aileu Health Service complete the development of the Laulara Birthing Centre and receive additional, much-needed equipment for maternity services there and at the Aileu Hospital.

In 2017, the experience gained through implementation of the Aileu Oral Health Education Program, saw the commencement of a similar program in Baucau Municipality, through a new partnership develop between the Friends of Baucau, Dental Health Services Victoria and North Richmond Community Health.



Project Officer presenting awards at 2017 Aileu Science and Reading Contest

1 About this report

The purpose of this report is to report on the activities of Friends of Aileu during the calendar year 2017, and to provide a brief outlook for 2018 and beyond. This report has been prepared by the Project Officer, in consultation with the Friends of Aileu Community Committee and individual members.

2 Introduction

The friendship relationship with Aileu, which has now been in place since 2000, was renewed in 2016 with the signing of an updated Friendship Agreement with the Aileu Municipal Administration.

In 2016 Moreland City Council and Hume City Councils also signed complementary Municipal Cooperation Agreements with the Government of Timor-Leste.



Trivia Night fundraiser



Madabeno Primary School, Laulara, Aileu

The Friends of Aileu works with Moreland and Hume City Councils, community and business organisations and residents and other interested individuals to implement the friendship and cooperation relationships with Aileu by:

- Supporting a range of activities which provide opportunities for participation in community life
- Engaging with the Aileu Municipal Administration and community organisations in Aileu to:
 - Develop the links between our communities
 - Contribute to the development of Aileu as a sustainable community
 - Support the development of local governance and the emerging local democracy in Aileu.

Representatives of the two councils participate in the East Timor Partnership Project Liaison Group, which meets several times a year as required. The Liaison Group is comprised of the Moreland Director Social Development and Manager Social Policy & Early Years, the Hume Director Community Services, Manager Community Development and Learning and Unit Manager Community Capacity Building and the East Timor Project Officer.



Friends of Aileu Community Committee members and guests, November meeting

The two councils are advised by the Friends of Aileu Community Committee (FACC), which while established as a Citizens' Committee by Moreland City Council, has a mandate and membership reflected in its Terms of Reference, which embraces the councils and communities of both the City of Moreland and the City of Hume.

Each council provides one councillor representative to the FACC, with the following Council representation for the periods covered by this report:

- From October 2016:
 - Chair Cr Joseph Haweil (Hume City Council)
 - Alternate Cr Karen Sherry (Hume City Council)
 - Deputy Chair Cr Mark Riley (Moreland City Council)
 - Alternate Cr Annalivia Carli Hannan (Moreland City Council)
- From October 2017
 - Chair Cr Annalivia Carli Hannan (Moreland City Council)
 - Deputy Chair Cr Joseph Haweil (Hume City Council)
 - Alternate Cr Karen Sherry (Hume City Council).

3 Activities in 2017

Significant activities undertaken in 2017 to implement the Friendship and Municipal Cooperation Agreements, in accordance with the Friends of Aileu Strategy and Action Plan 2016-2020, are summarised below.

3.1 Governance

Maintenance of the East Timor Partnership Project and operation of the Friends of Aileu Community Committee (FACC), including by:

- 3.1.1 The Project Officer convening six bi-monthly meetings of the FACC, alternating between Moreland and Hume City Council venues, with meetings chaired by Hume City Council representatives Cr Joseph Haweil and Cr Karen Sherry and Moreland City Council representatives Cr Mark Riley and Cr Annalivia Carli Hannan, and distributed minutes of the meetings
- 3.1.2 Maintaining the representativeness of the FACC by accepting the nomination of several new members to the committee throughout the year – the membership during 2017 is included as [Attachment 1](#)
- 3.1.3 Implementing the first stages of an evaluation of Friends of Aileu, consisting of questionnaire surveys of individual members and partner organisation representatives of the FACC and other meeting participants. A major contribution to this work was made by Greta Holmdahl, Victoria University Community Development student, including while undertaking a 100-hour work placement at Moreland City Council. The evaluation project will continue in 2018.
- 3.1.4 Periodically updating the chart illustrating Friends of Aileu Governance and Relationships - the December 2017 version is included as [Attachment 2](#)
- 3.1.5 The Project Officer planning and reporting through Moreland City Council and Hume City Council processes, including Reports to Council (Moreland: 2, Hume: 2), Committee to Council Reports (Moreland: 6), Moreland Executive Group (Briefing Note: 1), Hume Executive Management Team (Briefing Note: 1), Hume Strategy and Policy (Briefing Note: 1 and Strategy & Policy updates: 2), CEOs/Directors (Moreland: 4, Hume: 3)
- 3.1.6 Convening a meeting of the Project Liaison Group in April, following which the management arrangements for the East Timor Partnership Project were updated and agreed – see [Attachment 3](#).

3.2 Information Sharing, Awareness-raising and Fundraising

Information sharing, awareness-raising and fundraising activities included:

- 3.2.1 Guest speakers at Friends of Aileu Community Committee meetings, including:
 - o Glenda Lasslett, Moreland resident, former Timor-Leste Country Manager for Australian Volunteers International and subsequently for OXFAM
 - o Nick Oats, Department of Environment, Land, Water and Planning, and Joanna Mott, Department of Premier and Cabinet

- Christine Perkins, Board member of Alola Australia, Treasurer Friends of Baucau and former Timor-Leste Country Manager for Australian Volunteers International
- Jose Maria Tilman, Walter Mangold Trust Fund 2017 Scholarship recipient and member of the Rotary Club of Dili, the Rotaract Club of Aileu and former President of the Aileu Municipal University Students Association / Konseihu Estudantes Universitariu Munisipiu Aileu (KEUMA)
- Palmira Pires, CEO of Timor-Leste NGO ETDA, (East Timor Development Agency)



FACC members and guests, October meeting **Chris & Gordon Blake, playing at Jjarra's Café, Inverloch**

- 3.2.2 Presentations at Friends of Aileu Community Committee meetings by Committee members Garry and Anne Jungwirth, Martin Hall, Carlo Carli and Andrea Spinoso, and the Project Officer, about their visits to Timor-Leste and Aileu throughout the year
- 3.2.3 The Project Officer speaking at a music event and fundraising dinner held at Jjarra's Farmgate Café, Inverloch, in January and organised by Gary Jungwirth and the Friends of Laulara, which has a Friendship Relationship with Laulara Administrative Post of Aileu Municipality
- 3.2.4 Supporting a music event held at CERES (Centre for Education and Research in Environmental Strategies) in Brunswick in February, which was organised by supporters of Friends of Aileu to raise funds for development of a school garden in Aileu, which included guest speakers Moreland resident Aoife Carli Hannan and Moonee Valley resident Antoninho Francisco (Chico) dos Santos
- 3.2.5 The Giving Circle Dinner held in Brunswick in April this year in memory of Mike Hill, hosted by FACC member Glenyys Romanes and Graham Romanes and organised with Noel and Jenni Blencowe and friends, to raise funds to support the work of the Aileu Resource and Training Centre, at which Professor Damien Kingsbury (Deakin University) and the Project Officer spoke
- 3.2.6 The annual fundraising Dinner and Forum in May, which featured presentations and discussion of Reforestation and Livelihoods: Experiences from Aileu and Baguia, Timor-Leste, with guest speakers:
- Dr Brian Hilton, Food Security Advisor World Vision Australia
 - Andrew Mahar AM, Director/Secretary xpandFoundation

- Invited guests included members of the East Timorese community and the East Timorese Students Association (ETSA) Victoria, including Isidoro Correia, President of ETSA, who with Moreland resident Robin dos Santos, Cailor Media, videoed and photographed the event
- 3.2.7 The annual Trivia Night fundraiser for the Aileu University Scholarship Program in August, with:
- Co-hosts Yung Philly and Neda Rahmani
 - Music from O'Ziriguidum Samba Band and Nick Adams
 - Invited guests including Alzira dos Reis, CEO of Timor-Leste NGO Alola Foundation, Gizela de Carvalho, Victoria University Master's student and CEO of Timor-Leste NGO Feto iha Kbiit Servisu Hamutuk / Women are Strong Working Together (FKSH), members of ETSA and representatives of Hume Youth Central
- 3.2.8 Supporting a music event held at The Howler, Brunswick, in September, which was organised by Moreland resident Aoife Carli Hannan to raise funds for an art education project of the Aileu Parish Youth Group / Foin-Sae Catholica Aileu (FOSCA)



Glenroy Festival



Carols By The Lake

- 3.2.9 Participation of Friends of Aileu Community Committee members and supporters in Council events including Sydney Road Street Party, Glenroy Festival, Coburg Night Market, Moreland Carols By The Lake (with Jon Argyle, Coffee United) and Hume Education Awards Night
- 3.2.10 Fundraising through the sale of Wild Timor Coffee and Kor Timor soaps and other products sourced through the Rotary Club of Kew, both of whom provide generous wholesale prices, with sales at Council and Friends of Aileu events, through Council Citizen Services Centres, and by Moreland Community Gardening Inc. (Richard Brown at West Brunswick Community Garden) and Merri Health (Colleen Finlay at Merri Health, Coburg)
- 3.2.11 A fundraising partnership with Wild Timor Coffee, who dedicated several months of on-line sales profits as a contribution to the completion of the external works at the Laulara Birthing Centre

- 3.2.12 Preparation of media publicity for the Annual Dinner and Forum and the Trivia Night fundraiser in conjunction with Moreland Communications and Customer Service and Hume Communications and Events
- 3.2.13 Preparation of two Friends of Aileu Update Newsletters, published in March and November
- 3.2.14 Preparation of a Friends of Aileu Report for the 2015 and 2016 calendar years combined, which was published in October
- 3.2.15 Sharing the Update Newsletters and Friends of Aileu Report, including a brief summary report in both English and Tetun, with partner organisations in Aileu and Timor-Leste
- 3.2.16 Development of a new introductory brochure on Friends of Aileu, designed with Hume Communications and Events, and published in October
- 3.2.17 Maintenance of a web presence by frequent updating of the Event and Friends of Aileu pages hosted on the Moreland City Council website, to which the Hume City Council website provides a link, and the Event page of the Hume City Council website
- 3.2.18 Targeted use of Moreland City Council and Hume City Council Facebook pages
- 3.2.19 Use of the Moreland City Council intranet (Grapevine) and the Hume City Council intranet (SharePoint)
- 3.2.20 Maintenance of an independent social media presence through the Friends of Aileu Facebook page, which also serves as a convenient mode of information sharing and direct communication, especially with younger people and community organisations both in Melbourne and across Australia and in Aileu and across Timor-Leste
- 3.2.21 A summary of the Friends of Aileu Fundraising Income and Expenditure for the calendar year 2017 is included as [Attachment 4](#).

3.3 Collaboration with Melbourne’s East Timorese Community

Collaboration with the East Timorese community was strengthened by activities including:

- 3.3.1 Regular participation in the monthly Melbourne East Timorese Activity Centre (METAC) welcome dinners



FALANTIL Veterans band at METAC Dinner



Guests at film Time to Draw The Line

- 3.3.2 Supporting a screening at the Nova Cinema in March of the film *Time to Draw The Line*, dealing with the Timor Sea maritime boundary issue, organised by Theresa Borges, a member of the East Timorese community from Hume
- 3.3.3 Hosting the November METAC Dinner, with guest speakers and performers:
- o Ana Noronha, Office Manager Timor-Leste Honorary Consulate in Melbourne
 - o Gizela de Carvalho, Victoria University Master's student, President of the East Timor Students Association Victoria, and CEO of Timor-Leste NGO Feto iha Kbiit Servisu Hamutuk / Women are Strong Working Together (FKSH)
 - o Moreland resident Robin dos Santos, Cailor Media, who with Isidoro Correia, Vice-president of ETSA, photographed the event
 - o Moonee Valley resident Antoninho Francisco (Chico) dos Santos, artist, musician, early childhood child educator
 - o East Timor Students Association band and guests
- 3.3.4 Participation in, and locating the premises for, the Timorese Association of Victoria Inc. (TAV) celebration of the 15th anniversary of the Restoration of Independence, held on 20 May at the Coburg Bowls Club
- 3.3.5 Participation in the seminar, exhibition and public program organised by the Melbourne University Student Conservators for Timor-Leste (SCTL), held in Brunswick in October-November, including helping SCTL to link up with relevant organisations and members of the East Timorese community
- 3.3.6 Maintaining contact with East Timorese students in Melbourne, including three from Aileu: Jose Maria Tilman, Ezeqiel Ferreira and Lourenco Ico.

3.4 Networking Activities

Networking activities included:

- 3.4.1 Participation in the two forums convened by the Australia Timor-Leste Friendship Network (ATLFN) held in June at the Victorian Local Governance Association (VLGA) in Carlton, where a summary of the Aileu scholarship programs was presented, and in October, in Kyneton hosted by the Macedon Ranges Friends of East Timor who have a friendship relationship with Turiscai Administrative Post of Ainaro Municipality



ATLFN June Forum at VLGA



Cr Haweill, Cr Davidson, TL Ambassador Abel Guterres and Claudina Soares Pinto

- 3.4.2 Participation in the three meetings of the Timor-Leste Local Government Partnership Network, which were convened by Department of Environment, Land, Water and Planning (DELWP) and held in February, August and November
- 3.4.3 Participation in the event at Parliament House, Melbourne, in May, marking the renewal of the Memorandum of Understanding on Friendship and Cooperation between the Governments of The State of Victoria and the Democratic Republic of Timor-Leste – see [Attachment 5](#)
- 3.4.4 Provision of summaries of Friends of Aileu's activities to ATLFN for inclusion in a proposed Friendship Booklet, and to DELWP for inclusion in a proposed Minister's Statement on International Engagements by the Local Government Sector, both planned for publication in 2018
- 3.4.5 Attendance at the Friends of Baucau fundraising events, the Trivia Night in April
- 3.4.6 Attendance at a seminar on the work of Timor-Leste Institute of Memory / Centru Nasional Chega (CNC), established following completion of the term of the Timor-Leste Commission for Reception, Truth and Reconciliation (CAVR), the recommendations in the CAVR Final Report, *Chega / Enough*, and the term of the subsequent Post-CAVR Technical Secretariat, presented by Pat Walsh (International Advisor for CNC) at Australian Volunteers International (AVI), Fitzroy, in August
- 3.4.7 Attendance at a screening of the film *The Spirits of Tasi Tolu*, presented by researcher and film maker Andrew Sully, at RMIT in October
- 3.4.8 Attendance at the Wild Timor Coffee fundraiser for the Bairo Pite Clinic, in Abbotsford in November
- 3.4.9 Facilitating discussions between Jose Maria Tilman, Rotary Club of Dili and Rotaract Club of Aileu, and three Melbourne residents exploring the possibility of supporting a small-scale plastic recycling enterprise in Timor-Leste.

3.5 Partnership Activities

Partnership activities included working with:

- 3.5.1 Dental Health Services Victoria and North Richmond Community Health, to continue the implementation of the Oral Health Education Program in six primary schools in Aileu, with funding from the Borrow Foundation supporting an evaluation of the program. Funding from the Costa Foundation supported the employment of Ana Tilman, a graduate of the dental nurse course at the National University of Timor-Leste (UNTL), as a part-time program officer liaising with the Aileu schools and in identifying other dental nurse graduates who could participate in the program as it expands to other municipalities. The program team visited Baucau in April to establish a similar program there in collaboration with Friends of Baucau. Discussions commenced with Bendigo Friends of Maubisse about implementing a similar program there as well.
- 3.5.2 Merri Health, to support development of improved community health in Aileu, including:

- Purchase of a Diagnostic Ultrasound machine for the Aileu District Hospital and a Fetal Doppler for the Laulara Birthing Centre
 - A financial contribution towards the nutrition program of Uma Ita Nian / Your House, the Aileu Parish Clinic
 - A financial contribution to the development of a new educational school garden in Aileu
- 3.5.3 CERES Global and the Aileu Resource and Training Centre (ARTC) developing plans for a 2018 CERES participant funded Permaculture Design Certificate (PDC) engagement visit, to focus on further development of the Kadalak Dame / Peaceful Stream garden, building on the concept plan developed during the 2016 PDC visit to Aileu
- 3.5.4 Swinburne University and the ARTC developing plans for a 2018 student fieldwork visit, an Innovation Challenge funded through the New Colombo Plan, to continue support for the IT and business development needs of the ARTC building on the 2016 visit by Swinburne IT for Social Impact students
- 3.5.5 Alternative Technology Association, and the ATA's Timor-Leste partner, the NGO NATILES, and the Besilau community to conduct two monitoring visits to the communities where village solar lighting was deployed in 2015 and 2016



Rotaract rubbish bin, Aileu High School



Jose Tilman at Greenvale Rotary meeting

- 3.5.6 Rotary Club of Greenvale and others supporting activities of the Rotaract Club of Aileu, including the construction of rubbish bins at Sabraka Laran / Orange Grove public park in Aileu, developing a proposal for construction of public toilets and investigating opportunities for recycling waste plastic
- 3.5.7 The Project Officer speaking at the Rotary Club of Greenvale October meeting with Jose Maria Tilman, Walter Mangold Trust Fund 2017 Scholarship recipient, and member of Rotary Club of Dili, Rotaract Club of Aileu and Aileu University Students Association
- 3.5.8 Maintaining and developing links with other partner organisations including
- Professor Patricia Vickers-Rich and Monash *PrimeSCI!*, formerly Monash University Science Centre, including the joint publication of Tetun language guide books for the *O Mundo Perdido / The Lost World* pre-history exhibition housed by the Aileu Resource and Training Centre (ARTC)

- Kangaroo Valley Remexio Partnership (KVRP), East Timor Midwives Australia (ETMA), Rotary Club of Erina, NSW, and Sacred Heart Social Justice Group, Sandringham, who work with partner groups in the Remexio Administrative Post of Aileu Municipality
- Campaspe East Timor Association in Friendship (CETAF), who have a Friendship Relationship with Lequidoe Administrative Post of Aileu Municipality.

3.5.9 CETAF made funding contributions to the Aileu Resource and Training Centre (ARTC) for the annual Aileu Expo and for the Aileu Oral Health Education Program. They also had several members visit ARTC and the Aileu Municipal Administration during a trip to Ainaro in August, and subsequently mounted the *Faces of Timor* exhibition of photographs in Echuca during November.

3.6 Funding and Support for Aileu Partners

Funding and support for Aileu partners included:

3.6.1 Contributions for the community development work of the Aileu Resource and Training Centre (ARTC):

- The ARTC staff development program for Sabino Lere to complete an IT degree at Cristal University, and for Ana Marquez to commence an Accounting degree at UNDIL
- Projects involving members of local communities, partner organisations and relevant government authorities:
 - The annual Aileu Science and Reading Contest in July-August
 - The annual Aileu Expo in November
 - Repairs to the ARTC's IT rooms prior to the deployment of new computers funded by others
 - New printer/copiers for the Aileu and Manu Casa Resource and Training Centres
 - Employment of a part-time caretakers constructing a fence to protect the Kadalak Dame garden development



Aileu Science and Reading Contest



Maternity nurses, Aileu Hospital

- 3.6.2 Purchase and delivery of a Diagnostic Ultrasound machine to the Aileu District Hospital and a Fetal Doppler to the Laulara Birthing Centre, for which the external access and amenity improvement works funded in 2016 were completed in early 2017
- 3.6.3 A financial contribution towards the Uma Ita Nian Clinic nutrition program
- 3.6.4 A financial contribution to Timor-Leste NGO PERMATIL for development of a new educational school garden in Aileu in conjunction with the Ministry of Education
- 3.6.5 A donation made by the Pascoe Vale Uniting Churches was provided to the Baucau Teachers College to support an Aileu student, Mariana Coro Martins, undertake the second year of primary teacher training
- 3.6.6 Funding for four members of the Aileu Municipal University Students Association (KEUMA) to participate in the following conferences in Dili:
- The Timor-Leste Studies Association conference of the Timor-Leste National University (UNTL) and RMIT University in June
 - The Sustainable Development Goals (SDG) conference of UNTL and Victoria University in July



KEUMA members at UNTL conference



Aileu Anan Association committee

- 3.6.7 A funding contribution to the Aileu Parish Youth Group (FOSCA) to enable four senior school students undertake art classes at the Aileu NGO Projeto Montanha, to support their voluntary provision of free art tuition to younger school students, building on their participation in art workshops at Arte Ramelau, Ainaro, in 2016
- 3.6.8 Funding, previously provided, assisted in the holding in December of the formation conference and election of office bearers of the Aileu Anan Intellectuals Association, a forum for tertiary educated individuals to provide advice to the Aileu Municipal Administration during the decentralisation process
- 3.6.9 Ongoing discussion with the Aileu Municipal Administration on priorities for the Friendship and Municipal Cooperation Relationships, particularly in the health and education areas and including adjustments to the University and Secondary Scholarship programs to facilitate their resumption in 2018 after a twelve month pause
- 3.6.10 Provision to ANZ Timor-Leste of certified copies of documents defining the nature of the Friendship and Municipal Cooperation Relationships and the governance arrangements through the Friends of Aileu Community Committee and the Aileu

Relationship Commission, for ANZ Dili to adjust the bank account held in the name of the Aileu Relationship Commission from the category 'personal' to the category 'business'.

3.7 Australia Timor-Leste Election Observation Missions

In 2017 Timor-Leste conducted its fourth national elections as an independent nation, with the presidential election held on 20 March and the parliamentary election on 22 July. The Australia Timor-Leste Election Observation Mission (ATLEOM), supported by the Victorian Local Governance Association (VLGA) and the Australia Timor-Leste Friendship Network (ATLFN), facilitated individuals volunteering as international observers for both these elections, including their registration with the Timor-Leste Electoral Commission.

Friends of Aileu members participated in election observer missions as below:

3.7.1 Presidential Election

Friends of Aileu Community Committee members Gary and Anne Jungwirth and a group of six friends made up the AETEOM delegation to Aileu for the presidential election in March, spending:

- Three days in Dili, including for a pre-election briefing and post-election debriefing, and visiting a number of organisations and sites of interest
- Four days in Aileu, during which they:
 - Visited two polling stations on 20 March
 - Visited the Laulara Birthing Centre and Wild Timor Coffee's supplier community in Belumhato near Besilau
 - The family and grave-site of Mario Soares, who had served as the formal Friends of Aileu contact person until his passing in November 2016, handing over the balance of private donations to assist with funeral expenses
 - Visited ARTC Board member Maria Diamantina and family
 - Met with the Aileu Municipal Administrator, Municipal Secretary and Aileu Vila Community Development Officer, the Aileu Resource and Training Centre, the Aileu Municipal Youth Centre and members of the Rotaract Club of Aileu
- Additional travel with Timor Adventures to Atauro Island, the Balibo House development, Oecusse and Kupang, West Timor.



Election Observer Mission team in Aileu



Political Rally in Aileu

3.7.2 Parliamentary Election

Andrea Spinoso was the AETEOM delegate to Aileu for the parliamentary election in July, spending:

- One week in Dili including for pre-election briefings
- One week in Aileu, visiting eight polling stations on 22 July and working with the Aileu Municipal Youth Centre.

3.8 Other Visits to Timor-Leste

3.8.1 Introduction

The Project Officer travelled between Sunday 25 June and Tuesday 11 July, including one-night stay in Darwin each way, and 15 nights in Timor-Leste (nine in Dili and six in Aileu).

Mr Carlo Carli, Merri Health representative on the Friends of Aileu Community Committee, took part in the visit from 30 June to 9 July, meeting his own expenses and those of his accompanying family Mrs Siobhan Hannan and Aoife Carli Hannan, who took part in most of the meetings and other activities in Aileu mentioned below.

Following the visit of this Friends of Aileu delegation, the Merri Health Board voted to continue its financial contribution to the work of Friends of Aileu for the next three years.

The Project Officer also met with a number of people during a visit to Dili between 6 and 8 September, prior to a period of leave.



Carlo Carli, Sr. Joao, Chris Adams & Sra. Victoria
at Aileu Municipal Offices



Carlo, Aoife, & Siobhan, with driver Alto
and nurse at Laulara Birthing Centre

3.8.2 Friends of Aileu Delegation Meetings and Site Visits in Aileu in July

During the visit to Aileu, a range of meetings and site inspections were held, involving:

- 3.8.2.1 Developing and maintaining the personal and organisational relationships necessary to successfully manage the East Timor Partnership Project, including with:
 - Joao Tilman do Rego, Aileu Municipal Administrator, presenting signed copies of the Friendship Agreement 2016-2020 (English and Tetun language) and inviting the Administrator and/or delegate to make a future visit to Melbourne, noting the 20th anniversary of the Friendship Relationship will occur in May 2020

- Victoria Mesquita do Rego, Aileu Municipal Secretary, who has been nominated as the new point of contact for the friendship relationship
- 3.8.2.2 Meeting with Aileu Municipal Administration, staff of the Municipal Administration, Directors, staff of government departments in Aileu and NGO and community representatives to discuss the Friendship Relationship and activities it supports in the context of the ongoing development of local governance, and the priorities, activities and capabilities of government, civil society organisations and communities in Aileu and Timor-Leste more broadly
- 3.8.2.3 Discussing the management of activities supported by Friends of Aileu, principally the Cr Andy Ingham Aileu University Scholarship Program and the Hume Aileu Secondary Scholarship Program, and exploring possible changes to improve targeting, transparency and accountability prior to new student nominations being provided to Friends of Aileu by the Aileu Municipal Administrator
- 3.8.2.4 Meeting with the Dr Natalia Lopes, Acting Director of Health Aileu, and staff including Sr. Paul who is responsible for the Aileu ambulance maintenance workshop



Paul, Aileu ambulance depot manager



Julio dos Santos, Laulara Health Centre Chief

- 3.8.2.5 Meeting with Rogerio da Conceicao, Director Aileu District Hospital, nurse Alda and other midwives:
- Delivering a donated Diagnostic Ultrasound machine
 - Discussing priorities for equipment needs
- 3.8.2.6 Meeting with Abilio Alves, Chief of Laulara Administrative Post, Julio dos Santos, Director Laulara Health Centre, nurse Juliana and other staff, and the principal of the construction company, Aileu Ba Oin (Aileu Goes Forward):
- Inspecting the external works undertaken to complete development of the Laulara Birthing Centre
 - Delivering a donated Fetal Doppler machine to the Laulara Birthing Centre
- 3.8.2.7 Meeting with Egidio Alexio, Acting Director of Education Aileu, and inspecting the school garden at Madabeno Primary School and a prospective site at the Maurusa Primary School, with Carlo Carli presenting donated soccer balls

3.8.2.8 Meetings at the Uma Ita Nian Parish Clinic, with managers Doroteia Nascimento and Felicidade Martins and advisor Maryknoll Sister Terezinha, and at the St Francis Assisi Disability Workshop, with coordinator Juliano Alau and staff members Jose, Cristiano and Luis:

- Discussing community health activities and priorities for equipment and other support Friends of Aileu may be able to provide to the Clinic and the Disability Workshop
- Accompanying the Community Based Rehabilitation team on a visit to disability clients in the remote villages of Halalameta, Selo Craik, and Madabeno



**Doroteia Nascimento, Felicidade Martins
& Sister Terezinha, Uma Ita Nian Clinic**



**Jose and Luis,
St Francis Assisi Disability Workshop**

3.8.2.9 Meetings at the Aileu Resource and Training Centre (ARTC), with Director Natalia Ximenes, staff members Joaquinho dos Reis, Sabino Lere and Paula da Conceicao and advisor Maryknoll Sister Rosalva Sandi:

- Discussing progress and plans for the ARTC staff development program
- Discussing the ARTC's community development projects to identify priorities for support Friends of Aileu may be able to provide
- Discussing options for improving the processes used to evaluate community development projects
- Discussing possible future engagement visits by a CERES Global Permaculture Design Certificate group and a Swinburne University IT and Business Studies student fieldwork group
- Observing the Aileu Vila District Finals of the annual Aileu Science and Reading Contest, meeting Miguel Moniz Pires, Inspector Ministry of Education, and Diana, Director Aileu Reference School
- Accompanying ARTC staff, Maryknoll Sister Julia Shideler and Aileu Reference School teacher Gabriella to Lequidoe Administrative Post to visit:
 - The Manu Casa Resource and Training Centre, meeting Mrs Felismina and Mr Amerigo
 - The soil and water conservation re-forestation project protecting Tatauloko spring on Mt. Tatabau

- Betulau, inspecting the remote village household solar lighting project being undertaken by ARTC following training that four women from Manu Casa received in India under the Barefoot College Solar Mamas program



With Aileu Youth Centre members and Peace Corps volunteers



Shanjo Santos, Aileu Rotaract Club, with fish pond project stakeholders

3.8.2.10 Visits to the Aileu Municipal Youth Centre:

- Meeting with Jose Valente, school teacher and Youth Centre Counsellor, members Santos Mendonca, Miralda da Conceicao, Santina da Costa and Quintao Mendonca (Enke), and Peace Corps volunteers Joe and Miguel, presenting a donated acoustic guitar and soccer ball
- Inspecting several income generation projects in agriculture and aquaculture

