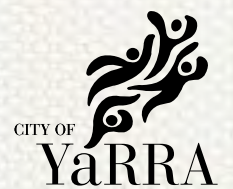




# We are Yarra

Annual Report  
2013-14





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# Welcome

The City of Yarra is a thriving inner city municipality which champions social justice, equity, the rights of its community and sustainable living. Yarra also strives to protect its unique heritage and culture, support its vibrant arts and live music scene, embrace healthy lifestyles and recreation, and truly value the contribution of many voices and cultures.

With a population of over 83,000, our communities are creative and diverse, as well as socially and politically aware. They are active and well connected, and fiercely protective of Yarra's values, culture and heritage.

Yarra takes in the suburbs of Abbotsford, Burnley, Clifton Hill, Collingwood, Cremorne, Fitzroy, North Carlton, North Fitzroy, Princes Hill and Richmond, as well as parts of Alphington and Fairfield.

Its proximity to Melbourne's business district, the availability of public transport and cycling facilities and its easy access to arts, culture, retail, night time economies and recreation choices makes Yarra a highly desirable place to live, work and enjoy.

## WHY WE HAVE AN ANNUAL REPORT

Thank you for your interest in this year's Annual Report. This document outlines Council's actions and achievements over the last 12 months and provides important information related to its finances and governance.

One of the primary functions of the Annual Report is to openly and honestly discuss Council's progress towards the objectives it established in its Council Plan. It also explores some of the key services and programs that Council provides to the community.

The Annual Report is designed to engage and inform residents, businesses, community groups, peak bodies and members of parliament.

Like all Victorian councils, Yarra is required to prepare the document in accordance with the *Local Government Act 1989*, and submit it to the Minister for Local Government prior to 30 September 2014.

## ACKNOWLEDGEMENT OF WURUNDJERI LAND

Council acknowledges the Wurundjeri community as the first owners of this country. Today, they are still the custodians of the cultural heritage of this land. Further to this, Council acknowledges there are other Aboriginal and Torres Strait Islander people who have lived, worked and contributed to the cultural heritage of Yarra.

## HOW TO OBTAIN A COPY

Printed copies of the Annual Report are available from Council's Customer Service Centres at the Richmond and Collingwood Town Halls and the Connie Benn Family and Children's Centre, as well as from Yarra's libraries at Richmond, Collingwood, Carlton, Fitzroy and North Fitzroy. An electronic version of the Annual Report can be accessed via Council's website at: [www.yarracity.vic.gov.au](http://www.yarracity.vic.gov.au).

## LARGE PRINT

Large print copies are available on request. For further information, please telephone Council on 9205 5555.

## DO YOU HAVE A SMART PHONE?

Some sections of this document contain QR codes leading to additional information on Council's website. While not essential to your understanding of the Annual Report, this material provides further insight into Council's service to its community. To gain access to this content, download a QR reader to your smart phone, open the 'app' and scan the code.



Welcome to Yarra City Council's 2013-14 Annual Report, which is designed to provide an open and honest account of the organisation's activities. If you would like to know about the content of this document in your own language, we can arrange for an interpreter to assist you. Please call 9280 1940 and quote reference number 14112.



### Italian

Benvenuti al Resoconto annuale 2013-14 del Comune di Yarra, inteso a fornire un rapporto trasparente e onesto sulle attività programmate. Se volete conoscere il contenuto di questo documento nella vostra lingua, possiamo chiamare un interprete a vostra assistenza. Si prega di telefonare al 9280 1931 e riportare il numero di riferimento 14112.



## We are Yarra



### Arabic

بين يدك التقرير السنوي للعام 2013 - 2014 الصادر عن مجلس مدينة يارا، الذي يحتوي على بيان واضح وصادق عن أنشطة المنظمة. وإذا أردت الاطلاع على محتويات هذا المستند بلغتك، بإمكاننا الترتيب لمترجم لمساعدتك. يرجى الاتصال على الرقم 9280 1930 وإعطائهم رقم المرجع 14112.



### Spanish

Bienvenido al Informe Anual 2013-2014 de la Municipalidad de la ciudad de Yarra. Este informe tiene como objetivo darle un informe abierto y honesto de las actividades que lleva a cabo la organización. Si Ud quiere conocer el contenido de este document en su propio idioma, podemos solicitar un intérprete para que le asista. Favor llamar al 9280 1935 y deles el número de referencia 14112.





## Greek

Καλώς ήλθατε στην Ετήσια Έκθεση του 2013-14 του Δήμου του Yarra, η οποία έχει σχεδιαστεί για να παρέχει έναν ανοιχτό και ειλικρινή απολογισμό των δραστηριοτήτων του οργανισμού. Αν θα θέλατε να μάθετε για το περιεχόμενο αυτού του εγγράφου στη δική σας γλώσσα, μπορούμε να κανονίσουμε για να σας βοηθήσει ένας διερμηνέας. Παρακαλούμε τηλεφωνήστε στον αριθμό: 9280 1934 και αναφέρετε τον αριθμό αναφοράς: 14112.

## Simplified Chinese

欢迎阅读《Yarra City Council (亚拉市政) 2013-2014年度报告》，这份报告的宗旨是开放并如实地记录市政所有的活动。如果您需要通过中文了解关于这份文件的内容，我们会安排一位口译员来为您提供帮助。请拨打电话9280 1937，然后提供编号14112。

## Traditional Chinese

歡迎閱讀 Yarra 市政府的《2013-14年度報告》。這份報告旨在開誠佈公地記錄本機構的各項活動。如果你希望使用自己的語言瞭解本文件的內容，我們可以安排口譯員為你提供幫助。請致電9280 1932 並且引述參考號碼14112。



## Vietnamese

Chào đón quý vị đến với Báo cáo Thường niên Năm Tài khóa 2013-14 của Hội đồng Thành phố Yarra. Báo cáo này được thiết kế để cung cấp thông tin cởi mở và trung thực về các hoạt động của Hội đồng. Nếu quý vị muốn biết nội dung của văn kiện này bằng ngôn ngữ của quý vị, chúng tôi có thể thu xếp để có thông dịch viên giúp đỡ quý vị. Xin hãy gọi số 9280 1939 rồi nêu số tham chiếu 14112.

## Sudanese Arabic

مرحب ببيك في تقرير سنوي بتاع 2013 - 2014 بتاع مجلس مدينة Yarra. تقرير ده عملوه عشان يكتبو فيو معلومات واضحة وصادقة عن أنشطة بتاعت منظمة. لو انت داير تعرف مستند ده فيو شنو بلغة بتاعتك، نحن ممكن نرتب لمترجم عشان يساعدك. انت ممكن تتصل برقم تلفون ده 9280 1940 وتديهم رقم بتاع مرجع ده 14112.





This section provides a snapshot of the municipality and its people, along with a summary of Council's activities over the past 12 months. It also includes messages from Yarra's Mayor and Chief Executive Officer, as well as a financial summary.

# Overview







# Performance Highlights

This Annual Report measures Council's performance against the five Strategic Objectives outlined in its *Council Plan 2013-17*. The table below provides a summary of major achievements and challenges for each Strategic Objective.

	1 STRATEGIC OBJECTIVE Celebrating Yarra's Uniqueness	2 STRATEGIC OBJECTIVE Supporting Yarra's Community
<b>Major achievements</b>	<ul style="list-style-type: none"> <li>• Launched the inaugural Leaps and Bounds Music Festival.</li> <li>• Introduced Affordable Housing Grants.</li> <li>• Renovated the Carlton and Collingwood Libraries.</li> <li>• Launched Re-tales, a four part documentary on Yarra business, in partnership with the state government and Australian Retailers Association.</li> <li>• Held four meetings of the Heritage Advisory Committee.</li> <li>• Adopted new gateway signage acknowledging Yarra's Traditional Owners.</li> <li>• Drafted the Economic Development Strategy 2015-20.</li> </ul>	<ul style="list-style-type: none"> <li>• Implemented year one actions for the Access and Inclusion Plan 2014-17.</li> <li>• Developed a new Buildings Asset Management Plan.</li> <li>• Assumed responsibility for the Connie Benn Family and Children's Centre.</li> <li>• Developed the Middle Years Strategy and Action Plan 2014-17.</li> <li>• Awarded more than \$1.9m in grants to the community.</li> <li>• Developed the Youth Policy 2013-16 in partnership with the Yarra Youth Ambassadors.</li> <li>• Signed a new Memorandum of Understanding with local Neighbourhood Houses and Learning Centres.</li> </ul>
<b>Challenges</b>	<ul style="list-style-type: none"> <li>• Awaiting Ministerial approval for planning scheme amendments addressing heritage gaps.</li> <li>• Unable to display Council's Art and Heritage Collection at Collingwood Town Hall due to renovations.</li> </ul>	<ul style="list-style-type: none"> <li>• Construction of the Lourdes Family and Children's Hub was delayed by the need to apply for a heritage permit, which has since been obtained from Heritage Victoria.</li> <li>• Planning approval for a new library in North Fitzroy was delayed to July 2014 due to further discussions about the design.</li> </ul>
<b>Looking ahead to 2014-15</b>	<ul style="list-style-type: none"> <li>• Completion of a new multi-service community hub at the former GTV9 site.</li> <li>• Investigation of new ways to engage with culturally and linguistically diverse communities.</li> </ul>	<ul style="list-style-type: none"> <li>• Redevelopment and expansion of services at the Gold Street Childcare Centre.</li> <li>• Construction of a new sports pavilion at Fairfield Park.</li> </ul>
<b>Further information</b>	Refer to pages 82 to 87.	Refer to pages 88 to 93.



<h1>3</h1> <b>STRATEGIC OBJECTIVE</b> <b>Making Yarra More Liveable</b>	<h1>4</h1> <b>STRATEGIC OBJECTIVE</b> <b>Ensuring a Sustainable Yarra</b>	<h1>5</h1> <b>STRATEGIC OBJECTIVE</b> <b>Leading Local Government</b>
<ul style="list-style-type: none"> <li>Completed three new parks and commenced work on another in Church Street, Richmond.</li> <li>Met Local Area Traffic Management Plan commitments across six precincts.</li> <li>Widened the Main Yarra Trail between Dights Falls and Turner Street.</li> <li>Completed construction of the new Victoria Street Gateway.</li> <li>Installed a new basketball court and playground shade at Burnley Park and restored the historic elm avenue.</li> <li>Successfully advocated to the state government and Yarra Trams for a new tram line terminating at Victoria Gardens.</li> <li>Adopted the Swan Street Structure Plan.</li> </ul>	<ul style="list-style-type: none"> <li>Adopted the Environment Strategy 2013-17.</li> <li>Provided funding to the Yarra Energy Foundation.</li> <li>Undertook community consultation for the Waste Management Strategy 2014-18.</li> <li>Resourced the Urban Agriculture program.</li> <li>Incorporated Environmentally Sustainable Development (ESD) principles into the Yarra Planning Scheme, pending ministerial approval.</li> <li>Continued the award winning Food Know How Program.</li> <li>Launched the energy reduction Carbon Countdown challenge for staff.</li> </ul>	<ul style="list-style-type: none"> <li>Purchased 345 Bridge Road, Richmond as a strategic investment for Council and to reinvigorate Bridge Road.</li> <li>Implemented a new finance system across the organisation.</li> <li>Adopted Council's first Strategic Advocacy Framework.</li> <li>Developed and launched Yarra's first Gender Equity Strategy.</li> <li>Achieved an excellent 7.1 rating in the Annual Customer Satisfaction Survey.</li> <li>Adopted a revised Community Engagement Policy.</li> <li>Completed 130% of the original capital works budget (a revised budget was later adopted to allow Council to assume responsibility for the Connie Benn Family and Children's Centre and acquire 345 Bridge Road, Richmond).</li> </ul>
<ul style="list-style-type: none"> <li>Postponed the tender for new parking enforcement technology in order to update the specification to address additional local laws requirements.</li> <li>Resolved to undertake detailed design and investigate costs before determining whether to proceed with construction of a separated bicycle lane on Wellington Street.</li> </ul>	<ul style="list-style-type: none"> <li>A report on the potential for an Urban Forest Strategy has been postponed to 2014-15 due to the complexity of data collection and analysis required.</li> <li>The Urban Wildlife Management Plan review commenced, but the final report was held back to incorporate data from the Biodiversity Health Study scheduled for 2014-15.</li> </ul>	<ul style="list-style-type: none"> <li>Refurbishment of the Collingwood Town Hall was delayed by heritage construction issues, but works were completed in July 2014 and the site is once again open to the public.</li> <li>Recruitment for the Emergency Management Response and Recovery Planning Officer was not initially successful which delayed this action.</li> </ul>
<ul style="list-style-type: none"> <li>Continuation of a comprehensive review of the Yarra Planning Scheme.</li> <li>Development of a revised Licensed Premises Policy.</li> </ul>	<ul style="list-style-type: none"> <li>Expansion of the water sensitive urban design program with design and construction of new rain gardens.</li> <li>Adoption and implementation of the Waste Management Strategy 2014-18.</li> </ul>	<ul style="list-style-type: none"> <li>Rollout of a new Employment Diversity Strategy.</li> <li>Transition to the new Local Government Performance Reporting Framework.</li> </ul>
<p>Refer to pages 94 to 99.</p>	<p>Refer to pages 100 to 105.</p>	<p>Refer to pages 106 to 110.</p>



# Mayor's Message

It is my great pleasure to present to the community Yarra City Council's 2013-14 Annual Report. This sets out our main actions and initiatives over the last 12 months to deliver on Council Plan commitments designed to meet community aspirations and needs.

An important part of Yarra planning has been advocacy to state and federal governments for greater investment in public transport and other infrastructure. Our advocacy has also focused on protection of the Yarra River Corridor, harm reduction strategies to reduce the impact of drug addiction and improved educational options for families in Yarra.

One of the most significant advocacy campaigns in the history of Yarra has been our Trains Not Toll Roads campaign. This actively supports public transport, especially the long outstanding rail line to Doncaster, as well the Metro rail initiatives, while challenging the state government's East West Link project. Yarra has long contested the East West Link because of the devastating impacts the project would have on our community health and wellbeing, heritage, inner city traffic and many other important aspects impacting our liveability. The huge cost of the project would also significantly undermine the capacity to invest in public transport for generations to come.

Council officially launched Trains Not Toll Roads in June 2013 and has since seen the campaign embraced not only by Yarra residents, but by people across the state. More than 10,400 people follow Yarra's Trains Not Toll Roads Facebook page and thousands have attended rallies, protests, meetings, debates and information sessions, most of which have been organised by the community.

We have been gratified by the overwhelming support received from the community on this matter.

I would like to add that Yarra's advocacy for public transport is an investment for our City and has contributed to achieving the following major improvements:

- a new 112 tram service for Victoria Street, based on our advocacy for a tram shuttle at Victoria Gardens.
- improved Nicholson Street tram services based on a 'Friends of Route 96' campaign (jointly with Melbourne, Moreland, and Port Phillip Councils).
- smart bus services on Victoria Parade and Hoddle Street being allocated a dedicated bus lane adjacent to a retained parking lane to support businesses along these streets.
- further plans on improved tram services for Lygon Street and Brunswick Street.

## EMPOWERING THE COMMUNITY

Council also supported its community in 2013-14 through our major community grants program, which is one of the largest in local government in Victoria. More than \$1.9m in community grants was made available to support local programs devoted to sustainability, social justice, healthy lifestyles, the arts, and much more.

Research shows that that every dollar in such community grants generates a tenfold return in delivery to the community. In all, 243 community projects across 11 categories received support. Each grant represented an important partnership between Council and community organisations. Please turn to page 34 for more detail on the 2013-14 grants program.

## RESTORING AN ICON

A major infrastructure project in 2013-14 was Council's refurbishment of the Collingwood Town Hall. This has seen an ageing but much loved building transformed into a modern, safe, accessible and eco-friendly community asset, while retaining its heritage character. Practical completion of the upgrade occurred at the end of June 2014, with reopening celebrations shortly thereafter. These included the charming Orbweavers trio composing a song about Collingwood Town Hall. Council is thrilled to again be delivering important services from this iconic site and making its versatile spaces available for community use.

An Aboriginal smoking ceremony and formal Wurundjeri welcome helped celebrate the unbreakable ties between the Collingwood Town Hall and Traditional Owners. Furthermore, the refurbished building now features a valuable meeting space known as the Wurundjeri Room.





Other rooms are named in honour of historical figures including the late Margaret Oates who for over 30 years in the late 20th century was well known for her charitable work. We also have a room named after Rebecca 'Rita' Jamieson, who in 1963 became the first woman on the Collingwood Council. Another room is named after the late Theo Sidiropoulos, the first Greek born Collingwood Councillor (1968-78), Mayor (1977-78) and Member of the Victorian Parliament (Member of the Legislative Assembly for Richmond 1977-1988).

## INVESTING IN YARRA

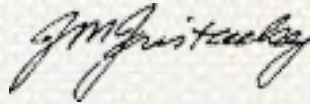
Another significant achievement in 2013-14 was acquisition by Council of a three-storey building at 345 Bridge Road, Richmond, adjacent to the Richmond Town Hall. This investment will future-proof Council as Yarra faces becoming a municipality of 100,000 citizens requiring additional staffing and facilities to serve its needs.

Council adopted a revised budget in December 2013 to facilitate its \$11.98m purchase of this building in the heart of the Bridge Road shopping precinct. It is planned to lease two floors to commercial interests, while utilising the third floor to accommodate staff. It is expected this will help reinvigorate Bridge Road by bringing more people into the precinct.

Other examples of Council supporting its vibrant retail shopping centres have included completing the Victoria Street Gateway, a draft Economic Development Strategy and a ground breaking new draft Night Time Economy Strategy which aims to ensure night activities in Yarra are safe, well managed and inclusive. Council's leadership in this and in many other areas is renowned.

## THANK YOU

I thank fellow Councillors for their active contribution to Yarra over the last 12 months. You would be surprised how much consensus there is, with a healthy, insightful and professional approach from all Councillors, demonstrating that democracy is alive and well in Yarra. To this end, I am proud to be part of a Council that acts in the best interests of its community and strives to achieve excellence at every turn. This is recognised in the number of significant awards achieved by Council (see page 31). This Annual Report is testimony to the fact that we have achieved much together. Thanks must also go to our indefatigable Chief Executive Officer, Vijaya Vaidyanath, Council's talented and hardworking Executive team and all staff who exemplify the 'One Yarra' philosophy (see page 73) and commitment to the ever evolving story of Yarra.



**Councillor Jackie Fristacky**  
Mayor

*The river winds ahead with silver gums,  
Hoddle on a Friday glows and hums.  
Magpies call,  
Dusk and dawn,  
Just as they always have,  
Time immemorial,  
Over where the waters meet,  
In Collingwood,  
Collingwood.*

Extract from Collingwood Town Hall  
by The Orbweavers





# Chief Executive Officer's Message

It's been two years since I joined this organisation and every day reminds me that there's never a dull moment at Yarra! I wouldn't have it any other way. I'm proud to lead a motivated team delivering exceptional outcomes for our wonderfully diverse, creative and engaged community.

## IDENTIFYING NEW OPPORTUNITIES

One of my major priorities this year has been to look beyond rates revenue to identify new and innovative funding and service-delivery opportunities. Council secured a range of grants from state and federal government agencies through targeted research and advocacy. These grants support bold initiatives to enhance service provision, build community infrastructure, boost environmental sustainability and much more. You can read more about these grants, including examples, on page 64.

Alongside this, there has been a focus on developing service plans for every Council branch so that we have a consistent approach to service delivery, meeting our Council Plan objectives, innovation, customer service, risk management and many other critical areas.

An ongoing journey for us, and one that will continue into 2014-15, is embedding a culture of innovation across the organisation, improving our project management capabilities and ensuring we have a framework for continuous improvement.

## CAPITAL WORKS

A major achievement for Council in 2013-14 was delivering over \$44m in capital works. This represented an excellent 130% completion of the original capital works budget (a revised budget was later adopted to enable Council to assume sole management responsibility for the Connie Benn Family and Children's Centre and acquire the property at 345 Bridge Road, Richmond).

Some highlights include the upgrade to the Gold Street Children's Centre, redevelopment of Fairfield Park Oval, the once in a lifetime refurbishment of Collingwood Town Hall, completion of the spectacular Victoria Street Gateway and upgrade of the Main Yarra Trail.

## ENHANCING OUR ADVOCACY EFFORTS

Council has a long and proud history of engaging with other tiers of government, as well as with other agencies and peak bodies, to represent the interests of its citizens.

This year, Council brought greater structure and accountability to this process by creating a new Strategic Advocacy Unit and adopting the organisation's first Strategic Advocacy Framework.

This redefined program enables Council to clearly and consistently communicate its positions to decision makers and policy setters. It also enables Council to better identify the kind of funding opportunities I have discussed above, as well as build and maintain important strategic partnerships for the betterment of the Yarra community.

The Mayor has highlighted one of Yarra's major campaigns (Trains Not Toll Roads) in her message on page 8, and a more comprehensive rundown of Council advocacy activities can be found on page 61.

## MAJOR CHALLENGES

Council has faced some major challenges throughout 2013-14 including responding to the state government's East West Link Comprehensive Impact Statement, new Residential Zone legislation and the Metropolitan Strategy (Plan Melbourne). All have significant implications for Yarra and wider Melbourne.



## ONE YARRA

In 2013-14, Council's internal culture change program 'One Yarra' went from strength to strength. I am a big believer that if you nurture and improve internal culture, people will be more committed and determined to do a good job. Ultimately this benefits the community in improved delivery of services and a workforce that cares about its community. Some highlights of the One Yarra program have included every team undertaking actions plans to improve their team culture and performance and the establishment of cross-organisational core groups focussing on leadership, teamwork, accountability, wellbeing, communication and innovation. We have also had cultural awareness training delivered by the Institute of Koori Education, the launch of a Gender Equity Strategy, and the establishment of a new People and Culture branch (formerly known as Human Resources).

## A YEAR OF HIGH ACHIEVEMENT

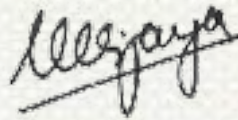
This year, Council's work across a variety of fields was recognised with a number of awards from peak industry bodies. Highlights include:

- Council won Parks and Leisure Australia Awards (at both state and national level) in the Open Space Planning category for its conversion of non-critical roads into green open space.
- Yarra's program to provide free gym memberships to disadvantaged people was recognised with an LGPro Award for Excellence in the Community Partnerships Initiative category.
- Council's community focused Food Know How Program was recognised with the Sustainability Education Award at the World Environment Day Awards.
- The organisation's Annual Report was recognised with an MAV Annual Report Award in the category of Best Communication.

A range of other Council programs were highlighted with prestigious awards during 2013-14 and I encourage you to read about them on page 31.

The balance sheet remains strong with key strategic asset acquisitions including the property at 345 Bridge Road, Richmond, and equity increased by \$33m. Surplus on operations, asset acquisitions and asset revaluation contributed to this increase. Council's cash position improved during the year and this continues to be a focus going forward.

As Yarra gears up for the opportunities and challenges of a new financial year, it is important to pause and reflect on our journey over the past 12 months. I want to thank the Mayor and Councillors for their advice, direction and guidance, as well as the Executive Team and all of the staff for their commitment and energy. It is with great pride that I commend and present the 2013-14 Annual Report of the Yarra City Council. I trust that you'll find it to be an accessible and engaging account of Council's commitment to each and every member of the Yarra community.



**Vijaya Vaidyanath**  
Chief Executive Officer





# The Story of Yarra

## WURUNDJERI HERITAGE

The Wurundjeri have cared for the area now known as the City of Yarra for many thousands of years. The first owners developed a rich and enduring culture, while living in a way that preserved the area's wildlife and habitat. From the 1830s, the Wurundjeri began to be displaced from their lands by European settlers. The impacts of the growing settlement were complex and devastating. In spite of this, Aboriginal people survived and the strong bonds between families and clans could not be broken. Local Aboriginal people in the area continue to make vital contributions to art, culture and commerce.

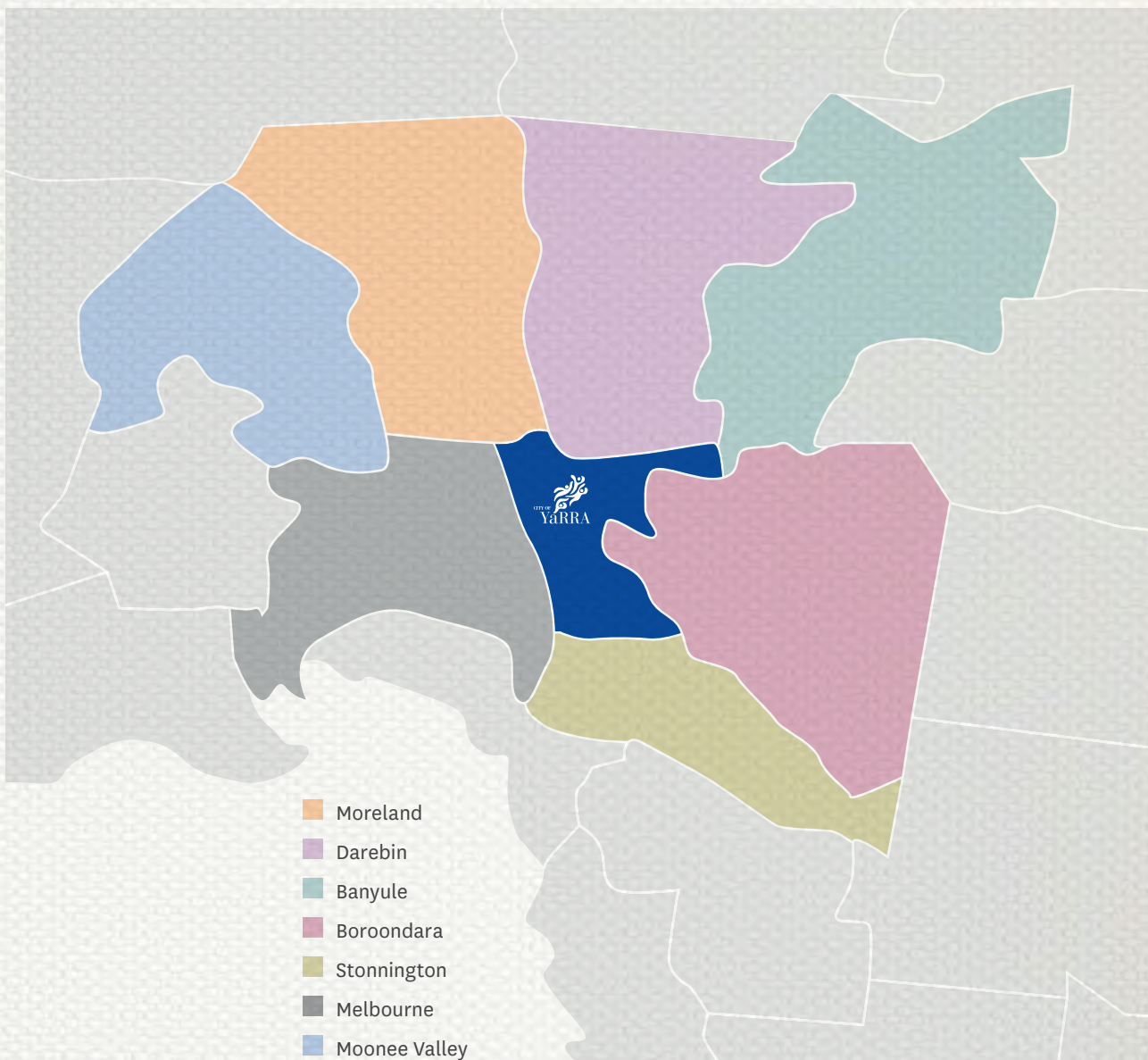
## EARLY GROWTH

Colonial settlement of the suburbs that now form Yarra began in earnest during 1839 and intensified with the gold rush of the 1850s. The establishment of industry along the Yarra River led to considerable growth, with commercial interests eventually displacing some of the housing.

During the second half of the 19th century, Yarra emerged as one of the great population centres of the Victorian era and much of the distinctive residential architecture remains to this day. Heinz, Rosella, Fosters and other iconic Australian businesses operated in the area throughout the 20th century.

## A NEW MUNICIPALITY

Yarra City Council was created in 1994 following the state government's restructure of local government. Approximately 20 square kilometres in size, the new municipality consolidated the former councils of Collingwood, Richmond and Fitzroy, as well as parts of North Carlton, Northcote, Alphington and Fairfield. Twenty years after amalgamation, suburbs such as Abbotsford, Burnley, Clifton Hill, Collingwood, Cremorne, Fitzroy, North Carlton, North Fitzroy, Princes Hill and Richmond, as well as parts of Alphington and Fairfield, continue to retain their own unique history and character.







BRUNSWICK STREET IN FITZROY

## YARRA IN DEMAND

Yarra is among the state's most sought after residential locations due to its proximity to the Yarra River and Melbourne CBD, as well as its ready access to public transport, retail, services and cultural activities.

The estimated population of Yarra in 2013 was 83,593, a 3% increase over the previous year and an 18% increase over the past decade. More than 1,000 new dwellings have been created annually since 2010-11 and 78% of overall housing is medium to high density (almost triple the Greater Melbourne average). The Yarra economy supports 88,664 jobs (a 25% increase since 2006) and an estimated 13,472 local businesses. Our businesses collectively contribute \$17b per annum to Gross State Product.

## EVOLVING PRIORITIES

Yarra is evolving into a highly educated community, with 48% holding tertiary qualifications (up from 39% in 2006) and 43% working in the professions (almost double the Greater Melbourne average). At the same time, Yarra is home to some of the most disadvantaged residents in Australian society. With 11% of the population living in public housing estates, housing affordability and provision of social services is a critical issue.

While the municipality is experiencing considerable growth, the role of the motor car is declining, with only 36% of Yarra households owning more than one vehicle (compared to the Greater Melbourne average of 57%). About 46% of Yarra residents walk, cycle or catch public transport to work (more than double the Greater Melbourne average). While there will continue to be high demand for limited parking resources, the Yarra community is demonstrating a strong commitment to sustainable modes of transport.

## CHALLENGES AND OPPORTUNITIES

With Yarra's population projected to grow by about 30% over the next 17 years, Council is already planning to address increased demand on services, facilities and infrastructure. The recently adopted Council Plan 2013-17 outlines Council's approach to managing limited resources such as parking, enhancing the open space network, and providing great access to public transport, cycling and walking infrastructure. With almost half of the projected population growth to be within the 20-44 year age group, Council must plan for an active and engaged community and a thriving night time economy.



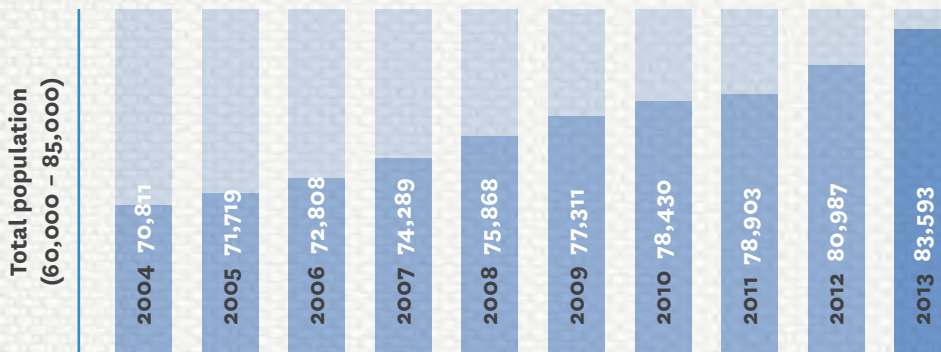


YOUTH SERVICES PORTRAIT PROJECT

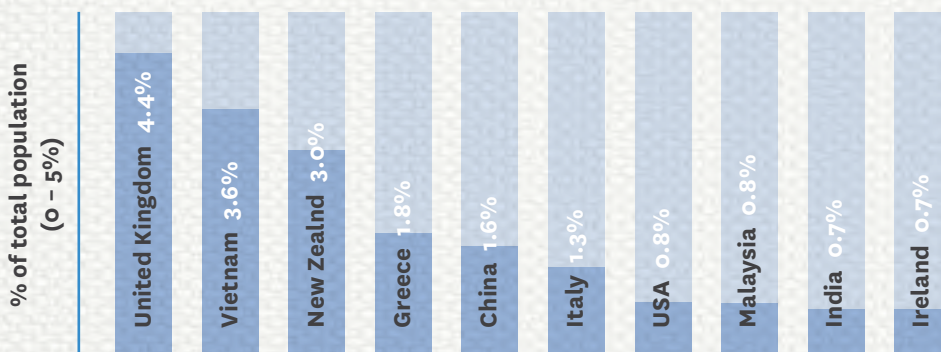
## WORKING TOGETHER

Council won't act alone to meet the diverse challenges of an evolving municipality. Rather, it will work in partnership with all levels of government, including other councils, as well as with business and the community, to identify opportunities and find innovative solutions.

### Yarra's growing population

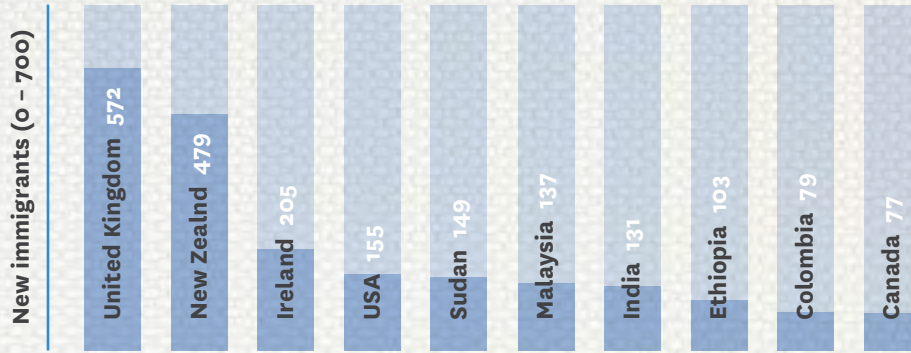


### Largest immigrant populations in Yarra

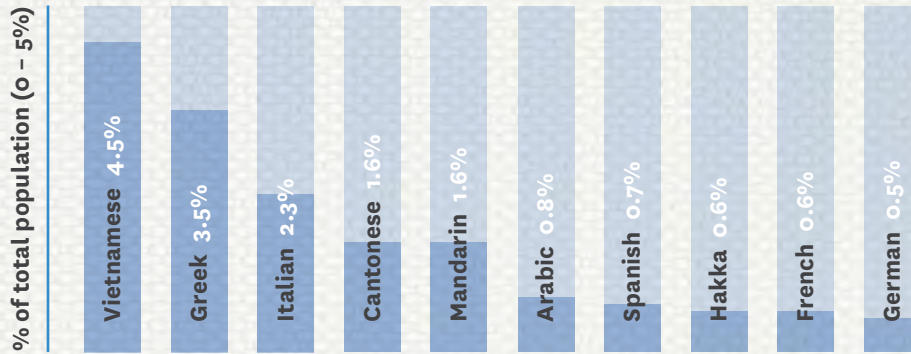




**Fastest growing immigrant populations in Yarra (2006-11)**



**Most common non-English languages in Yarra (by language spoken at home)**



PEEL STREET GALLERY PROJECTIONS (ART: NICK AZIDIS, PHOTO: BERNIE PHELAN)





WURUNDJERI SMOKING CEREMONY

## RECONCILIATION

Yarra has been historically acknowledged as one of the social and political hubs of Aboriginal Melbourne. In the 2011 census, 316 residents identified themselves as being Aboriginal and Torres Strait Islander. Many more visit Yarra each day to work, connect with family and participate in important cultural activities.