3.8.2.11 Inspection of community projects being implemented by the Rotaract Club of Aileu: the following projects were visited with Shanjo Santos of Rotaract:

- Income generation through an integrated agriculture, aquaculture and pig breeding enterprise
- A rubbish bin constructed at the Aileu Secondary School, a project supported by the Rotary Club of Greenvale
- The site of a proposed rubbish bin and public toilet at the Sabraka Laran municipal park

3.8.2.12 Others met during the time in Aileu included:

- Maria Diamantina Martins, ARTC Board member and former Director, and coordinator of FADA (Aileu Women's Development Association)
- Nilva Mesquita, Gender Focal Point, Aileu Municipal Administration
- Henrique Rodrigues, school teacher and counsellor to Aileu Parish Youth Group (FOSCA), about Friends of Aileu support youth art development initiatives under the banner of Arte Mambai Rai Husar, a so far informal community arts group
- Former Friends of Aileu University Scholarship recipients: Jose Vicente Vilanova, now Chief of Lequidoe Administrative Post, Thomas Borges (also former Aileu Secondary Scholarship recipient and Walter Mangold English scholarship recipient), now employed by MFAT, NZ

- Teachers undertaking DFAT supported English language training in Aileu: Henrique Rodrigues, Domingas de Jesus, Tadeu and Filomena
- Projeto Montanha, youth training and development NGO: Eduardo Trucco, Inu Bere and other staff and volunteers, including Pedro, visiting Portuguese dentist
- Emelita da Cruz, Plan Timor-Leste Area Manager
- Alex Selamat, World Vision consultant (Irine Tolentino, World Vision Area Manager, was away on training)
- Mercy Sister Mary Anne Dwyer



Teachers Domingas de Jesus & Henrique Rodrigues



With artist Inu Bere at Projeto Montanha

3.8.3 Project Officer's Meetings and Other Activities in Dili in June-July

The Project Officer also undertook a range of activities in Dili before and after the trip to Aileu, involving:

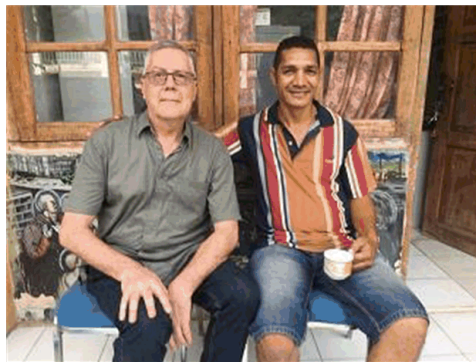
3.8.3.1 Meetings with:

- Miguel Carvalho, Director-General Urban Organisation, and Claudina Soares Pinto, who expect to be in Melbourne later in 2017 as part of an Urban Planning and Waste Management training delegation
- Tracey Starkey and Michael Guimaraes, of the Australian Embassy in Dili discussing Friends of Aileu activities and DFAT supported projects in the health and education sectors
- Jon Moores, DFAT contractor advising the Timor-Leste Ambulance Service vehicle maintenance project, which has developed new facilities in Dili and Aileu, the latter the first outside the capital city
- Tim Anderson, Country Manager of Engineers Without Borders, which is planning installation of a solar powered refrigeration and water supply system at the Aileu District Hospital
- Ines Almeida, Veterans Liaison Officer of the Timor-Leste Prime minister's office, and FALINTIL veteran Jorge Alves, discussing potential cooperation between Australian and Timor-Leste veterans
- Representatives of the Rotary Club of Dili, the Rotaract Cub of Aileu and the Aileu University Students Association: Jose Maria Tilman, Shobari Nunes and Alex da Cruz, discussing potential Friends of Aileu support

- Alola Foundation: Ema da Sousa Freitas, Education Program, and Nuni Nobre, Scholarships Officer, discussing the potential for Alola and to help manage Aileu scholarship programs and meeting with Alzira Reis, Alola CEO, and Jude Finch, AVID placement at Alola
- Ego Lemos, PERMATIL (Permaculture Timor-Leste), and Abilio de Araujo, former Aileu scholarship student, Walter Mangold English scholarship recipient, founder of Aileu University Students Association, founders of the Aileu NGO Rai Husar Foundation and the Aileu Science and Technology Institute (ASTI), discussing:
 - The school garden program and future projects in Aileu
 - The Friends of Aileu scholarship programs and future evaluation options
 - Progress towards establishing the Aileu Anan Association of tertiary educated persons, which is intended to have a role advising the Aileu Municipal Administration
 - Possible roles for the Aileu Anan Association, which could include contributing to evaluation of the scholarship programs and developing tourism and education resources and employment opportunities related to Aileu's role during the Resistance and Independence struggle



With Ema Freitas & Nuni Nobre, Alola Foundation



With Jose da Silva, NATILES NGO

- Jose da Silva, Timor-Leste NGO NATILES and Michael O'Connell, Alternative Technology Association volunteer, on monitoring of village solar lighting projects in Besilau and Remexio
- Margaret Agar, Midwives East Timor Australia, and Teresinha Formento, Health Alliance International Timor-Leste, on health needs in Aileu Municipality and activities mainly in the Remexio Administrative Post
- Mira Fonseca, YWCA Dili, former Victoria University Community Development student, who previously undertook a placement with Friends of Aileu at Moreland City Council, on activities supporting the health of women and babies
- Gaspar Freitas, Coordinator Xanana Reading Room, discussing recent donations of books from council libraries organised by DELWP

- FONGTIL (Timor-Leste NGO Forum): Administration Manager Joao da Costa Freitas, and other staff members
- Timor-Leste Basketball Federation: Isildo Tilman, CEO, and Jose Julio, Development Manager, together with Carlo Carli, discussing opportunities to promote women's participation in sport
- ANZ Bank Dili: with co-signatories Aileu Municipal Secretary, Victoria do Rego, and Chief of Planning, Domingos Vidigal, on ANZ's requirement to convert the Aileu Relationship Commission Bank Account from the category 'personal' to 'business'



Gaspar Freitas, Xanana Reading room, and son



KEUMA members Fernanda, Nelson, Julia and Alex

- 3.8.3.2 Participating in the two-day conference of the Timor-Leste Studies Association (TLSA), organised by RMIT University and the National University of Timor-Leste (UNTL), networking with a range of Timor-Leste, Australian and other international academics and community development practitioners
- 3.8.3.3 Sponsoring the participation of four young people from Aileu, a school teacher and President of the Aileu Municipal University Students Association (KEUMA) and three KEUMA student members (Julia Mouzinho, Fernanda Sarmento and Nelson Carvalho), in the TLSA conference and a subsequent Victoria University/UNTL conference on the Sustainable Development Goals.

3.8.4 Project Officer's Meetings in Dili in September

Over several days in Dili, the Project Officer met in with the following:

- ANZ Bank, Dili, to clarify requirements for adjustments to the Aileu Relationship Commission bank account.
- Mrs Nuni Nobre, Alola Foundation Scholarships officer, for an update on developments with the Aileu Scholarship programs
- Abilio de Araujo, discussing the Friends of Aileu continuing discussions on the Friends of Aileu scholarship programs and the future Aileu Anan Association
- Ego Lemos, PERMATIL, on progress with identification of a school in Aileu Vila Administrative Post
- Deb Cummins, Bridging People NGO, to discuss options for any planning and organisational development assistance Friends of Aileu's NGO partners in Aileu may wish to undertake

- Cathy Molnar, AVI Country Manager, and Teresa Verdial, AVI Program Officer, discussing the future of the AVID (Australian Volunteers for International Development) program.

3.8.5 Campaspe East Timor Association in Friendship (CETAF) visit in August

Over August to October, CETAF's Robyn and Noel Lucas and Heather Watson spent eight weeks in Maubisse, Ainaro Municipality with the Bendigo Friends of Maubisse, Teachers 4 Timor Program. Traveling with them were CETAF's Marg McMullen, Annette Cowan and Tess Pardy, and Marg's sister Helen Hill.

They met Ego Lemos of PERMATIL and representatives of Wild Timor Coffee in Dili, and visited the Municipal Administrator, Municipal Youth Centre, Aileu Resource and Training Centre and Technical and Vocational School, while passing through Aileu.



Campaspe East Timor Association in Friendship delegation visiting ARTC

3.8.6 Others Visiting Aileu and Remexio

Others to visit Aileu in 2017 included:

- Sandy Fritz, Kangaroo Valley Remexio Partnership (KVRP), Margaret Agar, East Timor Midwives Australia (ETMA), and Heather McGrath, Sacred Heart Social Justice Group, Sandringham, working with their partner groups in Remexio
- Margaret Agar (ETMA) also visited Aileu District Hospital assisting in arrangements for the receiving the Ultra-sound machines, purchased by Friends of Aileu through the Rotary Club of Woy Woy and delivered to be in July
- Teachers and senior students of:
 - St Joseph's College, Echuca, who have a relationship with St Pauls College Aileu
 - St Augustine's Parish and School, Kyabram, who have a relationship with the Aileu Technical Vocational school

4 Achievements in 2017

The Friends of Aileu Community Committee (FACC), and other volunteer supporters, worked very well together in 2017, building on the achievements of 2016, which included renewal of the Friendship Agreement, establishment of the complementary Municipal Cooperation Agreement, renewal of their supporting Strategy Plan and Action Plan and renewal of the Terms of Reference and membership of the FACC. A start was made on evaluating the work of Friends of Aileu that involved a broad cross section of members and supporters.

Organisational and personal relationships with partner organisations both in Timor-Leste and Australia continued to develop positively. This was aided by the visits to Aileu of nine participants in the Election Observer Missions, including FACC members Gary and Anne Jungwirth and Andrea Spinoso, and members of the Campaspe East Timor Association in Friendship (CETAF), which complemented the visits of the Project Officer, Carlo Carli, Merri Health representative on the FACC, and Aoife Carli Hannan.

These visits, and the time Jose Maria Tilman spent in Melbourne studying English on a Walter Mangold Trust Fund scholarship, made significant contributions to developing relationships with younger people including with members of the Rotaract Club of Aileu, Aileu University Students Association, Aileu Municipal Youth Centre and the Aileu Parish youth group (FOSCA) and its Arte Mambai Rai Husar art group.

Relationships and communication arrangements were strengthened with Joao Tilman do Rego, Municipal Administrator, Victoria Mesquita do Rego, Municipal Secretary, who is now responsible for friendship liaison, and Camilo da Costa, Aileu Vila Community Development Officer, who visited Melbourne in 2014 as a guest of Friends of Aileu and who now assists the Municipal Secretary with respect to communication with Friends of Aileu.

Friends of Aileu continued to build relationships with the local East Timorese community and students from Timor-Leste in Melbourne, including through participation in each other's activities.

Support from Friends of Aileu has enabled the Aileu Resource and Training Centre (ARTC) to continue to develop the scope and positive impacts of the annual Aileu Science and Reading Contest in collaboration with the Ministry of Education, and the annual Aileu Expo, in collaboration with an increasing range of local community organisations and groups and the government sector in Aileu.

Friends of Aileu's support for education and professional development in 2017 saw:

- Mariana Coro Martins successfully complete the second year of her primary school teaching qualification with four High Distinctions and four Distinctions in second semester.
- Sabino Lere of the ARTC complete the final semesters of an IT degree
- Ana Marquez of the ARTC embark on study for an Accounting degree.

In 2017, the experience gained through implementation of the Aileu Oral Health Education Program, saw the commencement of a similar program in Baucau Municipality, through a new partnership develop between the Friends of Baucau, Dental Health Services Victoria and North Richmond Community Health.

5 Actions Undertaken and in Progress 2018

With sound partnerships in place, with long- term committee members and supporters continuing their involvement and being joined by several newer members and supporters, and with strong support from Moreland and Hume City Councils, the Friends of Aileu Community Committee is well situated to address the challenges and opportunities it faces in 2018 and beyond.



Mariano Coro Martins

CBR team visiting client

Actions undertaken to date in 2018 include:

- Awareness raising and fundraising activities including:
 - A youth-oriented music event at CERES in March, which raised funds for the Timor-Leste school garden program;
 - The annual Friends of Aileu Dinner and Forum in May, which featured two members of Melbourne's East Timorese community, Jose Pires and Chico dos Santos, speaking on East Timorese culture from their personal experiences and perspectives, and which raised funds for the Aileu Resource and Training Centre;
 - Participation in the Sydney Road Street Party and the Broadmeadows and Glenroy Festivals.
- A visit to Aileu by the Project Officer in June-July, which:
 - Served to strengthen relationships with the Aileu Municipal Administration and other partners, gain a better understanding of progress towards decentralisation of central government functions to local government and progress with friendship related activities;
 - Included a role as co-facilitator for a CERES Global engagement visit focussing on sharing skills and knowledge on sustainable agriculture, permaculture practices and school gardens.
- Planning and promotion for the Friends of Aileu Trivia night 2018, 7pm Friday 31 August at Coburg Town Hall, an annual fundraising event for the Aileu University Scholarship Program.



Visiting Aileu Municipal Youth Centre

Work is also planned for 2018 to develop and implement:

- Better ways to communicate and encourage involvement within and between our communities
- A more robust evaluation framework for the impact of Friends of Aileu overall and for particular projects and activities
- A plan to document, communicate and celebrate the Friendship Relationship in the context of the upcoming milestone of its 20th anniversary in March 2020.

Through partnerships in Australia and Timor-Leste, Friends of Aileu is well-positioned to provide targeted support for priority activities in Aileu, particularly in the areas of:

- Education, professional and organisation development, including through resumption of the scholarship programs
- Community health and sustainable livelihoods
- Youth engagement and development.

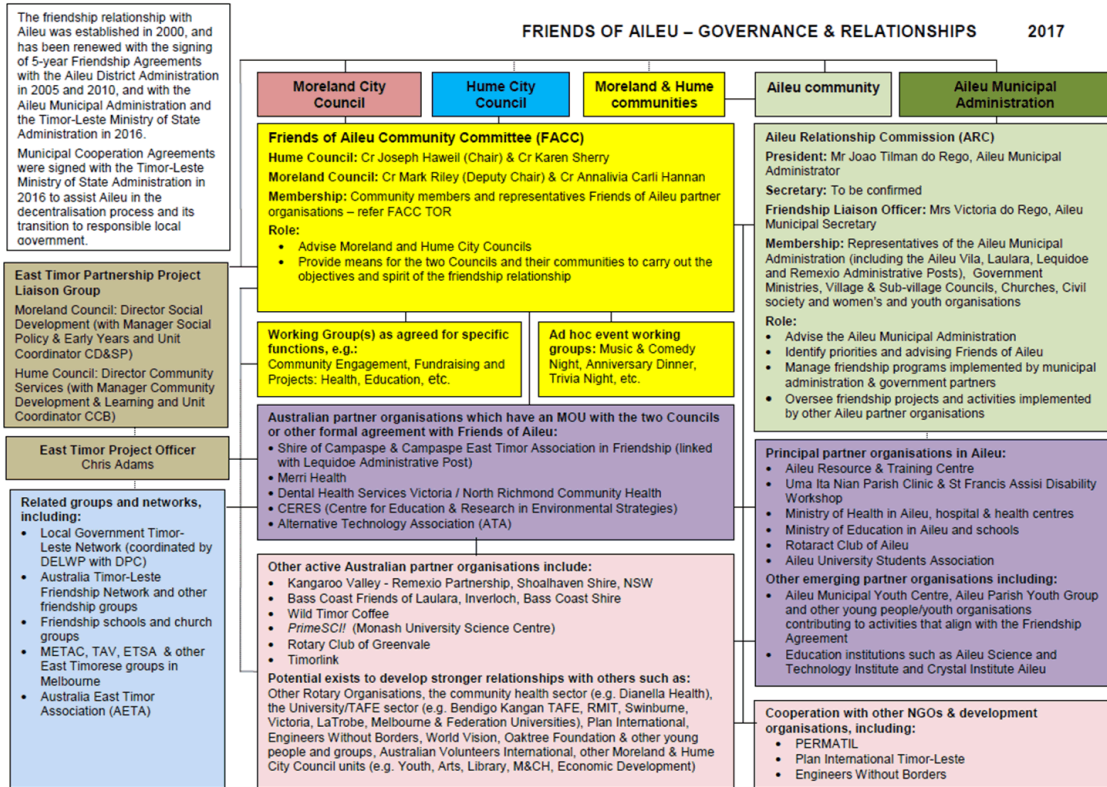
Friends of Aileu Community Committee Membership

Attachment 1

Name	Membership category: Council, organisation, community, special interest	Membership status
Council representatives		
Cr Joseph Haweil	Hume City Council	Council appointments, Nov 2016 (Cr Mark Riley retired Nov 2017)
Cr Karen Sherry	Hume City Council	
Cr Mark Riley	Moreland City Council	
Cr Annalivia Carli Hannan	Moreland City Council	
Partner organisation representatives: Up to 13 partner and other organisation representatives		
Ben Walta	CERES	Partner organisation nominations 2016
Paul Adams		
Joe Caputo	Merri Health	Partner organisation nominations 2017
Carlo Carli		
Martin Hall	Dental Health Services Victoria	Partner organisation nomination 2017
Demos Krouskos	North Richmond Community Health	Partner organisation nominations 2017
Sally Vong		
Patricia Vickers Rich	Monash University Prime Sci!	EOI appointment 2016
Tom Mahon	Wild Timor Coffee	Partner organisation nomination 2016
Katrina Langford	Timorlink	Partner organisation nomination 2017
Community members: Up to 12 no. community member positions		
Heather Bridges	Moreland community	Nomination to committee 2016
Richard Brown	Moreland community	EOI appointments 2016
Mark Higginbotham	Moreland community	
Paul O'Sullivan	Moreland community	Nominations to committee 2016
Glenyys Romanes	Moreland community	
Jeff Tyson	Moreland community	EOI appointment 2016 (retired Dec 2017)
Anne Jungwirth	Hume community	Nominations to committee 2016
Gary Jungwirth	Hume community	
John Rutherford	Hume community	
Vacancy	Hume community	
Vacancy	Hume community	
Vacancy	Hume community	
Special interest members: Up to 4 positions for persons with professional or personal interest in or connection to Timor-Leste		
Andrea Spinoso	International Development and Youth Activities	Nomination to committee 2017
		3 vacancies
Persons co-opted by the Committee: Up to 4 persons may be co-opted		
		4 vacancies

Friends of Aileu Governance and Relationships

Attachment 2



Management Arrangements East Timor Partnership Project (2 pages) Attachment 3

Our File: HCC05/28-06
Enquirer: Chris Adams
Telephone: 0475 954 088



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BROADMEADOWS
VICTORIA 3047

Postal Address:
PO BOX 119
DALLAS 3047

Telephone: 03 9205 2200
Facsimile: 03 9309 0109
www.hume.vic.gov.au

Wednesday, 14 June 2017

Arden Joseph
Director Social Development
Moreland City Council
Locked Bag 10
MORELAND VIC 3058

Dear Arden

**RE: EAST TIMOR PARTNERSHIP PROJECT (FRIENDS OF AILEU):
MANAGEMENT ARRANGEMENTS**

As discussed at the Project Liaison meeting on 20 April 2017 and subsequently by the two Councils' responsible managers, this letter documents the proposed update to the arrangements between Hume City Council and Moreland City Council for managing the East Timor Partnership Project.

The previous update to these management arrangements is contained in Moreland City Council letter dated 9 March 2011 (Ref D10/047749) agreed to on behalf of Hume City Council in my letter dated 31 March 2011 (Ref OUT2011/1782).

1. Project Officer, Cost Centre and Project Fundraising: Moreland City Council will manage the employment of the Project Officer, the associated project operating budget and the accounts for funds raised by the Friends of Aileu to support project activities in Timor-Leste. Hume City Council will manage limited local operating costs associated with meetings at Hume City Council premises.
2. Cost-sharing: The cost of the project operating budget will be shared equally between the two Councils. Moreland will invoice Hume on a quarterly basis in the first week of each quarter. An adjustment will be made in the first quarter of the following financial year to take account of the actual expenditure in the previous financial year.
3. Friends of Aileu Community Committee: The Project Officer will work with the Friends of Aileu Community Committee and both Councils to develop and maintain the Terms of Reference and membership of the Committee, and a chart outlining the project's governance and associated relationships.
4. Friends of Aileu Strategy and Action Plan: The Project Officer will work with the Friends of Aileu Community Committee to develop and maintain a Strategy Plan and Action Plan taking account of:
 - a) the Friendship Agreement between the two Councils and the Aileu Municipal Administration;

2

- b) the Municipal Cooperation Agreements between each Council and the Government of Timor-Leste;
 - c) other agreements with and inputs from the Aileu Municipal Administration and other Timor-Leste and Australian partner organisations;
 - d) relevant Council Plans, Policies and Strategies.
5. Project Officer's work plan: The Project Officer will prepare and maintain a work plan based on the Friends of Aileu Action Plan.
 6. Reporting: The Project Officer will prepare a report for both Councils outlining the activities of the project in each calendar year summarising the outcomes of the friendship and municipal cooperation relationships.
 7. Project Liaison: The responsible Directors of each Council will meet at least once per year, and otherwise as agreed, to approve the Project Officer's work plan, consider other issues concerning the project (including coordination between the two Councils) and agreements with partner organisations.

Could you please confirm your agreement with these management arrangements.

Yours sincerely



MARGARITA CADDICK
DIRECTOR CITY COMMUNITIES

Fundraising Income and Expenditure 2017 (3 pages)

Attachment 4

FRIENDS OF AILEU - BUDGET 2017 & FINANCIAL SUMMARY to 31 December 2017							
Brought forward	into 2016		into 2017				
GL account 1.3159	\$18,005.76		\$12,264.25				
GL account 1.3160	\$6,627.64		\$8,971.84				
Total FOA Accounts	\$24,633.40		\$21,236.09				
Income and Expenditure Items	Actuals 2016		2017 Original Budget		Actuals 2017		Commitments for 2018
	As reported Feb 2017 FACC meeting	ARTC 2016 Report	Adopted February 2017 FACC meeting				
INCOME							
Fundraising events							
Friends of Laulara at Jjara's Farmgate Café	\$0		\$1,500		\$1,460		
Anniversary Dinner	\$2,467		\$2,500		\$1,970		
Music & Comedy Night	\$1,685		\$2,500		\$0		
Trivia Night	\$11,560		\$10,000		\$10,976		
METAC Dinner	\$160		\$150		\$0		
Giving Circle Dinner	\$0		\$3,500		\$4,600		
Fundraising event School Garden	\$0		\$1,000		\$1,860		
Fundraising event Youth Arts	\$0		\$0		\$1,000		
Sub-total events		\$15,872		\$21,150		\$21,866	
Donations							
Hume City Council (Secondary Scholarship Program)	\$3,600		\$3,600		\$5,140		
Merri Health	\$16,000		\$20,000		\$4,000		
KVRP University scholarships	\$3,904		\$3,210		\$0		
KVRP Secondary Scholarships			\$690		\$0		
CETAF (for Aileu Expo)	\$1,638		\$2,500		\$1,000		
Pascoe Vale Uniting Churches	\$1,000		\$0		\$0		
Wild Timor Coffee Laulara Birthing Centre	\$1,500		\$1,500		\$3,000		
Wild Timor Coffee, plus CERES & FOA fundraising School Garden	\$0		\$3,500		\$0		
Other partner groups and organisations	\$0		\$2,000		\$0		
Individuals	\$4,733		\$3,000		\$2,572		
Personal donations for Mario Soares family	\$1,100		\$0		\$10		
Sub-total donations		\$33,475		\$40,000		\$15,722	
Fundraising sales							
Coffee, Soap, Tais etc. (FOA and Council Events events)	\$5,045		\$3,000		\$2,065		
Coffee, Soap, Tais, etc. (Council offices and FOA meetings)			\$3,000		\$2,053		
Sub-total sales		\$5,045		\$6,000		\$4,118	
INCOME TOTAL		\$54,392		\$67,150		\$41,706	

	Actuals 2016		2017 Original Budget		Actuals 2017		Commitments for 2018
	As reported Feb 2017 FACC meeting	ARTC 2016 Report	Adopted February 2017 FACC meeting				
EXPENDITURE							
Fundraising purchases							
Wild Timor Coffee			\$2,000		\$2,438		
Soap and other Kor Timor & Kew Rotary items	\$2,701		\$750		\$255		\$203
Tais & books	\$0		\$250		\$0		
Sub-total fundraising expenditure		\$2,701		\$3,000		\$2,693	
Project expenditure in Australia							
Aileu Visitor to Melbourne	\$0		\$4,000		\$0		
O Mundo Perdido educational materials	\$0		\$500		\$500		
Timorlink Livru Timor book	\$0		\$0		\$0		
Rotary DIK shipping	\$170		\$200		\$0		\$149
Sub-total project expenditure in Australia		\$170		\$4,700		\$500	
Project funds transferred to Timor-Leste							
Aileu Friendship Relationship Commission	\$675		\$700		\$0		
Aileu University Scholarship Program	\$15,750		\$14,800		\$0		\$22,576
Baucau Teachers College	\$0		\$0		\$430		\$570
Hume Aileu Secondary Scholarship Program	\$4,465		\$4,300		\$0		\$5,140
Education Project (Reference School science/biology lab)	\$0		\$0		\$0		\$1,000
Laulara Birthing Centre external works	\$16,928		\$0		\$0		
Laulara projects (health, education to be identified)	\$0		\$0		\$0		\$1,862
ATA Village Lighting Scheme & monitoring Besilau	\$1,050		\$500		\$636		\$636
Aileu Resource & Training Centre staff development	\$740	\$1,605	\$2,000		\$2,200		
ARTC Manu Casa reforestation (FOA)	\$1,475	\$875	\$3,500		\$0		
ARTC Manu Casa reforestation (Wild Timor Coffee)	\$0	\$0	\$3,500		\$0		
ARTC Manu Casa toilet	\$1,500	\$1,470	\$0		\$0		
ARTC Science & Reading Contest (staff costs)	\$3,160	\$3,420	\$3,290		\$4,116		
ARTC Computer laboratory repairs	\$0	\$0	\$0		\$2,980		
ARTC Expo (FOA and CETAF)	\$3,645	\$3,150	\$3,740		\$3,492		
ARTC finance computer	\$0	\$0	\$0		\$2,099		
ARTC Kadalak Dame caretaker	\$0	\$0	\$0		\$500		
ARTC Total		\$10,520	\$10,520		\$16,030		\$15,387
NRCH Oral Health Project (\$330 from CETAF)	\$0		\$330		\$0		\$330
	As reported Feb 2017 FACC		ARTC 2016 Report	Adopted February		Commitments	

	meeting			2017 FACC meeting		for 2018
	As reported Feb 2017 FACC meeting	ARTC 2016 Report	Adopted February 2017 FACC meeting			
Project funds transferred to Timor-Leste (contd)						
School Garden fundraising, FOA, CERES & WTC	\$0		\$0	\$1,826		\$3,331
School Garden Merri Health contribution	\$0		\$0	\$2,240		
School garden total	\$0		\$0	\$4,066		
Kadalak Dame (Merri Health)	\$0		\$3,500	\$0		
ARTC health and nutrition project (Merri Health)	\$0		\$1,500	\$0		
Uma Ita Nian Parish Clinic food production	\$5,030		\$5,500	\$0		
Uma Ita Nian nutrition program	\$0		\$0	\$2,335		
Aileu Hospital ultra-sound	\$0		\$0	\$2,750		
Other UIN including CBR and Disability Workshop	\$0		\$4,500	\$0		
Other Aileu District Health	\$0		\$5,000	\$0		
Merri Health Total		\$5,030		\$20,000		\$7,325
Aileu Science and Technology Institute	\$0		\$500	\$0		
Aileu Rotaract / Aileu University Students Assoc.	\$0		\$500	\$155		
FOSCA youth art development	\$500		\$500	\$755		\$512
Gender Focal Point for women's volleyball	\$0		\$0	\$0		
Aileu Rotaract rubbish bins (\$950 Greenvale Rotary)	\$0		\$0	\$0		
Personal donations to Mario Soares family	\$0		\$1,100	\$1,110		
Sub-total expenditure in Timor-Leste		\$54,918		\$59,260		\$27,624
EXPENDITURE TOTAL		\$57,789		\$66,960		\$30,817
BALANCE (INCOME – EXPENDITURE)		\$21,236.40		\$21,426.09		\$36,309
Funds in accounts at EOY 2016				Funds in accounts at 31/12/17		
GL account 1.3159	\$12,264.25			GL account 1.3159	\$24,546.79	
GL account 1.3160	\$8,971.84			GL account 1.3160	\$9,817.59	
Total FOA Accounts	\$21,236.09			Total FOA Accounts	\$34,364.38	
Variance	-\$0.31			Not yet banked	\$512.00	
				Adjusted Total	\$34,876.38	
				Variance	\$2,751.29	
				Paid via Cost Centre	\$2,750.00	
				Adjusted Variance	\$1.29	

MOU on Friendship & Cooperation, Victoria & Timor-Leste (2 pages) Attachment 5



**Memorandum of Understanding between the
Governments of: The State of Victoria
And
The República Democrática de Timor-Leste
On Friendship and Cooperation**

In recognition of a special friendship between the people of the State of Victoria and Timor-Leste dating back at least to the Second World War, and noting the large East Timorese population in the State of Victoria, the Government of the State of Victoria (the Government of Victoria) and the Government of the República Democrática de Timor-Leste (the Government of Timor-Leste) have reached the following understanding:

A lasting friendship between the State of Victoria and Timor-Leste has been and will continue to be built on a partnership of mutual respect. This friendship will at all times respect and value local as well as national cultures and decision-making processes.