Council works in partnership with the Traditional Owners and other Aboriginal people to ensure that the true history of this land is acknowledged and respected. This partnership allows Council to identify, support and celebrate Aboriginal projects and achievements. It also allows Council to assist Aboriginal people facing adversity.



STREET ART BY ADNATE IN GERTRUDE STREET, FITZROY



## Building a partnership

### A policy of respect

Council maintains a policy that ensures that a Statement of Recognition of Wurundjeri Land is read aloud at the start of all Council meetings and events. This acknowledges the role Aboriginal people have played and continue to play in the Yarra community.

### Improving our interactions

Staff participated in Cultural Awareness Training delivered by the Institute of Koorie Education (Deakin University). The sessions allowed staff to develop a more nuanced understanding of cultural matters and engage more effectively with Aboriginal people.

### Planning for success

This year Council developed a draft of its Aboriginal Partnerships Plan 2015-18. This document will guide the organisation's activities as it strives to celebrate Aboriginal culture, promote social justice and eliminate racism.

### Listening and learning

The Aboriginal Advisory Group is the Aboriginal community's official voice to Council. This enables Council to receive detailed feedback from Aboriginal stakeholders on a range of critical issues, ensuring that Yarra's programs are respectful and supportive.

### A permanent acknowledgement

The recently refurbished Collingwood Town Hall contains a meeting space known as the Wurundjeri Room. Council is working with Traditional Owners to determine ways for the room to appropriately acknowledge the Aboriginal history of the municipality.

## Working with the experts

Council employs a Wurundjeri Elder to oversee Yarra's work with the Aboriginal community. Council is a leader on this front, being the first local government located in Wurundjeri Country to take this initiative.

## Promoting Aboriginal culture

Council continues to promote the history and culture of the Traditional Owners through its Aboriginal History of Yarra website, *Welcome to Wurundjeri Country* book and Celebrating Aboriginal Culture on Gertrude Street Facebook page.



PETER ROTUMAH PERFORMING AT A KOORIE STORIES AND SONGS EVENT AT THE FITZROY LIBRARY



# A year in the life of Yarra

Here's a snapshot of some of the exciting activities that occurred in Yarra during 2013-14.



## July 2013

- The spectacular Gertrude Street Projection Festival saw buildings transformed by established artists as well as emerging talent from Council's youth programs.
- Residents participated in planting activities designed to improve native habitat and increase biodiversity in Yarra Bend Park as part of National Tree Day.
- **More than 100 performances took place at Council's Leaps and Bounds Music Festival, drawing large and appreciative audiences to Yarra's live music venues.**



## August 2013

- Three nights of pop up cinema were held at the Richmond Town Hall as part of the Here We Grow campaign to reinvigorate the Bridge Road shopping strip.
- **More than 120 people attended Chinese Reading Month activities at the Richmond, Collingwood and Fitzroy Libraries.**
- The community focused Yarra Sustainability Awards were held at the Fitzroy Town Hall with over 200 people in attendance.

## September 2013

- **Council's commitment to safer communities was exemplified by its achievement of 40km speed limits on all local residential streets.**
- Residents flocked to newly completed pocket parks at the corner of Butler/Lennox Streets, Richmond and Derby/Oxford Streets, Collingwood.
- Art lovers visited the Richmond Town Hall to inspect a series of psychedelic Australian landscapes by painter Jack Rowland.







## October 2013

- **Cyclists of all backgrounds and abilities attended Council's Ride2Work Day breakfast at Abbotsford Convent. Even a former Premier was spotted.**
- The iconic Keith Haring mural in Johnston Street, Collingwood was restored to its former glory six months shy of its 30th anniversary.
- African Storytime and Playgroup sessions attracted 130 children and carers to the Fitzroy Library.

## November

- About 70,000 people experienced the sights, sounds and tastes of Latin America as part of the annual Spanish Fiesta in Johnston Street, Fitzroy.
- **Council held its latest Business Networking Breakfast in Abbotsford, with 95 attendees discussing new opportunities for innovation and creativity.**
- A Council Meeting at the Richmond Town Hall saw Cr Jackie Fristacky elected Mayor for a second consecutive 12-month term.



## December 2013

- Council teamed with the state government to host the Napier Street Block Party showcasing the best of Yarra's young musicians and artists.
- Council marked the 12 days of Christmas by lighting up the Richmond Town Hall with celebratory projections reflecting Yarra's vibrancy.
- **A dazzling line-up of artists, including Fitzroy's own Keytones Choir, performed to an appreciative Carols by Candlelight audience in Citizens Park in Richmond.**



# January 2014

- David Heard, a champion of the local live music scene, was named Yarra Citizen of the Year at Council's annual Australia Day Awards ceremony.
- An African jazz evening was held at the Fitzroy Library to launch Council's new Nigerian DVD collection.
- Services expanded at the Connie Benn Centre in Fitzroy, with child care for children aged three months to six years now up and running.



# February 2014

- Visitors to the Fitzroy Swimming Pool were treated to relaxing tunes from poolside DJs as part of Council's annual SoundWaves program.
- The annual Fairfield Amphitheatre Concert Series brought music and dance from the four corners of the globe to one of Yarra's most picturesque parks.
- Council launched Room to Create, a Lord Mayor's Charitable Fund initiative to help alleviate the growing costs of pursuing creative arts in the inner city.



# March 2014

- Council teamed with the Bridge Road Traders Association to host a Food Safari Picnic highlighting the fantastic culinary options available on the strip.
- The Minister for Multicultural Affairs formally opened the Victoria Street Gateway in Yarra's famous Asian shopping precinct.
- Council celebrated the strengths and achievements of local women at its International Women's Day ceremony at the Richmond Town Hall.





## April 2014

- Yarra's public housing estates came alive with poetry, music and sports as part National Youth Week celebrations co-sponsored by Council.
- Musicians, carers and children came together for the Rock-A-Bye Baby concert at the Fitzroy Town Hall proudly sponsored by Council.
- **Valuable insight was received from residents with disabilities and their carers at Council's Access and Inclusion Community Forum at the Richmond Town Hall.**

## May 2014

- The selfless contributions of 38 organisations and almost 500 individuals were celebrated at the Yarra Volunteer Event at the Fitzroy Town Hall.
- **The publication of Council's Gallery Guide again confirmed Yarra's status as a cultural hub and made visiting one of its 68 art centres a breeze.**
- Council marked National Reconciliation Week by hosting an evening of Koorie Stories and Songs at the Fitzroy Library.



## June 2014

- The newly refurbished Collingwood Town Hall was opened to the community for a day of guided tours, memorabilia displays, music and dance.
- After carefully considering more than 90 written and verbal submissions from the community, Council finalised and adopted its \$187m budget for 2014-15.
- **Fitzroy Town Hall and Napier Street hosted multicultural food, arts and crafts as part of the Emerge Festival held on World Refugee Day.**





# Financial Summary

The following pages provide a summary of Council's financial activities over the past year, from 1 July 2013 to 30 June 2014. Council's financial performance during this period demonstrates that it is on target to achieve the objectives of its Council Plan and Long Term Financial Plan, in particular, the maintenance and improvement of infrastructure assets, provision of quality services to the community and achievement of future operating surpluses. You can read the full financials from page 112.

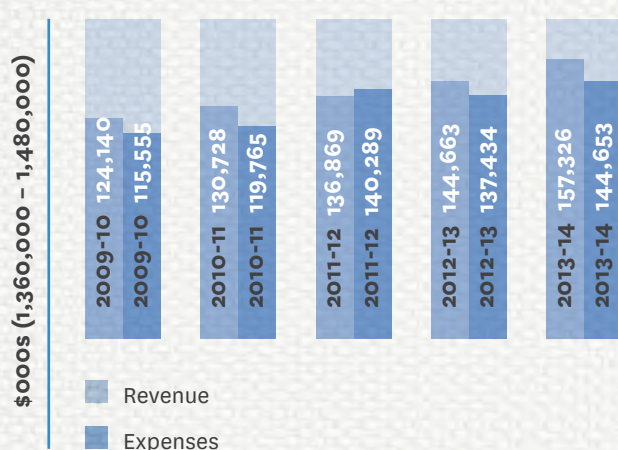
## OPERATING RESULT

This year, Council achieved an operating surplus of \$12.673m. This surplus is marginally lower than budget by \$0.14m, mainly due to the identification of land parcels during the 2014 revaluation process. During the year, additional expenditure was incurred on legal fees, additional employee and agency costs (some of which are income related) and additional superannuation and WorkCover costs. Certain expenditure incurred in the capital program was also required to be transferred to operating expenditure, which contributes to a lower operating surplus than expected. The full income statement is on page 121.

### Net result 2013-14

	\$000s
Revenue	157,326
Expenses	144,653
Net result	12,673

### Revenue vs. Expenses 2009-14



### Net results 2009-14

	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue (\$000s)	124,140	130,728	136,869	144,663	157,326
Expenses (\$000s)	115,555	119,765	140,289	137,434	144,653
Net result (\$000s)	8,585	10,963	(3,420)	7,229	12,673

## EQUITY

Council continued to build its equity and increase its overall value over the last financial year to \$1.469 billion. This is mainly due to the surplus for the year and also revaluation of land and building assets. For the full statement on changes in equity, refer to page 123.

### Year-end balance 2013-14

	\$000s
Balance at the beginning of year	1,435,101
Surplus for the year	12,673
Net reserves movement (incl. revaluation)	21,207
<b>Balance at end of financial year</b>	<b>1,468,981</b>

## CASH

Cash levels increased marginally due to the high level of operating activities which was partly offset by capital works investment activities for the year. The full statement of cash flows can be found on page 124.

### Year-end cash position 2013-14

	\$000s
Net cash provided by operating activities	25,723
Net cash used in investing activities	(42,284)
Net cash used in financing activities	19,363
Net increase in cash held	2,801
Cash at the beginning of the financial year	18,918
<b>Cash at the end of the financial year</b>	<b>21,719</b>



## BALANCE SHEET

Council increased total equity during the year by \$33.88m. Refer to page 122 for the full Balance Sheet.

### Summary Balance Sheet 2013-14

	\$
Current assets (incl. cash assets \$21.7M)	34,234
Non-current assets	1,500,526
<b>Total assets</b>	<b>1,534,760</b>
Current liabilities	32,116
Non-current liabilities	33,665
<b>Total liabilities</b>	<b>65,781</b>
<b>NET ASSETS</b>	<b>1,468,981</b>
Accumulated surplus	564,646
Reserves	886,998
<b>EQUITY</b>	<b>1,468,981</b>

Council delivered a \$44.9m capital works program, including \$8.9m on road infrastructure, footpaths, drains, kerb and channel; \$3.2m on open space improvements, and \$26.4m on Council's buildings, facilities, plant and equipment. Refer to page 26 for more detail on Council's capital works program.

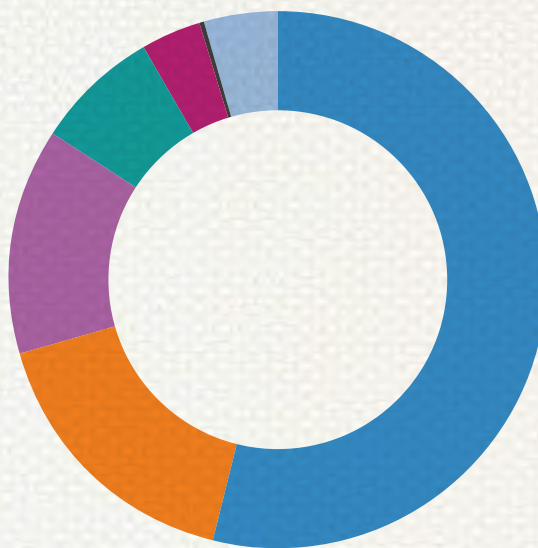
Council's financial statements detail the total financial transactions and activities for the year and also provide an overview of Council's financial position. The financial report includes four major financial statements: the Comprehensive Income Statement (page 121), the Balance Sheet (page 122), the Statement of Changes in Equity (page 123), and the Cash Flow Statement (page 124).

During 2013-14 Council continued high-level service provision, completed an extensive capital works program, the adopted the budget for 2014-15 in June 2014 and the further developed of the 10 Year Financial Plan.

## COMPREHENSIVE INCOME STATEMENT

Major categories of both income and expenditure to determine surplus (or deficit) for the year are included in the Comprehensive Income Statement. The operating surplus for 2013-14 (income less expenditure) is \$12.673m. Total operating income of \$157.3m was achieved and total operating expenditure of \$144.7m was incurred. Major income categories include rate income, parking revenue, user charges, fees and fines, government grants, contributions and reimbursements. The following graph details the break-up of Council's \$157.3m total operating income for 2013-14.

### Income by category 2013-14



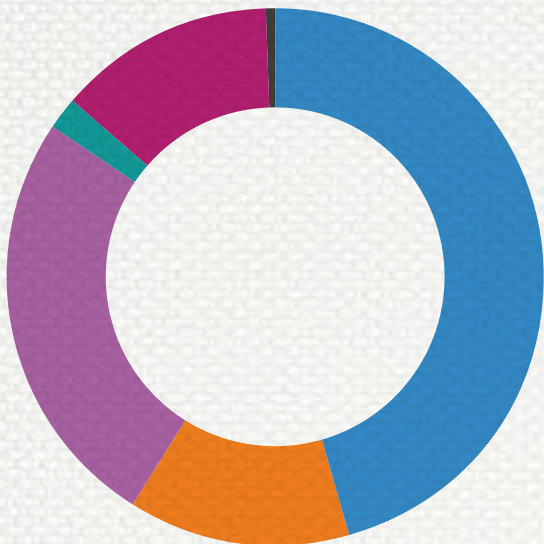
Income by category	Income (\$000s)	%
Rates	84,934	54.0
Parking revenue	26,199	16.7
User charges, fees and other fines	21,519	13.7
Government grants	11,485	7.3
Contributions	5,865	3.7
Reimbursements	660	0.4
Net gain on disposal of non-current assets	28	-
Other income	6,636	4.2
<b>Total</b>	<b>157,326</b>	<b>100.0</b>



## EXPENDITURE BY CATEGORY

Major expenditure categories include employee costs, contract payments, materials and services, bad/doubtful debts and depreciation. The following graph details the allocation of Council's \$144.7m total operating expenditure for 2013-14.

Expenditure by category 2013-14

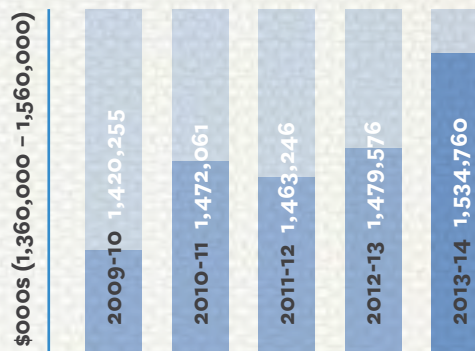


Expenditure by category	\$000s	%
Employee expenses	66,243	45.8
Contract payments	19,134	13.2
Materials and services	37,021	25.6
Bad and doubtful debts	2,844	2.0
Depreciation	18,954	13.1
Borrowing costs	457	0.3
<b>Total</b>	<b>144,653</b>	<b>100.0</b>

## BALANCE SHEET

Council's Balance Sheet (page 122) shows what Council owns (its assets) and what it owes (its liabilities) and its net worth. The major components of assets include property (land and buildings), infrastructure assets (roads, footpaths, drains) plant and equipment, cash and investments and debtors. As at 30 June 2014, Council held \$1.535b in assets, an increase on the previous year of \$55.2m.

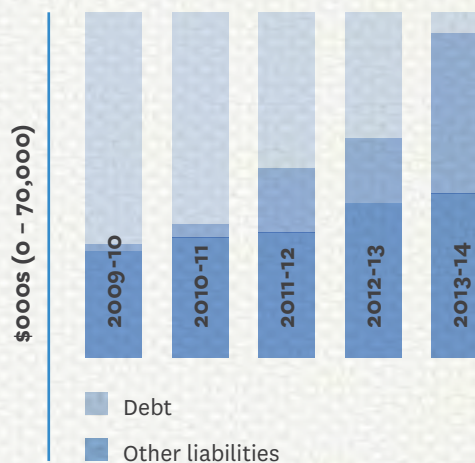
Council assets 2009-14



## LIABILITIES

Council's liabilities include amounts owed to suppliers, employee leave entitlements and debt. As at 30 June 2014, Council's liabilities total \$65.8m, which is an increase of \$21.3m on the previous year. Council determined to borrow funds during the year to settle the Vision Super defined benefit superannuation liability and to acquire additional capital assets.

Other liabilities and debt 2009-14



Other liabilities and debt 2009-14

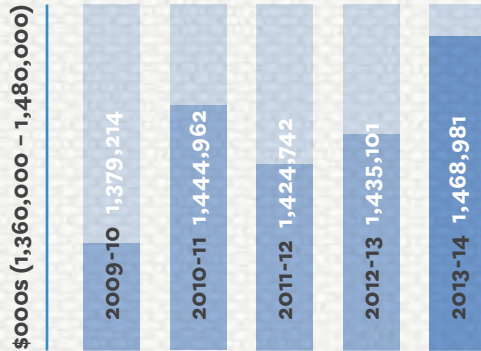
	2009-10	2010-11	2011-12	2012-13	2013-14
Other liabilities (\$000s)	21,619	24,513	25,400	31,338	33,281
Debt (\$000s)	1,422	2,586	13,104	13,137	32,500



## STATEMENT OF CHANGES IN EQUITY

The Statement of Changes in Equity (page 123) details the changes in Council's retained earnings, including reserves movement over the reporting period. Council's 'community ownership' equity as at 30 June 2014 is \$1.469b, which is an increase of \$33.9m during the year due to a surplus on operations and asset revaluation.

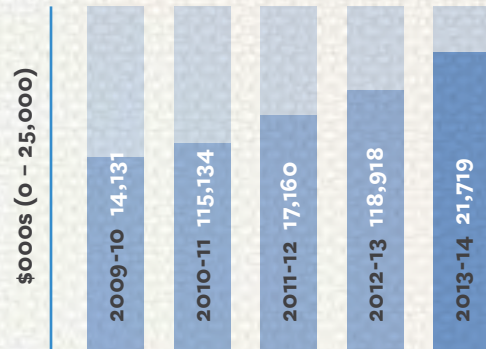
Community equity 2009-14



## CASH FLOW STATEMENT

The cash flow statement (page 124) details Council's cash inflows and outflows for the year. Council's cash balance at the 30 June 2014 is \$21.7m which increased by \$2.8m on the previous year.

Cash balance 2009-14



## FUTURE DIRECTIONS

Council will continue to provide cost-effective, high quality, accessible services to the community whilst driving efficiencies to improve financial sustainability. Future funding options to provide appropriate cash levels to maintain extensive operational and capital expenditure programs will be the initial focus.





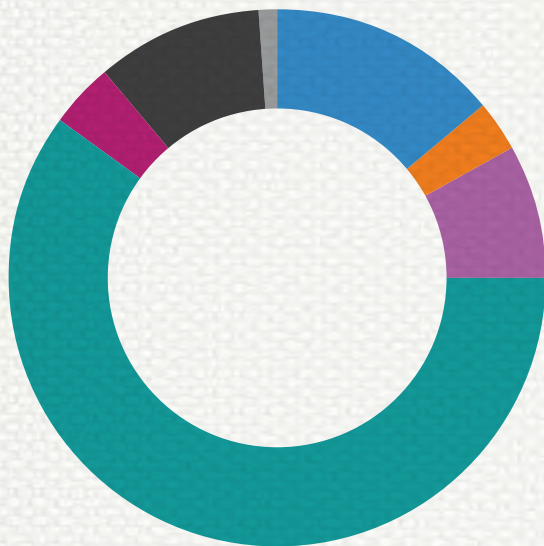
# Capital Works

Council's total capital works expenditure program for 2013-14 was \$44.9m, which represents 130% completion of the original adopted capital budget. The capital budget was later increased so that Council could assume sole management responsibility for the Connie Benn Family and Children's Centre and acquire the property at 345 Bridge Road, Richmond.

Making sure Yarra's local roads, footpaths, buildings and other public infrastructure are safe and serving their purpose is one of Council's highest priorities. A capital works program of continuous improvement is essential to maintain community access to services and facilities and managing Council's assets.

Capital works projects cover the provision of new community infrastructure and upgrades to existing facilities, such as libraries, leisure centres and child care centres, as well as improvements to parks and reserves, sporting facilities, roads, footpaths and drainage.

**Capital expenditure by category 2013-14**



**Capital works summary 2013-14**

Capital expenditure	\$000s	%
Roads, footpaths, kerb and channel, drains	9,599	21.4
Transport and road safety	1,186	2.6
Open space improvements	3,237	7.2
Buildings	26,426	58.9
Information systems	2,073	4.6
Plant and equipment and other	1,910	4.3
Library	431	1.0
<b>Total</b>	<b>44,862</b>	<b>100.0</b>





# Capital works highlights from 2013-14

<b>Buildings and facilities</b>	<b>Actual \$</b>
Redevelopment of the Collingwood Town Hall (multi-year project)	7.52m
Continuing concept/design planning for the North Fitzroy Community Hub	493,000
Property purchase at 345 Bridge road, Richmond	11.98m
Connie Benn Family and Children's Centre	1.20m
Commencement of major upgrade works at the Gold Street Children's Centre	286,000
Construction of new public toilets in Edinburgh Gardens	229,000
The installation of solar panels at Victoria Park	239,000
The commencement of an energy efficiency program to install energy saving devices at various Council properties	1.43m
The construction of a permanent dog obedience shelter in Alphington Park	166,000
<b>Open space</b>	<b>Actual \$</b>
Completion of a new park in Lennox Street near Butler Street, Richmond	273,000
Construction of a new park at the corner of Docker Street and Richmond Terrace, Richmond	674,000
Redevelopment of Fairfield Park Oval	653,000
Upgrade of the Main Yarra Trail	251,000
Revegetation and rehabilitation of selected bushland	211,000
Upgrades of Burnley Park	405,000
Commencement of a new park project at 635 Church Street, Richmond	274,000
Various upgrade works at Hall Reserve, Clifton Hill	178,000
<b>Leisure and culture</b>	<b>Actual \$</b>
Construction of the Victoria Street Gateway in Abbotsford	2.53m
Purchase of new library books and materials	430,000
Completion of Post Office Walk, Richmond	95,000
Plant upgrades at Richmond Recreation Centre (new plant to reduce Carbon emissions)	484,000
Purchase of new art works	52,000
<b>Roads and drains</b>	<b>Actual \$</b>
Footpath upgrade works in the Bridge Road retail strip	321,000
Road works, Coppin Street, Richmond.	427,000
Road works, Grosvenor Street, Abbotsford	502,000
Implementation of various Local Area Traffic Management Studies	630,000
Spensley Street road works, Clifton Hill	298,000
The Esplanade road works, Clifton Hill	316,000
Completion of a ROW upgrade program	673,000
Targeted Disability Discrimination Act infrastructure upgrades to improve accessibility	138,000



# 5 major projects from 2013-14

## Victoria Street Gateway

1

With co-funding from the state and federal governments, as well as the Richmond Asian Business Association, Council this year completed work on the Victoria Street Gateway in Abbotsford. A spectacular structure symbolising Vietnamese boat and bird forms, the gateway is illuminated at night to highlight the superb commercial and cultural character of the precinct. The Hon. Nicholas Kotsiras, Minister for Multicultural Affairs, formally opened Yarra's latest landmark in March 2014. **2013-14 Expenditure: \$2.53m**



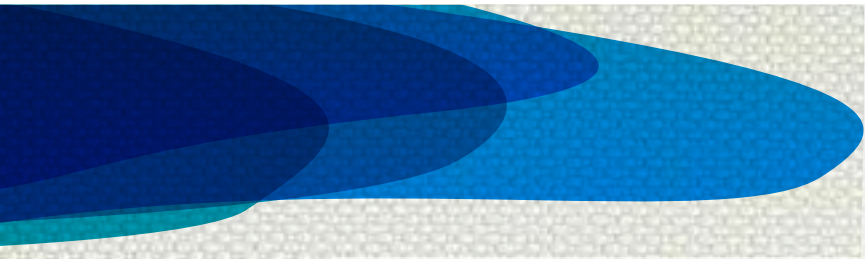
## Collingwood Town Hall refurbishment

2

Council's upgrade of Yarra's iconic Collingwood Town Hall achieved practical completion in June 2014 and the facility reopened to the public in July. The building now complies with modern safety and accessibility standards, while retaining its heritage qualities. Major improvements include the safe removal of asbestos, the construction of wheelchair-friendly ramps, the installation of an elevator and the addition of a sprinkler system. **2013-14 Expenditure: \$7.52m**







### Bridge Road investment

3

Council purchased a three storey office and retail space at 345 Bridge Road, Richmond as a medium term strategic investment. Council plans to commercially lease two floors of the building while the third floor will be used for staff accommodation. The purchase is expected to help reinvigorate the Bridge Road strip by bringing new patrons into the area. Council will be looking to attract major companies or organisations as tenants in the building, adding to the vibrant commercial mix along Bridge Road, complementing and supporting its retail and dining offerings. **2013-14 Expenditure: \$11.98m**

### Connie Benn Family and Children's Centre

4

Having in the past managed the Connie Benn Family and Children's Centre in conjunction with the Brotherhood of St Laurence and the Uniting Church of Australia, Council has since assumed sole responsibility for the facility. This year, Council successfully relocated its maternal and child health service and kindergarten to what has become an innovative and accessible community hub. **2013-14 Expenditure: \$1.20m**



### North Fitzroy Community Hub

5

Council previously acquired the land at the corner of Best Street and St Georges Road in North Fitzroy to facilitate the creation of a new Community Hub. The facility is expected to include a permanent library, maternal child health centre, community meeting spaces and a roof top garden. The schematic design has been completed with strong public input from the North Fitzroy Community Hub Design Reference Group. A planning permit has been granted and expressions of interest called ahead of building works planned for early 2015. **2013-14 Expenditure: \$493,000**



# What did my rates pay for in 2013/14?

For every \$100 of rates revenue received, Council invested in the following services.

Service for every \$100 rates revenue received (0 - \$32)



Please note: this illustration is a guide only. Internal functions such as finance, governance, customer service and communications were divided equally between each service for the purpose of this exercise.





# Leading by example

Councillors and staff focus their energies on achieving positive outcomes for the municipality. While the receipt of awards is not a high priority for Council, it is nevertheless pleased to have its endeavours formally recognised, as this allows it to lead by example in a range of critical areas.

Over the past 12 months, peak bodies have highlighted Council's work in environmental sustainability, health and recreation, performance reporting and road safety.

## Award highlights from 2013-14

Council's Community Memberships Program generated free health and recreation opportunities for Yarra's most vulnerable citizens. Forty-six community organisations participated in the program and disadvantaged people participated in more than 37,000 individual gym visits. The program was highlighted with two awards. The first was the **LGPro Award for Excellence** in the Community Partnerships Initiative category. Council shared the second, a **Public Healthcare Award** in the Excellence in Supporting Self-Managed Healthcare category, with North Yarra Community Health.

A network of high-quality open spaces is vital to the social, cultural and ecological health of Yarra. Council has sought to enhance this network by creating new public parks. Council's conversion of non-critical roads into green open space was celebrated with **Parks and Leisure Awards** (at both the state and national tiers) in the Open Space Planning category. Council has created four new parks since 2009. This innovative program continued in 2013-14 with construction completed on a new park at the corner of Richmond Terrace and Docker Street, Richmond, and work on another commenced in Church Street, Richmond.

As the responsible authority for local roads within the municipality, Council has a significant role to play in reducing road trauma. Yarra's road safety policies were this year recognised by the Transport Accident Commission. Council received a **Towards Zero Award Special Commendation** in the Safe Speeds category. This relates to Council's adoption of 40km speed limits on all local residential streets, an initiative that grew out of Council's comprehensive Local Area Traffic Management (LATM) program.

Council is committed to operating in a transparent and accountable manner. The organisation aims to reflect these values in publications that are engaging, accessible and concise. Council's Annual Report 2012-13 was recognised with a **Municipal Association of Victoria Annual Report Award** in the category of Best Communication. The same publication also achieved silver accreditation at the **Australasian Reporting Awards**.

With major swimming pools located in Collingwood, Fitzroy and Richmond, Council is responsible for one of the most significant aquatic networks in Victoria. Council's commitment to providing an accessible and eco-friendly service this year resulted in the receipt of two major **Aquatic Recreation Victoria Awards**. The Swim School Award highlighted Council's innovative approach to teaching vital swimming and water safety skills. The Sustainability Award acknowledged the success of sustainability practices (such as co-generation) at Council's Leisure Centres.

Council's community focused Food Know How Program was celebrated with a **World Environment Day Award** in the category of Sustainability Education. Council worked with Metropolitan Waste Management, Cultivating Community and a range of other partners to help Yarra businesses and households minimise food wastage and improve recycling practices. The program has also attracted international acclaim, with Council being invited to deliver a presentation at the International Solid Waste Association's World Congress in Sao Paulo, Brazil.

Yarra received multiple **Keep Australia Beautiful Awards** this year, including the prestigious Pam Keating Award for Environmental Sustainability, which recognised Council for leading the way in carbon management. Yarra also received the Resource Recovery and Waste Management Award, which highlighted the success of Council's around-the-clock recycling drop off point.



# Honouring community achievements

Council celebrated Australia Day by highlighting the achievements of local people and organisations.

The winners were recognised for their tireless efforts to enhance the lives of their fellow citizens and for their outstanding contributions to the fabric of Yarra. Council marked International Women's Day by issuing its inaugural Inspirational Women of Yarra Award. In August 2013, the annual Yarra Sustainability Awards acknowledged outstanding community-driven environmental initiatives.

## Australia Day Awards

1

### **Citizen of the Year – David Heard**

David Heard has dedicated his life to bringing rock, folk, country and roots music to our airwaves. A supporter of Yarra's musicians and venues, he is perhaps best recognised by his voice, having broadcast on PBS for the last 35 years. His programs feature live performances and interviews with about 100 musicians each year. Council is pleased to acknowledge David's vital contribution to Yarra's vibrant live music scene.

2

### **Young Citizen of the Year – Ror Akot**

Ror Akot is exploring issues such as racism and inequality through music, film and theatre. His involvement in Council's Rising High program sees Ror provide guidance to young and aspiring urban musicians. A key member of Council's Youth Ambassadors program, he contributed greatly to the development of Council's Youth Policy and Action Plan 2013-16.

3

### **Community Event of the Year – Ride2Work at the Abbotsford Convent**

Ride2Work Day is a national celebration of cycling culture. In 2013, the Abbotsford Convent hosted a local event (one of the biggest in Yarra) for about 300 cyclists who stopped by on their way to work to be treated to a healthy breakfast from the convent's famous eateries. Supported by an innovative social media campaign, the event successfully highlighted the health and environmental benefits of cycling.

4

### **Community Service of the Year – Abbotsford Convent Tour Guides**

The history of the Abbotsford Convent lives on with the help of volunteers who lead paid and free tours of the iconic building and its grounds. Some volunteers were involved in the convent's past and are able to provide personal insights as well as fascinating information about the site's former life as the home of the Good Shepherd Order. These tours make a tremendous contribution to the cultural life of Yarra.

## International Women's Day Award

5

### **Inspirational Women of Yarra Award – Maggie Maguire**

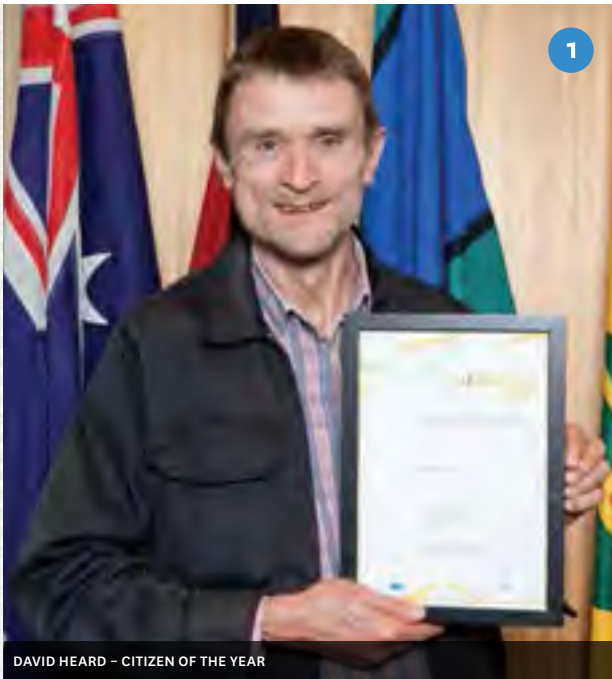
Maggie Maguire has been recognised for her innovative work as the Chief Executive Officer of the Abbotsford Convent. The Convent is home to a diverse range of creative, artistic and educational facilities, and she has been instrumental in building, planning and sustaining this cherished community asset. Council is pleased to celebrate Maggie's contributions with the first ever Inspirational Women of Yarra Award.

## Yarra Sustainability Awards

6

The Yarra Sustainability Awards celebrate the community's innovative efforts towards environmental sustainability. This year's winners included the University of Melbourne Early Learning Centre and Yarralea Children's Centre (in the category of Educational Services), Melbourne Farmers Markets (Community Action), Samantha Green and Greg Allan (Home and Garden), Alex Walker (Local Hero), Friends of the Earth Food Co-Op (Business), Zen Architects and The Rexroth Mannasmann Collective and Rohan Syer Landscape Design (Building Design and Development). The Frank Fisher Award went to Cam Walker and the People's Choice winner was Daniel Hodges.





1

DAVID HEARD – CITIZEN OF THE YEAR



2

ROR AKOT – YOUNG CITIZEN OF THE YEAR



3

RIDE2WORK AT THE ABBOTSFORD CONVENT – COMMUNITY EVENT OF THE YEAR



5

INSPIRATIONAL WOMEN OF YARRA AWARD – MAGGIE MAGUIRE



4

ABBOTSFORD CONVENT TOUR GUIDES – COMMUNITY SERVICE OF THE YEAR



6

YARRA SUSTAINABILITY AWARDS WINNERS



# Annual grants

While Council provides many direct services, it also facilitates a range of community activities through its Annual Grants program.

Grants highlights from 2013-14

Grants are provided to individuals and community organisations to run programs and activities that address local issues, increase community connectedness and improve the general wellbeing of residents.

Following a comprehensive analysis of applications, Council resolved to devote \$1,913,674 in funding to 243 projects across 11 categories. This list of grants illustrates the kinds of projects that were funded in each category.

The Yarra Affordable Housing Fund and Creative Yarra were new grants introduced for the first time in 2014. As well as the grants, Council provided \$60,563 in subsidies to community groups using the town halls.