The Government of Victoria has provided significant support to Timor-Leste and will continue to provide such support where resources permit.

In recognition of the strong friendship and cooperation manifested over the years between the Government of Timor Leste and the Government of Victoria, this Memorandum of Understanding (MoU) builds on the original MoU signed by both Governments in 2008.

Continued support to Timor-Leste will be provided by the Government of Victoria in consultation and cooperation with the Government of Timor-Leste: specifically, support will be consistent with the Timor-Leste National Strategic Development Plan and the plan to achieve the 2030 Agenda for Sustainable Development.

The principal focus of support provided by the Government of Victoria to Timor-Leste will be on building capacity in the National Government and Public Administration Sector. The knowledge and expertise of the Public Service of the State of Victoria will be shared through partnerships with the Public Service of Timor-Leste. Government departments and ministries in the State of Victoria and Timor-Leste will endeavour to build on-going, supportive relationships based on mutual respect.

This Memorandum of Understanding may be amended at any time by the mutual consent of the parties.

This Memorandum of Understanding will come into effect on the date of signing by both parties and will remain in effect unless it is terminated by either party giving three month's written notice to the other party.



THE HON RICHARD WYNNE
MINISTER FOR PLANNING



HE DIONISIO BABO SOARES
MINISTER OF STATE,
COORDINATOR OF STATE
ADMINISTRATION AFFAIRS AND
JUSTICE AND MINISTER OF STATE
ADMINISTRATION

ON BEHALF OF
STATE GOVERNMENT OF VICTORIA

ON BEHALF OF
REPUBLICA DEMOCRATICA DE
TIMOR-LESTE

Signed on the twenty third day of May in the year of two thousand and seventeen.

REPORT NO:	SU338
REPORT TITLE:	Hume City Public Lighting Policy
SOURCE:	Nick Varvaris, Assistant Manager Engineering ; John Davis, Manager Subdivisional Development
DIVISION:	Sustainable Infrastructure and Services
FILE NO:	HCC-CM08/387
POLICY:	-
STRATEGIC OBJECTIVE:	4.3 Create a connected community through efficient and effective walking, cycling, public transport and car networks.
ATTACHMENTS:	<ol style="list-style-type: none">1. <i>Draft Hume City Public Lighting Policy</i>2. <i>Current Public Place Lighting Policy</i>3. <i>Photo of Decorative Lights and a Standard Light</i>

1. SUMMARY OF REPORT:

- 1.1 Council has an existing public lighting policy which is proposed to be amended to address the issue of non-standard street lights (decorative lights).
- 1.2 Council incurs substantial additional costs through the use of non-standard street lights when compared to standard lights. The use of non-standard lighting in new subdivision estates and the replacement of damaged or end of life non-standard lighting with like for like is financially unsustainable. The draft policy proposes that new and damaged or end of life light poles and luminaires are replaced with standard lighting.
- 1.3 The draft Policy aims to provide a consistent approach with customers' requests for additional and modified street light lighting. It provides guidelines on public lighting for public open spaces, public activity areas, car parks and rural areas.
- 1.4 The purpose of this report is to recommend that Council release the draft Hume City Public Lighting Policy for public consultation.

2. RECOMMENDATION:

That Council places the draft Hume City Public Lighting Policy out for community consultation for a four week period from 17 September to the 18 October 2018. Refer to Attachment 1, Draft Hume City Public Lighting Policy.

3. LEGISLATIVE POWERS:

Council has the power under Section 46A, *Road Management Act 2004* with respect to installing street lighting on roads where it is the responsible authority. Under the *Subdivisions Act 1988* planning permits are issued requiring public lighting to be installed.

4. FINANCIAL IMPLICATIONS:

- 4.1 A tariff for the Operation Maintenance and Replacement (OMR) of each approved non-metered public light is paid by Council to the relevant Electrical Distributer that owns the electrical distribution network in the area. Non-metered lights include standard lights for which the distributor has full responsibility, as well as approved non-standard lights where the distributor owns the electrical cables but Council is responsible for the decorative pole and luminaire (lantern).

REPORT NO: SU338 (cont.)

- 4.2 The OMR charges per annum for each non-metered public light are tabled below. Note the significant savings of energy efficient LED lighting.

Road Type	Light type	OMR Annual Charge per lantern excluding GST
Light typically used on a local road	Mercury Vapour 80 W	\$51.31
	T5 (fluro light)	\$38.51
	LED 18W	\$20.56
Light typically used on a local collector road (wider road)	Sodium High Pressure 150W	\$95.69
	LED 70W	\$56.28

- 4.3 Jemena and SP AusNet are the Electrical Distributers that have areas within the municipality. The total OMR tariff currently amounts to approximately \$1.2M annually and will continue to increase when new lights are installed within new estates.
- 4.4 The OMR tariff covers the cost for the Electrical Distributer to maintain a standard light and replace it when it reaches the end of its life. Although Council pays the same tariff for an approved non-standard light they are not supported under the tariff and incur significant additional costs to Council for replacement.
- 4.5 To replace a non-standard light Council needs to source, purchase and deliver the pole and luminaire to the Electrical Distributer for installation. This cost runs into several thousand dollars for the purchase of an approved non-standard light which would not have been incurred had it been a standard light. This cost does not include Council's administrative costs to procure the pole and luminaire.
- 4.6 Council allocates \$100,000 annually to cover the cost of damaged non-standard poles and lights. This amount would no longer be required if damaged non-standard lights were replaced with standard lights at no cost to Council under the draft Hume City Public Lighting Policy.
- 4.7 No forecast budget exists for Council to bulk-replace non-standard lights when they reach the end of their life. Public lighting poles would typically have a 20 to 30 year life.
- 4.8 The average cost to replace an approved non-standard light is \$3,000 and with over 15,000 Council faces an estimated funding liability of \$45M if it has to replace all non-standard lights like for like at the end of their asset life. It is unsustainable for Council to continue approving the use of approved non-standard lights. The policy is attempting to avoid having to do the same again and for the costs to further escalate.
- 4.9 It is important to note that the cost to replace non-standard lights with standard lights at the end of their life or when they are damaged is covered under the OMR tariff and there are no additional costs to Council. The maintenance costs for both non-standard and standard lights are covered under the OMR tariff.
- 4.10 The energy consumption of each non-metered public light is paid by Council to the Electricity Retailer. The energy consumption of lights is based on the number, type, wattage and operation times from dusk to dawn.
- 4.11 This component of street lighting is contestable and Council currently purchases energy for street lighting from AGL through a contract with Procurement Australia. The energy usage charge currently amounts to approximately \$750,000 and will continue to increase when new lights are installed within new estates. Ensuring the most energy efficient light possible will help reduce the size of on-going electricity costs.

REPORT NO: SU338 (cont.)

4.12 Council allocates \$50,000 annually for public lighting upgrades. This covers the cost of customers' requests for additional lighting where required.

5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:

The policy would require that all new public lights use the most energy efficient lighting available and approved for use which helps minimise greenhouse gas emissions by reducing reliance on electricity from coal fired power stations.

6. CLIMATE CHANGE ADAPTATION CONSIDERATIONS:

No climate adaptation issues have been identified in relation to this report.

7. CHARTER OF HUMAN RIGHTS APPLICATION:

The recommendation in this report does not limit any of the protected rights under the Victorian Charter of Human Rights.

8. COMMUNITY CONSULTATION:

It is proposed that the draft Hume City Public Lighting Policy be released for community consultation in line with Council's Community Engagement Framework for a four week period.

9. DISCUSSION:

9.1 Background

9.1.1 Council previously adopted a Public Place Lighting Policy at its meeting on 9 September 2002.

9.1.2 Refer to **Attachment 2** for the current Public Place Lighting Policy.

9.2 Scope and Objectives

9.2.1 The draft Hume City Public Lighting Policy applies to streets and public places under the management of Council and VicRoads.

9.2.2 Key changes from the previous policy to the draft Hume City Public Lighting Policy are as follows.

- (a) To reduce the use of approved non-standard lights and require standard lighting to be installed in new residential and industrial estates.
- (b) To replace approved non-standard lights that are damaged or at the end of their life with standard lights.
 - (i) Once street trees are established and reach a similar height to the light poles, the poles are no longer prominent within the road environment. The use of different types of street lighting poles in this situation is not very noticeable.
 - (ii) Council's Manager Assets may determine that damaged non-standard poles and luminaires be replaced like for like at locations where the street trees have yet to establish.
- (c) To require that all new public lights use the most energy efficient lighting available for use.

REPORT NO: SU338 (cont.)

- (d) To provide guidelines for where public lighting may be considered within public open space and public car park areas.
- (e) To provide a consistent approach when dealing with customers' requests for additional or modified street lighting within existing residential and industrial areas.

9.3 Approved Non-Standard Lights (Decorative Lights)

- 9.3.1 From the early 1990's it became common for developers to use non-standard lights or decorative lights in new subdivisions. From that time forward they have been installed in the majority of new subdivisions.
- 9.3.2 Subdivision developers seek to install approved non-standard lights as a marketing and selling point of their allotments. There are twelve non-standard lights that are approved by electrical distributors and are widely used within the municipality.
- 9.3.3 **Appendix 3** shows photographs of approved non-standard lights that are currently used within the municipality and the current standard light that is proposed to be the only light permitted.
- 9.3.4 Council has approached the electrical distribution companies and requested that they introduce additional lighting poles as standard poles. At this point in time they have not, but they have advised that they are considering alternatives. If the electrical distribution company introduces alternative lighting poles as standard poles the OMR charge may increase to cover the additional maintenance costs. This would need agreement from all the councils within the electrical distribution company's area before it could be introduced.
- 9.3.5 Over the past six months all subdivision developers apart from one have agreed to install standard lights. One developer has requested that Jemena include a particular decorative light pole as a standard. Discussions are continuing and Jemena is assessing this request.
- 9.3.6 The time taken to replace a damaged non-standard light can be up to six months whereas with a standard light the Electrical Distributor is required to replace it within seven days of a fault report. The continued replacement of non-standard lights with matching lights creates a safety and risk concern for Council due to this delay. Additionally the tariff continues to be paid by Council regardless of whether the light is operating.
- 9.3.7 Previously approved non-standard lights now present a significant future funding liability for Council and they do not all facilitate conversions to the latest energy efficient technology such as LED lighting.
- 9.3.8 The approach to public lighting by other growth area councils with expanding new subdivision estates was reviewed and the following was observed:
 - (a) Casey City Council discontinued the use of non-standard lighting in 2010 and only permits standard lighting in new estates.
 - (b) Similarly, Wyndham City Council discontinued the use of non-standard lighting in 2012 and only permits standard lighting in new estates.
 - (c) Whittlesea City Council currently only allows one type of approved non-standard pole and includes upfront fees.
- 9.3.9 Hume City Council is one of the few growth area councils that allow developers to install all types of approved non-standard lights.

REPORT NO: SU338 (cont.)

9.3.10 Hume’s current population is 201,000 and this is forecast to grow to 363,000 by 2041. There will be many more new subdivision estates constructed over the next 24 years where the policy can be used to restrict the use of non-standard lights.

10. CONCLUSION:

- 10.1 The draft Hume City Public Lighting Policy requires that all new non-metered public lighting be standard lights approved by the Electricity Distributer.
- 10.2 The replacement of damaged or end of life non-standard lights with standard lights will reduce Council’s future funding liability, ongoing maintenance, usage costs and greenhouse gas emissions.
- 10.3 The draft Hume City Public Lighting Policy provides a consistent approach when assessing customer requests for additional or modified street lighting.



DRAFT

HUME CITY
PUBLIC LIGHTING
POLICY

Policy Reference No:	CP2002-09-40
File Reference No:	HCC-CM08/387
Strategic Objective:	4.3 Create a connected community through efficient and effective walking, cycling, public transport and car networks.
Date of Adoption:	11 February 2019
Date for Review:	February 2024
Responsible Officer:	Manager Assets
Department:	Assets

HUME CITY PUBLIC LIGHTING POLICY

1. POLICY STATEMENT:

To provide public lighting to meet the needs of the community using the most energy efficient lighting available to the appropriate standards for the safe movement of vehicle and pedestrian traffic at night.

2. PURPOSE:

- 2.1 To provide a consistent approach for the provision of public lighting.
- 2.2 To require the use of the most energy efficient lighting available.
- 2.3 To support the safe movement of vehicular and pedestrian traffic at night.
- 2.4 To discontinue the use of approved non-standard lighting in new estates.
- 2.5 To replace damaged or end of life approved non-standard lights with standard lights.
- 2.6 To provide a consistent standard lighting style throughout the municipality.

3. SCOPE:

- 3.1 The policy applies to streets and public places including:
 - 3.1.1 New estates.
 - 3.1.2 Existing residential and industrial areas.
 - 3.1.3 Public activity areas.
 - 3.1.4 Rural areas.
 - 3.1.5 Public open space.
 - 3.1.6 Car parks.
 - 3.1.7 VicRoads arterial roads.
- 3.2 Public lighting is not provided for the security of private properties. It is not the role of Council to improve the level of safety within private properties through the provision of additional street lighting.

4. OBJECTIVE:

- 4.1 To provide a consistent approach for the provision of public lighting.
- 4.2 To reduce the future funding liability to Council by discontinuing the use of approved non-standard lighting in new estates.
- 4.3 To reduce the funding liability to Council by replacing damaged and end of life approved non-standard lighting with standard lighting.
- 4.4 To reduce greenhouse emissions through the use of energy efficient lights, renewable energy sources and the avoidance of unnecessary lighting.

Policy Reference No: CP2002-09-40	Date of Adoption: 12 February 2018
Review Date: February 2023	Responsible Officer: Manager Assets
	Department: Assets
Page 2 of 8	

HUME CITY PUBLIC LIGHTING POLICY

5. BACKGROUND:

5.1 Public Lighting Assets

There are three categories of public lighting assets:

- 5.1.1 Public lighting systems owned and operated by Council that have a separate meter box to record electricity consumption or an alternative source of power.
- 5.1.2 Public lighting systems owned and operated by VicRoads that have a separate meter box to record electricity consumption.
- 5.1.3 Public lighting owned and operated by the Electricity Distribution Company that are non-metered which includes standard and approved non-standard lights. The maintenance service standards for Electricity Distributer operated lighting schemes are set out in the Essential Services Commission '*Public Lighting Code (2005)*'.

5.2 Tariffs and Costs

- 5.2.1 A tariff for the Operation Maintenance and Replacement (OMR) of each non-metered public light is paid by councils to the Electricity Distributor who owns the public lighting assets.
- 5.2.2 The OMR tariff covers the cost for the Electricity Distributer to maintain and replace lights. For areas with underground power this includes standard lights including the supply and installation of the light pole and luminaire.
- 5.2.3 Although Council pays the same tariff for approved non-standard lights they are not supported under the OMR tariff so Council incurs significant additional costs for replacing and maintaining these luminaires and poles.
- 5.2.4 The full cost to supply approved non-standard lighting poles and luminaires when they are damaged or when they have reached the end of their asset life is borne by Council.
- 5.2.5 The Electricity Distributor OMR tariffs are approved by the Australian Energy Regulator. The OMR tariff is currently not contestable and Council must pay this charge to the relevant Electrical Distributor operating in a given area.
- 5.2.6 A tariff for the energy usage of each non-metered public light is paid by councils to the Electricity Retailer. This tariff is contestable and Council is currently party to an agreement through Procurement Australia for the purchase of electricity for street lighting.

Policy Reference No: CP2002-09-40	Date of Adoption: 12 February 2018
Review Date: February 2023	Responsible Officer: Manager Assets
	Department: Assets
Page 3 of 8	

HUME CITY PUBLIC LIGHTING POLICY

5.2.7 Schedule 7A of the Road Management Act legislation states that the OMR tariffs for lighting on arterial roads under the management of VicRoads are cost shared between VicRoads and the relevant municipal council. VicRoads funds 60% and council funds 40%. This excludes service roads which are the responsibility of the council.

6. POLICY IMPLEMENTATION:

6.1 Street Lighting in New Residential and Industrial Estates

6.1.1 The provision of new public lighting will be in accordance with the AS/NZS 1158 Series – *Lighting for Roads and Public Places*.

6.1.2 Council's Manager Assets will determine the lighting category, sub-category and any special requirements to each road or public space for the design of a public lighting scheme. The public lighting designer shall provide certification and documentation demonstrating compliance of the public lighting scheme with the AS/NZS 1158 series standards.

6.1.3 In addition to AS/NZS 1158 standards new road lighting shall be provided at the following locations:

- (a) At each end of a laneway, but generally not within a laneway.
- (b) At a pedestrian access to a public open space.

6.1.4 New estate street lighting shall be designed taking advantage of the most energy efficient luminaire as approved by the Electricity Distributer. The luminaire shall incorporate smart technology which enables the lamp to be remotely monitored and controlled.

6.1.5 Council will only permit street lights approved by the Electricity Distributor on new estates that are covered by the OMR tariff.

6.1.6 The developer is responsible for the design and installation costs of public lighting in new estates subject to the approval of Council's Manager Assets.

6.2 Transition between New and Existing Residential and Industrial Estates

6.2.1 New estates will need to comply with this policy with the exception that approved non-standard lights will be permitted to transition between an existing estate with approved non-standard lights and the new development to the discretion of Council's Manager Assets.

6.2.2 The transition of an existing street continuing with a new street shall occur at the end of the street or at a defined boundary such as a significant intersection to the discretion of Council's Manager Assets.

Policy Reference No: CP2002-09-40	Date of Adoption: 12 February 2018
Review Date: February 2023	Responsible Officer: Manager Assets
	Department: Assets
Page 4 of 8	

HUME CITY PUBLIC LIGHTING POLICY

6.3 Street Lighting in Existing Residential and Industrial Areas

- 6.3.1 In areas serviced with timber power poles with overhead or underground supply, lighting shall be provided at the following locations:
 - (a) At a maximum spacing of 100 metres.
 - (b) At each intersection.
 - (c) At the end or near the end of court bowl or cul-de-sac.
 - (d) At traffic management devices including roundabouts, road humps and traffic islands.
 - (e) At pedestrian crossing facilities including signalised pedestrian crossings, pedestrian zebra crossings and pedestrian refuges.
 - (f) At each end or near the end of a laneway, but generally not within a laneway.
 - (g) At or near a pedestrian access to a public open space.
- 6.3.2 Approved non-standard poles and luminaires that require replacement will be replaced with a standard pole and luminaire approved by the Electricity Distributor. Immediately abutting properties will be notified of the proposed changes.
- 6.3.3 Approved non-standard luminaires that require replacement, with the pole still serviceable, will be replaced with a standard luminaire approved by the Electricity Distributor.
- 6.3.4 Council's Manager Assets may consider that damaged approved non-standard poles and luminaires be replaced like for like at locations where the street trees have yet to establish to a similar height to the light poles.

6.4 Street Lighting in Public Activity Areas

- 6.4.1 Council may use approved non-standard or alternative non-standard street lighting in prominent high community value areas such as civic spaces, town centres and shopping precincts.
- 6.4.2 Developer requests for approved non-standard lights may be considered by Council's Manager Assets within public activity areas of new subdivision estates. If so, there will be a developer fee of the current replacement cost, including supply and installation, of each non-standard pole and light.
- 6.4.3 Alternative energy efficient non-standard lights owned and operated by Council on a metered supply or alternative power source may be considered by Council's Manager Assets.
- 6.4.4 The provision of new public lighting for public activity areas will be in accordance with the AS/NZS 1158 Series – *Lighting for Roads and Public Places*. Council's Manager Assets will provide the lighting category, sub-category and any special requirements for the design of a public lighting scheme.

Policy Reference No:	CP2002-09-40	Date of Adoption:	12 February 2018
Review Date:	February 2023	Responsible Officer:	Manager Assets
		Department:	Assets
Page 5 of 8			

HUME CITY PUBLIC LIGHTING POLICY

6.5 Street Lighting in Rural Areas

- 6.5.1 For the purposes of this policy an area is considered rural if the property allotment sizes are greater than 4,000 square meters.
- 6.5.2 Street lighting is generally not provided in rural areas.
- 6.5.3 Reflectorized night time delineation devices may be considered at locations to provide guidance to traffic.

6.6 Public Open Space

- 6.6.1 Public open space incorporates active and passive open space.
- 6.6.2 Active open space is land set aside for the primary purpose of formal outdoor sports by the community and lighting of these spaces does not form part of this policy.
- 6.6.3 Passive open space is land set aside for parks, gardens, linear reserves, conservation bushlands, nature reserves and civic spaces that are made available for passive recreation. Public lighting of these spaces is considered within this policy. Public lighting if warranted is installed and maintained by Council on a metered supply or an alternative power source.
- 6.6.4 Parks and gardens is land that has some modifications to support community interaction and includes landscape parklands, formal lawn areas, botanical gardens, playgrounds and pocket parks. Public lighting of parks and gardens including paths will only be considered where the space is used for passive night time recreation. Approval will be through the Capital Works budget process or by Council’s Manager Assets.
- 6.6.5 Linear reserves are often along rivers, creeks, drainage easements and utility reserves where off-road paths and trails are provided. Public lighting of linear reserves will generally not be permitted as it may affect wildlife. Travelling through these areas during the night should generally not be encouraged through public lighting due to potential personal safety considerations.
- 6.6.6 Conservation bushlands and nature reserves are primarily set aside to protect and enhance areas with significant environmental or cultural value. No new public lighting is supported along these areas as it may affect wildlife.
- 6.6.7 Civic spaces include land that is set aside for community gathering and events where public lighting is provided and maintained by Council on a metered supply or by alternative power sources.

Policy Reference No: CP2002-09-40	Date of Adoption: 12 February 2018
Review Date: February 2023	Responsible Officer: Manager Assets
	Department: Assets
Page 6 of 8	

HUME CITY PUBLIC LIGHTING POLICY

6.6.8 Public lighting of pedestrian and cycling paths within public open spaces, but not along rivers or creeks and nature reserves, that have demonstrated or projected high night time usage may be considered by Council's Manager Assets.

6.6.9 The provision of new public lighting for pathways will be in accordance with the AS/NZS 1158 Series – *Lighting for Roads and Public Places*. Council's Manager Assets will provide the lighting category, sub-category and any special requirements for the design of a public lighting scheme.

6.7 Car Parks

6.7.1 Council owned and managed public car parks are to be provided with lighting during the night time hours of operation if the facility associated with the car park operates during the night.

6.7.2 Lighting of car parks are maintained by Council through a metered supply or by alternative power sources.

6.7.3 The provision of new public lighting for car parks will be in accordance with the AS/NZS 1158 Series – *Lighting for Roads and Public Places*. Council's Manger Assets will provide the lighting category, sub-category and any special requirements for the design of the car park public lighting scheme.

6.8 VicRoads Arterial Roads

6.8.1 Public lighting of arterial roads is designed and assessed in accordance with VicRoads *Guidelines for Street Lighting Design* and the AS/NZS 1158 Series – *Lighting for Roads and Public Places*.

6.8.2 Under the Road Management Act the OMR tariff for public lighting of VicRoads arterial roads is funded 60% by VicRoads and 40% by councils.

6.8.3 VicRoads requires the developer of subdivision estates to reimburse in advance VicRoads 60% share for 10 years OMR costs on their arterial roads.

6.8.4 Council will require the developer to reimburse in advance Councils 40% share for 10 years OMR costs on arterial roads.

6.9 Feature Lighting

6.9.1 Council's Manager Assets may approve the use feature lighting of bridges, structures, gateway signs, artwork and other important prominent features. Feature lighting is operated and maintained by Council.

Policy Reference No:	CP2002-09-40	Date of Adoption:	12 February 2018
Review Date:	February 2023	Responsible Officer:	Manager Assets
		Department:	Assets
Page 7 of 8			

HUME CITY PUBLIC LIGHTING POLICY

6.9.2 Developer requests for feature lighting may be considered by Council's Manager Assets within new subdivision estates. If so, there will be a developer fee of the current replacement cost, including supply and installation, of the feature lighting.

7. DEFINITIONS AND ABBREVIATIONS

Electricity Distributer – Is an organisation which holds a distribution licence under the Electricity Industry Act 2000 for the distribution and supply of electricity. They are responsible for the safe connection of electricity, installation, operation, maintenance and replacement of distributor operated non-metered schemes. Jemena and SP AusNet are the Electricity Distributers that have areas within the Hume municipality.

Electricity Retailer – Is responsible for billing of accounts for electrical usage for Council owned metred schemes and for Electrical Distributer operated non-metered schemes. The energy consumed by public lights on non-metered schemes is linked to the luminaire. AGL is currently the Electricity Retailer within the Hume municipality. The purchase of electricity is contestable and therefore councils are able to choose the Electricity Retailer they use, subject to procurement requirements.

Standard Light - Comprises of a pole, luminaire and fittings that are approved by the Electricity Distributer.

Approved Non-Standard Light – Comprises of a pole, luminaire and fittings that are approved for use by the Electricity Distributer in a public lighting scheme. Typically they include decorative type poles and luminaries. Council is responsible for the cost of supplying of all replacement parts for all Approved Non-Standard Lights in addition to OMR tariffs.

Non-Standard Light – not approved for use the Electricity Distributer on their non-metered network and are owned and maintain by Council on a metered supply.

Public Lighting – means all external lighting located in a road reserve or on other public land.

OMR - Operation Maintenance and Replacement tariff of each non-metered public light paid by councils to the Electricity Distributer.

Renewable Energy Source – greenhouse neutral energy sources including energy sources produced from solar photovoltaic panels, wind turbines and/or the government accredited GreenPower program.

8. RELATED DOCUMENTS

- 7.1 AS/NZS 1158 Series 2005 - Lighting for roads and public places.
- 7.2 Public Lighting Code – Essential Services Commission, Victoria 2005
- 7.2 Road Management Act 2014 – Schedule 7A- Street Lighting
- 7.3 VicRoads - Guidelines for Street Lighting Design
- 7.4 Jemena – Public Lighting Technical Standard JEN PR 0026

Policy Reference No: CP2002-09-40	Date of Adoption: 12 February 2018
Review Date: February 2023	Responsible Officer: Manager Assets
	Department: Assets
Page 8 of 8	

HUME CITY COUNCIL

POLICY

Public Place Lighting Policy

Policy Ref. No:	CP2002/09/40
Date Adoption:	9 September 2002
Date Amended:	8 September 2003
Date of Review:	-
Responsible Officer:	Manager Services/ Property and Resources Coordinator

1 INTRODUCTION

- 1.1 This policy has been prepared to ensure compliance with the Australian Public Lighting Code (AS 1158. 1) 1997 which defines the objective of street lighting as “to provide a lighted environment which is conducive to the safe and comfortable movement of vehicular and pedestrian traffic at night and the discouragement of illegal acts”.
- 1.2 The policy establishes guidelines which facilitate installation and maintain control over non-standard lighting in new subdivisions.

2 POLICY STATEMENT

- 2.1 Council will ensure a consistent and coordinated approach to the installation of street lighting in public places in accordance with the guidelines established in this policy.

3 POLICY IMPLEMENTATION

3.1 SCOPE

This policy establishes guidelines for the installation of lighting in public places including:

- (a) Existing residential areas
- (b) Industrial areas
- (c) Council reserves and along pedestrian pathways
- (d) Cost-shared lighting
- (e) Rural areas
- (f) New subdivisions
- (g) High pedestrian traffic community areas

3.2 DEFINITIONS

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- (a) Infill lighting – upgrade lighting in an existing residential or commercial development to comply with the code
- (b) Non-standard lighting – lighting which is not maintained by AGL within its normal tariff structure
- (c) Rural areas – areas where generally the size of abutting allotments is greater than 1 acre or 4000m²
- (d) AGL – the electricity supply authority that maintains public lighting infrastructure.

3.3 EXISTING RESIDENTIAL AREAS

3.3.1 In areas serviced with timber poles and overhead supply, or underground supply, lighting shall be installed:

- 3.3.1.1 On every second timber pole, or up to a distance of 100m (whichever is the lesser)
- 3.3.1.2 At each intersection
- 3.3.1.3 The bowl of cul-de-sacs

3.3.2 Lights in residential areas shall be a minimum of 80 watt Mercury Vapour (MV) Lanterns. Stronger lights may be installed to illuminate traffic control devices in accordance with the code.

3.4 INDUSTRIAL AREAS

3.4.1 For existing industrial areas with either overhead power or underground supply:

- 3.4.1.1 80 watt Mercury Vapour (MV) Lanterns on every pole or up to a distance of 50m (whichever is the lesser)

3.4.2 For new industrial areas with either overhead or underground supply

- 3.4.2.1 100 watt high-pressure sodium (HPS) lanterns on every pole or up to a distance of 50m (whichever is the lesser)

3.4.3 Industrial areas generally having low levels of night time pedestrian activity, security to industrial properties being a prominent issue

3.4.4 The road carriageway widths are generally wider in these areas; hence the preference for the stronger 100 w HPS lanterns in new industrial estates.

3.5 COUNCIL RESERVES & PEDESTRIAN PATHWAYS

3.5.1 In new reserves and along new pathways, subdivision developers shall be required to install lighting in accordance with the appropriate reserve category described in the Hume City Council Open Space Strategy.

3.5.2 Lighting along pathways shall be:

- 3.5.2.1 Mounted at a minimum height of 5.5m
- 3.5.2.2 Mounted on either standard URD poles or single “goose neck”- style boulevard decorative poles
- 3.5.2.3 Spaced at a maximum distance of 50m

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- 3.5.3 In existing reserves and pathways, consideration shall be given to the installation of lighting based on individual merit. Assessment criteria to determine whether lighting is to be installed shall be:
 - 3.5.3.1 Availability of capital works funding
 - 3.5.3.2 Proximity to power supply
 - 3.5.3.3 Reserve category in accordance with Hume open space strategy classification
 - 3.5.3.4 Level of night time activity
 - 3.5.3.5 Perception of safety
 - 3.5.3.6 Security of council property and assets
- 3.6 **COST-SHARED LIGHTING**
 - 3.6.1 Cost sharing applies to Declared Main Roads and Highways (with the exception of service lanes) where the capital and annual operating costs of public lighting are shared between Council and VicRoads (the responsible road authority).
 - 3.6.2 Upgrading lighting schemes along these roads should first be negotiated with VicRoads to determine which body is responsible, or if both are to share the installation costs.
 - 3.6.3 The annual operating costs of shared schemes are split one-third council and two-thirds VicRoads.
 - 3.6.4 The cost of lighting along main roads bordering adjacent municipalities may also be shared with the neighbouring council, and installation costs should be negotiated prior to installation.
 - 3.6.5 VicRoads is responsible for all public lighting costs along Freeways and Tourists roads.
- 3.7 **RURAL AREAS**
 - 3.7.1 Generally street lighting is not provided in rural areas.
 - 3.7.2 Consideration may be given to installing lighting at rural intersections where:
 - 3.7.2.1 There is history of high incidence of night time accidents
 - 3.7.2.2 Low voltage power supply and existing poles in suitable locations are available
 - 3.7.3 Where possible, preference shall be given to alternative road treatments to street lighting to highlight the locations of intersections. These include:
 - 3.7.3.1 Pavement delineation treatments; ie linemarking, “cats eyes”

3.7.3.2 Additional guide posts with delineators

3.7.3.3 Luminous signs and chevrons

3.8 NEW SUBDIVISIONS

3.8.1 Operational arrangements.

3.8.1.1 The estate developer is responsible for all capital costs associated with the supply, installation, maintenance and commissioning of all new lighting prior to the release of the new estate.

3.8.1.2 Upon estate hand-over, Council is responsible for maintenance of any non-standard lighting and ongoing lighting tariff.

3.8.1.3 Council pays the same lighting tariff as for standard lighting. AGL only maintains and replaces globes and photoelectric (PE) cells. Council is responsible for ongoing costs to replace poles and light fittings.

3.8.2 Developer Contribution.

3.8.2.1 In order to compensate Council for the additional costs incurred to maintain and replace non-standard lighting the developer shall:

- (a) Supply the entire initial stock of poles and lanterns
- (b) Pay and arrange for installation
- (c) Be responsible for all maintenance and replacement of any damaged poles and lanterns until the estate release where non-standard lighting is erected
- (d) Lodge with Council, prior to the issue of Statement of Compliance, a non-refundable deposit of \$150.00 (current for 2002/03 financial year) for every non-standard pole proposed for the estate (the deposit amount to be adjusted against Consumer Price Index at the start of each financial year – the base Melbourne CPI for the June 2002 quarter is 136.9).
- (e) Lodge with Council, prior to the issue of Statement of Compliance, a non-refundable deposit of \$20.00 (current for 2002/03 financial year) for every painted standard pole proposed for the estate (the deposit amount to be adjusted against Consumer Price Index at the start of each financial year)

3.8.2.2 Approval for the use of non-standard lighting shall only be considered for estates with a minimum of 50 allotments with minimum average allotment size of 650m², and shall be

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subject to the Developer obtaining written agreement from AGL and Council to:

- (a) The street lighting design
- (b) The type of non-standard lighting and pole fitting
- (c) Application of the standard lighting tariff

3.8.3 Conformity

3.8.3.1 To facilitate maintenance and control over non-standard lighting, variations shall be limited to the follow criteria:

- (a) Poles shall be uniform in colour throughout an estate and all visible areas of a pole shall be identical in colour. The colours shall be Hawthorn Green, Claret Red or Black.
- (b) Minimum mounting height to be 5.5 metres above finished surface level
- (c) Only ground set poles are permitted to be used
- (d) Light fittings will be of the same colour as the poles
- (e) All fittings to have integral PE cells and be manufactured in accordance with AS 3771
- (f) Only one type or style of pole and lantern is to be used within an estate
- (g) Poles and light fittings to be hot dipped galvanised
- (h) Non-standard lighting may be used on local, collector and main roads
- (i) All lighting designs must be in accordance with the Code
- (j) Lighting must comply with the Victorian Electricity Supply Industry (VESI) guidelines for Non-Standard Public Lighting for category B lighting – Minor Roads and category A – Main Roads
- (k) Non-standard light fitting and pole alternatives are limited to the types listed in the following schedule

3.8.4 Lamp Types

MANUFACTURER	WATTAGE	SERIES
Sylvania Lighting	150-250 HPS	Parkville Series
Sylvania Lighting	80MV	Bourke Hill Mod Series
Sylvania Lighting	80MV	Kensington
Vicpole Candela	100-150 HPS	Toorak Major
Vicpole Candela	80MV & 100HPS	Borough

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Vicpole Candela	80MV	Canterbury
Vicpole Candela	80MV	Toorak Post Top
Vicpole Candela	80MV	Toorak top & side entry
Vicpole Candela	80MV	Toorak alpha
Artcraft	80MV	Flinders 'Heritage'
Artcraft	80MV	Flinders 'Coach'
Artcraft	80MV	Flinders 'Encounter'
Artcraft	80MV	Flinders 'Chelsea'
Artcraft	80MV	Seaford 'Heritage'
Artcraft	80MV	Seaford 'Conical'
Artcraft	80MV	Seaford 'Classique'
Artcraft	80MV	Seaford 'Victorian'
Artcraft	80MV	Seaford 'Aeroshield'
Versalux	80MV	Swanston
Versalux	80MV	Centurion

3.8.5 Pole Types

TYPE	MANUFACTURER
Boulevard / Silhouette	Vicpole, Swift Tech, Artcraft
Waverly / Horizon	Vicpole, Swift Tech, Artcraft
Promenade (top & side entry)	Vicpole, Swift Tech, Artcraft
Albert Park	Vicpole, Swift Tech
Avondale / Esplanade	Vicpole, Swift Tech, Artcraft
Taylor's Hill	Street & Park Furniture
Slimline	Vicpole
Manningham / Waterside	Vicpole, Swift Tech, Artcraft
Sherwood	Vicpole, Swift Tech, Ingals

3.9 HIGH PEDESTRIAN TRAFFIC COMMUNITY AREAS

3.9.1 This category applies to commercial and public buildings, civic precincts and public car parks.

3.9.2 For all future development proposals, it shall be a Planning Permit requirement that lighting shall be provided in accordance with the Code Part 3.1: Pedestrian areas (Category P).

4 RELATED DOCUMENTS

- 4.1 Schedule 1 of the Local Government Act 1989
- 4.2 Australian Public Lighting Code (AS 1158.1) 1997

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APPROVED NON-STANDARD LIGHTS (DECORATIVE LIGHTS)



APPROVED NON-STANDARD LIGHTS (DECORATIVE LIGHTS)



STANDARD LIGHT



REPORT NO:	SU339
REPORT TITLE:	Phillip Drive, Sunbury - Traffic Investigation
SOURCE:	Michelle Dimitrovski, Engineer
DIVISION:	Sustainable Infrastructure and Services
FILE NO:	16210
POLICY:	-
STRATEGIC OBJECTIVE:	4.3 Create a connected community through efficient and effective walking, cycling, public transport and car networks.
ATTACHMENT:	1. <i>Locality Plan</i>

1. SUMMARY OF REPORT:

This report is in response to a petition received by Council requesting the installation of road humps on Phillip Drive, Sunbury.

2. RECOMMENDATION:

That Council:

- 2.1 note the recorded traffic speeds and volumes do not meet Council's warrants for the installation of traffic calming devices on Phillip Drive, Sunbury.**
- 2.2 write to Victoria Police requesting enforcement on Phillip Drive to counter 'hoon' related high level speeding and unacceptable 85th percentile speeds recorded within minority vehicles classes, specifically motorcycles and heavy vehicles.**
- 2.3 note that Phillip Drive will be added to Council's speed display trailer locations list, with the trailer to be placed on Phillip Drive on a rotating basis to remind motorists of the speed limit and the speed at which they are travelling.**
- 2.4 note that works to modify existing permanent 40 km/h speed zone signs on Phillip Drive, abutting Killara Primary School, to 40 km/h school time speed zone signs have been previously referred to Council's 2018/19 Responsive Road Safety Works – Operating Budget at a cost of \$2,500.**
- 2.5 write to the first named petitioner advising of Council's resolution.**

3. LEGISLATIVE POWERS:

Council has the power under the Local Government Act 1989, Road Safety (Traffic Management) Regulations 2009, Road Safety Road Rules 2009 and the Road Safety Act 1986 to install and modify traffic control devices.

4. FINANCIAL IMPLICATIONS:

- 4.1 The costs of traffic investigations, including traffic surveys, are included in Council's Assets operating budget.
- 4.2 The modification of existing permanent 40 km/h speed zone signs on Phillip Drive to 40 km/h school time speed zone signs was previously listed in Council's Responsive Road Safety Works Program for funding consideration at an estimated cost of \$2,500. This proposal has been assessed against other projects waiting for funding and, based on its ranking the works will be carried out in 2018/19.

REPORT NO: SU339 (cont.)

5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:

There are no environmental implications as a result of the traffic investigation on Phillip Drive required to produce this report.

6. CLIMATE CHANGE ADAPTATION CONSIDERATIONS:

There are no climate change implications as a result of the traffic investigation on Phillip Drive required to produce this report.

7. CHARTER OF HUMAN RIGHTS APPLICATION:

The traffic investigation on Phillip Drive aims to improve the safety of the area. This enhances the protected rights under the Victorian Charter of Human Rights, of individuals who use the area, including the right to freedom of movement and the right to life.

8. COMMUNITY CONSULTATION:

Council will consult with Killara Primary School before modifying existing permanent 40 km/h speed zone signs on Phillip Drive to 40 km/h school time speed zone signs.

9. DISCUSSION:

9.1 Background

9.1.1 In March 2018 Council received a petition with 17 signatures, stating the following:

'We, the undersigned, request that Council as a matter of urgency install a series of speed humps to reduce the traffic speed to the legal 50 km/hr on Phillip Drive Sunbury as indicated by the one sign between Riddell Rd and the State Primary School corner at Rees Rd. The traffic on this section of Phillip Drive constantly exceeds 50 km/hr by 20-50 km/hr, especially a number of motor bikes regularly travelling at 100 km/hr. Given the proximity of the Primary School this constant use of excessive speed must be brought under control. We also find that entering the street in our own vehicles is a hazardous manoeuvre [sic].'

9.1.2 Council resolved at its meeting on Monday 16 April 2018 (PJL276) '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.'

9.2 Existing conditions

9.2.1 Phillip Drive is a divided Council collector road and provides a connection between residential streets and the arterial road network. It has a shared parking and cycling lane and one through lane in each direction.

9.2.2 Phillip Drive is approximately 2km in length and extends between Riddell Road to the north and Reservoir Road to the south.

9.2.3 The existing speed limit along the majority of Phillip Drive is a default 50 km/h, with existing 50 km/h speed signs installed at both ends of the street. Additionally, Phillip Drive has an existing permanent 40 km/h speed zone abutting Killara Primary School, between Strachen Court and 150 metres west of Rees Road.

9.2.4 There are four existing roundabouts along Phillip Drive; at Reservoir Road, Courtney Drive, Fullbrook Drive (south) and Riddell Road.

REPORT NO: SU339 (cont.)

- 9.2.5 Phillip Drive comprises predominantly residential properties in addition to providing access to Killara Primary School and a neighbouring child care centre (Complete Kids Early Learning Centre).
- 9.2.6 There is an existing manned school crossing on Phillip Drive abutting Killara Primary School.
- 9.2.7 Phillip Drive is a bus route, serviced by routes 481 and 487.
- 9.2.8 Refer to Attachment 1 for a locality plan.

9.3 Road Crash History

- 9.3.1 A review of the VicRoads Road Crash Information System (RCIS) database, which lists all recorded casualty crashes, indicates that there have been nine recorded casualty crashes along Phillip Drive, including intersections, in the most recently available 5-year period between 1 January 2013 and 31 December 2017.
- 9.3.2 Casualty crashes on Phillip Drive have been summarised into midblock and intersection locations in the table below. These locations are also shown on shown on Attachment 1.

No. of Crashes	Date	Details	Injury
Midblock – along Phillip Drive (Council)			
2	Apr 2014	N/bound motorist lost control of vehicle and veered into a parked car 80m nth of Saltash Ct	Serious
	Mar 2016	S/bound motorist suffered medical episode, lost control of vehicle and collided with tree between Bannon Av and Rees Rd	Serious
Intersection – Phillip Drive and Rees Road south roundabout (Council)			
2	June 2013	S/bound motorist lost control and veered into school grounds	Minor
	May 2014	N/bound motorcyclist lost control at low speed	Minor
Intersection – Phillip Drive and Riddell Road roundabout (VicRoads)			
4	Mar 2014	S/bound motorcyclist (stolen veh.) collided with w/bound motorist	Serious
	May 2014	N/bound motorist failed to give way to w/bound vehicle	Minor
	Dec 2015	N/bound motorist suffered medical episode, lost control of vehicle and collided with tree	Serious
	June 2017	Motorist failed to give way, causing e/bound motorcyclist to brake heavily lost control within roundabout	Minor
Intersection – Phillip Drive and Reservoir Road roundabout (Council)			
1	Mar 2014	E/bound motorist failed to give way to n/bound cyclist	Minor

9.4 Traffic Surveys

- 9.4.1 Four automatic traffic surveys have been undertaken on Phillip Drive between 2016 and 2018. Recorded vehicle volume and speed data is summarised in the following table.

REPORT NO: SU339 (cont.)

Locale Ref. ¹	Location Description	Survey Date	All Traffic			
			Av. Weekday Veh. Vol.	Speed Limit (km/h)	85 th %ile Speed (km/h)	85 th %ile Speed School Times ² (km/h)
A	B/w Rees Rd north and Strachen Ct	May 2018	4,238	50	58.0	n/a
B	100m west of Rees Rd (south) - abutting the school	April 2016	5,109	40	52.0	44.5
C	70m east of Bannon Av	May 2018	4,911	50	56.9	n/a
D	B/w Hadlow Ct and Saltash Ct	Mar 2018	5,180	50	56.2	n/a

¹ Refer to Attachment 1 – Locality Plan for traffic counter reference locations.

² School Times: 8:00am to 9:30am and 2:30pm to 4:00pm, Monday to Friday.

9.4.2 Due to concerns raised regarding the traffic speeds of motorcycles and heavy vehicles on Phillip Drive, a further breakdown of these vehicle classes was carried out, including the portion of total traffic each class represents and speeds within each class.

Locale Ref. ¹	All Vehicles		Only Motorcycles			Only Heavy Vehicles		
	7-Day Total Veh's	7-day Total Recorded Hoon ² Veh's	7-Day Total Veh's (% of Total Veh's)	7-day Total Recorded Hoon ² Veh's	85 th %ile Speed ³ (km/h)	7-Day Total Veh's (% of Total Veh's)	7-day Total Recorded Hoon ² Veh's	85 th %ile Speed ³ (km/h)
A	28,247	9	59 (0.2)	0	<u>67.0</u>	2,432 (8.9)	0	58.3
B	33,254	3	124 (0.4)	1	<u>61.2</u>	2,038 (6.1)	0	51.8
C	33,191	9	96 (0.3)	2	<u>72.4</u>	2,579 (7.8)	0	<u>63.4</u>
D	32,065	4	132 (0.4)	0	<u>64.8</u>	2,793 (8.7)	0	57.6

¹ Refer to Attachment 1 – Locality Plan for traffic counter reference locations.

² Hoon vehicles: high level speeding where motorists are recorded travelling at or in excess of 45 km/h over the speed limit.

³ 85th percentile speed: the speed at which 85% of vehicles travel at or below.

9.5 Analysis

9.5.1 Phillip Drive is classified as a collector road where the desirable maximum daily traffic volume is 6,000 vehicles.

9.5.2 Council's warrants for the installation of traffic calming devices on Phillip Drive require:

- (a) The daily traffic volume to be greater than 6,000 vehicles and the 85th percentile speed of all traffic to exceed the speed limit by at least 10 km/h, or
- (a) A minimum of 3 recorded casualty crashes per km or 3 recorded casualty crashes at an intersection.

REPORT NO: SU339 (cont.)

Speeds and Volumes – All Traffic:

- 9.5.3 The results of the four traffic survey locations on Phillip Drive indicate 85th percentile speeds ranging between 52.0 km/h and 58.0 km/h during survey periods.
- 9.5.4 Traffic surveys undertaken within the 40 km/h school speed zone abutting Killara Primary School recorded an 85th percentile speed of 44.5 km/h during school times (i.e. 8:00am to 9:30am and 2:30pm to 4:00pm, Monday to Friday).
- 9.5.5 The recorded average daily volumes and 85th percentile speeds on Phillip Drive do not meet Council warrants for the installation of traffic calming devices.

Speeds and Volumes – Motorcycles and Heavy Vehicles:

- 9.5.6 Speed analysis of only motorcyclists confirms 85th percentile speeds between 61.2 km/h and 72.4 km/h along Phillip Drive, which is considered too high. It is noted however that motorcyclists represent only 0.3% of traffic using Phillip Drive.
- 9.5.7 Speed analysis of heavy vehicles confirms one location where heavy vehicles recorded an 85th percentile speed above 60 km/h, specifically 63.4 km/h at counter location C. Heavy vehicles represent an average of 7.8% of traffic using Phillip Drive.
- 9.5.8 It is worth noting that since the construction of Phillip Drive, approximately ten years ago, subdivision and housing construction works have been on-going on streets abutting Phillip Drive. These on-going works are likely to be inflating the current recorded heavy vehicle volumes on Phillip Drive. As subdivision and housing construction works are finalised in the area, the number of heavy vehicles utilising Phillip Drive is likely to decrease.
- 9.5.9 Recorded traffic data of all vehicles does not meet warrants for the installation of traffic calming devices on Phillip Drive, however recorded speeds of motorcycles and heavy vehicles is disproportionately high compared to passenger vehicles. The best method of dealing with minority speeding cases is through Victoria Police speed limit enforcement.
- 9.5.10 Council will write to Victoria Police's Fawkner Highway Patrol requesting that Phillip Drive be included in regular traffic patrols to assist in reducing minority driver speeding, particularly within the motorcycle and heavy vehicle classes.
- 9.5.11 Additionally, it is proposed to locate Council's speed display trailer for a period of time on Phillip Drive to remind motorists of the existing speed limit and the speed they are travelling.

'Hoon' High Level Speeding:

- 9.5.12 'Hoon' high level speeding is defined as vehicles exceeding the existing speed limit by 45 km/h or more.
- 9.5.13 Further assessment of recorded traffic survey data indicates that, of all traffic, a maximum of nine hoon high level speeding cases were recorded at any one location on Phillip Drive during a 7-day survey period. This equates to 1.3 hoon high level speeding cases per day.
- 9.5.14 A vehicle class breakdown confirms a maximum of two motorcyclists exhibited hoon high level speeding on Phillip Drive during a 7-day survey period. No hoon high level speeding cases were recorded within the heavy vehicle class during traffic surveys.

REPORT NO: SU339 (cont.)

- 9.5.15 Legislation permits Victoria Police to impound, immobilise or forfeit vehicles involved in 'hoon' driving.
- 9.5.16 Regular traffic patrols by Fawkner Highway Patrol will assist in reducing dangerous 'hoon' driver behaviour.
- 9.5.17 Additionally, through Crime Stoppers Australia and in conjunction with Victoria Police, members of the public can confidentially report 'hoon' activity by phoning Crime Stoppers on 1800 333 000 or filing an online Information Report at www.crimestoppers.com.au. This information is used to give an overview of 'hoon' activity in the local area and assist police in planning enforcement.

Road Crash History:

- 9.5.18 Casualty crash data identified one location on Phillip Drive with three or more recorded casualty crashes in the most recently available 5-year period.
- 9.5.19 Four crashes were recorded at the intersection of Phillip Drive and Riddell Road. One crash was the result of a motorist suffering a medical episode. The remaining three crashes involved motorists failing to give way to traffic entering the roundabout to the right. Each crash occurred at a different approach to the intersection.
- 9.5.20 Riddell Road is an arterial road under the authority of VicRoads. VicRoads is also the responsible road authority for the intersections along Riddell Road, including the roundabout at Phillip Drive. Council will contact VicRoads requesting an investigation into crash history at the intersection.
- 9.5.21 Further analysis of all other crash locations along Phillip Drive was undertaken to determine any correlation between the types of crashes occurring and identifiable speeding trends.
- 9.5.22 Two midblock casualty crashes were recorded on Phillip Drive in the most recently available 5-year period. One crash occurred when a northbound motorist lost control and collided with a vehicle parked on-street on the west side of Phillip Drive, 80 metres north of Saltash Court. This crash was likely related to speed. The second crash occurred when the driver suffered a medical episode behind the wheel. Both crashes resulted in serious injury.
- 9.5.23 There were two recorded crashes at the Phillip Drive and Rees Road south roundabout. Just after midnight a driver traveling south along Phillip Drive lost control at the roundabout and veered left into the Killara Primary School grounds, likely speed related. The second crash occurred when a motorcyclist travelling north along Phillip Drive lost balance at low speed. Both crashes incurred minor injuries.
- 9.5.24 One casualty crash occurred at the Phillip Drive and Reservoir Road intersection. A cyclist travelling north through the roundabout was stuck when a motorist entering from the west failed to give way. The cyclist sustained minor injuries.
- 9.5.25 An analysis of recorded midblock and intersection crashes on Phillip Drive (excluding the intersection of Phillip Drive and Riddell Road) does not indicate any recurring similarities in location or crash details. No speed related crash trend has been established on Phillip Drive.
- 9.5.26 The recorded casualty crash history on Phillip Drive does not meet Council warrants for the installation of traffic calming devices.

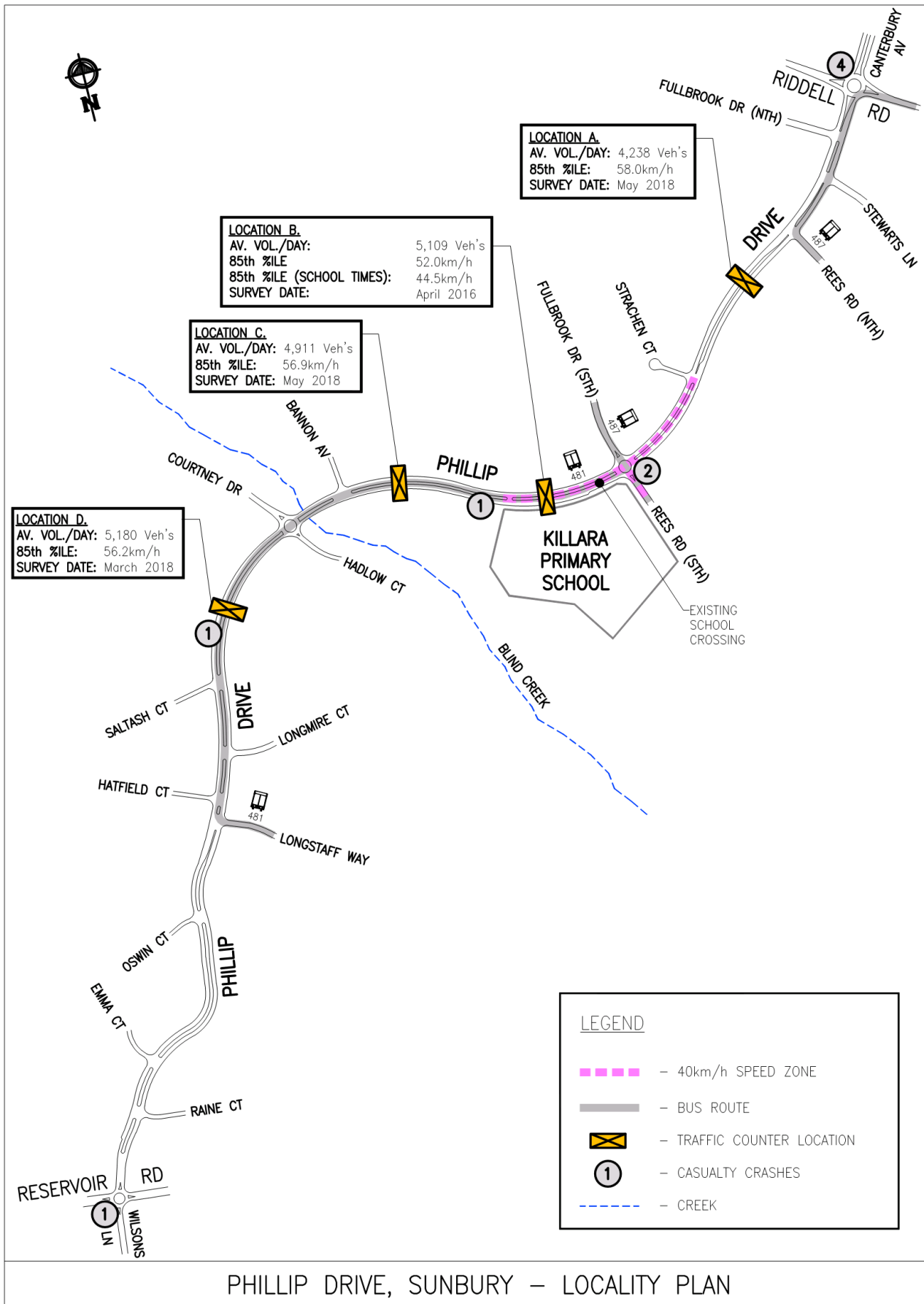
REPORT NO: SU339 (cont.)

Improving Credibility / Compliance of 40 km/h School Speed Zone

- 9.5.27 In line with current VicRoads speed limit guidelines, local governments have the authority to change permanent 40 km/h school speed zones to time based 40 km/h zones, particularly on roads abutting schools that require a balance between school safety and traffic mobility, such as high volume collector roads.
- 9.5.28 Australian studies have shown that when time based speed limits are used, traffic speeds are more uniform, thereby reducing vehicle crashes and their severity. Time based 40 km/h school speed zones also have the effect of increasing perceived speed limit credibility outside of school times, thus increasing speed limit compliance during peak school times, as well as outside of these hours.
- 9.5.29 Phillip Drive, in the vicinity of Killara Primary School, was previously identified as a location that requires the modification of existing permanent 40 km/h speed zone signs to 40 km/h school time speed zone signs. As such these works were added to Council's Responsive Road Safety Works Program for funding consideration. The proposed works were assessed and ranked against other projects listed and added to the 2018/19 program.
- 9.5.30 The installation of 40 km/h school time speed zone signs will provide a safe road environment on Phillip Drive during peak school times and allow drivers to travel at 50 km/h outside school times, improving credibility and compliance of the speed limit.

10. CONCLUSION:

- 10.1 The recorded speeds and volumes do not meet Council's warrants for the installation of traffic calming devices on Phillip Drive.
- 10.2 Given high 85th percentile speeds recorded within minority vehicles classes i.e. motorcycles and heavy vehicles and the presence of some 'hoon' high level speeding, Council officers will write to Victoria Police's Fawkner Highway Patrol requesting speed limit enforcement on Phillip Drive.
- 10.3 Locating a speed display trailer on Phillip Drive will raise awareness of the speed limit.
- 10.4 Works to modify the existing permanent 40 km/h speed zone signs on Phillip Drive, abutting Killara Primary School, to 40 km/h school time speed zone signs are listed in Council's Responsive Road Safety Works Program for funding consideration, with works scheduled to be completed in 2018/19.