Grants stream	Total funds allocated to the stream	Total number of projects approved	An example of a successful applicant from the stream
Annual Grants (Arts and Culture)	\$200,000	24	Ms Kate Hood received \$4,000 to create Quippings, a cabaret production featuring deaf, disabled, queer and queer-friendly performers.
Annual Grants (Community Development)	\$324,330	78	The Domestic Violence Resource Centre Victoria received \$6,238 to fund a training course for community workers supporting victims of family violence.
Annual Grants (Environment)	\$45,000	12	The Squeaky Wheel received \$4,000 for a women's exercise program encouraging relaxed and social cycling along the Merri Creek Trail.
Annual Grants (Family, Children and Youth)	\$132,849	21	The Australian Vietnamese Women's Association received \$10,000 to support a free after-school tutoring program for children at the Richmond Housing Estate.
Annual Grants (Sport and Recreation)	\$55,019	18	The Victorian Blue Light State Council received \$11,000 to run the Collingwood All-Stars Soccer Program targeting children in public housing.
Community Partnerships 2012-15	\$571,041	13	The Princess Hill Community Centre received \$30,000 for programs encouraging community involvement in music, arts, crafts and games, as well as sustainability and history talks.
Creative Yarra 2014-16	\$170,000	15	The Gertrude Association received \$20,000 for the Gertrude Street Projection Festival, as well as master classes, workshops and networking events.
Investing in Community 2011-14	\$254,435	10	Project Respect received \$67,742 to undertake outreach, support and education initiatives aimed at women working in the sex industry.
Richmond and Collingwood Youth Project Grants	\$56,000	1	The Victorian YMCA received \$56,000 to run Project Y, a program to enrich the lives of youth at the Richmond and Collingwood Housing Estates.
Small Project Grants	\$55,000	49	The Yarra Jets Junior Football Club received \$996 towards their program supporting participation in football in Yarra for children in need.
Yarra Affordable Housing Fund	\$50,000	2	HomeGround received \$35,000 for the establishment of a not-for-profit real estate agency providing low cost housing within Yarra.
<b>Totals</b>	<b>\$1,913,674</b>	<b>243</b>	





SUPPORTED BY A COUNCIL GRANT, THIS ROCK-A-BYE BABY CONCERT WAS A HIT WITH YOUNG MUSIC LOVERS

**Celebrating Yarra’s volunteers**

Some 20.3% of Yarra’s residents volunteer in some capacity, compared to the Greater Melbourne average of 15.8%.

On Monday 12 May, Council hosted the fourth annual Volunteer Event to celebrate and formally recognise the invaluable contribution of volunteers and the important work they do to strengthen the community.

This year saw 38 local organisations (including community groups, neighbourhood houses, community health centres, information centres, residents and tenants associations, advisory committees and groups, user groups, and reference groups) represented at the event.

Almost 500 individual volunteers received a Certificate of Appreciation, and a commemorative pin was given to the volunteers who attended on the night.

Residents who are interested in volunteering are encouraged to visit <http://www.yarracity.vic.gov.au/community/volunteering/> to find out what local opportunities are available spanning the fields of aged care, youth services, the arts, the environment, emergency services, animal welfare, education and sport.



**VIEW MORE  
INFORMATION  
ON COUNCIL’S  
GRANTS  
PROGRAMS**



# Our sustainable future

Yarra is one of Australia's leading sustainable cities. Council takes its mandate for environmental leadership from a passionate, active and engaged community which expects strong action, advocacy and innovation from Council in meeting the urban sustainability challenges that face the inner city.

Council takes action in areas such as climate change, urban agriculture, water sensitive urban design, the built environment and sustainable transport. One of its key aims is to reduce the organisation's total greenhouse gas emissions by 50% compared to the baseline year of 2000-01 before the end of June 2015. Already, it has achieved a 29.6% reduction despite strong population growth and expansion of services. This was achieved through diverse actions, including many that have led the sector, such as significant installation of

solar panels on more than 30 council buildings, and early adoption of energy efficient street lights.

Council's \$3.4m Energy Performance Contract (EPC) is an important component of its strategy to reduce emissions. Supported by a \$411,000 federal government grant, the EPC will fund implementation of new sustainability measures and guarantee significant greenhouse gas savings, as well as considerable financial savings, at no fewer than 17 of Council's largest buildings.

## 10 sustainability highlights from 2013-14

# 1

### Remaining carbon neutral

Yarra was the first Victorian council to receive Carbon Neutral Certification under the National Carbon Offset Standard and is now projected to achieve the feat for the third successive year. This has been realised not only by purchasing offsets against emissions, but also by reducing energy consumption in real terms. Council is now effectively producing 14.6% of its own energy needs through solar initiatives and cogeneration. Over the past year, Council has further reduced its emissions, which are now down by 29.6% since 2000-01.

# 2

### Planning for sustainability

Following extensive community consultation, Council adopted its Environment Strategy 2013-17, a wide ranging document proposing an innovative mix of leadership and collaboration, direct action and advocacy, consultation and education. It guides Council's approach to preserving biodiversity, reducing carbon emissions, promoting sustainable transport and much more. This framework will enable Council, in collaboration with the community and other tiers of government, to meet one of the most critical challenges of our time.

# 3

### Leading by example

Council staff embraced the Carbon Countdown, a two-month series of internal challenges designed to minimise the organisation's energy use and inspire community action. This involved learning about fuel efficient driving, developing switch-off checklists, trialling different temperature settings and participating in virtual meetings to minimise reliance on car travel. Results showed an average 8% reduction in energy use at the Richmond and Fitzroy Town Halls.

# 4

### Boosting our food IQ

Council partnered with Cultivating Community and the Metropolitan Waste Management Group to deliver Food Know How. This World Environment Day Award winning program provided 585 households, cafés and offices with guidance on smart shopping and storage, menu and meal planning, as well as composting and worm farming, all with the aim of diverting food waste from landfill. Following the success of the program, Council was invited to share its learnings at the International Solid Waste Association's World Congress.





SOLAR PANELS AT ALPHINGTON BOWLS CLUB

5

#### **Promoting eco-friendly design**

Council has developed new mechanisms to encourage greater consideration of environmental impacts in the planning process. In June 2014, Council resolved to incorporate a new Environmentally Sustainable Development amendment into the Yarra Planning Scheme. This builds on the success of a program that has already seen nine of out 10 of all medium and large development applicants submit Sustainable Management Plans or Sustainable Design Assessments for their proposed projects.

6

#### **Managing waste effectively**

A new draft Waste Management Strategy was developed and released for public comment. The strategy will assist Council in delivering high-quality waste collection services, creating litter-free public spaces and identifying opportunities to improve waste management infrastructure and technology. It will also allow Council to assist residents and businesses to develop and maintain more sustainable consumption behaviours.

7

#### **Responding to climate change**

As a result of climate change, Yarra will face higher average temperatures and lower average rainfalls, as well as more frequent extreme weather events. Council this year commenced implementation of its Climate Change Adaptation Plan 2013-15, focusing on practical actions within Council's sphere of influence and control. This enables Council to safeguard its natural assets and infrastructure, while also developing procedures to support sectors of the community most vulnerable to the impacts of climate change.

8

#### **Supporting sustainable transport**

Council pursued a range of public transport enhancements in discussions with the state government and other agencies. Highlights included successfully advocating for a new tram route terminating at Victoria Gardens, and campaigning for a public transport alternative to the East West Link. Council also improved local bicycle infrastructure by installing hoops in key activity centres as part of its innovative 'Lock, Shop and Latte' program to encourage sustainable engagement with local businesses.

9

#### **Creating new parks**

Green open spaces enhance the environmental health of the municipality and also provide local communities with cultural and social benefits. Since 2009, Council has aimed to improve access to open space by converting existing sites to community parkland. This year, work was completed on three new parks: the first in Oxford Street, Collingwood; the second at the corner of Lennox and Butler Streets, Richmond; and the third at the corner of Richmond Terrace and Docker Street, Richmond.

10

#### **Enhancing older assets**

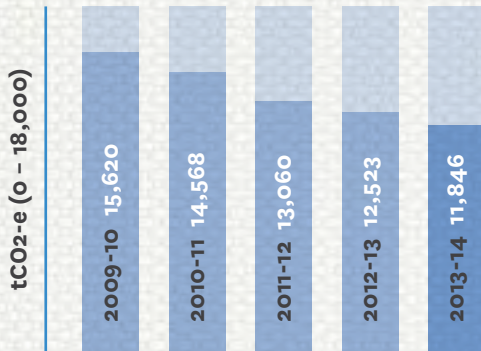
Council works hard to improve the environmental performance of important community assets. Council this year completed an extensive sustainability retrofit of the Richmond Library. Recent improvements such as heating and cooling upgrades, new micro-generation systems and real-time energy monitoring have combined with previously installed measures such as solar panels, energy efficient lighting and double-glazed windows to produce a 30% reduction in emissions at the site since 2010-11.



## FIVE YEARS OF CARBON REDUCTIONS

In addition to remaining carbon neutral, Council achieved its fifth consecutive year-over-year reduction in gross carbon emissions during 2013-14, generating 11,846 tonnes of CO<sub>2</sub>-e (carbon dioxide equivalent). This represented a 4.1% reduction over the preceding year and a 29.6% reduction over the baseline year of 2000-01. Actions contributing to these reductions included use of energy efficient streetlights, use of a cogeneration unit at the Fitzroy Swimming Pool, and a comprehensive retrofit of the Richmond Library.

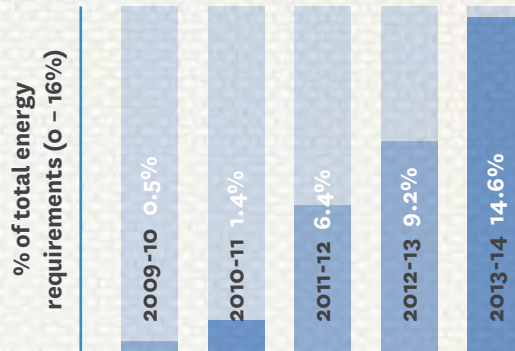
Council's gross carbon emissions 2009-14



## GENERATING LOW CARBON ENERGY

Council significantly reduced its reliance on grid electricity and natural gas during 2013-14, capping five years of continuous improvement by deriving 14.6% of its stationary energy requirements via technology such as solar panels and cogeneration. Implementation of a new large solar PV system and a leading edge micro-generation system at the Richmond Library were among the highlights.

Energy generated from renewable and low carbon sources 2009-14



COUNCIL SUPPORTS URBAN AGRICULTURE



## CYCLING IN YARRA

Cycling is a part of Yarra's DNA and Council is committed to encouraging environmentally friendly modes of transport that also help community members stay healthy and active. The most recent Census data indicates that 8.5% of Yarra residents cycle to work. This is more than six times the average of Greater Melbourne and eight times the rate of the nation as a whole.

Yarra also commissions an annual count of the number of cyclists passing through 40 intersections on the last Tuesday of each year between 7.00am and 9.00am. Across four key intersections (Elizabeth and Church Streets, Gipps and Wellington Streets, Canning and Princes Streets, and Brunswick and Gertrude Streets) where Council has the longest dataset, there has been a clear annual expansion of cycling in Yarra since 2005.

In 2014, Council recorded 3,207 cyclists at the four key intersections, its best ever result and its third successive year-over-year increase. The number of cyclists has more than tripled over the past decade. Particularly pleasing is the increase in women cycling.

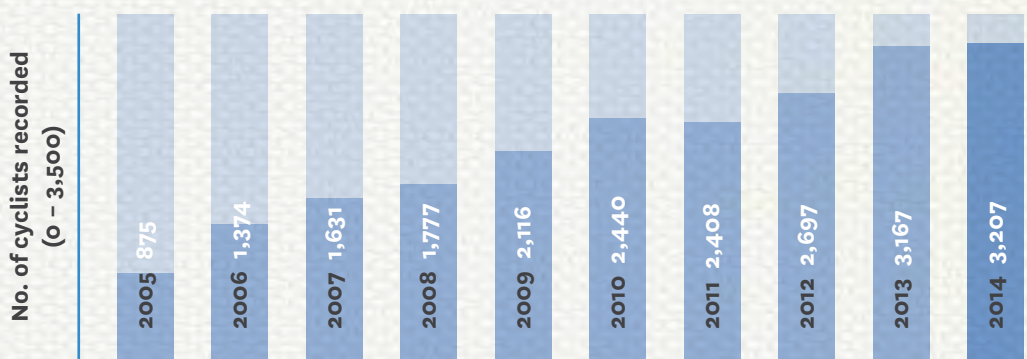
Development of new bicycle infrastructure continues to be a key component of Council's ongoing commitment to healthy, safe and sustainable transport. A range of works were undertaken in 2014-15 to help further boost Yarra's cycling participation rates.

# 5 bicycle highlights from 2013-14



- 1** The **Main Yarra Trail** was widened between Dights Falls and Turner Street and a new priority crossing installed on Yarra Bend Road.
- 2** A variety of locations including the Brunswick Street and Queens Parade **business precincts** were holistically audited and additional bicycle hoops installed.
- 3** The innovative '**Lock, Shop and Latte**' promotion encouraged safe riding and engagement with local businesses.
- 4** **Shared lane makings** were implemented in Lennox, Balmain and Cremorne Streets, as well as in Rowena Parade and The Vaucluse.
- 5** Design and specification work for the **Wellington Street separated bike lane** was completed.

Bicycle use at key intersections 2005-14



**READ MORE ABOUT COUNCIL'S ENVIRONMENT STRATEGY 2013-17**

## ONE PLANET CERTIFICATION

Council's performance, strategies and policies with regard to sustainability were recently assessed against the One Planet standards for local government. Following an independent analysis by BioRegional Australia, Yarra achieved formal certification as the nation's first One Planet Council in August 2014. Certification reflected Council's bold environmental initiatives over the past year, many of which are described here in this chapter, combined with its efforts in previous years. Yarra is proud to have been recognised as a world leader in sustainability and we will provide further information on this achievement in next year's Annual Report.





# Governance

Refer here for details about Council's decision making processes and its commitment to the principles of transparency, accountability and impartiality. This section also contains information about Yarra's Councillors and their activities.







# The elected Council

## ROLE OF LOCAL GOVERNMENT

While councils are responsible for 'rates, roads and rubbish' as core responsibilities, the *Local Government Act 1989* provides a much broader definition of the sector's roles and obligations. The Act states that a Council is 'elected to provide leadership for the good governance of the municipal district and the local community.' The Act then outlines six key roles:

- acting as a representative government by taking into account the diverse needs of the local community in decision making.
- providing leadership by establishing strategic objectives and monitoring their achievement.
- maintaining the viability of the Council by ensuring that resources are managed in a responsible and accountable manner.
- advocating the interests of the local community to other communities and governments.
- acting as a responsible partner in government by taking into account the needs of other communities.
- fostering community cohesion and encouraging active participation in civic life.

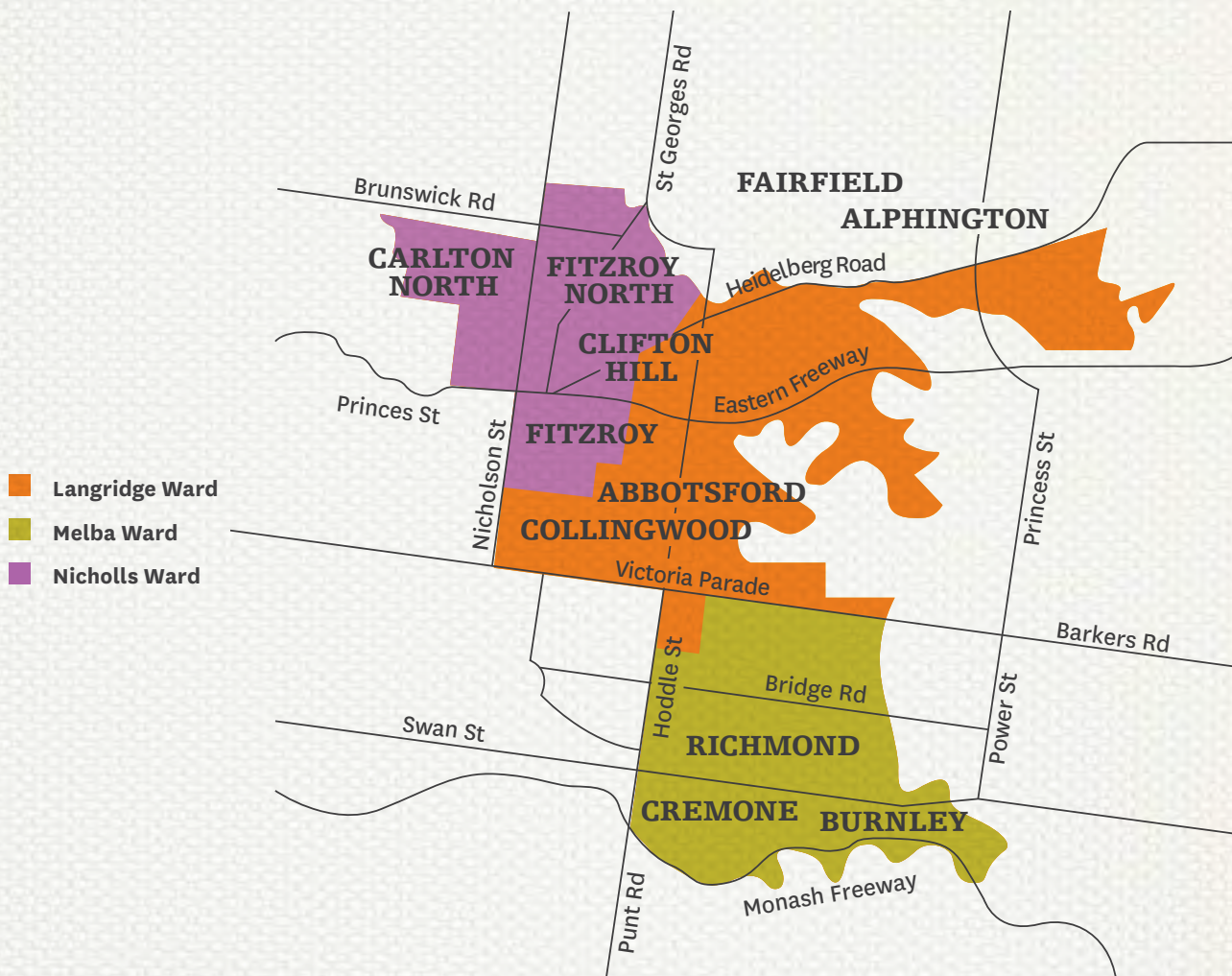
## WARDS

The City of Yarra is divided into three wards, each represented by three Councillors.