REPORT NO:	GE289
REPORT TITLE:	Performance Statement 2017/2018
SOURCE:	Ben Jordan, Coordinator Council and Service Planning
DIVISION:	Communications, Engagement and Advocacy
FILE NO:	HCC15/412
POLICY:	-
STRATEGIC OBJECTIVE:	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
ATTACHMENTS:	<ol style="list-style-type: none">1. <i>Performance Statement 2017/2018</i>2. <i>Governance and Management Checklist 2017/2018</i>3. <i>LGPRF Materiality Guidelines</i>

1. SUMMARY OF REPORT:

This report is to provide to Council the final Performance Statement 2017/2018 that includes the indicators and requirements of the Local Government Performance Reporting Framework (LGPRF). The Performance Statement 2017/2018 and LGPRF information has been provided to the Auditor General's agent, RSD Audit and reviewed by the Audit Committee on Friday 31 August 2018.

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 One) for the financial year ending 30 June 2018 and note the associated Governance and Management Checklist (Attachment Two).**
- 2.2 That the Mayor, Councillor Geoff Porter 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 Council note the Materiality Guidelines (Attachment Three) 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 2017/2018 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: GE289 (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 fourth financial year of formal reporting for the LGPRF as part of the preparation of the Performance Statement for the 2017/2018 Annual Report.
- 5.2.1 Attachment One is the Performance Statement 2017/2018 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.
- a) 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.
- 5.2.2 Attachment Two 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 Three is Materiality Guidelines that have been developed in accordance with the LGV Better Practice Guide to assist in the preparation of the Performance Statement, 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 2017/2018, 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, RSD Audit.
- 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 attachments (accompanying this report) were provided to the Audit Committee on Friday 31 August 2018 with the following recommendations:
1. That the Audit Committee recommend that Council provide in-principal approval of the Performance Statement 2017/2018.
 2. That the Audit Committee note the 2017/2018 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, RSD Audit will forward the signed Performance Statement 2017/2018 to the Victorian Auditor General's Office.

REPORT NO: GE289 (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 2018, Council will receive the Auditor General's opinion on the Performance Statement 2017/2018.
- 5.5 The Performance Statement will be included in the Annual Report 2017/2018 and submitted to the Minister for Local Government prior to 30 September 2018 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 2018.
- 5.7 The *Know Your Council Website* with comparative LGPRF data for all Victorian Councils for the 2017/2018 Financial Year is expected to go live in November 2018 (date to be confirmed by Local Government Victoria).

6. CONCLUSION:

Council has collected and reported information for the preparation and presentation of the Performance Statement 2017/2018 and Governance and Management Checklist including meeting all the requirements of the Local Government Performance Reporting Framework.

The documents have been reviewed by RSD Audit and presented to the Audit Committee on 31 August 2018. The Audit Committee has recommended to Council that it resolve to approve in principle the Performance Statement for the year ended 30 June 2018 and to authorise two Councillors to certify the statement in its final form.

Following certification, the Performance Statement and Governance and Management Checklist will be provided for inclusion in Council's Annual Report 2017/2018 and the LGPRF data will be submitted to the *Know Your Council Website*.

Attachment One – Performance Statement 2017/2018

Performance Statement

For the year ended 30 June 2018

Reg.	
R17(1)	<p>Description of municipality</p> <p>Hume City is located just 15 kilometres north of Melbourne and is one of the fastest growing and most culturally-diverse communities in Australia.</p> <p>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.</p> <p>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.</p> <p>Hume City is home to major road transit routes including the Tullamarine Freeway, Western Ring Road, Hume Highway and the Craigieburn Bypass.</p> <p>Hume is bound by the local government areas of Moreland, Whittlesea, Brimbank, Macedon Ranges, Melton and Mitchell.</p> <p>Home to 215,928 residents (ABS estimated resident population - 30 June 2017), Hume City's population is expected to grow to 372,600 by the year 2041.</p> <p>Hume residents come from more than 156 different countries and speak over 150 languages – each week, 75 new migrants move into Hume City.</p> <p>In comparison to metropolitan Melbourne, Hume City residents are relatively younger in age, and there is a higher proportion of 'family households'.</p> <p>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.</p> <p>In the five years between 2011 and 2016, almost 38,000 new residents moved to Hume. In this period, Moreland City was the largest contributor of new residents from within Australia – about 5,400 moved into Hume from Moreland.</p> <p>This was followed by almost 3,600 residents who moved to Hume from interstate and almost 6,700 residents who came from Whittlesea, Moonee Valley, Darebin and Brimbank.</p> <p>From outside Australia, some 13,300 residents moved from overseas and chose to call Hume home.</p> <p>In 2017, Hume received about 6 per cent of metropolitan Melbourne's total migration intake, and 34 per cent of metropolitan Melbourne's humanitarian intake stream.</p> <p>Hume City Council received 2,985 birth notifications in 2015/16, 2,969 in 2016/17 and 3,254 birth notifications in 2017/18.</p> <p>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.</p>

Attachment One – Performance Statement 2017/2018

Sustainable Capacity Indicators

For the year ended 30 June 2018

Reg	Indicator/measure	Results				Material Variations
		2015	2016	2017	2018	
R15(3)	Population					
Sch3	Expenses per head of municipal population	\$1,083.17	\$1,134.85	\$1,053.29	\$1,118.52	
R16(1)	[Total expenses / Municipal population]					
R17(2)	Infrastructure per head of municipal population	\$6,778.95	\$6,826.13	\$6,960.61	\$7,253.89	
	[Value of infrastructure / Municipal population]					
	Population density per length of road	158.68	158.11	163.85	164.51	
	[Municipal population / Kilometres of local roads]					
	Own-source revenue					
	Own-source revenue per head of municipal population	\$933.75	\$993.70	\$1,021.34	\$1,088.11	
	[Own-source revenue / Municipal population]					

Attachment One – Performance Statement 2017/2018

Reg	Indicator/measure	Results				Material Variations
		2015	2016	2017	2018	
	Recurrent grants					
	<i>Recurrent grants per head of per head of municipal population</i>	\$231.18	\$169.63	\$236.19	\$217.09	
	[Recurrent grants / Municipal population]					
	Disadvantage					
	<i>Relative socio-economic disadvantage</i>	2.00	2.00	2.00	2.00	
	[Index of Relative Socio-economic Disadvantage by decile]					
	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 <i>Road Management Act 2004</i>					
	"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 2018

Reg	Service/indicator/measure	Results				Material Variations
		2015	2016	2017	2018	
R15(1) Sch3	Aquatic facilities Utilisation					
R16(1)	Utilisation of aquatic facilities	3.65	3.67	3.13	5.49	In October 2017, Council opened a new regional aquatic facility - SPLASH Aqua Park and Leisure Centre in Craigleburn which has resulted in a significant increase in the number of visits to aquatic facilities.
R17(2)	[Number of visits to aquatic facilities / Municipal population]					
	Animal management					
	Health and safety					
	Animal management prosecutions	10	21	24	24	Council continues to take a strong approach to animal management and ensuring all animal management issues are thoroughly investigated and prosecuted.
	[Number of successful animal management prosecutions]					
	Food safety					
	Health and safety					
	Critical and major non-compliance notifications	89.00%	81.20%	93.28%	97.02%	Council follows up all critical and major non-compliances. 97.02% of critical and major non-compliances received in 2017 were followed up in 2017. This indicator is calculated by calendar year (2017).
	[Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100					

		Results				Material Variations
Service/Indicator/measure		2015	2016	2017	2018	
Governance						
Satisfaction						
Satisfaction with Council decisions		55	60	61	56	
	[Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]					For community members who provided a poor satisfaction rating with this indicator, there was a slight increase in comments relating to Council's level of consultation and communication from the previous year's result. While some of these comments directly related to consultation and communication on decision making processes, others were more generic in nature (e.g. "more newsletters"). While Council's overall performance in consulting in the community has remained steady and has generally performed higher than similar Councils, it is evident from the comments that there's a growing community expectation to be consulted early on projects (especially major projects) and being kept informed on how/why decisions have been made, and the progress of implementing these decisions and projects.
Home and community care						
Participation						
Participation in HAACC service		9.00%	9.40%	N/A	N/A	Reporting on HAACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
	[Number of people that received a HAACC service / Municipal target population for HAACC services] x100					
Participation						
Participation in HAACC service by CALD people		8.00%	7.57%	N/A	N/A	Reporting on HAACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
	[Number of CALD people who receive a HAACC service / Municipal target population in relation to CALD people for HAACC services] x100					

		Results				Material Variations
Service/Indicator/measure		2015	2016	2017	2018	
Libraries						
Participation						
Active library members		11.00%	10.84%	10.19%	9.67%	Council's library service focuses heavily on learning and community capacity building programs. The temporary relocation of the Sunbury Library in 2017/18 contributed to a slight reduction in the number of active library members.
[Number of active library members / Municipal population] x100						
Maternal and child health						
Participation						
Participation in the MCH service		71.00%	71.23%	69.03%	70.93%	
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100						
Participation						
Participation in the MCH service by Aboriginal children		72.00%	65.01%	68.85%	60.22%	Participation in the Maternal and Child Health Service is not compulsory and participation rates generally drop as children age. This is consistent across the Universal MCH program. Work continues to maintain Aboriginal children engaged in the MCH service via Council's Boorais in Hume program.
[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						

Attachment One – Performance Statement 2017/2018

		Results				Material Variations
Service/Indicator/measure		2015	2016	2017	2018	
Roads						
Satisfaction						
Satisfaction with sealed local roads		60	66	62	64	
[Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]						
Statutory Planning						
Decision making						
Council planning decisions upheld at VCAT		35.00%	64.71%	22.22%	53.85%	In 2017/18, 13 Council planning decisions were appealed at VCAT with 6 set aside indicating that VCAT was more supportive of Council planning decisions than in 2016/17.
[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						
Waste Collection						
Waste diversion						
Kerbside collection waste diverted from landfill		33.00%	32.87%	34.58%	35.09%	
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100						

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 HACCC 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 HACCC 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*.

Attachment One – Performance Statement 2017/2018

Financial Performance Indicators

For the year ended 30 June 2018

Reg. measure	Dimension/Indicator/	Results			Forecasts				Material Variations
		2015	2016	2017	2018	2019	2020	2021	
R15(2) Sch3	Efficiency								
R16(1) R16(2)	Revenue level								
R17(2) R17(3)	Average residential rate per residential property assessment	\$1493.55	\$1483.17	\$1515.96	\$1,544.73	\$1,606.10	\$1,642.23	\$1,679.18	\$1,716.97
	[Residential rate revenue / Number of residential property assessments]								
	Expenditure level								
	Expenses per property assessment	\$2884.11	\$2872.75	\$2716.16	\$2,841.54	\$2,898.89	\$2,989.98	\$3,078.49	\$3,166.55
	[Total expenses / Number of property assessments]								
	Workforce turnover								
	Resignations and terminations compared to average staff	10.00%	7.61%	8.13%	8.17%	7.29%	7.08%	6.85%	6.79%
	[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100								

Attachment One – Performance Statement 2017/2018

Dimension/ Indicator/ measure	Results			Forecasts			Material Variations	
	2015	2016	2017	2018	2019	2020		2021
Liquidity								
Working capital								
Current assets compared to current liabilities [Current assets / Current liabilities] x100	191.00%	220.16%	311.75%	449.09%	390.92%	443.78%	443.63%	591.45%
								The variance is due to the increase in financial assets (term deposits over 90 days) and a reduction in the development fee obligation liability (due to the finalisation of the Racecourse Road development).
Unrestricted cash								
Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	107.00%	22.72%	50.96%	-55.80%	319.85%	367.61%	371.70%	505.17%
								The decrease is due to the classification of cash and financial assets. As Council's term deposits are all above 90 days in 2017/18, they are classified as financial assets and not cash.

Attachment One – Performance Statement 2017/2018

Dimension/Indicator/ measure	Results					Forecasts			Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Obligations									
Asset renewal									
Asset renewal compared to depreciation	51.00%	40.22%	46.16%	59.62%	68.76%	51.73%	48.70%	44.58%	The increase is primarily due to an increase in renewal expenditure in 2017/18 as a result of additional road renewal projects and plant replacement (which were previously leased).
[Asset renewal expenses /Asset depreciation] x100									
Loans and borrowings									
Loans and borrowings compared to rates	21.00%	1.49%	1.09%	0.32%	0.00%	0.00%	0.00%	0.00%	The decrease is due to the repayment of several finance leases in 2017/18 in full.
[Interest bearing loans and borrowings / Rate revenue] x100									
Loans and borrowings									
Loans and borrowings repayments compared to rates	2.00%	20.10%	0.35%	0.74%	0.31%	0.00%	0.00%	0.00%	The increase is due to the repayment of several finance leases in 2017/18 in full.
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100									

Attachment One – Performance Statement 2017/2018

Dimension/ Indicator/ measure	Results			Forecasts			Material Variations		
	2015	2016	2017	2018	2019	2020		2021	2022
Indebtedness Non-current liabilities compared to own source revenue	36.00%	21.71%	15.07%	12.74%	16.56%	15.96%	12.27%	12.13%	The decrease is due to the reduction in the development fee obligation liability (due to the finalisation of the Racecourse Road development).
[Non-current liabilities / Own source revenue] x100									
Operating position Adjusted underlying result									
Adjusted underlying surplus (or deficit)	11.00%	11.81%	24.34%	24.16%	17.85%	18.14%	14.84%	12.80%	The reason for the result being outside the expected range is due to the receipt of 50% of the 2018/19 VGC funding and net gain on property development which is a non-recurrent income source.
[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100									

Attachment One – Performance Statement 2017/2018

Dimension/Indicator/ measure	Results			Forecasts			Material Variations		
	2015	2016	2017	2018	2019	2020		2021	2022
R15(2) Sch3 R16(1) R16(2) R17(2) R17(3)	Stability								
	Rates concentration								
	Rates compared to adjusted underlying revenue	60.00%	59.81%	56.47%	54.35%	60.55%	58.47%	60.22%	61.13%
	[Rate revenue / Adjusted underlying revenue] x100								
	Rates effort								
	Rates compared to property values	0.47%	0.48%	0.47%	0.37%	0.38%	0.38%	0.38%	0.37%
	[Rate revenue / Capital improved value of rateable properties in the municipality] x100								
	Definitions	<p>"adjusted underlying revenue" means total income other than:</p> <p>(a) non-recurrent grants used to fund capital expenditure; and</p> <p>(b) non-monetary asset contributions; and</p> <p>(c) contributions to fund capital expenditure from sources other than those referred to above</p> <p>"adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure</p> <p>"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</p> <p>"current assets" has the same meaning as in the AAS</p> <p>"current liabilities" has the same meaning as in the AAS</p> <p>"non-current assets" means all assets other than current assets</p>							

The reason for the reduction is due to the revaluation of properties within the municipality. The CIV has increased by 30%.

	<p>"non-current assets" means all assets other than current assets</p> <p>"non-current liabilities" means all liabilities other than current liabilities</p> <p>"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</p> <p>"own-source revenue" means adjusted underlying revenue other than revenue that is not under the control of Council (including government grants)</p> <p>"population" means the resident population estimated by Council</p> <p>"rate revenue" means revenue from general rates, municipal charges, service rates and service charges</p> <p>"recurrent grant" means a grant other than a non-recurrent grant</p> <p>"residential rates" means revenue from general rates, municipal charges, service rates and service charges levied on residential properties</p> <p>"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</p> <p>"unrestricted cash" means all cash and cash equivalents other than restricted cash.</p>

Attachment One – Performance Statement 2017/2018

Other Information

For the year ended 30 June 2018

1. Basis of preparation

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

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

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

The forecast figures included in the performance statement are those adopted by Council in its strategic resource plan on 25 June 2018 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.

Attachment One – Performance Statement 2017/2018

Certification of the Performance Statement

R18(1) R18(2)	<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 Principal Accounting Officer Dated: 10/09/2018</p> <p>In our opinion, the accompanying performance statement of Hume City Council for the year ended 30 June 2018 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 Councillor Dated: 10/09/2018</p> <p>.....</p> <p>Geoff Porter Mayor Dated: 10/09/2018</p> <p>.....</p> <p>Domenic Isola Chief Executive Officer Dated: 10/09/2018</p>
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Attachment Two: Governance and Management Checklist 2017/2018

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	25/06/2018		https://www.hume.vic.gov.au/files/sharedassets/hume_website/budgets/council_plan_2017-2021_2018-19_actions_incorporating_the_strategic_resou.pdf
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	25/06/2018		https://www.hume.vic.gov.au/files/sharedassets/hume_website/budgets/annual_budget_2018-19_-_final.pdf
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	25/06/2018		
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		https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/policies/pol197_-_risk_management_policy.pdf
GC8	Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation	YES	28/09/2015		https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/policies/pol170_-_fraud_control_policy.pdf
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		
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	25/06/2018		

Attachment Two: Governance and Management Checklist 2017/2018
 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
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	22/05/2018		Internal document only - is available on Council's intranet.
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	13/02/2018		Review and update to the Disaster Recovery Plan reported to EMT Risk and Governance Meeting in February 2018.
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		Internal document only - is available on Council's intranet.
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	NO			Council has had an Audit Committee since 1998 appointed by Council as a Section 86 Committee under an Instrument of Delegation. The most recent Instrument of Delegation approval from Council is dated 27/03/2017. https://www.hume.vic.gov.au/files/sharedassets/hume_website/council_committees/audit_committee_instrument_of_delegation_and_charter.pdf
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 appointed by Council 1/07/2017 effective date	BDO were reappointed by Council as Internal Auditor on 22/05/2017 effective 1/07/2017, for a 3 year contract with a 1 year option at Council's discretion.
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		23/02/2018 25/08/2017	
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	12/02/2018		Council Plan progress is reported and adopted quarterly. Six month progress was reported on 12 February 2018.
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. 11/09/2017 Q1. 13/11/2017 Q2. 26/02/2018 Q3. 14/05/2018	
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		Risk Report 23/02/2018 Risk Report 25/08/2017	Confidential report COAC652 Confidential report COAC631
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		23/02/2018 25/08/2017	

Attachment Two: Governance and Management Checklist 2017/2018
 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
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	23/10/2017		https://www.hume.vic.gov.au/files/sharedassets/hume_website/publications/annual_reports/final_for_web_2016-17_hume_city_council_annual_report.pdf
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	4/07/2016		https://www.hume.vic.gov.au/files/sharedassets/hume_website/councillors_emt/councillors/code_of_conduct_documents/code_of_conduct_for_councillors_-_adopted_040716.pdf
GC23	Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 98(6) of the Act	YES		Instrument of delegation the CEO - 12/12/2016, Instrument of delegation to Council staff - 30/04/2018	Council has delegated powers to the CEO and to Council staff in two separate instruments of delegation. These are not currently public documents. A register of delegations is a hard-copy public document that can be inspected upon request (it is not currently available on Council's website).
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	2/09/2013		http://www.hume.vic.gov.au/files/assets/hume_website/i_want_to_image/s/code_of_meeting_procedures_-_2013.pdf

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

 Domenic Isola
Chief Executive Officer
Dated: 10/09/2018

 Geoff Porter
Mayor
Dated: 10/09/2018

Attachment Three – Materiality Guidelines

Materiality Guidelines

2017-18 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:
Aquatic Facilities		
Satisfaction User satisfaction with aquatic facilities (optional measure)	Index score of satisfaction out of 100	Movement +/- greater than 5
Service standard 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)
Service cost 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
Utilisation Utilisation of aquatic facilities	Number of visits to aquatic facilities per head of municipal population	Movement of +/- 0.25
Animal Management		
Timeliness Time taken to action animal requests	Number of days taken to action animal requests	Movement of +/- 1 day
Service standard Animals reclaimed	% of collected animals reclaimed	Movement of +/- 3%
Service cost Cost of animal management service	\$ direct cost of the animal management service per registered animal	Movement of +/- 10% from previous year's result

1

Attachment Three – Materiality Guidelines

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

Attachment Three – Materiality Guidelines

Service Performance Indicators		
Service/indicator/measure	Measure expressed as:	Materiality threshold:
Satisfaction 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
Service standard Infant enrolments in the MCH service	% of infants enrolled in the MCH service	Movement of +/- 5%
Service cost Cost of the MCH service	\$ cost of the MCH service per hour of service delivered	Movement of +/- 10% from previous year's result
Participation 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
Roads		
Satisfaction of use Sealed local road requests	Number of sealed local road requests per 100 kilometres of sealed local road	Movement of +/- 10% from previous year's
Condition Sealed local roads below the intervention level	% of sealed local roads that are below the renewal intervention level	Movement of +/- 5%
Service cost 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
Satisfaction Satisfaction with sealed local roads	Satisfaction rating out of 100	Movement +/- greater than 5
Statutory Planning		
Timeliness 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
Service standard Planning applications decided within 60 days	% of planning application decisions made within 60 days	Movement of +/- 10% from previous year's result
Service cost Cost of statutory planning service	\$ direct cost of the statutory planning service per planning application	Movement of +/- 10% from previous year's result
Decision making Planning decisions upheld at VCAT	% of decisions subject to review by VCAT that were not set aside	Movement of +/- 5%
Waste Collection		
Satisfaction Kerbside bin collection requests	Number of kerbside bin collection requests per 1000 kerbside bin collection households	Movement of +/- 10% from previous year's result

Attachment Three – Materiality Guidelines

Service Performance Indicators		
Service/indicator/measure	Measure expressed as:	Materiality threshold:
Service standard 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
Service cost 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
Waste diversion 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:
Efficiency		
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
Liquidity		
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
Obligations		
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

Attachment Three – Materiality Guidelines

Service/indicator/measure	Measure expressed as:	Materiality threshold:
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
Operating position		
Adjusted underlying surplus (or deficit)	Underlying surplus (or deficit) as a percentage of adjusted underlying revenue	Movement of +/- 10% from previous year's result
Stability		
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

Sustainability Capacity Indicators		
Service/indicator/measure	Measure expressed as:	Materiality threshold:
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

REPORT NO:	GE290
REPORT TITLE:	Annual Report to Council on Audit Committee Business Undertaken 2017/18
SOURCE:	Gavan O'Keefe, Manager Governance
DIVISION:	Corporate Services
FILE NO:	HCC14/401
POLICY:	-
STRATEGIC OBJECTIVE:	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
ATTACHMENT:	1. <i>Annual Report on Audit Committee Business Undertaken</i>

1. SUMMARY OF REPORT:

In accordance with the requirements of the Audit Committee Instrument of Delegation an annual report is required to be provided to Council informing the Council of the business undertaken and considered by the Audit Committee in 2017/18.

2. RECOMMENDATION:

That Council notes the Annual Report on the Audit Committee's business for 2017/18.

3. DISCUSSION:

3.1 The Audit Committee Instrument of Delegation includes a requirement for the Committee to provide Council with a copy of its meeting minutes and an Annual Report. The agendas and minutes of the Committee are regularly distributed to all councillors and the minutes listed for noting in the Council Meeting Agenda. This report and its attachment are presented to Council in accordance with the requirement for an Annual Report to be presented to Council.

3.2 The attached Annual Report on Audit Committee Business Undertaken for 2017/18 (attachment 1) was adopted as the Committee's Annual Report to Council at the Committee meeting held on 31 August 2018.

4. CONCLUSION:

The attached report reflects that the Audit Committee has developed a strong reporting regime to meet its requirements under its Charter. It has monitored the progress of internal audit recommendations and provided guidance and high level oversight of the organisations management of financial, risk and operational matters in accordance with the Instrument of Delegation.

REPORTS – OFFICERS' REPORTS
31 AUGUST 2018

REPORT TO AUDIT COMMITTEE

REPORT NO:

REPORT TITLE: Annual Report on Audit Committee Business Undertaken 2017/18

SOURCE: Gavan O'Keefe, Manager Governance

DIVISION: Corporate Services

FILE NO: HCC14/401

POLICY: -

STRATEGIC OBJECTIVE: 5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.

ATTACHMENTS: Nil

1. SUMMARY OF REPORT:

This report forms the basis on which the Audit Committee reports to Council in accordance with the requirements of the Audit Committee Instrument of Delegation and provides information relating to business considered by the Audit Committee in 2017/18.

2. RECOMMENDATION:

That this report be issued to Council as an Annual Report on the Audit Committee's business for 2017/18.

3. DISCUSSION:

3.1 The Audit Committee Instrument of Delegation includes a requirement for the Committee to provide Council with a copy of its meeting minutes and an annual report. Minutes of meetings of the Audit Committee have been provided to Council in accordance with the Instrument of Delegation.

3.2 Independent members currently on the Committee are:

3.2.1 Claire Filson, Chair – term expiry April 2020,

3.2.2 Brian Keane – term expiry April 2020

3.2.3 David Nairn – initial term expiry April 2019

3.3 At Council's Statutory Meeting held 1 November 2017, Cr Drew Jessop and Cr Carly Moore were appointed the Councillor members of the Audit Committee.

3.4 Members attended most meetings they were eligible to attend, the exception being Claire Filson and David Nairn providing an apology for the 1 June 2018 meeting. Committee members also attended the 4 September 2017 Strategy and Policy Briefing and provided Council with confirmation of their satisfaction with Council's processes and the Committee's operations. Committee members were also given opportunity to have a confidential discussion with Councillors without the presence of Council officers.

3.5 The Audit Committee met four times during the year and the following items were identified as significant business undertaken by the Audit Committee for 2017/18:

3.5.1 Overseeing the internal audit function:

(a) BDO was reappointed Council's Internal Auditor at the Council meeting held 22 May 2017, for an initial period of three years commencing 1 July 2017 with a one year option to renew.

(b) The strategic audit plan for the period July 2017 – June 2020 was approved by the Audit Committee on 25 August 2017. At the June 2018

REPORTS – OFFICERS' REPORTS**31 AUGUST 2018****REPORT TO AUDIT COMMITTEE****REPORT NO: (cont.)**

Audit Committee meeting, the Committee adopted a revised plan for the period 1 July 2018 – 30 June 2019.

3.5.2 Risk Management:

In performing its obligations and responsibilities under the Audit Committee Charter, the Committee is cognisant of the critical nature of risk management in the operations of Council. Accordingly, risk management is a key focus for the Committee and regular risk management reports are considered throughout the year.

3.5.3 The following reports were presented to the Audit Committee for consideration:**Audit Committee Charter****(a) Financial Reporting****(i) Quarterly Finance Reporting**

Year-end Financial Reporting - A comprehensive review of the financial statement preparation was undertaken including meeting with the external auditor. The Audit Committee recommended that Council provide in principal approval of the Financial Statement for 2016/17.

(b) Internal Control**(i) Fraud Management Update**

(ii) Management Status Reports - The Audit Committee reviewed the actions taken by management in implementing the internal audit recommendations made. Any recommendations made which have not been actioned and completed continue to form part of the management status reports and were actively monitored by the Audit Committee.

(c) Performance Reporting**(i) Reporting on the Local Government Performance Reporting Framework Implementation****(d) Risk Management****(i) Risk Register Update****(ii) Ten year Financial Plan Assumptions**

(iii) Presentation by Director Corporate Services, Director Planning and Development and Director Sustainable Infrastructure and Services providing an overview of their respective divisions, including a summary of key risks.

(iv) Insurance Renewal 2018/19.**(v) Statutory Compliance and Council's Compliance and Ethics Program****(vi) Review of findings by regulatory agencies:**

Self-Assessments against Victorian Auditor-General's reports on Public Participation and Community Engagement and Effectively Planning for Population Growth

(vii) Business Continuity Plan Update

REPORTS – OFFICERS' REPORTS

31 AUGUST 2018

REPORT TO AUDIT COMMITTEE

REPORT NO: (cont.)

- (e) Internal Audit
 - (i) Internal Audit Activity Status Report
 - Internal Audits undertaken by BDO during 2017/18:**
 - (ii) November 2017
 - Review of Payroll
 - Review of Growth Area Management
 - (iii) February 2018
 - Review of Contract Management
 - (iv) June 2018
 - Review of Occupational Health and Safety
 - Review of Information Technology Management
 - Follow up of prior internal audit findings
 - (v) Review of Events Management Practices undertaken in 2017/18 and will be presented to the Committee for review and consideration in August 2018
- (f) External Audit

External Audit Strategy Memorandum and Management letter recommendations were reviewed and considered during the year including progress made by management in implementing the recommendations.
- (g) Information Services
 - (i) Council's Information Communications and Technology Strategy update
- (h) Emerging Issues

The Chief Executive Officer, at each meeting provided an update on issues impacting on Council.
- (i) Other Responsibilities
 - (i) Annual Report on Audit Committee Business Undertaken
 - (ii) Review of Audit Committee Charter and Instrument of Delegation
 - (iii) Audit Committee self-assessment Annual 360° Review
 - (iv) Setting of meeting dates for 2018
 - (v) Proposed Agenda outline for following meeting
- (j) Other Reports
 - (i) Fraud Register Notifications
 - (ii) OHS Reporting
 - (iii) Asset Management System Implementation Plan
 - (iv) Legislative Compliance and Fraud Reporting
 - (v) Update of the fire at SKM Recycling Plant – Maffra Street Coolaroo
 - (vi) Freedom of Information Act Updates and Amendments – 2017

REPORTS – OFFICERS' REPORTS

31 AUGUST 2018

REPORT TO AUDIT COMMITTEE

REPORT NO: (cont.)

(vii) Developer Bonding Limits, Subdivisional Civil and Landscape Works

(viii) Shell Account for Preparation of the 2017/18 Financial Statements

(ix) Results of Security Penetration Testing 2018

3.5.4 Comment from the Chair

The CEO and management team are open and frank in their dealings with the Committee. The Committee meets in camera from time-to-time with the internal auditors and/or external auditors. The Committee has no specific issues to raise with Council not otherwise addressed in the minutes of the meeting.

4. CONCLUSION:

The Audit Committee has developed a strong reporting regime to meet its requirements under its Charter. It has monitored the progress of internal audit recommendations and provided guidance in the consideration of financial and operational matters relevant to the affairs of Hume City.

REPORT NO:	GE291
REPORT TITLE:	Council Position on Liberal Policy - Sunbury Out of Hume
SOURCE:	Domenic Isola, Chief Executive Officer
DIVISION:	Chief Executive Officer
FILE NO:	HCC18/545
POLICY:	---
STRATEGIC OBJECTIVE:	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
ATTACHMENT:	1. <i>Local Government Bill 2018</i>

1. SUMMARY OF REPORT:

The Victorian Liberal Opposition have stated a policy position that if they are elected to Government in November 2018, they will move to have Sunbury secede from Hume City Council.

2. RECOMMENDATION:

That Council:

- 2.1 Strongly opposes the Liberal Party Position and reaffirms its commitment to the Hume community.**
- 2.2 Writes to the Leader of the Opposition, the Hon Matthew Guy MP, formally seeking a meeting to discuss Council's position.**
- 2.3 Seeks a commitment from the Liberal Opposition that the communities of Hume, staff and all stakeholders are not disadvantaged by this policy if it was undertaken.**
- 2.4 Writes to the MAV, VLGA and local State Members to advise them of Council's position.**

3. LEGISLATIVE POWERS:

- 3.1 Legislative powers for a Minister to establish a new Local Government entity are contained in Section 220A of the *Local Government Act 1989*, by way of creating an Order in Council.
- 3.2 The process for such a separation has been altered in the 'proposed' new Local Government Act which is being debated at present in the Victorian Parliament. The new legislation sets out the process by which an area may be seceded from an existing Council area. This new legislation is included as Attachment 1.

4. DISCUSSION:

- 4.1 This is not the first time that the matter of Sunbury seceding from Hume is being considered. It was evaluated in 1999/2000 and again in 2012 and again in 2014. On each of these occasions the result was that it not proceed for various reasons including viability, sustainability, impact to the community and service provision.
- 4.2 The Liberal Opposition through the Leader of the Opposition, the Hon Matthew Guy MP has made a commitment that should it win the next Victorian state election in November 2018 it will proceed to separate Sunbury from Hume.

REPORT NO: GE291 (cont.)

- 4.3 The details of how this will be undertaken have not been provided except for the mention of the introduction of Commissioners and then setting about establishing the new Sunbury Council in time for the election cycle in 2020.
- 4.4 The previous experience of any such proposed separation demonstrated that it is more complex than simply putting in Commissioners.
- 4.5 The following provides a snapshot of the types of matters that need resolution, funding, time, resources, community consultation, legislation/regulation, staffing etc. Items requiring decisions and analysis for the separation of Sunbury from Hume includes:
- Boundary
 - Airport Rates
 - Sunbury Operations
 - Staff Requirements
 - Distribution of Assets and Liabilities
 - Forward Planning and Works
 - Employee Contracts
 - Service Provision
 - Grants and Funding
 - Systems
 - Policy and Local Laws
 - Legal and Contractual Agreements
 - Defined Benefits allocation
 - Delegations
 - Elections
 - Operation of Budget 2018/19
 - Common Seal
 - Bank Accounts
 - Signage/Corporate Image
 - Planning Schemes
- 4.6 It is also evident that little was learnt by the Liberal party with respect to the complexities of such a separation, even to the extent of where a new Sunbury Municipality would operate from.
- 4.7 There is considerable work that would need to be undertaken to establish a new Sunbury Council and the following provides a summary of Council's position if the Liberal Party were successful in the next Victorian state election and they proceed with a new Council for Sunbury.
- 4.8 **(a) Boundary**
- The boundary that was accepted by the community at the last iteration of this policy should apply. In terms of a new Sunbury municipality, the previous work has considered where the Sunbury boundary should be. It is important that this remains and is consistent with all previous work undertaken.
- (b) No subsidy by Hume**
- The last assessment by the 'transition auditors' determined that a new municipality should not be subsidised by Hume. The previous proposal for a Sunbury Council included a payment from Hume Council to the Sunbury Council from a share of funds received from Melbourne Airport. The work undertaken by the Transition Auditors indicated that such an arrangement would not be legal and is not something that should be included in any proposed secession.
- (c) Establishment Costs**
- That all establishment costs for a new Sunbury Council should be borne by the State Government and/or the new Council. In order to establish a new Sunbury Council there will be costs incurred to start-up a new entity. This will include legal costs, Commissioners, consultants etc. even before the other costs (systems, people and administration) are incurred.

REPORT NO: GE291 (cont.)

(d) Elected Representatives (Council)

That Hume City Council continues until the term of the Council is concluded in 2020 to uphold the democracy of their election. The basis for the continuation of Council would be that no asset sales/transfers/removals/assignment be allowed for Sunbury assets; that all current programs and works continue for Sunbury; and rating and valuation systems are not changed etc.

Essentially it must be service delivery and good governance as usual until the Council elections in 2020. Then, during the period leading up to the Council election, the State Government appointed Panel/Commissioners would commence work on a new Sunbury Council, how it will operate for example the works/systems/processes etc. as described in 4.5, whilst allowing the current Hume City Council to continue all services and programs etc. across Hume including Sunbury.

(e) No Disadvantage to the Hume Community

That as a consequence of this new Council the Hume community is not disadvantaged.

(f) No Disadvantage to Hume Staff

That as a consequence of this new Council, Hume staff are not disadvantaged.

(g) Appropriate Distribution of Assets and Liabilities of Hume City Council

That a methodology be adopted to separate the assets/liabilities based upon the underlying transaction of the value/balance of the item. There are many balances (funds) held in Hume accounts that are there for a specific reason, i.e. provisions for staff leave, Developer Contributions received for new developments, debtors relating to property and service transactions etc. It is vital and in fact legally required that the split-up of assets and liabilities ensures that these funds are not distributed inappropriately.

(h) Costs During the Separation

That Hume City Council is reimbursed by the State Government for all costs incurred during the separation process. During the numerous occasions when this matter has been previously considered, Council incurred a range of costs including legal and consultants.

A significant amount of time and costs were also incurred as a result of needing to provide detailed information, meet with different groups and provide analysis and advice.

5. CONCLUSION:

The possible secession of Sunbury from Hume is a complex matter that should not be underestimated. It requires time and considered review if it is to proceed. The proposed Council position as outlined in 4.8 sets out at a minimum, the expectation of Hume City Council if a Liberal Government succeeds at the State Election and undertakes the process to separate Sunbury from Hume.

Local Government Bill 2018

Part 8—Ministerial oversight

-
- (5) If a suspended Councillor agrees to do any of the things specified in subsection (4), the suspended Councillor is to be taken not to be suspended for the purpose only of doing that thing.

5 **Division 8—Restructuring Orders**

264 Power to make Orders

Subject to this Division, the Governor in Council may, on the recommendation of the Minister, make an Order in Council to do any one or more of the following—

- 10
- (a) alter the boundaries of a municipal district by adding or removing an area to or from an existing municipal district or an outlying district;
- 15
- (b) constitute a new municipal district in an area or areas removed from—
- (i) an existing municipal district or municipal districts; or
- (ii) an outlying district;
- 20
- (c) constitute a new municipal district by amalgamating existing municipal districts;
- (d) declare an existing boundary of a municipal district;
- (e) constitute a new Council;
- 25
- (f) abolish an existing Council;
- (g) give a name to, or alter the name of, a Council;
- 30
- (h) provide for the interim administration of a new or reconstituted Council until an election is held.

Local Government Bill 2018

Part 8—Ministerial oversight

265 Matters which may be included in Order

- (1) The Governor in Council may by Order in Council provide for any matter necessary or convenient to give effect to this Division.
- 5 (2) Without limiting the generality of subsection (1), an Order in Council may provide for the following—
 - 10 (a) any property, income, assets, rights, liabilities, expenses or other matters to be apportioned, settled, transferred, adjusted or determined;
 - 15 (b) the appointment, transfer, redundancy or classification of members of Council staff and any matters relating to the remuneration and emoluments of such staff including superannuation and long service leave;
 - 20 (c) the appointment, conditions of appointment and the powers and functions of any persons appointed to administer a new or reconstituted Council until an election is held;
 - 25 (d) existing Councillors to go out of office and the election of new Councillors to be elected in the numbers, for the wards and the terms specified in the Order;
 - 30 (e) the holding of elections having regard to the provisions of this Act and the regulations dealing with enrolment for and voting at Council elections and the election of Councillors, with such modifications as may be specified in the Order;
 - (f) the application, continuation, amendment or revocation of existing local laws;

Local Government Bill 2018

Part 8—Ministerial oversight

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- (g) transitional provisions in relation to any act, matter or thing done or required to be done by or in relation to any Council affected by the Order in Council.
- 5 (3) If an Order in Council provides for the appointment of persons to administer a new or reconstituted Council until an election is held, those persons by virtue of this Act—
- 10 (a) are deemed to be the Councillors of the Council and together to constitute the Council as Councillors; and
 - (b) have and may exercise and discharge the responsibilities, liabilities, rights, powers, authorities, duties and functions conferred or imposed upon the following—
 - 15 (i) a Council or a former Council by or under any Act;
 - (ii) Councillors generally or upon the Councillors of a former Council by or under any Act;
 - 20 (iii) the persons so appointed by the Order in Council.
- 25 (4) If an Order in Council provides for the appointment of a chairperson of persons appointed to administer a new or reconstituted Council until an election is held, the chairperson by virtue of this Act—
- 30 (a) is deemed to be the Mayor of the Council as if appointed or elected as Mayor in accordance with this Act; and
 - (b) has and may exercise and discharge the responsibilities, liabilities, rights, powers, authorities, duties and functions conferred or imposed upon the following—
-

Local Government Bill 2018

Part 8—Ministerial oversight

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- (i) Mayors generally or upon the Mayor of a former Council by or under any Act;
 - (ii) the person so appointed by the Order in Council.

5 **266 General provisions relating to Orders**

(1) An Order in Council made under this Division—

- (a) must specify a day or days upon which the Order in Council comes into operation; and
- 10 (b) may provide that the boundaries of a municipal district specified in the Order in Council are described in a map lodged in the Central Plan Office or with the VEC as specified in the Order in Council; and
- 15 (c) upon being published in the Government Gazette has the like force and effect as if it were expressly enacted in this Act; and
- (d) may be amended or revoked by another Order in Council; and
- 20 (e) has full force and effect despite any non-compliance with any of the matters required by this Act as preliminary to the making of the Order in Council.

(2) An Order in Council made under this Division may—

- 25 (a) apply generally or be limited in its application by reference to specified matters or things; and
- (b) apply differently according to different factors or subject to specified exceptions; and
- 30 (c) leave any matter or thing to be from time to time determined, applied, dispensed with or regulated by a person or body specified in the Order in Council; and

Local Government Bill 2018

Part 8—Ministerial oversight

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- (d) confer powers or impose duties in connection with the Order in Council on a person or body specified in the Order in Council; and
 - 5 (e) apply, adopt or incorporate, with or without modification, the provisions of any Act or of any regulations made under any Act; and
 - (f) contain provisions of a savings and
10 transitional nature consequent on the making of the Order, including providing for the construction of references in any instrument or in any other document of any kind; and
 - (g) provide that during a transitional period
15 specified in the Order the provisions of this Act specified in the Order apply as varied or modified by the Order; and
 - (h) modify the application of the **Valuation of Land Act 1960** by providing that existing valuations are to be used until a date
20 specified in the Order; and
 - (i) provide for the manner in which or conditions subject to which any contracts or leases may be entered into by or with a Council during any period specified in the
25 Order and specify any penalty which is to apply in respect of any non-compliance.
- (3) Without limiting the generality of subsection (2)(g), an Order in Council may provide for—
- 30 (a) the non-application of any specified sections of this Act during a transitional period specified in the Order; and
 - (b) the fixing or alteration of the close of the roll for the purposes of any election; and

Local Government Bill 2018

Part 8—Ministerial oversight

-
- (c) the non-application of any specified sections of this Act to persons appointed to administer a new or re-constituted Council; and
 - 5 (d) the fixing or the alteration of the date by or within which any specified act, matter or thing under this Act must be done or any specified requirement under this Act must be complied with.
- 10 **267 Restrictions on making of Order in Council**
- (1) The Minister must not recommend to the Governor in Council that an Order in Council be made in relation to a matter under section 264(a), (b), (c), (e) or (f) unless the Minister—
 - 15 (a) has established a restructuring advisory panel under section 268 to conduct a review of the matter; and
 - (b) has considered the report of the restructuring advisory panel on the matter.
 - 20 (2) The Minister may recommend that an Order in Council be made to give effect to minor boundary changes without considering a report from a restructuring advisory panel if the Minister certifies to the Governor in Council that—
 - 25 (a) the proposed changes are of a minor nature only; and
 - (b) any Council whose municipal district is affected by the proposed changes has approved of the proposed changes; and
 - 30 (c) notice of the proposed changes has been given in the municipal district or districts affected by the proposed changes.

Local Government Bill 2018

Part 8—Ministerial oversight

268 Restructuring advisory panels

- 5 (1) The Minister may by a public notice published in the Government Gazette constitute a restructuring advisory panel to review a matter under section 264.
- (2) In conducting a review, a restructuring advisory panel must—
- 10 (a) consider the views of any Council affected by the matter under consideration; and
- (b) ensure that a process of community engagement is followed; and
- 15 (c) comply with any direction specified by the Minister in the notice constituting the restructuring advisory panel; and
- (d) otherwise conduct the review in a manner that the restructuring advisory panel considers appropriate.
- 20 (3) The restructuring advisory panel must consider the following matters before recommending to the Minister that a new Council should be created—
- (a) whether each Council affected by the creation of the new Council and the new Council will be viable and sustainable as separate entities;
- 25 (b) whether the allocation of revenue and expenditure between each Council affected by the creation of the new Council and the new Council will be equitable for the municipal community of each Council;
- 30 (c) whether the views of the municipal communities affected by the creation of the new Council have been taken into consideration;

Local Government Bill 2018

Part 8—Ministerial oversight

- 5
- (d) whether the new Council will have sufficient financial capacity to provide the municipal community with a comprehensive range of municipal services and to undertake necessary investment in infrastructure;
- (e) any other matter specified in the notice published under subsection (1).
- 10 (4) A restructuring advisory panel must submit a final report to the Minister within the period specified by the Minister in the notice constituting the restructuring advisory panel.

REPORT NO:	GE292
REPORT TITLE:	Year End Accounts 2017/18
SOURCE:	Fadi Srour, Manager Finance and Property Development
DIVISION:	Corporate Services
FILE NO:	HCC17/205
POLICY:	-
STRATEGIC OBJECTIVE:	5.3 Provide responsible and transparent governance, services and infrastructure which responds to and supports community needs.
ATTACHMENTS:	1. <i>2017/18 Financial Statements</i> 2. <i>Proposed management representation letter</i>

1. SUMMARY OF REPORT:

- 1.1 The 2017/18 Financial Report has been completed by officers, provided to the Auditor General's agent, RSD Audit and were revised by the Audit Committee on Friday 31 August 2018.
- 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 2018.**
- 2.2 **That the Mayor, Councillor Geoff Porter 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 2017/18 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 1.1, 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 \$219.49m against a budget of \$130.92m, a favourable variance of \$88.57m.
- (b) The underlying surplus, which excludes one-off items, was \$25.75m which was \$4.77m favourable to budget. The primary reasons being due to the to the advance payment (50%) of the 2018/19 Victorian Grants Commission (VGC) funding of \$7.65m, stronger supplementary rates income and favourable subdivision, planning and building fees.

REPORT NO: GE292 (cont.)

Offsetting this was unbudgeted expenditure of \$9.7m in capital works projects expensed on assets which did not meet Council's capitalisation recognition criteria or for works on behalf of third parties and \$3.4m being the written down value of assets disposed which were renewed during 2017/18.

- (c) In comparison to budget, major variances are outlined below:
- (i) Rates and charges
\$3.71m favourable due to higher than expected supplementary rates income as a result of continued strong growth in the City's north and interest on rate arrears of \$1.1m which was budgeted under the 'Other income'.
 - (ii) Statutory fees and fines
\$2.17m favourable primarily due to the continued growth and increase in market activity across the municipality which has led to higher subdivision, planning and building fees. Also contributing to the favourable variance are Local Laws infringements due to increased enforcement activity.
 - (iii) User fees
\$2.15m favourable variance is due to higher than expected building inspection fees, utilisation of Council's facilities and fees relating to waste management.
 - (iv) Grants – operating
\$4.89m favourable primarily due to the advance payment (50%) of the 2018/19 VGC funding of \$7.65m (offset by the advance payment of the 2017/18 grant in 2016/17 of \$6.9m) and additional funding in Family, Youth and Children Services of \$1.9m for the unbudgeted preschool ratio supplement and higher utilisation in preschools and childcare activities.
 - (v) Contributions – monetary
\$13.88m favourable predominantly due to a higher level of developer contributions as a result of continued growth in the north of the municipality including Mickleham, Lockerbie, Craigieburn and Greenvale.
 - (vi) Contributions – non-monetary assets
\$61.58m 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.
 - In 2017/18 Council received contributed assets from 73 subdivisions;
 - The total length of the road network increased by 45 km; and
 - The total length of footpath network increased by 109 km.
 - (vii) Other income
\$2.55m favourable due to favourable interest income as a result of holding higher than expected cash balances throughout the year as a result of 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.

REPORT NO: GE292 (cont.)

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 2017/18, the unwinding interest effect only related to employee benefits (\$70k).

(viii) Fair value adjustments for investment property

\$6.53m favourable due to a stronger than expected revaluation of approximately 19% compared to an expected 2% increase.

(ix) Employee costs

\$4.78m favourable primarily due to staff vacancies partially offset by an unfavourable variance of \$4.7m in agency staff.

(x) Materials and services

- \$12.93m unfavourable due to \$9.7m in capital works projects expensed as the expenditure did not meet Council's asset recognition thresholds or for works on behalf of third parties and \$4.7m 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.

Capital works expensed varies from year to year depending on the nature of the projects and the timing of the project completion. In 2016/17, the amount of capital works expensed was \$3.4m and in 2015/16 \$9.4m.

Examples of the capital works expensed in 2017/18 include:

- Assets which did not meet the recognition threshold (\$4.7m)*;
- Footpath maintenance (\$2.8m);
- Kerb and channel maintenance (\$0.5m);
- Other road maintenance (\$0.9m); and
- Works done on behalf of third parties (\$0.7m).

*includes expenditure on the following projects:

- Anzac Park \$1.3m (which represents 3% of total project expenditure and includes temporary fencing of \$39k, supplies and consumables \$157k, individual items which didn't meet the asset recognition threshold including open space park furniture of \$380k, minor equipment of \$199k and IT equipment of \$52k);
- John Ilhan Memorial Reserve \$0.29m (which represents 4% of total project expenditure and includes temporary fencing of \$31k, legal fees \$29k, rubbish removal/cleaning \$18k, traffic control \$51k, minor equipment \$20k, road/footpath maintenance \$22k and security fees \$6k); and
- Sunbury Town Centre redevelopment \$0.24m (which represents 15% of total project expenditure and includes traffic control \$40k, general supplies and consumables \$23k, creation of easement \$16k and individual items which didn't meet the asset recognition threshold including open space furniture of \$58k).

REPORT NO: GE292 (cont.)

- (xi) Depreciation and amortisation
\$1.57m favourable variance due to a higher than anticipated level of carried forward component of the capital works program from 2016/17 into 2017/18 and from 2017/18 into 2018/19.
- (xii) Bad and doubtful debts
\$0.6m unfavourable as it is Council's policy not to budget for bad debts as all attempts are made to recover outstanding amounts.
- (xiii) Borrowing costs
\$0.54m unfavourable. Council recognises the net present value (NPV) of its future liabilities for its employee benefits and landfill rehabilitation and aftercare costs. To record the increase in these liabilities, the accounting standards require the effect of falling interest rates, known as the unwinding interest effect, to be shown as borrowing costs. In 2017/18, the borrowing costs relating to the landfill provision was \$723k.
- (xiv) Other expenses
\$2.97m unfavourable mainly due to the write off of the written down value of infrastructure assets which were renewed during the year.

3.1.2 Balance sheet

- (a) Cash and cash equivalents and other financial assets
Cash and cash equivalents include cash on hand and term deposits with a maturity term less than 90 days. During 2017/18, all of Council's term deposits had a maturity term of greater than 90 days and therefore were classified as other financial assets.
- (b) Non-current assets held for sale
All the remaining lots for the Racecourse Rd development are expected to be sold in the current (2018/19) financial year and hence the classification of these assets remains entirely in current assets.
- (c) Property, plant, equipment and infrastructure
During the 2017/18 financial year, the increase in the fair value of property, plant, equipment and infrastructure of \$589 million included:
Contributed assets (\$127.4m);
Revaluation increases (\$450.6m);
Additions from 2017/18 capital works (\$65.7m);
Depreciation (\$41.4m);
Assets written off (\$3.4m); and
Capital works expensed (\$9.7m).
- (d) Asset revaluation reserve
An asset revaluation occurred during the 2017/18 financial year for land (\$400.4m), buildings (\$45.5m) and drainage (\$4.7m).

3.2 Financial ratios

- 3.2.1 The key financial ratios, as reported in Council's Performance Statement are within Council's set financial parameters.
- 3.2.2 The key working capital ratio is 4.49:1 which is well above Council's target of 1.10:1.

REPORT NO: GE292 (cont.)

3.2.3 Cash Flow Statement

The Cash Flow Statement identifies cash at the end of the financial year of \$239.02m which includes \$200m of term deposits which are classified as other financial assets. This is a \$90.13m 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:

- (a) Variances as outlined in the Income Statement;
- (b) Commencing the year with a higher than expected cash balance primarily due to a higher level of carried forward capital works;
- (c) The net GST refund which is not budgeted for;
- (d) Payments for capital works were below expectations primarily due to a larger than expected level of carried forward works which will be completed in 2018/19. Some projects were not able to be started during the year and some were started but have not yet been completed. The key projects that this relates to include construction of the Hume GLC Sunbury, Aitken Hill Community Centre, Greenvale West Community Hub, Broadmeadows Town Hall redevelopment, construction of the Meadowlink path, Riddell Rd landfill rehabilitation (EPA requirements), McMahon Recreation Reserve masterplan works, Aston Fields district recreation reserve pavilion and landscaping, Greenvale recreation reserve oval 1 pavilion extension and land purchases including the Loop Rd carpark and a new depot site.

4. DISCUSSION:

- 4.1 The Financial Statements are substantially complete and have been provided to RSD Audit for review.
- 4.2 This financial report has been prepared on the accrual and going concern bases. 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*.
- 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 10 September 2018 to allow Council to give in principal approval of the Financial Report for the financial year ended 30 June 2018.
- 4.4 In addition, RSD Audit 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 2016/17 and 2017/18 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. (refer attachment)

REPORT NO: GE292 (cont.)

- 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 2018, 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.

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 2018 and to authorise two Councillors to certify the Financial Report in its final form.

**Hume City Council
Financial Report
Table of Contents**

Financial Statements

Comprehensive Income Statement
Balance Sheet
Statement of Changes in Equity
Statement of Cash Flows
Statement of Capital Works

Overview

Notes to Financial Statements

Note 1	Performance against budget
	1.1. Income and expenditure
	1.2. Capital works
Note 2	Funding for the delivery of our services
	2.1. Rates and charges
	2.2. Statutory fees and fines
	2.3. User fees
	2.4. Funding from other levels of government
	2.5. Contributions
	2.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment
	2.7. Net gain on property development
	2.8. Other income
Note 3	The cost of delivering services
	3.1. Employee costs
	3.2. Materials and services
	3.3. Depreciation and amortisation
	3.4. Bad and doubtful debts
	3.5. Borrowing costs
	3.6. Other expenses
Note 4	Our financial position
	4.1. Financial assets
	4.2. Non-financial assets
	4.3. Payables
	4.4. Interest bearing liabilities
	4.5. Provisions
	4.6. Financing arrangements
	4.7. Commitments
	4.8. Development fee obligation
Note 5	Assets we manage
	5.1. Non current assets classified as held for sale
	5.2. Property infrastructure plant and equipment
	5.3. Investment property
Note 6	People and relationships
	6.1. Council and key management remuneration
	6.2. Related party disclosure
Note 7	Managing uncertainties
	7.1. Contingent assets and liabilities
	7.2. Change in accounting standards
	7.3. Financial instruments
	7.4. Fair value measurement
	7.5. Events occurring after balance date
Note 8	Other matters
	8.1. Reserves
	8.2. Reconciliation of cash flows from operating activities to surplus/(deficit)
	8.3. Superannuation

Hume City Council
2017/2018 Financial Report

Comprehensive Income Statement
For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Income			
Rates and charges	2.1	173,074	163,372
Statutory fees and fines	2.2	14,767	13,135
User fees	2.3	27,595	23,819
Grants - operating	2.4	44,915	46,705
Grants - capital	2.4	16,472	21,085
Contributions - monetary	2.5	37,273	33,697
Contributions - non-monetary assets	2.5	127,396	114,183
Net gain on disposal of property, plant, equipment and infrastructure	2.6	204	171
Net gain on property development	2.7	5,236	2,626
Fair value adjustments for investment property	5.3	7,160	3,591
Other income	2.8	6,919	5,550
Total income		461,011	427,934
Expenses			
Employee costs	3.1	(104,604)	(98,183)
Materials and services	3.2	(82,554)	(71,659)
Depreciation and amortisation	3.3	(42,570)	(40,173)
Bad and doubtful debts	3.4	(604)	(713)
Borrowing costs	3.5	(785)	(129)
Other expenses	3.6	(10,403)	(8,049)
Total expenses		(241,520)	(218,906)
Surplus for the year		219,491	209,028
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment	8.1	450,587	147,285
Total comprehensive result		670,078	356,313

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

Hume City Council
 2017/2018 Financial Report

Balance Sheet
 As at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	39,023	87,568
Other financial assets	4.1	200,000	70,000
Trade and other receivables	4.1	30,931	32,327
Non-current assets classified as held for sale	5.1	2,686	10,517
Other assets	4.2	2,264	1,620
Total current assets		274,904	202,032
Non-current assets			
Trade and other receivables	4.1	92	300
Financial assets	4.1	310	310
Property, plant, equipment and infrastructure	5.2	3,128,105	2,538,701
Investment property	5.3	44,601	38,422
Non-current assets classified as held for sale	5.1	-	2,635
Intangible assets	4.2	13,917	15,077
Total non-current assets		3,187,025	2,595,445
Total assets		3,461,929	2,797,477
Liabilities			
Current liabilities			
Trade and other payables	4.3	25,938	17,585
Trust funds and deposits	4.3	4,033	6,910
Provisions	4.5	27,310	26,128
Interest-bearing loans and borrowings	4.4	559	1,221
Development fee obligation	4.8	3,374	12,962
Total current liabilities		61,214	64,806
Non-current liabilities			
Trust funds and deposits	4.3	5,497	3,899
Provisions	4.5	24,447	24,210
Interest-bearing loans and borrowings	4.4	-	559
Development fee obligation	4.8	-	3,310
Total non-current liabilities		29,944	31,978
Total liabilities		91,158	96,784
Net assets		3,370,771	2,700,693
Equity			
Accumulated surplus		1,670,107	1,479,278
Asset revaluation reserve	8.1	1,585,812	1,135,225
Other reserves	8.1	114,852	86,190
Total equity		3,370,771	2,700,693

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

Hume City Council
2017/2018 Financial Report

Statement of Changes in Equity
For the Year Ended 30 June 2018

	Note	Total 2018 \$'000	Accumulated Surplus 2018 \$'000	Asset Revaluation Reserve 2018 \$'000	Other Reserves 2018 \$'000
2018					
Balance at beginning of the financial year		2,700,693	1,479,278	1,135,225	86,190
Surplus for the year		219,491	219,491	-	-
Net asset revaluation increment	8.1	450,587	-	450,587	-
Transfers to other reserves	8.1	-	(45,454)	-	45,454
Transfers from other reserves	8.1	-	16,792	-	(16,792)
Balance at end of the financial year		3,370,771	1,670,107	1,585,812	114,852
		Total 2017 \$'000	Accumulated Surplus 2017 \$'000	Asset Revaluation Reserve 2017 \$'000	Other Reserves 2017 \$'000
2017					
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	8.1	147,285	-	147,285	-
Transfers to other reserves	8.1	-	(37,860)	-	37,860
Transfers from other reserves	8.1	-	5,182	-	(5,182)
Balance at end of the financial year		2,700,693	1,479,278	1,135,225	86,190

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

Hume City Council
2017/2018 Financial Report

Cash Flow Statement
For the Year Ended 30 June 2018

		2018	2017
		Inflows/ (Outflows)	Inflows/ (Outflows)
	Note	\$'000	\$'000
Cash flows from operating activities			
Rates and charges		174,593	156,470
Statutory fees and fines		14,090	12,955
User fees		33,579	24,574
Grants - operating		44,915	46,704
Grants - capital		17,016	18,822
Contributions - monetary		34,724	33,992
Interest received		3,686	2,779
Trust funds and deposits taken		21,941	23,462
Other receipts		1,736	2,270
Net GST refund		15,792	13,743
Employee costs		(103,303)	(97,086)
Materials and services		(92,008)	(86,316)
Trust funds and deposits repaid		(23,223)	(20,948)
Other payments		(6,976)	(6,578)
Net cash provided by operating activities	8.2	<u>136,562</u>	<u>124,843</u>
Cash flows from investing activities			
Payments for property, plant, equipment and infrastructure		(57,561)	(70,202)
Payments for investments		(200,000)	(70,000)
Proceeds from sale of property, plant, equipment and infrastructure		1,132	900
Proceeds from investments		70,000	44,850
Proceeds from property development		2,605	1,405
Net cash used in investing activities		<u>(183,824)</u>	<u>(93,047)</u>
Cash flows from financing activities			
Finance costs		(62)	(129)
Repayment of borrowings		(1,221)	(450)
Net cash used in financing activities		<u>(1,283)</u>	<u>(579)</u>
Net increase / (decrease) in cash and cash equivalents		(48,545)	31,217
Cash and cash equivalents at the beginning of the financial year		87,568	56,351
Cash and cash equivalents at the end of the financial year	4.1	<u>39,023</u>	<u>87,568</u>
Financing arrangements	4.6		
Restrictions on cash assets	4.1		

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

Hume City Council
2017/2018 Financial Report

Statement of Capital Works
For the Year Ended 30 June 2018

	2018	2017
	\$'000	\$'000
Property		
Land	-	5,400
Land improvements	10,847	7,945
Buildings	24,973	31,813
Total property	<u>35,820</u>	<u>45,158</u>
Plant and equipment		
Heritage	19	21
Plant and equipment	5,923	3,840
Furniture and equipment	3,353	4,214
Total plant and equipment	<u>9,295</u>	<u>8,075</u>
Infrastructure		
Roads	12,920	8,854
Bridges	36	154
Footpaths and cycleways	3,523	2,583
Car parks	2,129	333
Drainage	768	1,104
Total infrastructure	<u>19,376</u>	<u>13,028</u>
Total capital works expenditure	<u>64,491</u>	<u>66,261</u>
Represented by:		
New asset expenditure	18,287	40,610
Asset renewal expenditure	24,688	18,008
Asset expansion expenditure	11,635	3,521
Asset upgrade expenditure	9,881	4,122
Total capital works expenditure	<u>64,491</u>	<u>66,261</u>

The total capital works expenditure includes an amount of \$9.7m in 2017/18 of expenditure on assets not owned by Council or on assets which did not meet Council's asset recognition threshold as outlined in note 5.2.