**Langridge Ward** incorporates Abbotsford and parts of Alphington, Clifton Hill, Collingwood, Fairfield, Fitzroy and Richmond. It was named in honour of George Langridge, the former Mayor of Collingwood and a Member of State Parliament who was celebrated for his pioneering work in the field of affordable housing. Langridge Ward is presently represented by Councillors Geoff Barbour, Stephen Jolly and Amanda Stone.

**Melba Ward** incorporates the suburbs of Burnley and Cremorne, as well as most of Richmond. It was named in honour of Dame Nellie Melba, the internationally renowned soprano, who grew up at Doonside in Richmond. Melba Ward is presently represented by Councillors Misha Coleman, Simon Huggins and Phillip Vlahogiannis.

**Nicholls Ward** incorporates North Carlton, North Fitzroy, Princes Hill and parts of Clifton Hill, Fitzroy and Collingwood. It was named in honour of Aboriginal community leader Sir Doug Nicholls, an inspirational sportsman, pastor and statesman associated with Fitzroy for many years. Nicholls Ward is presently represented by Councillors Roberto Colanzi, Jackie Fristacky (Mayor) and Sam Gaylard.





## YOUR REPRESENTATIVES

The Yarra community is represented by nine elected Councillors. While individual Councillors are able to consult with their constituents and advocate on their behalf, it is only as a collective that they can make decisions affecting the municipality. A decision of Council, which requires a majority vote, is known as a resolution. Each December, Councillors elect a Mayor from within their ranks to chair formal meetings and speak on behalf of Council in a variety of forums. The current Councillors were elected on Saturday 27 October 2012 and will serve four-year terms.

### Langridge Ward Councillors



**Cr Geoff Barbour**

*Served on Council since February 2008*

#### Priority statement

'A key role of Council is to find the right balance between competing interests. When it comes to planning, parking and late night trading, Council's decisions should safeguard the amenity of residential neighbourhoods while allowing Yarra's many cultural centres to flourish. Council should also provide families with a new childcare facility and establish additional wireless hot spots in community hubs.'

#### Internal memberships

Cr Barbour is a member of Council's Arts Advisory Committee, Australia Day Awards Committee, Business Advisory Group, Health Plan Advisory Committee, Heritage Advisory Committee, Live Music Working Group and Yarra Sustainability Awards Panel.

#### Delegations

Cr Barbour is Council's delegate to the Victorian Local Governance Association.

**T** 9205 5055  
**M** 0438 034 241  
**E** Geoff.Barbour@yarracity.vic.gov.au



**Cr Stephen Jolly**

*Served on Council since November 2008*

#### Priority statement

'Council should match every increase in the number of new homes with an increase in social services like childcare. Our public housing estates should be properly resourced, healthy and safe. We need to support the wellbeing of the community by building a new indoor sports centre. We should also consider bringing core services like street cleaning back under Council control.'

#### Internal memberships

Cr Jolly is a member of Council's Aboriginal Advisory Committee, Edinburgh Gardens 2014-15 New Year's Eve Community Reference Group and the Public Transport Advocacy Campaign Steering Committee.

#### Delegations

Cr Jolly is Council's delegate to the Collingwood Children's Farm Management Committee.

**T** 9205 5055  
**M** 0437 856 713  
**E** Stephen.Jolly@yarracity.vic.gov.au



**Cr Amanda Stone**

*Served on Council since November 2008*

#### Priority statement

'It is important to acknowledge the vital role of trees and green spaces in cooling the city. A smarter approach to design will allow us to meet the growing challenges presented by climate change, while innovative public spaces will allow us to foster a strong and healthy community. Yarra should also look to nurture what is already a vibrant and diverse creative community.'

#### Internal memberships

Cr Stone is a member of Council's Aboriginal Advisory Committee, Active Ageing Advisory Committee, Disability Advisory Committee, Early Years Reference Group, Environment Advisory Committee, Live Music Working Group, Public Transport Advocacy Campaign Steering Group, Yarra Sustainability Awards Panel and Youth Advisory Committee.

#### Delegations

Cr Stone is Council's delegate to the Friends of Bacau.

**T** 9205 5055  
**M** 0429 358 170  
**E** Amanda.Stone@yarracity.vic.gov.au



## Melba Ward Councillors



**Cr Misha Coleman**

*Served on Council since October 2012*

### Priority statement

'Council needs to address parking, traffic and transport bottlenecks by adopting some of the innovative mobility approaches that have been successfully implemented in other municipalities. Council should also support parents of school-aged boys and girls to get access to high quality secondary school education. Council should work hard to increase its stock of parks and to support households and business to become carbon neutral. Council acknowledges that we have many asylum seekers living in Yarra who are in legal limbo and we must advocate for their claims to be processed.'

### Internal memberships

Cr Coleman is a member of Council's Australia Day Awards Committee, Bicycle Advisory Committee, Performance Review Subcommittee and Yarra Sustainability Awards Panel.

### Delegations

Cr Coleman is Council's delegate to the Australian Local Government Women's Association, the Collingwood Children's Farm Management Committee and the Metropolitan (Local Government) Waste Management Forum.

**T** 9205 5055  
**M** 0428 509 943  
**E** Misha.Coleman@yarracity.vic.gov.au



**Cr Simon Huggins**

*Served on Council since October 2012*

### Priority statement

'I'm firmly committed to helping creative spaces in Yarra flourish and harnessing the contribution of creative industries to the local economy. We need to make sure that new developments are in line with our environmental, economic and social objectives, so that our community is enriched by development and not damaged by it. I would also like to see Council play a leadership role in tackling the challenges that economic inequality in our city produce.'

### Internal memberships

Cr Huggins is a member of Council's Arts Advisory Committee, Business Advisory Group, Health Plan Advisory Committee, Live Music Working Group, Yarra Sustainability Awards Panel and Youth Advisory Committee.

### Delegations

N/A

**T** 9205 5055  
**M** 0419 581 469  
**E** Simon.Huggins@yarracity.vic.gov.au



**Cr Phillip Vlahogiannis**

*Served on Council since October 2012*

### Priority statement

'Our municipality is blessed with a diverse community and this is a key ingredient in equipping us to do things better by doing them differently. To derive full benefit from that diversity, Council needs to connect with those in our community whose voices remain unheard, those who are disenfranchised (including due to age, English language proficiency or disability) or disengaged (due to work and/or family demands).'

### Internal memberships

Cr Vlahogiannis is a member of Council's Business Advisory Group, Performance Review Subcommittee, Yarra Libraries Advisory Committee and Yarra Sustainability Awards Panel.

### Delegations

Cr Vlahogiannis is Council's delegate to the Metropolitan Transport Forum and Municipal Association of Victoria.

**T** 9205 5055  
**M** 0428 323 916  
**E** Phillip.Vlahogiannis@yarracity.vic.gov.au



## Nicholls Ward Councillors



**Cr Roberto Colanzi**

*Served on Council since October 2012*



**Cr Jackie Fristacky**

*Served on Council since March 2002 and was elected for a second consecutive term as Mayor in November 2013*



**Cr Sam Gaylard**

*Served on Council since November 2008*

### Priority statement

'I expect Council to embrace an integrated form of city development. This involves reinforcing Council's role to create a progressive policy environment so that all residents, volunteer community groups, social service organisations, sports clubs, and established and new businesses, continue to contribute to and further develop the vibrancy and diversity that is alive in our city.'

### Internal memberships

Cr Colanzi is a member of Council's Audit Committee, Business Advisory Group, Edinburgh Gardens 2014-15 New Year's Eve Community Reference Group, North Fitzroy Community Hub Design Reference Group, Performance Review Subcommittee and Yarra Sustainability Awards Panel.

### Delegations

Cr Colanzi is Council's delegate to the Metropolitan (Local Government) Waste Management Forum, Municipal Association of Victoria and Yarra Energy Foundation.

### Priority statement

'Councils should enhance community through safe streets, open space, library, cycling and recreation facilities, along with venues and programs that promote municipal health and wellbeing. A high priority for Council is advocacy to improve and extend public transport and campaign against the misguided East West Road Link. Public transport can best alleviate urban congestion and support economic efficiency of travel, social equity, and environmental sustainability.'

### Internal memberships

Cr Fristacky is a member of Council's Active Ageing Advisory Committee, Audit Committee, Australia Day Awards Committee, Disability Advisory Committee, Edinburgh Gardens 2014-15 New Year's Eve Community Reference Group, North Fitzroy Community Hub Design Reference Group, Performance Review Sub-committee, Public Transport Advocacy Campaign Steering Committee, Yarra Libraries Advisory Committee and Yarra Sustainability Awards Panel.

### Delegations

Cr Fristacky is Council's delegate to the Doncaster Rail Local Government Group, Inner Melbourne Action Plan Implementation Committee, Inner South Metropolitan Mayors' Forum, Mayors for Peace, Melbourne Northern Metropolitan Mayors and CEOs Forum, Metropolitan Transport Forum, Road Safety Action Group Inner Melbourne and Victorian Local Governance Association. She is also a Municipal Association of Victoria board member.

### Priority statement

'As the level of government closest to its people, local government is in the driver's seat when it comes to making a real difference. Yarra Council is making a difference. We were 2011 Sustainable City of the Year, we have the highest bike riding rates and we're the only municipality with Urban Agriculture Guidelines. We must continue to improve our amenity, protect our heritage and promote sustainable transport. We have a proud history of supporting social justice for our residents and through advocacy, other citizens of the world such as refugees.'

### Internal memberships

Cr Gaylard is a member of Council's Bicycle Advisory Committee, Heritage Advisory Committee, North Fitzroy Community Hub Design Reference Group, Public Transport Advocacy Campaign Steering Committee, Urban Agriculture Advisory Committee and Yarra Sustainability Awards Panel.

### Delegations

Cr Gaylard is Council's delegate to the Doncaster Rail Local Government Group, Northern Alliance for Greenhouse Action and Yarra Energy Foundation.

**T** 9205 5055  
**M** 0428 328 904  
**E** Roberto.Colanzi@yarracity.vic.gov.au

**T** 9205 5055  
**M** 0412 597 794  
**E** Jackie.Fristacky@yarracity.vic.gov.au

**T** 9205 5055  
**M** 0448 586 884  
**E** Sam.Gaylard@yarracity.vic.gov.au



## MEETING STRUCTURE

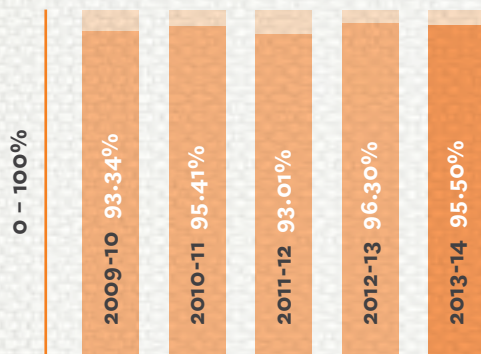
Council holds two Ordinary Council Meetings per month, allowing it to address issues in a timely fashion and incorporate community feedback into the decision making process. Special Council Meetings are scheduled as required to tackle more urgent matters.

Council also maintains the Internal Development Approvals Committee (IDAC), a fortnightly Special Committee with the delegated authority to determine planning applications.

## COMMITMENT

On average, each Yarra Councillor participated in 95.5% of the Ordinary Council Meetings held in 2013-14, a continuation of the strong attendance statistics recorded in previous years.

### Councillor attendance % for Ordinary Council Meetings 2009-14



MAIN YARRA TRAIL IN RICHMOND

## COUNCILLOR MEETING ATTENDANCE IN 2013-14

Councillor	Ordinary Council	Special Council	Internal Development Approvals Committee
<b>Meetings Held</b>	<b>22</b>	<b>9</b>	<b>22<sup>2</sup></b>
Cr Barbour	22	9	7 rostered, 9 attended <sup>2</sup>
Cr Colanzi	22	9	9 rostered, 9 attended
Cr Coleman	21	8	8 rostered, 6 attended
Cr Fristacky	21	9	8 rostered, 9 attended <sup>2</sup>
Cr Gaylard	19	6	7 rostered, 7 attended
Cr Huggins	22	8	7 rostered, 5 attended
Cr Jolly	18	6	8 rostered, 8 attended
Cr Stone	22	9	7 rostered, 7 attended
Cr Vlahogiannis	22	8	7 rostered, 9 attended <sup>2</sup>

<sup>1</sup> Three Councillors at a time are rostered onto the Internal Development Approvals Committee

<sup>2</sup> Councillors occasionally serve as substitutes on the Internal Development Approvals Committee, creating potential for some Councillors to attend more meetings than they are initially rostered for.



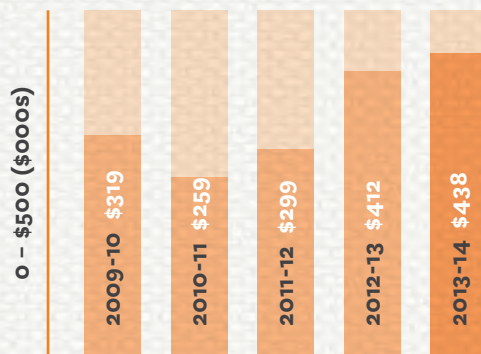
## ALLOWANCES

Pursuant to the *Local Government Act 1989*, Yarra pays its Councillors allowances in recognition of the long hours and many obligations associated with the office. These payments help to ensure that the role of Councillor is not restricted to people already in receipt of significant independent incomes. Yarra's Mayor receives \$71,058 plus 9.25% (being the equivalent of the Superannuation Guarantee Levy) for a total of \$77,631 per annum. Other Councillors receive \$22,965 plus 9.25% (being the equivalent of the Superannuation Guarantee Levy) for a total of \$25,089 per annum.

## EXPENSES

Yarra's Councillors are required to work long hours, attend numerous important engagements and make use of Council's assets. Some expenses generated by Councillors in the performance of their official duties are therefore absorbed by the organisation. Costs incurred involve the provision of administrative support (this constitutes the majority of expenses), temporary provision of computers and mobile telephones, travel and accommodation, and other items and activities directly related to Council business.

**Yarra Councillor expenses covered by the organisation (excludes Councillor allowances, Ward Meetings and Catering)**



## RELATIONSHIP WITH STAFF

As a collective, Councillors appoint and instruct the Chief Executive Officer, who in turn is responsible for implementing resolutions of Council and running the day-to-day affairs of the organisation. Individual Councillors cannot instruct staff members to undertake specific duties. Community members nevertheless have the right to bring issues to the attention of their elected representatives. When a request is directed to one or more Councillors, the Governance Branch assigns it to an appropriate officer for consideration and resolution. In 2013-14, 1,429 requests were actioned.



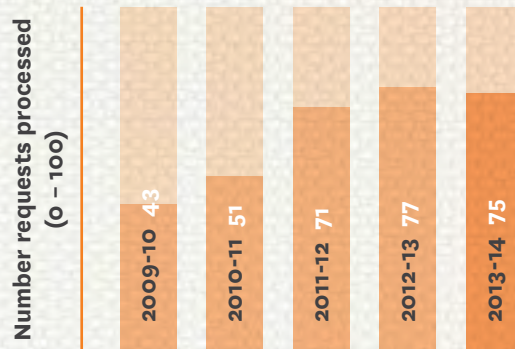


# Transparency, accountability and good governance

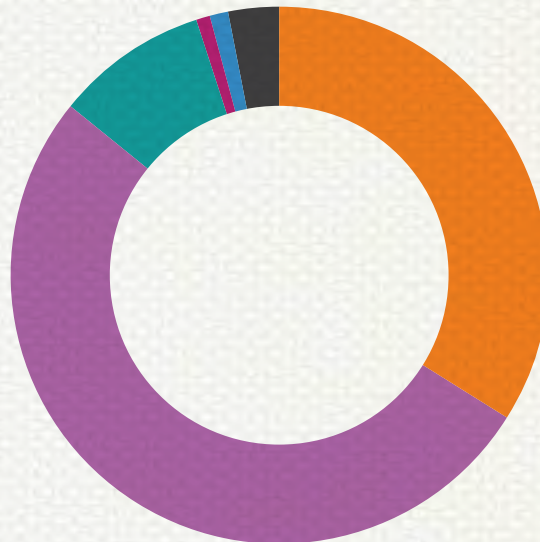
## FREEDOM OF INFORMATION

Responding appropriately to Freedom of Information requests is an essential component of transparent and accountable governance. Council must provide applicants with any and all information to which they are entitled, while preserving the privacy of third parties and its own legal privilege. While the *Freedom of Information Act 1982* provides for a 45-day turnaround, Council continued to take an average of 14 days to respond fully to each of this year's 75 Freedom of Information applicants. This was achieved despite a third consecutive year of over 70 requests.

Freedom of Information requests 2009-14



Freedom of Information – application outcomes during 2013-14



- Access fully granted **34%**
- Access partially granted **54%**
- Access denied **9%**
- Withdrawn or not proceeded with **1%**
- No documents to provide **1%**
- Proceeded to FOI Commissioner **3%**





## PUBLIC REGISTER

Council strives to operate in an open and transparent manner. To this end, it makes a range of information available for public inspection pursuant to the *Local Government (General) Regulations 2004*. Council's Register of Public Documents includes the following information:

- Mayor and Councillors' allowances
- Remuneration of senior officers
- Interstate and overseas travel by Councillors and officers
- Officers' interests
- Councillors' interests
- Agendas and minutes for Council meetings
- Special Committees established or discontinued
- Special Committee agendas and minutes
- Delegations
- Public submissions
- Leases
- Authorised officers
- Donations and grants
- Council memberships
- Regional Library Agreements
- Non-competitive contracts

Enquiries regarding the Register of Public Documents should be made to Council's Governance Support Unit, which is located at the Richmond Town Hall.

## PROTECTED DISCLOSURES

Council employees have the right to report alleged unethical practices within their organisation without fear of repercussion. This was re-affirmed in February 2013 when the state government's *Protected Disclosures Act 2012* (PDA) came into operation. Close adherence to the PDA is a fundamental component of Council's ongoing commitment to operate in an open and accountable fashion.