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

Notes to the Financial Report
For the Year Ended 30 June 2018

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

Note 1

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

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

(b) 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.

Hume City Council
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of 10 percent 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 26 June 2017. The budget was based on assumptions that were relevant at the time of adoption of the budget. Council set 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.

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

1.1 Income and expenditure

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	%	Ref
Income					
Rates and charges	169,361	173,074	3,713	2%	1
Statutory fees and fines	12,595	14,767	2,172	17%	2
User fees	25,449	27,595	2,146	8%	3
Grants - operating	40,030	44,915	4,885	12%	4
Grants - capital	15,134	16,472	1,338	9%	5
Contributions - monetary	23,396	37,273	13,877	59%	6
Contributions - non-monetary assets	65,816	127,396	61,580	94%	7
Net gain on disposal of property, plant, equipment and infrastructure	-	204	204	100%	8
Net gain on property development	4,963	5,236	273	6%	
Fair value adjustments for investment property	628	7,160	6,532	1,040%	9
Other income	4,372	6,919	2,547	58%	10
Total income	361,743	461,011	99,267		
Expenses					
Employee costs	109,384	104,604	4,780	4%	11
Materials and services	69,620	82,554	(12,934)	(19%)	12
Depreciation and amortisation	44,142	42,570	1,572	4%	13
Bad and doubtful debts	-	604	(604)	(100%)	14
Borrowing costs	248	785	(537)	(217%)	15
Other expenses	7,429	10,403	(2,974)	(40%)	16
Total expenses	230,823	241,520	(10,697)		
Surplus for the year	130,920	219,491	88,570		

Hume City Council
Notes to the Financial Report
For the Year Ended 30 June 2018

Note 1.1 Performance against budget (cont.)

a) Income and Expenditure (cont.)

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

Ref	Item	Explanation
1	Rates and charges	The favourable variance is due to the raising of supplementary rates income of \$2.4m above budget as a result of strong growth and interest raised on rate arrears of \$1.1m.
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, utilisation of Council's facilities and fees relating to waste management.
4	Grants - operating	The favourable variance relates to: <ul style="list-style-type: none"> • The advance payment of 50% of the 2018/19 Victorian Grants Commission (VGC) funding of \$7.65m which was received in 2017/18; • 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 • Unbudgeted additional funding across various Council services.
5	Grants - capital	The favourable variance relates to a number of unbudgeted Government grants for the Arena District active reserve, Mc Mahon Recreation Reserve, Traffic Management Facilities and Craigieburn ANZAC Park.
6	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 Mickleham, Lockerbie, Craigieburn and Greenvale. It should be noted that this income gives rise to future infrastructure obligations.
7	Contributions - non-monetary assets	The favourable variance is due to a higher level of developer contributed assets in the form of land, land under roads, roads, footpaths and drainage as a result of continued growth in the City's north as follows: <ul style="list-style-type: none"> • In 2017/18 Council received contributed assets from 73 subdivisions; • The total length of the road network increased by 45 km; and • The total length of footpath network increased by 109 km.
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	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 19%.
10	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. <p>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.</p>
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"> • \$4.7m 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 • \$9.7m in capital works projects expensed as they did not meet Council's asset recognition thresholds.
13	Depreciation and amortisation	The variance is primarily due to the higher than budgeted carried forward component of the capital works program from 2017/18 into 2018/19.
14	Bad and doubtful debts	Council does not budget for bad debts as all attempts are made to recover outstanding amounts.
15	Borrowing costs	Council recognises the net present value (NPV) of its future liabilities for its employee benefits and landfill rehabilitation and aftercare costs. To record the increase in these liabilities, the accounting standards require the effect of falling interest rates, known as the unwinding interest effect, to be shown as borrowing costs.
16	Other expenses	The unfavourable variance relates to the write-off of the remaining written down value of infrastructure assets which were renewed during the year.

Notes to the Financial Report
 For the Year Ended 30 June 2018

Note 1 Performance against budget (cont.)

1.2 Capital works

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	%	Ref
Property					
Land	7,400	-	7,400	100%	1
Land improvements	20,790	10,847	9,943	48%	2
Buildings	48,176	24,973	23,203	48%	3
Total property	76,366	35,820	40,546		
Plant and equipment					
Heritage	95	19	76	80%	4
Plant and equipment	4,845	5,923	(1,078)	(22%)	5
Furniture and equipment	3,600	3,353	247	7%	
Total plant and equipment	8,540	9,295	(755)		
Infrastructure					
Roads	13,007	12,920	87	1%	
Bridges	155	36	119	77%	6
Footpaths and cycleways	5,238	3,523	1,715	33%	7
Car parks	1,065	2,129	(1,064)	(100%)	8
Drainage	2,162	768	1,394	64%	9
Total infrastructure	21,627	19,376	2,251		
Total capital works expenditure	106,533	64,491	42,042		
Represented by:					
New asset expenditure	38,868	18,287	20,581		
Asset renewal expenditure	28,508	24,688	3,820		
Asset expansion expenditure	19,085	11,635	7,450		
Asset upgrade expenditure	20,072	9,881	10,191		
Total capital works expenditure	106,533	64,491	42,042		

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"> • additional car parking within the Broadmeadows Town Centre. Council is currently in negotiations for the proposed purchase of land. • a potential depot site. Council is currently in the process of determining a suitable site for a new depot. Funds for these projects have been carried forward into and are expected to occur in the 2018/19 financial year.
2	Land improvement	The variance relates to a number of incomplete projects including: <ul style="list-style-type: none"> • works at Willowbrook Recreation Reserve as part of the masterplan; • works at Greenvale Recreation Reserve as part of the masterplan; • Mc Mahon Recreation Reserve works; and • Riddell Road Landfill Rehabilitation. Funds for these projects have been carried forward into and are expected to occur in the 2018/19 financial year.
3	Buildings	The variance relates to a number of incomplete projects including: <ul style="list-style-type: none"> • DS Aitken Reserve pavilion upgrade; • Broadmeadows Town Hall upgrade; • Hume Global Learning Centre in Sunbury; • Sunbury Aquatic Centre upgrade; • Aston Fields District Recreation Reserve Pavilion; • Aitken Hill Community Centre; and • Greenvale Recreation Reserve Pavilion number 1 extension. Funds for these projects have been carried forward into and are expected to occur in the 2018/19 financial year.
4	Heritage	The variance relates to incomplete public art projects for the Hume Global Learning Centre in Sunbury which is under construction. Funds for this project have been carried forward into and is expected to occur in the 2018/19 financial year.

Notes to the Financial Report
For the Year Ended 30 June 2018

Note 1 Performance against budget (cont.)

1.2 Capital works (cont.)

Ref	Item	Explanation
5	Plant and equipment	The variance relates to the outright purchase of plant which was originally budgeted to be leased. It is financially beneficial for Council to purchase outright rather than lease the fleet.
6	Bridges	The variance relates to two bridge repairs which will be completed in 2018/19. Funds for these projects have been carried forward into and are expected to occur in the 2018/19 financial year.
7	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 2018/19. Funds for this project has been carried forward into and is expected to occur in the 2018/19 financial year.
8	Car parks	The variance relates to: <ul style="list-style-type: none">• completion of an unbudgeted car park extension at 75 Potter Street, Craigieburn which will be reimbursed by Public Transport Victoria; and• completion of the car park construction at Boardman Reserve which was budgeted in 2016/17.
9	Drainage	The variance relates to incomplete projects for: <ul style="list-style-type: none">• the Banksia Grove, Tullamarine drainage upgrade; and• the drainage pipe rehabilitation program. Funds for these projects have been carried forward into and are expected to occur in the 2018/19 financial year.

Notes to the Financial Report
For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Note 2 Funding for the delivery of our services			
2.1 Rates and charges			
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.			
The valuation base used to calculate general rates for 2017/18 was \$34.780 billion (2016/17 - \$33.427 billion). The 2017/18 rate in the CIV dollar was 0.43364 (2016/17 - 0.42514).			
Residential		116,955	108,287
Commercial		8,304	8,415
Industrial		20,232	20,266
Rural		8,718	8,726
Organic waste fees		2,378	2,102
Interest on rates		1,088	684
Revenue in lieu of rates		15,399	14,892
Total rates and charges		173,074	163,372

The increase in rates and charges is primarily due to a rate increase of 2% together with the raising of supplementary rates during the year as a result of continued growth throughout the municipality.

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

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

2.2 Statutory fees and fines

Land information certificates	222	198
Building fines and infringements	2,235	1,826
Registrations and permits	1,937	1,391
Subdivisions	3,968	3,675
Traffic / PERIN / animals	4,389	4,316
Town planning	1,706	1,440
Other / miscellaneous	310	289
Total statutory fees and fines	14,767	13,135

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.

The variance is primarily due to increased building fines and infringements due to increased enforcement activity and town planning fees, subdivision fees, road opening and asset protection registrations and permits, due to continued strong growth throughout the municipality.

Notes to the Financial Report
For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
2.3 User fees			
Landfill/garbage		4,988	4,807
Recreational facilities		10,551	6,948
Community services		6,765	6,288
Building		1,600	1,383
General and supplementary valuation data		294	885
Cemetery fees		427	511
Town planning		446	405
Human resources		406	605
Community facilities		843	639
Other/miscellaneous		1,275	1,348
Total user fees		27,595	23,819

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

There has been an increase in recreational facilities income due to the opening of Council's new leisure facility SPLASH. The increase in fees across the board reflects the continued growth and increase in market activity across the municipality. The drop in general and supplementary valuation data is consistent with the sale of this data every two years to the State Revenue Office.

2.4 Funding from other levels of government

Grants were received in respect of the following:

Summary of grants

Commonwealth funded grants	30,010	39,024
State funded grants	31,377	28,766
Total grants	61,387	67,790

(a) Grants - operating

Recurrent - Commonwealth Government

Victoria grants commission - general purpose	13,195	16,948
Victoria grants commission - local roads	2,315	3,278
Aged and disability services	5,301	5,017
Family, youth and children's services	2,833	2,802
Community strengthening	679	436
Other	41	64

The decrease is due to 50% (\$6.9m) of the 2017/18 allocation being received in 2016/17.

Recurrent - State Government

Family, youth and children's services	12,399	10,899
Maternal and child health	2,587	2,083
Aged and disability services	2,060	2,533
Community strengthening	1,616	1,793
City laws	460	313
Economic development	367	0
Environmental services	239	36
Parks	131	107
Population health	474	213
Other	218	185
Total grants - operating	44,915	46,705

Notes to the Financial Report
For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
(b) Grants - capital			
Recurrent - Commonwealth Government			
Roads to recovery		1,961	2,382
Total recurrent capital grants		1,961	2,382
Non-recurrent - Commonwealth Government			
Buildings		2,273	5,910
Roads, carparks and footpaths		1,412	2,187
		3,685	8,097
Non-recurrent - State Government			
Buildings		8,617	7,616
Roads, carparks and footpaths		357	2,690
Land improvements		1,852	300
		10,826	10,606
Total non-recurrent capital grants		14,511	18,703
Total grants - capital		16,472	21,085

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.

(c) Unspent grants received on condition that they be spent in a specific manner

Balance at start of year	7,560	3,395
Received during the financial year and remained unspent at balance date	5,522	6,766
Received in prior years and spent during the financial year	(5,166)	(2,601)
Balance at year end	7,916	7,560

Where grants 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 is disclosed above. The note also discloses the amount of unused grant from prior years that was expended on Council's operations during the current year.

2.5 Contributions

Monetary	37,273	33,697
Non-monetary assets	127,396	114,183
Total contributions	164,669	147,880

The high level of developer contributions is the result of continued growth in the City's north.

Contributions of non monetary assets were received in relation to the following asset classes:

Land under roads	30,116	28,242
Buildings	502	-
Roads	37,403	39,672
Bridges	-	531
Footpaths and cycleways	5,484	5,932
Drainage works	21,449	20,790
Land	28,682	18,327
Car parks	70	53
Land improvements	3,690	636
Total non-monetary contributions	127,396	114,183

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

Contributed assets are assets transferred to Council as a result of subdivisional activities or from other entities.

Notes to the Financial Report
For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
2.6 Net gain on disposal of property, plant, equipment and infrastructure			
<i>Land</i>			
Proceeds from sale		315	214
Less cost of assets sold		(206)	-
Gain on disposal		<u>109</u>	<u>214</u>
<i>Plant and equipment</i>			
Proceeds from sale		817	686
Less cost of assets sold		(722)	(729)
Gain / (loss) on disposal		<u>95</u>	<u>(43)</u>
Total gain on disposal of property, plant, equipment and infrastructure		<u>204</u>	<u>171</u>

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

2.7 Net gain on property development

<i>Racecourse Road development</i>			
Proceeds from sale		45,901	23,240
Interest earned on deposits		24	22
Less cost of assets sold		(10,267)	(4,771)
Less development fee expenses		(43,320)	(21,857)
Add unwinding of development fee obligation		12,898	5,994
Gain on property development		<u>5,236</u>	<u>2,626</u>

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 a year. The split between current and non-current liabilities is based on the timing of the expected future settlements.

2.8 Other income

(a) Rental income

Investment property rent		1,019	999
Other rent		917	741
Total rental		<u>1,936</u>	<u>1,740</u>

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

(b) Interest income

Interest		4,913	2,626
Unwinding interest effect for provisions		70	1,184
Total Interest income		<u>4,983</u>	<u>3,810</u>

Interest is recognised as it is earned.

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

Notes to the Financial Report
For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
2.8 Other income (cont.)			
<i>(b) Interest income (cont.)</i>			
<p>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.</p> <p>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.</p>			
Total other income		6,919	5,550
Note 3 The cost of delivering services			
3.1 Employee costs			
Wages and salaries		84,565	79,354
Workcover		2,375	2,678
Superannuation	8.3	8,226	7,624
Annual leave and long service leave		7,608	6,958
Other employee related expenses		1,728	1,462
Fringe benefits tax		102	108
Total employee costs		104,604	98,183
(b) Superannuation			
Council made contributions to the following funds:			
Defined benefit fund			
Employer contributions to Local Authorities Superannuation Fund (Vision Super)		544	568
		544	568
Accumulation funds			
Super)		5,231	5,050
Employer contributions - other funds		2,451	2,006
		7,682	7,056
Total superannuation	8.3	8,226	7,624
Refer to note 8.3 for further information relating to Council's superannuation obligations.			
3.2 Materials and services			
Materials		8,860	8,435
Capital works expensed		9,719	3,436
Fleet expenses		2,610	2,632
Contractors		48,638	45,532
Consultants, legal fees and other professional services		2,878	2,271
Insurance		1,380	1,683
Information technology		2,486	2,569
Building and utility charges		5,983	5,101
Total materials and services		82,554	71,659

The increase in total materials and services is due to a higher amount of capital works projects expensed on assets that did not meet Council's asset recognition thresholds.

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 agency staff used as temporary resources to backfill vacant positions during the recruitment process. These are included in contractors.

Notes to the Financial Report
For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
3.3 Depreciation and amortisation			
Depreciation			
Property			
Land improvements		6,435	6,039
Buildings		4,377	3,926
Plant and Equipment			
Plant and equipment		2,304	2,012
Plant and equipment - finance leases		281	659
Furniture and equipment		2,770	2,495
Infrastructure			
Roads		16,934	16,034
Bridges		750	744
Footpaths and cycleways		2,515	2,415
Drainage works		4,777	4,434
Car parks		267	255
Total depreciation		<u>41,410</u>	<u>39,013</u>
Amortisation			
Intangible assets (landfill restoration assets)		1,160	1,160
Total amortisation		<u>1,160</u>	<u>1,160</u>
Total depreciation and amortisation	5.2	<u>42,570</u>	<u>40,173</u>
Refer to note 4.2 and 5.2 for a more detailed breakdown of depreciation and amortisation charges.			
3.4 Bad and doubtful debts			
Statutory planning and building control services		108	196
City laws		401	410
Other		95	107
Total bad and doubtful debts		<u>604</u>	<u>713</u>
Provision for doubtful debt is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.			
3.5 Borrowing costs			
Interest - finance leases		62	129
Unwinding interest effect for provisions		723	-
Total borrowing costs		<u>785</u>	<u>129</u>
Council recognises the net present value (NPV) of its future liabilities for its employee benefits and landfill rehabilitation and aftercare costs. To record the increase in these liabilities, the accounting standards require the effect of falling interest rates, known as the unwinding interest effect, to be shown as borrowing costs.			

Notes to the Financial Report
For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
3.6 Other expenses			
Grants, contributions and donations		4,552	4,169
Auditors' remuneration - external		104	99
Auditors' remuneration - internal		123	124
Councillors' allowances		434	408
Operating lease rentals		1,206	1,333
Bank charges		551	435
Assets written off		3,433	1,481
Total other expenses		10,403	8,049
Assets written off relate to the write-off of the remaining written down value of infrastructure assets which were renewed during the year.			
Note 4 Our financial position			
4.1 Financial assets			
(a) Cash and cash equivalents			
Cash at bank and on hand		7,926	2,843
Money market call account		30,735	59,594
Committees of management bank accounts		362	331
Term deposits		-	24,800
Total cash and cash equivalents		39,023	87,568
(b) Other financial assets			
Current			
Term deposits greater than 90 days		200,000	70,000
		200,000	70,000
Non-current			
Unlisted shares at cost - Regional Kitchen Pty Ltd		310	310
		310	310
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.			
Total other financial assets		200,310	70,310
Total financial assets		239,333	157,878
Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:			
Trust funds and deposits	4.3	9,530	10,809
Total restricted funds		9,530	10,809
Total unrestricted cash and cash equivalents		29,493	76,759
Intended allocations			
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:			
Cash held to fund carried forward capital works		55,231	35,676
Statutory reserves		500	500
Conditional grants unspent	2.4	7,916	7,560
Total funds subject to intended allocations		63,647	43,736
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.			

Notes to the Financial Report
For the Year Ended 30 June 2018

Note	2018 \$'000	2017 \$'000
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Note 4 Our financial position (cont.)

4.1 Financial assets (cont.)

(c) Trade and other receivables

Current

Rates debtors	14,954	16,266
Statutory fees	6,066	3,138
Other debtors	7,333	10,934
Less: provision for doubtful debts	(462)	(427)
GST receivable	3,040	2,416
	<u>30,931</u>	<u>32,327</u>

Non-current

Other debtors - Special rate scheme	92	300
	<u>92</u>	<u>300</u>

Total trade and other receivables

	<u>31,023</u>	<u>32,627</u>
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Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

i) Ageing of receivables

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	5,512	10,026
Past due between 31 and 60 days	588	137
Past due between 61 and 90 days	1,325	556
Past due by more than 90 days	0	215
Total other debtors	<u>7,425</u>	<u>10,934</u>

ii) Movement in provisions for doubtful debts

Balance at the beginning of the year	427	395
New provisions recognised during the year	35	32
Balance at end of year	<u>462</u>	<u>427</u>

iii) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$7.66 million (2017: \$10.93 million) were partly impaired. The amount of the provision raised against these debtors was \$0.46 million (2017: \$0.43 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 2018

	Note	2018 \$'000	2017 \$'000
4.2 Non-financial assets			
(a) Other assets			
Prepayments		842	865
Accrued income		1,422	755
Total other assets		2,264	1,620
(b) Intangible assets			
Intangible assets - Landfill airspace		13,917	15,077
Gross carrying amount			
Opening balance		20,444	20,444
Closing balance		20,444	20,444
Accumulated amortisation and impairment			
Opening balance		(5,367)	(4,207)
Amortisation expense		(1,160)	(1,160)
Closing balance		(6,527)	(5,367)
Net book value		13,917	15,077

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life of 26 years. Amortisation is generally calculated on a straight-line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life.

4.3 Payables

(a) Trade and other payables			
Trade payables		4,830	3,040
Accrued expenses		20,797	14,269
Net GST payable		311	274
Total trade and other payables		25,938	17,585
(b) Trust funds and deposits			
<i>Current</i>			
Refundable deposits		3,126	2,910
Fire services levy		907	4,000
Total current trust funds and deposits		4,033	6,910
<i>Non-current</i>			
Other refundable deposits		3,571	2,865
Developer contributions - equalisation trusts		1,926	1,034
Total non-current trust funds and deposits		5,497	3,899
Total trust funds and deposits		9,530	10,809

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.

Notes to the Financial Report
For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
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4.3 Payables (cont.)

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.

4.4 Interest-bearing loans and borrowings

Finance leases

Current

Finance leases	559	1,221
Total current	559	1,221

Non-current

Finance leases	-	559
Total non-current	-	559

Total finance leases	559	1,780
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Aggregate carrying amount of interest-bearing loans and borrowings:

Current	559	1,221
Non-current	-	559
Total interest-bearing loans and borrowings	559	1,780

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	564	1,270
Later than one year and not later than five years	-	564
Total minimum lease payments	564	1,834
Less: Future finance charges	(5)	(54)
Recognised in the balance sheet as:	559	1,780

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 Council where it is likely that Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter.

Notes to the Financial Report
For the Year Ended 30 June 2018

4.5 Provisions

	Employee benefits				Total \$ '000
	Annual leave \$ '000	Long service leave \$ '000	Other employee benefits \$ '000	Landfill rehabilitation and after care \$ '000	
2018					
Balance at beginning of the financial year	7,876	18,466	198	23,798	50,338
Additional provisions	6,908	2,455	456	-	9,820
Amounts used	(6,474)	(1,928)	(435)	(217)	(9,054)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(9)	(61)	-	723	653
Balance at end of the financial year	8,301	18,932	219	24,304	51,757
2017					
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)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(151)	69	-	(1,101)	(1,184)
Balance at end of the financial year	7,876	18,466	198	23,798	50,338

(a) Employee benefits

	2018 \$'000	2017 \$'000
Current provisions expected to be wholly settled within 12 months		
Annual leave	3,887	3,828
Long service leave	1,507	1,437
Other	219	198
Total	5,613	5,462
Current provisions expected to be wholly settled after 12 months		
Annual leave	4,414	4,048
Long service leave	15,287	14,664
Total	19,701	18,712
Non-current		
Long service leave	2,138	2,365
Total	2,138	2,365
Aggregate carrying amount of employee benefits:		
Current	25,314	24,174
Non-current	2,138	2,365
Total aggregate carrying amount of employee provisions	27,452	26,539

Notes to the Financial Report
For the Year Ended 30 June 2018

4.5 Provisions (cont.)

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

Wages and salaries and annual leave

Liabilities for wages and salaries, including annual leave and accrued RDO's 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 the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability.

<i>Key assumptions:</i>	2018	2017
- discount rate	2.36%	2.27%
- inflation rate	3.50%	3.50%
- settlement rate	9.50%	9.50%

(b) Landfill restoration

	2018	2017
	\$'000	\$'000
Current	1,996	1,954
Non-current	22,308	21,845
	<u>24,304</u>	<u>23,799</u>

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

<i>Key assumptions:</i>	2018	2017
- discount rate	2.63%	2.60%
- inflation rate	1.90%	1.80%
- estimated nominal cost to rehabilitate	11,850,000	11,850,000

Total provisions

Current	27,310	26,128
Non-current	24,447	24,210
Total	<u>51,757</u>	<u>50,338</u>

Notes to the Financial Report
For the Year Ended 30 June 2018

	2018	2017
	\$'000	\$'000
4.6 Financing arrangements		
Finance leases	1,140	3,543
Credit card facility	400	400
Less: used facilities	(1,242)	(3,664)
Unused facilities	<u>298</u>	<u>279</u>

4.7 Commitments

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

Operating

Waste collection	5,477	8,034
Parking management and enforcement services	5	99
Total operating	<u>5,482</u>	<u>8,133</u>

The decrease in waste collections primarily relates to a number of contracts expiring in 2017/18 and 2018/19 including the provision of parking management and enforcement services.

Not later than 1 year	2,635	2,656
Later than 1 year and not later than 2 years	2,705	2,630
Later than 2 years and not later than 5 years	114	2,847
Later than 5 years	28	-
Total commitments	<u>5,482</u>	<u>8,133</u>

Capital

Buildings	44,708	9,635
Road construction and development	5,957	2,154
Other	3,559	6,155
Total capital	<u>54,224</u>	<u>17,944</u>

The increase the capital commitments for buildings primarily relates to the redevelopment and construction of the Broadmeadows Town Hall, construction of the Hume Global Learning Centre, Sunbury and Construction of Aitken Hill Community Centre, Craigieburn.

Not later than 1 year	53,068	16,961
Later than 1 year and not later than 2 years	1,156	983
Total commitments	<u>54,224</u>	<u>17,944</u>

Total commitments	<u>59,706</u>	<u>26,077</u>
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Operating lease commitments

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

Not later than 1 year	96	167
Later than 1 year and not later than 2 years	48	96
Later than 2 years and not later than 5 years	17	49
Total operating lease commitments	<u>161</u>	<u>312</u>

Notes to the Financial Report
For the Year Ended 30 June 2018

	2018	2017
	\$'000	\$'000
4.8 Development fee obligation		
<i>Current</i>		
Opening balance	12,962	10,169
Transfer from non-current	3,310	8,787
Unwinding of developer fee obligation	<u>(12,898)</u>	<u>(5,994)</u>
	<u>3,374</u>	<u>12,962</u>
<i>Non-current</i>		
Opening balance	3,310	12,097
Transfer to current	<u>(3,310)</u>	<u>(8,787)</u>
	<u>-</u>	<u>3,310</u>
Total development fee obligation	<u>3,374</u>	<u>16,272</u>

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

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

During the 2017/18 financial year, a total of 178 lots were sold (109 lots in 2016/17) with a total area of 125,519 square metres (58,326 square metres in 2016/17) representing approximately 52% of the total developable area (24% in 2016/17).

Note 5 Assets we manage

5.1 Non-current assets classified as held for sale

<i>Current</i>		
Balance at beginning of the financial year	10,517	8,095
Transfer from non-current assets held for sale	2,635	6,994
Transfer from property, plant, equipment and infrastructure	-	199
Disposals	<u>(10,466)</u>	<u>(4,771)</u>
Total current	<u>2,686</u>	<u>10,517</u>
<i>Non-current</i>		
Balance at beginning of the financial year	2,635	9,629
Transfer to current assets held for sale	<u>(2,635)</u>	<u>(6,994)</u>
Total non-current	<u>-</u>	<u>2,635</u>
Total non-current assets classified as held for sale	<u>2,686</u>	<u>13,152</u>

Notes to the Financial Report
For the Year Ended 30 June 2018

5.2 Property, plant, equipment and infrastructure

Summary of property, plant, equipment and infrastructure

	At fair value 30 June 2017 \$'000	Additions \$'000	Contributions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Assets written off \$'000	Transfers \$'000	Capital works WIP expensed \$'000	At fair value 30 June 2018 \$'000
Land	1,092,077	-	62,469	400,422	(6,435)	-	-	11,075	-	1,559,528
Buildings	167,306	-	502	45,460	(4,377)	-	(555)	55,981	-	263,717
Plant and equipment	21,435	1,199	-	-	(5,355)	(690)	-	9,604	-	26,193
Infrastructure	1,186,012	-	64,406	4,704	(25,242)	-	(2,878)	14,864	-	1,241,866
Work in progress	71,870	64,491	-	-	-	-	-	(89,941)	(9,719)	36,701
	2,538,701	65,690	127,397	450,586	(41,410)	(690)	(3,433)	983	(9,719)	3,128,105

Summary of work in progress

	Opening WIP 2017 \$'000	Additions \$'000	Transfers \$'000	Capital works WIP expensed \$'000	Closing WIP 2018 \$'000
Land Improvements	13,641	10,847	17,009	2,312	5,167
Buildings	52,989	24,973	54,369	1,538	22,055
Plant and equipment	1,746	9,295	8,877	317	1,847
Infrastructure	3,484	19,376	9,686	5,552	7,632
Total	71,870	64,491	89,941	9,719	36,701

Asset recognition thresholds and depreciation periods

	Depreciation Period	Threshold Limit (r000)
Land		
land	-	1
land improvements	7 - 50 years	10
land under roads	-	1
Buildings		
buildings	50 years	10
Plant and Equipment		
Plant and machinery	1 - 10 years	1
Furniture and equipment	1 - 10 years	1
Heritage Assets		
Heritage and culture	-	10
Infrastructure		
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

	Land - specialised \$'000	Land - non specialised \$'000	Land improvements \$'000	Total Land \$'000	Buildings - specialised \$'000	Total Buildings \$'000	Work In Progress \$'000	Total Property \$'000
At fair value 1 July 2017	970,147	75,248	80,172	1,125,567	173,242	173,242	66,628	1,365,437
Accumulated depreciation at 1 July 2017	-	-	(33,469)	(33,469)	(5,936)	(5,936)	-	(39,425)
	970,147	75,248	46,663	1,092,073	167,306	167,306	66,628	1,326,012
Movements in fair value								
Additions	-	-	-	-	-	-	35,820	35,820
Contributions	55,514	9,265	3,690	62,469	502	502	-	62,991
Revaluation	369,548	80,874	-	400,422	33,561	33,561	-	433,983
Fair value of assets written off	-	-	-	-	(634)	(634)	-	(634)
Capital works WIP expensed	-	-	-	-	-	-	(3,850)	(3,850)
Transfers	(5,340)	7,580	7,075	9,315	57,047	57,047	(71,378)	(5,016)
	419,722	41,739	10,765	472,226	90,475	90,475	(39,408)	523,294
Movements in accumulated depreciation								
Depreciation and amortisation	-	-	(6,435)	(6,435)	(4,377)	(4,377)	-	(10,812)
Accumulated depreciation of assets written off	-	-	-	-	79	79	-	79
Revaluation increments	-	-	-	-	11,899	11,899	-	11,899
Transfers	-	-	1,760	1,760	(1,666)	(1,666)	-	94
	-	-	(4,675)	(4,675)	5,338	5,936	-	1,260
At fair value 30 June 2018	1,389,869	116,987	90,937	1,597,793	263,717	263,717	27,220	1,888,731
Accumulated depreciation at 30 June 2018	-	-	(38,164)	(38,164)	-	-	-	(38,165)
	1,389,869	116,987	52,773	1,559,629	263,717	263,717	27,220	1,850,566

Notes to the Financial Report
For the Year Ended 30 June 2018

Note 5.2 Property, infrastructure, plant and equipment (cont'd)

Plant and Equipment	Heritage	Plant and equipment	Furniture and equipment	Leased plant and equipment	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	489	19,602	36,290	4,578	1,746	62,705
Accumulated depreciation at 1 July 2017	-	(8,427)	(26,800)	(4,297)	-	(39,524)
	489	11,175	9,490	281	1,746	23,181
Movements in fair value						
Additions	-	25	1,174	-	9,295	10,494
Disposal	-	(1,978)	-	-	-	(1,978)
Capital works WIP expensed	-	-	-	-	(317)	(317)
Transfers	52	6,125	3,427	-	(8,877)	727
	52	4,172	4,601	-	101	8,926
Movements in accumulated depreciation						
Depreciation and amortisation	-	(2,304)	(2,770)	(281)	-	(5,355)
Accumulated depreciation of disposals	-	1,288	-	-	-	1,288
	-	(1,016)	(2,770)	(281)	-	(4,067)
At fair value 30 June 2018	541	23,774	40,891	4,578	1,847	71,632
Accumulated depreciation at 30 June 2018	-	(9,443)	(29,570)	(4,578)	-	(43,591)
	541	14,331	11,321	-	1,847	28,040

Infrastructure	Roads	Bridges	Footpaths and cycleways	Car Parks	Drainage	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	858,747	76,622	123,191	12,295	467,954	3,494	1,542,303
Accumulated depreciation at 1 July 2017	(182,038)	(19,914)	(31,717)	(3,656)	(115,475)	-	(352,800)
	676,709	56,708	91,474	8,639	352,479	3,494	1,189,503
Movements in fair value							
Additions	-	-	-	-	-	19,376	19,376
Contributions	37,403	-	5,484	70	21,449	-	64,406
Revaluation	-	-	-	-	5,002	-	5,002
Fair value of assets written off	(4,099)	(527)	(95)	(241)	(97)	-	(5,059)
Capital works WIP expensed	-	-	-	-	-	(5,552)	(5,552)
Transfers	6,347	671	2,936	3,050	1,860	(9,686)	5,178
	39,651	144	8,325	2,879	28,214	4,138	83,351
Movements in accumulated depreciation							
Depreciation and amortisation	(16,933)	(750)	(2,515)	(267)	(4,777)	-	(25,242)
Accumulated depreciation of assets written off	1,810	221	73	77	-	-	2,181
Revaluation increments	-	-	-	-	(297)	-	(297)
	(15,123)	(529)	(2,442)	(190)	(5,074)	-	(23,358)
At fair value 30 June 2018	898,398	76,767	131,516	15,174	496,168	7,632	1,625,655
Accumulated depreciation at 30 June 2018	(197,161)	(20,444)	(34,159)	(3,846)	(120,549)	-	(376,158)
	701,237	56,323	97,357	11,328	375,619	7,632	1,249,496

Notes to the Financial Report
For the Year Ended 30 June 2018

Note 5.2 Property, plant, equipment and infrastructure (cont'd)

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 5.2 have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Land under roads

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

Depreciation and amortisation

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

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

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are listed above and are consistent with the prior year unless otherwise stated.

Finance leases

Leases of assets where substantially all the risks and benefits incidental to ownership of the asset, but not the legal ownership, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability 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.

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.

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified in-house Senior Valuer, Mr Bill Katsianis AAPI, Certified Practising Valuer, Australian Property Institute Member No: 62961. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private 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.

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

The date of the current valuation is detailed in the following table. A revaluation was conducted in the current year for land and buildings.

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

Asset Class	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	Total \$ '000	DoV
Land and Buildings					
Land - non specialised	-	116,987	-	116,987	Jun-18
Land - specialised	-	-	1,389,869	1,389,869	Jun-18
Buildings - specialised	-	-	263,717	263,717	Jun-18
Total	-	116,987	1,653,586	1,770,573	

Notes to the Financial Report
For the Year Ended 30 June 2018

Note 5.2 Property, plant, equipment and infrastructure (cont'd)

2018
\$'000

2017
\$'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, Manager Assets.

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

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

Asset Class	Level 1 \$ '000	Level 2 \$ '000	Level 3 \$ '000	Total \$ '000	DoV
Infrastructure					
Roads	-	-	701,237	701,237	Jun-16
Bridges	-	-	56,323	56,323	Jun-16
Footpaths and cycleways	-	-	97,357	97,357	Jun-17
Car parks	-	-	11,328	11,328	Jun-16
Drainage works	-	-	375,619	375,619	Jun-18
Total	-	-	1,241,866	1,241,866	

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.

1,389,869

970,147

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 \$625 to \$7,500 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.

263,717

167,306

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.

1,241,864

1,186,009

Reconciliation of specialised land

Land under roads

259,675

159,155

Parks and reserves

1,130,195

810,992

Total specialised land

1,389,870

970,147

Notes to the Financial Report
For the Year Ended 30 June 2018

	2018	2017
	\$'000	\$'000
5.3 Investment property		
Land		
Balance at beginning of the financial year	31,712	26,446
Transfers from land into investment property	910	2,291
Transfers from investment property into land	(3,149)	-
Fair value adjustments	5,247	2,975
Balance at end of the financial year	34,720	31,712
Buildings		
Balance at beginning of the financial year	6,710	4,936
Transfers from buildings into investment property	1,258	1,158
Fair value adjustments	1,913	616
Balance at end of the financial year	9,881	6,710
Total investment property at end of the financial year	44,601	38,422

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.

Valuation of investment property

Valuation of investment property has been determined by a qualified in-house Senior 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.

Notes to the Financial Report
For the Year Ended 30 June 2018

	2018 No.	2017 No.
--	-------------	-------------

Note 6 People and relationships

6.1 Council and key management remuneration

(a) Related parties

During the 2017/18 financial year there were no entities that were either controlled, jointly controlled or which Council had a significant influence over (2016/17 nil).

(b) Key management personnel

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

Councillors

Councillor Geoff Porter	(1/07/2017 to 30/6/2018; Mayor 1/11/2017 to Current)
Councillor Steve Medcraft	(1/07/2017 to Current)
Councillor Ann Potter	(1/07/2017 to Current)
Councillor Drew Jessop	(1/11/2017 to Current; Mayor 1/07/2017 to 31/10/2017)
Councillor Carly Moore	(1/07/2017 to Current)
Councillor Jana Taylor	(1/07/2017 to Current)
Councillor Karen Sherry	(1/07/2017 to Current)
Councillor Joseph Hawell	(1/07/2017 to Current)
Councillor Jodi Jackson	(1/07/2017 to Current)
Councillor Leigh Johnson	(1/07/2017 to Current)
Councillor Naim Kurt	(1/07/2017 to Current)

Total number of councillors	11	18
Chief executive officer and other key management personnel	7	6
Total key management personnel	18	24

(c) Remuneration of key management personnel

Total remuneration of key management personnel was as follows:

Short-term benefits	1,977	1,960
Post employment benefit	139	147
Other long-term benefits	40	39
Total remuneration	2,156	2,146

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 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:

	2018 No.	2017 No.
\$0 - \$9,999	-	6
\$20,000 - \$29,999	-	8
\$30,000 - \$39,999	9	3
\$50,000 - \$59,999	1	-
\$70,000 - \$79,999	1	-
\$80,000 - \$89,999	-	1
\$110,000 - \$119,999	1	-
\$120,000 - \$129,999	1	-
\$250,000 - \$259,999	1	1
\$260,000 - \$269,999	1	1
\$270,000 - \$279,999	-	2
\$280,000 - \$289,999	1	1
\$290,000 - \$299,999	1	-
\$390,000 - \$399,999	1	1
	18	24

Notes to the Financial Report
For the Year Ended 30 June 2018

Note 6 People and relationships (cont.) **2018** **2017**

(d) Senior officer remuneration **No.** **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 \$145,000.

The number of senior officers are shown below in their relevant income bands:

Income Range:	2018	2017
\$145,000 - \$149,999	11	11
\$150,000 - \$159,999	9	6
\$160,000 - \$169,999	6	4
\$170,000 - \$179,999	3	3
\$180,000 - \$189,999	1	3
\$190,000 - \$199,999	7	5
\$200,000 - \$209,999	3	4
\$210,000 - \$219,999	1	-
\$220,000 - \$229,999	-	1
\$230,000 - \$239,999	1	1
\$240,000 - \$249,999	1	-
	43	38

Total Remuneration for the reporting year for Senior Officers included above, amounted to: **\$'000** **\$'000**
7,394 6,517

6.2 Related party disclosure

(a) Transactions with related parties

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

Nature of transaction	2017/18 \$'000	Comment
Employee Costs	30	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.
Total	30	

(b) Outstanding balances with related parties

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

(c) Loans to/from related parties

No loans have been made, guaranteed or secured by the Council to a related party during the reporting year (2016/17, Nil).

(d) Commitments to/from related parties

No loans have been made, guaranteed or secured by the Council to a related party during the reporting year (2016/17, Nil).

Notes to the Financial Report
For the Year Ended 30 June 2018

	2018 \$'000	2017 \$'000
Note 7 Managing uncertainties		
7.1 Contingent assets and liabilities		
(a) Contingent assets		
Developer contributed assets		
Developer contributions to be received in respect of estates currently under development total \$126 million (2016/17, \$110 million).		
Operating lease receivables		
The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 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	759	262
Later than 1 year and not later than 5 years	1,775	183
Total operating lease commitments	2,534	445

(b) Contingent liabilities

Legal matters

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 2018, current public liability claims excess which are considered to have a financial exposure for Council was \$230,000 (2016/17, \$110,000).

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

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

7.2 Change in accounting standards

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

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

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

**Notes to the Financial Report
For the Year Ended 30 June 2018**

7.2 Change in accounting standards (cont.)

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

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

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

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

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

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

Leases (AASB 16) (applies 2019/20)

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

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

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

7.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the Notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Notes to the Financial Report
For the Year Ended 30 June 2018

7.3 Financial instruments (cont.)

(b) Market risk (cont.)

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 exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

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

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

(c) Credit risk

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

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

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 7.1(b).

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.

Notes to the Financial Report
For the Year Ended 30 June 2018

7.3 Financial instruments (cont.)

(d) Liquidity risk

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

To help reduce these risks Council:

- 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 on 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.

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

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

(e) Sensitivity disclosure analysis

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

7.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

**Notes to the Financial Report
For the Year Ended 30 June 2018**

7.4 Fair value measurement (cont.)

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.

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 of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expensed to the comprehensive income statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

7.5 Events occurring after balance date

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

Notes to the Financial Report
For the Year Ended 30 June 2018

Note 8 Other matters

8.1 Reserves	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000
2018			
Property			
Land	561,343	330,218	891,561
Buildings	19,960	45,460	65,420
Land under roads	35,310	70,204	105,514
	<u>616,613</u>	<u>445,882</u>	<u>1,062,495</u>
Plant and equipment			
Plant and equipment	285	-	285
	<u>285</u>	<u>-</u>	<u>285</u>
Infrastructure			
Roads	283,530	-	283,530
Bridges	17,201	-	17,201
Footpaths and cycleways	36,631	-	36,631
Car parks	5,089	-	5,089
Drainage	142,251	4,705	146,956
	<u>484,702</u>	<u>4,705</u>	<u>489,407</u>
Investment property			
Land	33,297	-	33,297
Buildings	328	-	328
	<u>33,625</u>	<u>-</u>	<u>33,625</u>
Total asset revaluation reserves	<u>1,135,225</u>	<u>450,587</u>	<u>1,585,812</u>
2017			
Property			
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>
Plant and equipment			
Plant and equipment	285	-	285
	<u>285</u>	<u>-</u>	<u>285</u>
Infrastructure			
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	133,935	8,316	142,251
	<u>446,708</u>	<u>37,994</u>	<u>484,702</u>
Investment property			
Land	33,297	-	33,297
Buildings	328	-	328
	<u>33,625</u>	<u>-</u>	<u>33,625</u>
Total asset revaluation reserves	<u>987,940</u>	<u>147,285</u>	<u>1,135,225</u>

Notes to the Financial Report
For the Year Ended 30 June 2018

Note 8 Other matters (cont.)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(b) Other reserves				
2018				
Recreation land	3,431	2,593	(1,189)	4,835
Development levies	69,077	34,576	(13,696)	89,957
Conditional grants	7,560	5,523	(1,907)	11,176
Reserve - landfills	500	-	-	500
Investment reserve	5,622	2,762	-	8,384
Total other reserves	86,190	45,454	(16,792)	114,852
2017				
Recreation land	3,514	1,675	(1,758)	3,431
Development levies	42,457	26,649	(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
Total other reserves	53,511	37,860	(5,182)	86,190

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 2018

	2018 \$'000	2017 \$'000
8.2 Reconciliation of cash flows from operating activities to surplus		
Surplus for the year	219,491	209,028
Depreciation and amortisation	42,570	40,173
Gain on disposal of property, plant, equipment and infrastructure	(243)	(204)
Net gain on property development	(5,236)	(2,626)
Contributions - non-monetary assets	(127,396)	(114,183)
Asset written off	3,433	1,481
Fair value adjustments for investment property	(7,160)	(3,591)
Borrowing costs	62	129
GST refund for investing activities	5,594	-
<i>Change in assets and liabilities:</i>		
(Increase) / decrease in rates debtors	1,520	(2,593)
(Increase) / decrease in other debtors	50	(8,083)
Increase in provision for doubtful debts	35	32
(Increase)/decrease in other assets	(644)	559
Increase in trade and other payables	4,345	2,283
Increase/(decrease) in trust funds and deposits	(1,278)	2,510
Increase in provisions	1,419	(70)
Net cash provided by operating activities	136,562	124,843

8.3 Superannuation

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

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2018, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

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

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the 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 2018**

8.3 Superannuation (cont.)

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

Net investment returns 6.5% pa

Salary information 3.5% pa

Price inflation (CPI) 2.5% pa.

Vision Super has advised that the estimated VBI at 30 June 2018 was 106.0%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2017 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2017 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2018, this rate was 9.5% of members' salaries (9.5% in 2016/2017). This rate will increase in line with any increases in the SG 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%.

2017 triennial actuarial investigation surplus amounts

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

A VBI surplus of \$69.8 million

A total service liability surplus of \$193.5 million.

A discounted accrued benefits surplus of \$228.8 million.

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

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.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to the investigation date.

2018 interim actuarial investigation

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

Our File: HCC17/205
Enquiries: Fadi Srour
Telephone: 9205 2600



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Tuesday, 11 September 2018

Mrs Kathie Teasdale
Partner
RSD Audit
PO Box 448
BENDIGO VIC 3550

Dear Mrs Teasdale

**RE: REPRESENTATION BY THE CHIEF EXECUTIVE OFFICER IN RELATION
TO THE FINANCIAL REPORT OF HUME CITY COUNCIL FOR THE YEAR
ENDED 30 JUNE 2018**

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 2018. 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 dated 01 November 2017, 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.¹
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.

¹ ASA 580 *Written Representations*, paragraph 11(b)

2

4. The effects of uncorrected misstatements are immaterial, both individual and in the aggregate, to the financial report as a whole. A list of all uncorrected misstatements is attached to this representation letter (refer Attachment A)²

Access to information

5. We have provided you with:
- a) 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
 - b) any additional information that you have requested from us for the purpose of the audit
 - c) unrestricted access to persons within the council from whom you determined it necessary to obtain audit evidence³

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:
- a) management
 - b) employees who have significant roles in internal control or
 - c) others where the fraud could have a material effect on the financial report.⁴
9. We are not aware of any allegations (to the extent we are legally able to disclose these to you in accordance with the requirements of the *Independent Broad-based Anti-Corruption Commission Act 2011*) of fraud, or suspected fraud, affecting Hume City Council's financial report communicated by employees, former employees, analysts, regulators or others⁵.

Internal control

10. We acknowledge our responsibility for the design, implementation and maintenance of internal control to prevent and detect fraud and/or error⁶. We

² ASA 450 *Evaluation of Misstatements Identified during the Audit*, paragraph 14

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

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

⁵ ASA 240.39(d)

⁶ ASA 240.39(b)

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. 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, disclosed⁷.

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

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*

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

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 6.1 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 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*.

Responsible persons and executive officer disclosures

28. 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*.
29. We have disclosed the names of the relevant responsible Ministers at any time during the year.
30. 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

31. 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.
32. We have no plans or intentions that may materially affect the carrying values or classification of any assets and liabilities.

Going concern

33. 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

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

Preparation of the performance statement

35. We have prepared and presented the performance statement in conformity with the requirements of *Local Government Performance Reporting Framework*. We consider the indicators to present fairly the performance of the council.
36. All relevant matters have been recorded in the council's records and are reflected in the performance statement⁸.
37. 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)⁹.
38. 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 aware¹⁰.

Publication of the financial report

39. 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.

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

⁹ ASAE 3000.A137

¹⁰ ASAE 3000.A1

6

40. 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.
41. 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. The financial report and any other information obtained by you prior to the date of the auditor's report is consistent with one another, and the other information does not contain any material misstatements.

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

REPORT NO:	GE293
REPORT TITLE:	Support for Drought Affected Communities
SOURCE:	Bernadette Thomas, Manager Environment
DIVISION:	Sustainable Infrastructure and Services
FILE NO:	HCC18/447
POLICY:	-
STRATEGIC OBJECTIVE:	5.2 Create a community actively involved in civic life.
ATTACHMENTS:	Nil

1. SUMMARY OF REPORT:

This report outlines options for Council to make a donation to drought-affected farmers and communities in NSW and Queensland via a third party charitable organisation.

2. RECOMMENDATION:

2.1 That Council approves donations of \$5,000 each to Rural Aid and Landcare Australia to support drought affected farmers and communities in NSW and Queensland.

3. LEGISLATIVE POWERS:

3.1 A donation by Council to a third party charity is not precluded by legislation.

4. FINANCIAL IMPLICATIONS:

4.1 Council has an emergency management budget approved as part of the 2018/19 budget, which is allocated to small scale activities during local emergencies. The \$10,000 donation can be funded from this budget.

5. ENVIRONMENTAL SUSTAINABILITY CONSIDERATIONS:

5.1 Drought has significant impacts on the natural environment in Australia, the key factor being decreased water supplies in aquatic and terrestrial habitats leading to the reduction in available habitat and potential loss, decline or extinction of native aquatic and terrestrial species.

6. CLIMATE CHANGE ADAPTATION CONSIDERATIONS:

6.1 According to the key findings of the Climate Council report *Thirsty Country: climate change and drought in Australia*, climate change is likely making drought conditions worse in a number of regions. The impacts of drought affects native ecosystems and water supply, reduces agricultural production and impacts on mental health.

7. CHARTER OF HUMAN RIGHTS APPLICATION:

7.1 Providing a financial contribution to rural communities during this time will assist with mental health support for drought affected communities.

REPORT NO: GE293 (cont.)

8. COMMUNITY CONSULTATION:

8.1 No community consultation was needed for this report.

9. DISCUSSION:

9.1 Background:

- 9.1.1 In early August 2018, the entire state of NSW was declared in drought (or drought affected) by the NSW Department of Primary Industries. The drier than expected months of June and July have seen crops fail, water supplies dry up and stock feed in diminishing supply. The NSW Government will provide more than \$1billion in drought relief support such as transport subsidies, animal welfare measures, and mental health support.
- 9.1.2 In Queensland, 57% of the land area has been drought declared. The Queensland Government offers financial support via the Drought Relief Assistance Scheme to assist farmers with the cost of feed and water transport and the installation of water infrastructure.
- 9.1.3 The Federal Government has allocated \$1.8billion to drought relief for farmers, local councils and businesses, to boost the Farm Household Allowance, provide emergency water supplies, and for low interest loans to purchase stock feed.
- 9.1.4 A number of charities with links to regional and rural communities are seeking donations and offering various forms of assistance to farmers and residents living in rural communities.
- 9.1.5 In July 2009, Council donated \$10,615 to the Australian Red Cross Victorian Bushfire Appeal. The donation contributed towards providing assistance to individuals, and communities and towns affected by the 2009 Victorian bushfires.

9.2 Options to provide financial support:

- 9.2.1 There is no collective local government response being considered by the MAV or VLGA. LGNSW is directing councils wishing to provide material support to registered charities working on the ground in drought affected communities.
- 9.2.2 In response to the current drought conditions, a number of charities are calling for donations to provide assistance to rural communities. In selecting a charity, a number of factors should be considered: giving to organisations that provide relief to communities or groups and not donating directly to individuals; giving to a charity registered with the Australian Charities and Not for Profit Commission (ACNFPC); and directing a donation to a service providing rural mental health services, support for land management, and material aid. In addition, Council's guiding principles of social justice and sustainability can guide the selection of a suitable charity.
- 9.2.3 Donations can be made to one of the following charities who are working on the ground with local communities. They are all registered with the ACNFPC.
 - (a) Rural Aid/Buy a Bale (www.buyabale.com.au): provides support programs for rural Australia including animal feed, cash handouts, holidays and mental health assistance, education assistance, and technology.

REPORT NO: GE293 (cont.)

Donation	What it buys
Hay	<ul style="list-style-type: none"> • 5 x \$30 bales feeds one cow for one week • \$5,700 buys a single trailer load of hay • \$9,500 buys a semi-trailer load of hay and transport to an affected area (up to 900km)
Diesel	\$4.40 transports hay one km anywhere in Australia
Water	Every \$250 ensures delivery of 11,500 litres of water to a farm within 100km of the collection point
Hampers	\$52.50 buys one hamper for a farmer through their local supermarket
General	Donations of any amount can be made in lots of \$10

- (b) Australian Red Cross (www.redcross.org.au/campaigns/drr-drought) provides short-term financial relief including support for individual and household health and wellbeing by making financial support available to meet everyday household expenses and help people access social, health and educational activities. Red Cross will work with local partners around the country, with 100% of every donation going to rural communities.
- (c) Landcare Australia (www.landcareaustralia.org.au/landcare-drought-relief-appeal-2018): has initiated a Landcare Drought Relief Appeal to assist landcare groups in drought-affected NSW and Queensland to support farmers in ways that ensure the sustainability of their farms. This includes education about supplementary feeding and providing feral animal control programs. Landcare groups in rural areas are often made up of farmers and are involved in creating wildlife corridors, protecting native vegetation, and controlling pest plants and feral animals.
- (d) Drought Angels (www.droughtangels.org.au): assist farming families by providing stock feed, financial support via pre-paid visa cards, and local produce vouchers from within the communities, moral support through personal face to face or phone contact, and referrals to other support networks as needed.
- (e) Foundation for Rural & Regional Renewal (FRRR) – www.frrr.org.au is a national philanthropic foundation dedicated to rural and regional Australia, supported by the Sidney Myer Fund and the Federal Government. The Foundation provides funds under its drought program by providing grants to local not-for-profit groups for activities that are locally led and tailored to the community's needs, such as hosting events and skill development.
- (f) Aussie Helpers – www.aussiehelpers.org.au are accepting cash donations to provide stock feed and purchasing food and grocery items, assist with school fees and daily expenses.
- (g) Lions Need for Feed – www.needforfeed.org support communities and farmers in Victoria and NSW with emergency stock feed and transport. The program is an initiative of the Lions Club International. (Unable to confirm the charity status of this group)

REPORT NO: GE293 (cont.)

- (h) Salvation Army - salvos.org.au/about-us/latest-news/disasters-other-appeals/2018-droughts/ are providing support through their Rural Support Service and their Rural Chaplaincy program. They are seeking cash donations to purchase food, help with bill payments and daily living expenses.

- 9.2.4 Financial contributions by Hume staff can be made via a 'Casual Friday' collection and added to the donations made by Council.

10. CONCLUSION:

- 10.1 Farmers in NSW and Queensland in drought affected areas need financial, material and health and wellbeing support to ensure that they can maintain their operations and land into the future. A donation from Hume City Council would contribute to individuals, families and communities in need.