Protected disclosure events in 2013-14	No.
Disclosures made to Council	0
Disclosures referred by the Independent Broad-based Anti-corruption Commission or the Ombudsman to Council	1
Disclosures substantiated by Council and the action taken to address them	1
Disclosures Council has dismissed or declined to investigate during the year	0
Disclosures referred by Council to IBAC	0

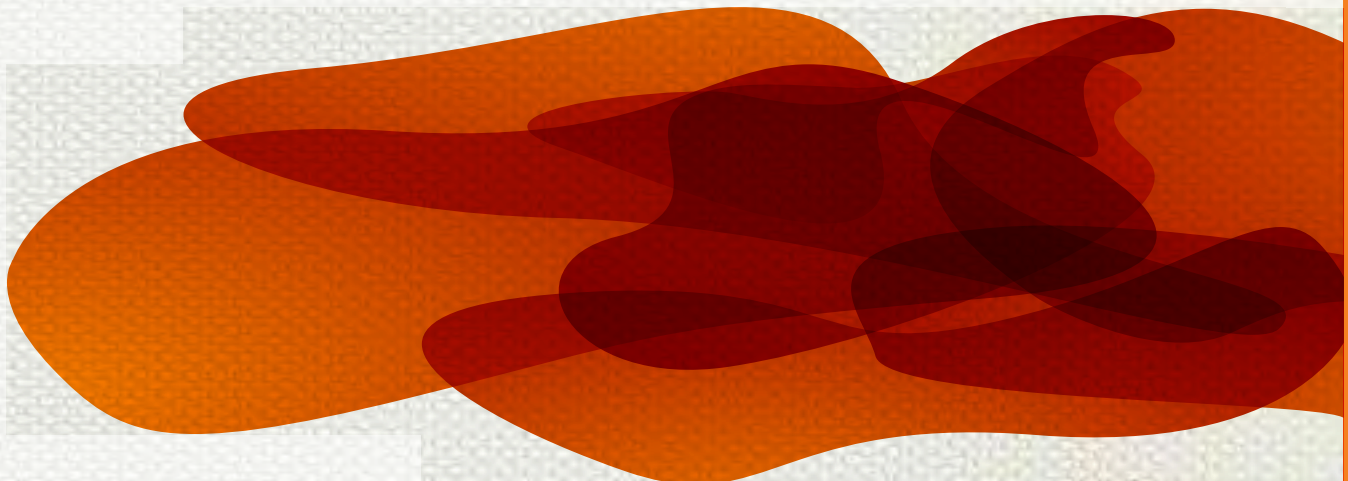
## IMPARTIALITY

Council has adopted formal codes of conduct to ensure that actual and perceived conflicts of interest are identified and declared. When a conflict of interest arises, relevant Councillors and staff excuse themselves from the decision making process. In the case of Council meetings, this also involves departure from the chamber. Such processes include (but are not limited to) planning applications, tender evaluations and grant assessments. Councillors and senior staff also routinely declare ownership of shares and property, as well as the receipt of gifts and hospitality.

## PRIVACY

Victorian residents are protected from unlawful publication and/or distribution of their personal details and health information by federal and state legislation. Council is required to and does maintain an Information Privacy Policy, which can be accessed from Council's website.

For further details, please contact Council's Privacy Officer Ivan Gilbert on 9205 5110 or at [Ivan.Gilbert@yarracity.vic.gov.au](mailto:Ivan.Gilbert@yarracity.vic.gov.au).





## LOCAL LAWS

Council has in place, five Local Laws pursuant to the *Local Government Act 1989* and all are accessible on Council's website. Local Laws have a lifespan of no more than 10 years, before they are required to be reviewed. Council can take action to review, alter, amend or revoke a Local Law, at any time before the 10 years has expired. A summary of these Local Laws follows.

## CURRENT LOCAL LAWS

Local Law	Purpose	Reviewed/Adopted
<i>Meeting Procedures Local Law No. 1 of 2011</i>	To determine the structure and conduct of formal Council meetings and the use of Council's common seal.	2011
<i>Roads and Council Land Local Law No. 2 of 2012</i>	To govern a range of matters including traffic and parking hazards, responsible pet ownership, damage to Council assets and fair use of public space.	2012
<i>Environment Local Law No. 3 of 2012</i>	To address compliance issues related to building works, parks and gardens, certain commercial activities, public behaviour and more.	2012
<i>Consumption of Liquor in Public Places Local Law No. 8 of 2009</i>	To discourage alcohol-related violence and self-harm by regulating the hours in which alcohol may be consumed in the majority of public places.	2009
<i>Anti-Slavery and Sexual Servitude Local Law No. 14 of 2009 (inactive)</i>	This Local Law has not been applied due to the introduction of superior legislation in the form of a new Section 60A of the <i>Sex Work Act 1994</i> .	2009

## AUDIT COMMITTEE

During 2013-14, Council's Audit Committee comprised three independent experts and two Councillors, including the Mayor.

The Audit Committee provided independent assurance and assistance to Council and its Chief Executive Officer on Council's risk, control and compliance framework, as well as its internal governance and external accountability responsibilities.

The work of the Audit Committee provided the organisation with the highest standards of oversight and risk management with regard to the resilience and sustainability of its operations, services and finances.

The Committee met on five occasions throughout the year and reviewed a range of issues, including:

- Council's Strategic Risk Profile and Strategic Risk Register.
- public health and safety within the municipality.
- infrastructure tendering and contract management.
- potential risks associated with use of Council credit cards.
- information privacy and Council's guiding principles and controls.
- the new Local Government Performance Reporting Framework.
- Council's Annual Financial Statements and Performance Statements.
- external audits or reports conducted by the Victorian Auditor-General's Office.

Name	Role	Qualification	Member since	2013-14 Attendance
Robert Yeo	Independent member (chair)	CA, FCA	2005	5 rostered 5 attended
John Purcell	Independent member	B. Ec, B. B. Bus, Grad Cert Fraud Invest, MBA, PhD, FCPA	2012	5 rostered 4 attended
Michael Said	Independent member	CPA, RCA	2009	5 rostered 5 attended
Cr Jackie Fristacky	Internal member	Councillor (Mayor)	2012	5 rostered 4 attended
Cr Roberto Colanzi*	Internal member	Councillor	2013	3 rostered 3 attended
Cr Misha Coleman*	Internal member	Councillor	2012	2 rostered 2 attended

\*Cr Roberto Colanzi replaced Cr Misha Coleman on the Audit Committee in 2013



## RISK MANAGEMENT PANEL

Yarra's Director of Corporate and Financial Services chaired monthly meetings of the Risk Management Panel. Council's Executive Team and Risk and Audit Advisor participated in these meetings.

The Panel's responsibilities included reviewing the appropriateness and effectiveness of Council's risk management systems and controls, considering the implications of emerging risks and ensuring Council has effective business continuity plans in place.

An increasing focus of the Panel was the management of emerging risks, whether they were financial, strategic, operational, or reputational in nature, and the identification of areas in which the Panel needed to obtain more information and/or reduce exposure to such risks.

Some of the matters discussed and reviewed by the panel during 2013-14 included:

- Council's new Strategic Risk Register.
- Council's operational risks which were presented to the Panel by Branch Managers from across the organisation including:
  - Construction.
  - Engineering Services.
  - Recreation and Open Space.
  - Library Services.
  - Leisure Services.
- reports on Council's public liability claims and insurance premiums.
- Council's fraud and corruption policy and internal controls.
- implementation of Council's 2013 – 2014 Climate Change Adaptation actions.





## OTHER DISCLOSURES

The following information is provided pursuant to the specified Acts.

Item	Measures taken
<p><b>Disability Action Plan</b> Under section 38(3) of the Disability Act 2006, Council is required to provide an update on implementation of its Disability Action Plan in its Annual Report.</p>	<p>Council this year adopted a new Access and Inclusion Plan 2014-17 to ensure that people with a disability can participate fully in the economic and cultural life of Yarra.</p> <p>The plan also aims to raise disability awareness within Council and the community, and improve access to the built environment.</p> <p>Of the 42 measurable actions in the Plan, 16 were scheduled for implementation in 2013-14. Council completed nine actions, commenced six actions, and postponed one action to 2014-15 for operational reasons. Highlights included:</p> <ul style="list-style-type: none"> <li>• working with the Australian Network on Disability to develop recruitment practices that better meet the needs of applicants with a disability.</li> <li>• promoting and supporting participation and access to services by people with disability in the Aboriginal and the Vietnamese communities.</li> <li>• advocating for increased social and affordable housing in Yarra, with a minimum of 5% to be wheelchair accessible and comply with the standards of the Federal Disability Discrimination Act 1992.</li> </ul>
<p><b>Carer support</b> Under section 12 of the Carers Recognition Act 2012, Council is required to provide information on its recognition and support of carers in its Annual Report.</p>	<p>Yarra has taken steps to develop its services and policies to support carer relationships. During 2013-14, this entailed:</p> <ul style="list-style-type: none"> <li>• introducing occasional respite care arrangements to improve flexibility for carers.</li> <li>• updating the Home and Community Care Respite for Children Policy to include feedback from parents and guardians at the regular four-month service review stage.</li> <li>• continuing to develop its approach to implementation of the Active Service Model to include increased participation in goal setting.</li> </ul> <p>Council also supports its own employees through carer's leave entitlements and individual flexibility arrangements provided in its Enterprise Bargaining Agreement with staff.</p>
<p><b>Domestic Animal Management Plan</b> Under section 68(A)3(c) of the Domestic Animals Act 1994, Council is required to provide an update on implementation of its Domestic Animal Management Plan in its Annual Report.</p>	<p>During 2013-14, Council continued to implement its existing Domestic Animal Management Plan, by:</p> <ul style="list-style-type: none"> <li>• collecting 317 stray animals.</li> <li>• conducting proactive animal-owner education programs in parks and reserves.</li> <li>• offering discounted registration fees for microchipped and desexed animals in accordance with the <i>Domestic Animals Act 1994</i>.</li> <li>• publishing information about responsible pet ownership at <a href="http://www.yarracity.vic.gov.au/services/Animal-management/">www.yarracity.vic.gov.au/services/Animal-management/</a>.</li> </ul> <p>The Domestic Animal Management Plan was formally reviewed and minor amendments made to:</p> <ul style="list-style-type: none"> <li>• better reflect legislative changes regarding dangerous and restricted breeds.</li> <li>• facilitate responsible pet ownership.</li> <li>• promote the benefits of animal companionship.</li> <li>• protect animal welfare.</li> <li>• safeguard residential amenity.</li> </ul> <p>The reviewed plan is expected to come into effect in July 2014.</p>



# Listening and learning

Council believes that local government is uniquely positioned to incorporate community feedback into its decision making processes. Council's special consultation projects allow the organisation to reach out using a variety of techniques, from one-on-one interviews, to large scale workshops or online surveys. Special consultation projects are developed as required, and complement Council's existing network of advisory committees and working groups, each of which feature a range of community representatives. These ongoing bodies facilitate direct interaction between Councillors and community members, and assist Council in making informed decisions on complex issues.

## CONSULTATION HIGHLIGHTS 2013-14

### New Residential Zones

Following the state government's introduction of new residential zoning framework, Council conducted two months of intensive community consultation to guide translation of existing zones into the new framework. A purpose-built website was established, a detailed brochure was produced, and more than 47,000 letters were distributed to owners and residents. Council also hosted three well-attended information sessions and provided further updates at three ward meetings. Council was pleased to receive more than 320 constructive submissions. The ideas and concerns expressed by respondents helped to inform Council's submission to the state government on recommended zones.

### Aboriginal Partnerships Plan 2015-18

Council undertook extensive community consultation for its next four-year Aboriginal Partnerships Plan. The consultation was guided by a reference group of Traditional Owners, Aboriginal community members and Aboriginal service providers. In addition to conducting a survey, Council ran workshops, visited a wide range of people, places and events and had many extraordinary conversations. Participants were asked to outline what they would do for Yarra's Aboriginal community if they were the Mayor and this question received a great response. Consultation has enabled Council to develop a more nuanced understanding of the needs and priorities of the Aboriginal community and the information gathered will shape the next Aboriginal Partnerships Plan.

### Multicultural Partnerships Strategy 2015-18

Council sought community input during the drafting of the Multicultural Partnerships Strategy 2015-18. Consultation began with an event to celebrate Cultural Diversity Week attended by 120 people and continued with discussions with community groups and focus group discussions involving 150 people. Sixty people responded to questionnaires published online and distributed at local festivals. Guidance was provided by a reference group in which community representatives interacted directly with Councillors and staff. Feedback received has been used to inform the development of the Multicultural Partnerships Strategy 2015-18, which will be presented to Council for endorsement in December 2014.

### Local Area Traffic Management

Council conducted five Local Area Traffic Management studies across Collingwood, Cremorne and Richmond to improve traffic conditions and road safety in close collaboration with the community. In each case, residents and businesses were consulted about the traffic issues in their area. This involved a questionnaire, a public meeting and the formation of a Traffic Study Group involving Councillors, Council staff and community members. Input was also received from the Bicycle Advisory Committee, Disability Advisory Committee and Business Advisory Group, all of which featured community representatives. Information gathered throughout this process was critical in developing recommended improvements for each area.

### Economic Development Strategy 2015-20

This major consultation incorporated workshops and discussions with members of the creative and business services sector, as well as the retail, hospitality and tourism sectors. Consultation took place with Yarra's Business Advisory Group, Arts Advisory Committee and Environment Advisory Committee. One-on-one interviews with major employers and other key stakeholders were also of great value. Consistent themes emerged in relation to issues and opportunities for Yarra's economy, and this information assisted greatly in the drafting of Council's forthcoming Economic Development Strategy 2015-20.

### Environment Strategy 2013-17

In December 2013, Council adopted its Environment Strategy 2013-17. This concluded six months of deep and innovative consultation, which included a four-part workshop series comprising 35 community members with varying interests and areas of expertise, a four hour forum open to the entire community, a widely publicised survey resulting in 75 valuable responses, and the establishment of the Environment Advisory Committee, a community based body designed to support formulation and implementation of the Environment Strategy 2013-17 and associated sustainability outcomes.



**HAVE YOUR SAY BY  
PARTICIPATING IN  
COUNCIL'S LATEST  
CONSULTATION  
PROJECTS**



## COUNCIL'S ADVISORY COMMITTEES AND WORKING GROUPS

Committee	A 2013-14 highlight	Councillor delegates	
		Jul – Nov 2013	Dec 2013 – Jun 2014
The <b>Aboriginal Advisory Group</b> facilitates consultation with the local Aboriginal community on issues such as culture, health, housing, employment, and social justice.	The group contributed to development of the Aboriginal Partnerships Plan 2015-18.	Cr Jolly Cr Stone	Cr Jolly Cr Stone
The <b>Active Ageing Advisory Committee</b> promotes consideration of senior citizens' needs in Council's core planning.	The group supported development of the Stage 2 Action Plan for Council's River of Life Positive Ageing Strategy.	Cr Colanzi Cr Stone	Cr Stone Cr Fristacky
The <b>Arts Advisory Committee</b> provides input on the development of art policies, the allocation of community grants and the management of Council's collection.	The committee assisted in the development of the Room to Create Fund, which addresses growing infrastructure costs associated with creative spaces in Yarra.	Cr Gaylard Cr Huggins	Cr Barbour Cr Huggins
The <b>Audit Committee</b> provides independent assurance and assistance to Council in relation to its risk, control and compliance framework, financial management and reporting responsibilities.	Refer to page 50 for details on Audit Committee activities during 2013-14.	Cr Fristacky Cr Coleman	Cr Fristacky Cr Colanzi
The <b>Bicycle Advisory Committee</b> encourages bicycle use and provides feedback on cycling programs and proposals.	The committee contributed to the Wellington Street Bicycle Facility design and supported Ride2Work Day and Ride to School Day events.	Cr Fristacky Cr Gaylard	Cr Coleman Cr Gaylard
The <b>Business Advisory Group</b> works to boost the profile of Council's business community and provide advice on the creation of related policies and programs.	The group played a key role in establishing priorities for Yarra's new Economic Development Strategy	Cr Colanzi Cr Coleman Cr Huggins Cr Vlahogiannis	Cr Barbour Cr Colanzi Cr Huggins Cr Vlahogiannis
The <b>Disability Advisory Committee</b> promotes integration of principles supporting people with disabilities into Council's core business.	The committee assisted Council in responding to the Victorian Parliamentary Inquiry into Social Inclusion.	Cr Colanzi Cr Stone	Cr Fristacky Cr Stone
The <b>Early Years Reference Group</b> comments on the development and delivery of policies and services relating to children and families.	The group contributed to development of the draft Early Years Strategy 2014-17 and provided advice on integrated service delivery.	Cr Barbour Cr Stone	Cr Stone
The <b>Edinburgh Gardens 2014-15 New Year's Eve Community Reference Group</b> was formed in May 2014 to assist Council in its preparations for New Year's Eve.	The group provided advice to Council in its planning for an effective response and management of New Year's Eve 2014-15, with a particular focus on Edinburgh Gardens.	NA	Cr Colanzi Cr Fristacky Cr Jolly
The <b>Environment Advisory Committee</b> assists Council in its pursuit of sustainability outcomes in its own operations as well as in the broader community.	The committee participated in the formulation of Council's Environment Strategy 2013-17.	Cr Stone Cr Colanzi	Cr Stone



Committee	A 2013-14 highlight	Councillor delegates	
		Jul – Nov 2013	Dec 2013 – Jun 2014
The <b>Health Plan Advisory Committee</b> oversees delivery of mental, physical and Aboriginal health strategies.	The committee endorsed an implementation plan for the Municipal Health and Wellbeing Plan 2013-17 and provided input on scheduled activities.	Cr Huggins Cr Vlahogiannis	Cr Barbour Cr Coleman Cr Huggins
The new <b>Heritage Advisory Committee</b> provides feedback on strategic heritage issues and promotes awareness of heritage resources and services.	The group participated in workshops informing development of Council's draft Heritage Strategy.	Cr Barbour Cr Gaylard	Cr Barbour Cr Gaylard
The <b>Live Music Working Group</b> develops recommendations that support the interests of the live music sector while protecting the rights of local residents.	The group considered the first draft of an updated Local Planning Policy for Licensed Premises and consulted on a protocol for management of serious compliance related issues.	Cr Barbour Cr Jolly Cr Huggins	Cr Barbour Cr Huggins Cr Stone
The <b>North Fitzroy Community Hub Design Reference Group</b> informs the design of a facility incorporating a public library, maternal and child health centre and multicultural meeting place.	Detailed advice from the group informed the final schematic design of the North Fitzroy Community Hub.	Cr Colanzi Cr Fristacky Cr Gaylard	Cr Colanzi Cr Fristacky Cr Gaylard
The <b>Public Transport Advocacy Campaign Steering Committee</b> promotes sustainable transport solutions.	The committee advocated in support of public transport projects such as the proposed Doncaster Rail solution and opposed the East West Link proposal.	Cr Fristacky Cr Gaylard Cr Jolly Cr Stone	Cr Colanzi Cr Fristacky Cr Gaylard Cr Jolly Cr Stone
The <b>Urban Agriculture Advisory Committee</b> advises Council on the creation, management and promotion of community gardens and associated support networks.	The committee assisted in the development of Council's forthcoming Urban Agriculture Strategy.	Cr Gaylard	Cr Gaylard
The new <b>Yarra Libraries Advisory Committee</b> issues feedback on library issues and contributes to the development of related programs, policies and service plans.	The committee participated in the development of the Yarra Libraries Marketing Plan 2013-16.	Cr Colanzi Cr Vlahogiannis	Cr Vlahogiannis Cr Fristacky
The <b>Yarra Sustainability Awards Panel</b> assesses nominations for awards to celebrate and promote innovative community responses to environmental challenges.	The panel selected seven winners from across the business, education and community sectors.	Cr Barbour Cr Colanzi Cr Gaylard Cr Stone Cr Vlahogiannis	Cr Barbour Cr Colanzi Cr Coleman Cr Fristacky Cr Gaylard Cr Huggins Cr Stone Cr Vlahogiannis
The <b>Youth Advisory Committee</b> provides specialist advice on programs for young people and facilitates engagement with third party agencies.	The committee contributed to the creation of the Youth Policy 2013-17 and Middle Years Strategy 2014-17.	Cr Stone Cr Huggins	Cr Stone Cr Huggins



## REPRESENTATION ON EXTERNAL BODIES 2013-14

Participating in external bodies allows Council to ensure that its community's unique interests are represented even as it pursues holistic outcomes in partnership with other stakeholders.

Body	A 2013-14 highlight	Councillor delegates	
		Jul – Nov 2013	Dec 2013 – Jun 2014
The <b>Australian Local Government Women's Association</b> promotes participation of women in the local government sector.	Attendees at this year's state conference received practical guidance from women leaders in a variety of roles, from elected representatives to senior government officials.	Cr Coleman	Cr Coleman
The <b>Collingwood Children's Farm Management Committee</b> oversees the operation and development of one of Yarra's most cherished attractions.	The committee oversaw the 175th anniversary of the sale of the land now occupied by the farm. Events ranged from an official opening function to family activities involving horses and working dogs.	Cr Barbour Cr Jolly	Cr Coleman Cr Jolly
The <b>Doncaster Rail Local Government Group</b> comprises six eastern councils working together to advocate for planning and construction of Doncaster Rail.	The group met on several occasions during 2013-14 to continue its advocacy of the Doncaster Rail project.	Cr Fristacky Cr Gaylard	Cr Fristacky Cr Gaylard
The <b>Friends of Bacau</b> group promotes friendship and governance support with the district of Bacau in Timor Leste.	Using funds raised through activities and donations, the group sponsored delegates from Bacau District to attend a major VLGA conference in Melbourne to share information and support development of local government structures in Timor Leste.	Cr Colanzi Cr Stone	Cr Colanzi Cr Stone



COLLINGWOOD CHILDREN'S FARM



Body	A 2013-14 highlight	Councillor delegates	
		Jul – Nov 2013	Dec 2013 – Jun 2014
The <b>Inner Melbourne Action Plan Implementation Committee</b> considers transport planning residential growth and business development issues in the inner city region.	The committee produced model guidelines for water sensitive urban design.	Cr Fristacky	Cr Fristacky
The <b>Inner South Metropolitan Mayors Forum</b> is a partnership between Bayside, Glen Eira, Stonnington, Boroondara, Kingston, Port Phillip and Yarra Councils.	The forum developed the Better Neighbourhoods fund to create a pipeline of local infrastructure projects in accordance with priorities and timelines defined by Plan Melbourne.	Cr Fristacky	Cr Fristacky
The <b>Melbourne Northern Metropolitan Mayors and CEOs Forum</b> studies and responds to matters of shared importance to its member councils.	The forum launched Northern Horizons, a 50-year strategy for infrastructure development and advocacy in the region.	Cr Fristacky	Cr Fristacky
The <b>Metropolitan (Local Government) Waste Management Forum</b> facilitates environmental initiatives such as waste reduction and recycling across Metropolitan Melbourne.	This year the forum worked towards the development of best practice guidelines in municipal waste management and resource recovery technologies.	Cr Colanzi Cr Coleman	Cr Colanzi Cr Coleman
The <b>Metropolitan Transport Forum</b> , comprising 23 local councils, facilitates discussion and develops recommendations for socially and environmentally responsible transport initiatives.	The forum lobbied the federal and state governments to allocate greater funding to the public transport sector and scheduled town hall meetings in the lead up to the November state election.	Cr Fristacky Cr Vlahogiannis	Cr Fristacky Cr Vlahogiannis
The <b>Municipal Association of Victoria</b> provides advice to, and advocates for, the local government sector.	The association adopted Council's motion calling on the federal government to process the visa applications of asylum seekers as soon as possible.	Cr Colanzi Cr Fristacky	Cr Colanzi Cr Vlahogiannis
The <b>Northern Alliance for Greenhouse Action</b> collaborates with governments, businesses and communities to respond to climate change.	The alliance received \$150,000 from the Victorian Adaptation and Sustainability Partnership to identify and assess regional climate change risks and vulnerabilities.	Cr Gaylard	Cr Gaylard
The <b>Road Safety Action Group Inner Melbourne</b> generates and monitors initiatives promoting safe road use by motor vehicles, bicycles and pedestrians.	The group progressed development of a major pedestrian project to help people access transport options.	Cr Fristacky	Cr Fristacky
The <b>Victorian Local Governance Association</b> provides leadership and advice to its member councils and promotes democratic governance principles.	Recently appointed VLGA Chief Executive Officer Dr Andrew Hollows visited Yarra to brief councillors on opportunities to work together on issues impacting the sector.	Cr Barbour Cr Fristacky	Cr Barbour Cr Fristacky
The <b>Yarra Energy Foundation</b> devises and implements strategies, programs and partnerships in pursuit of a carbon neutral municipality.	The foundation expanded its partnerships in the small business sector and created a commercial solar panel advice project.	Cr Colanzi Cr Gaylard	Cr Colanzi Cr Gaylard



## A REGULAR OPPORTUNITY FOR FEEDBACK

Another way in which the community can participate in Council business is by attending and speaking at Ordinary Council Meetings, Internal Development Approval Committee Meetings and Ward Meetings.

Members of the gallery at each Ordinary Council Meeting can ask questions, make submissions about items on the agenda or lodge petitions or joint letters. During 2013-14, Council received valuable feedback on disabled access, public lighting, traffic engineering and planning scheme amendments, as well as on many other important issues.

The Internal Development Approvals Committee hears extensive submissions from planning applicants and objectors before reaching its decisions.

All members of the community are invited to attend Ward Meetings. These informal discussions allow Councillors to hear directly from their constituents and remain up to date on emerging issues in their local areas. Six such meetings were held during 2013-14, two for each of Yarra's three electoral wards. These meetings are announced periodically on Council's public website, as well as in Council's advertorial in the local press and on posters and flyers.

## HOW TO GET INVOLVED

Community members wishing to participate in a Council Meeting are encouraged to obtain a copy of the agenda. Each edition of the agenda contains guidance on asking questions and making submissions during the meeting. Agendas are published on Council's website five days prior to the meeting in question. Printed copies are made available for inspection at the Richmond and Collingwood Town Halls, as well as at Yarra's five public libraries.

## JOIN THE AGENDA ALERT LIST

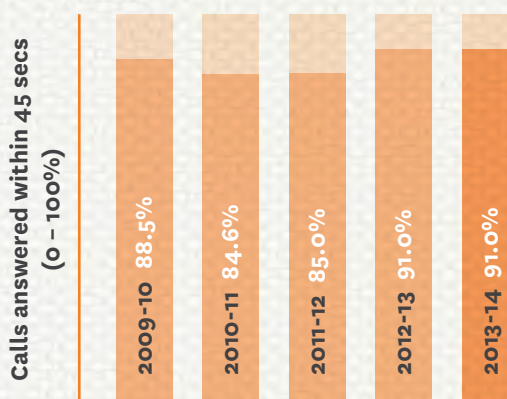
Send an email to [GovernanceSupport@yarracity.vic.gov.au](mailto:GovernanceSupport@yarracity.vic.gov.au) with the subject line 'Agenda Alert List' and we'll make sure you never miss another agenda. Each alert contains a list of items scheduled for consideration at the meeting as well as links to the full agenda. Your name and email address will not be exposed to other recipients during delivery.

## CUSTOMER SERVICE

Access Yarra serves as the community's first point of contact with Council. This unit strives to facilitate friendly, prompt and respectful interactions, whether they be in-person or via email, telephone or social media. During 2013-14, Access Yarra received 155,844 calls (91% of which were answered within 45 seconds), processed 57,342 payments at the counter, and received 20,594 hard and green waste collection requests.

For the second year in succession, Council exceeded its benchmark of answering 90% of calls within 45 seconds.

### Customer responsiveness - five-year trend



During 2013-14, Council received valuable feedback on disabled access, public lighting, traffic engineering and planning scheme amendments, as well as on many other important issues.



## CUSTOMER SATISFACTION

While Access Yarra is the face of the organisation, the basic principles of prompt and respectful service inform the manner in which all Council branches engage with and deliver services to the community.

Council's efforts to enhance its customer-focused processes were reflected in the latest Customer Service Survey conducted by independent firm Metropolis Research on behalf of Yarra City Council. The survey, now in its fifth year and able to provide trend data, has been designed to measure community satisfaction of Council services and facilities as well as to measure community sentiment on additional issues of concern in the municipality.

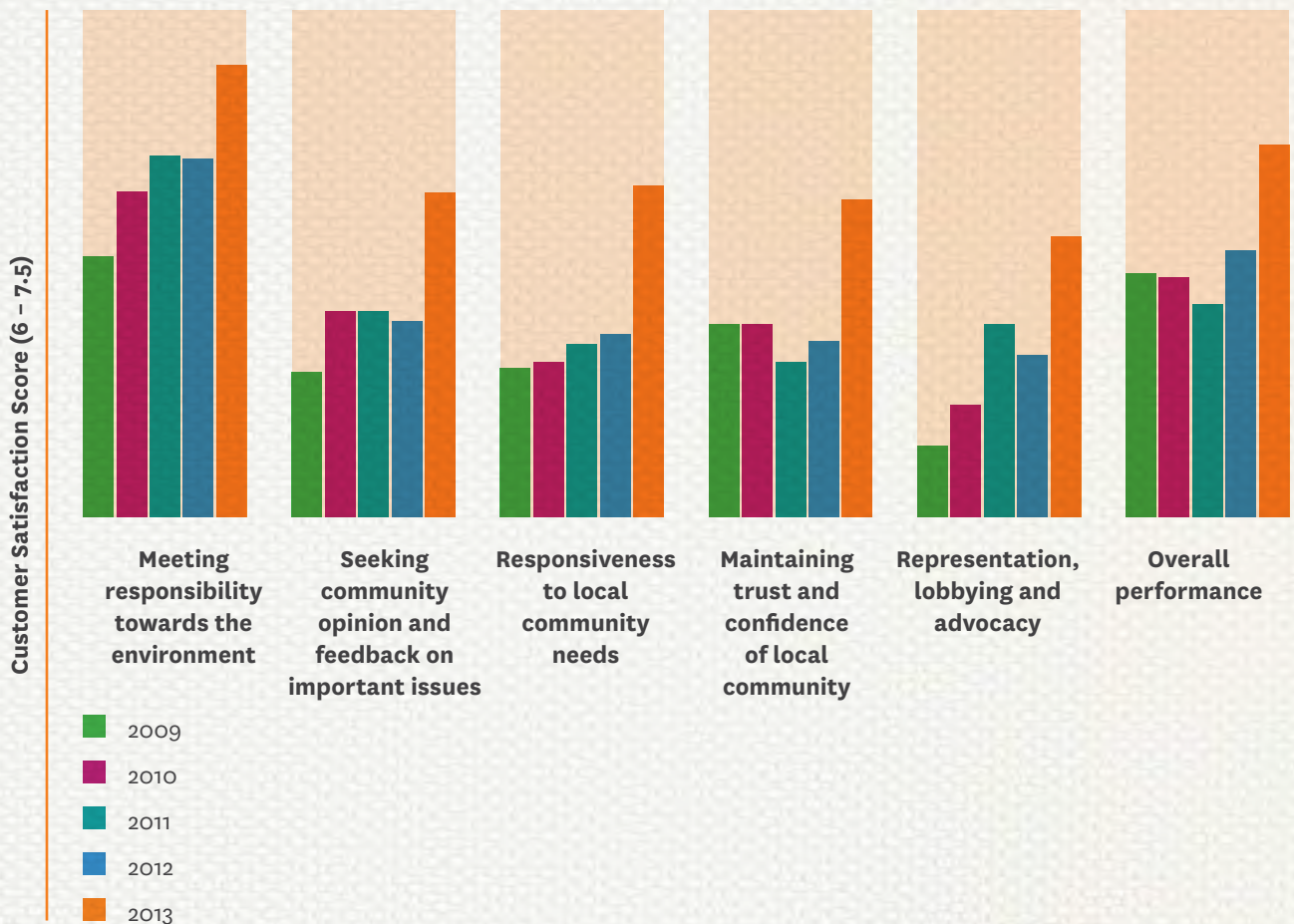
Analysis of 800 survey results indicated that satisfaction with Council's overall performance improved to 7.10 in 2013, up 4.6% from 2012 and 7.1% from 2011. This places Yarra well ahead of the 6.80 average of councils in metropolitan Melbourne.

Council was encouraged by the results, which saw overall satisfaction with the organisation's performance reach a five-year high in 2013. Looking beyond the overall result, Yarra has registered substantial improvement in all six key categories. In particular, Council is proud to have achieved a 6.44% annual improvement in the level of trust the community has in the organisation.

### Customer Service Survey – 2013 results

2013 Metropolis Customer Service Survey	Score
Meeting responsibility towards the environment	7.34
Seeking community opinion and feedback on important issues	6.96
Responsiveness to local community needs	6.98
Maintaining the trust and confidence of the local community	6.94
Representation, lobbying and advocacy	6.83
<b>Overall</b>	<b>7.1</b>

### Customer Service Survey – five-year trend





## SOCIAL MEDIA AND THE VALUE OF LISTENING

Since launching our first social media platform in mid-2012, talking to our community online has become an everyday part of Council's business.

Council manages nine social media pages, including a general Twitter account, Twitter accounts for its leisure and library services, a YouTube channel, LinkedIn account, and Facebook pages for a range of specific projects.

Providing relevant content and responding quickly to enquiries has seen the popularity of Council's social media platforms grow steadily. At the time of writing, Council's general Twitter account was followed by more than 2000 people, while the Trains Not Toll Roads Facebook page – an online forum about the proposed East West Link and sustainable transport – had more than 10,400 likes.

A snapshot of the year's tweets reveals that transport, literature, food and history are topics that resonate with our online community. Retweets about Yarra Libraries' event with prominent writer John Safran were relayed to hundreds of thousands of people. A local event as part of the Melbourne Food and Wine Festival, and an historical image depicting a Swan Street tram in the early 1900s enjoyed similar widespread reach.

Council has long acknowledged the benefits of social media as a customer service tool, yet social media has also evolved as a powerful means for our community to participate in the local democratic process.

A number of public issues have come to Council's attention through discussions on social media, including the community's passion for local live music venues and community gardens, and calls to name a local street after Richmond football legend, Jack Dyer.

Social media has provided Council with an invaluable insight into the expectations and aspirations of our community, and, in some cases, has informed the agenda for Council discussion.

For Council, the value of social media lies in opportunities to broadcast information widely, but also to tailor communication to specific audiences in our community. For example, in early 2014, Council's launched a Facebook page for residents aged 12 to 25 years. A Facebook page for Yarra's Sustainability Awards invited nominations for inspiring environmental achievements in our community. Council's LinkedIn page helps the organisation connect with current and prospective employees.

In this way, social media's prevalence is in fact personalising Council's interactions with our residents and helping the organisation talk to defined groups within our community.



[www.twitter.com/YarraCouncil](http://www.twitter.com/YarraCouncil)



[www.youtube.com/YarraCityCouncil](http://www.youtube.com/YarraCityCouncil)



[www.facebook.com/TrainsNotTollRoads](http://www.facebook.com/TrainsNotTollRoads)



# Advocacy

While Council does not have the power to directly address all issues facing its constituents, it has a profound responsibility to advocate on their behalf. Indeed, this is identified in the *Local Government Act 1989*, which states that one role of Council is 'advocating the interests of the local community to other communities and governments'.

As demonstrated by the Metropolis survey results outlined on page 59, community satisfaction with Council's representation, lobbying and advocacy has improved by 5.40% since 2012 and 9.98% since 2009.

## NEW ADVOCACY PROGRAM

Council this year adopted its first Strategic Advocacy Framework. This outlines Council's advocacy priorities in a planned, coordinated and resourced approach designed to facilitate practical actions and outcomes. These priorities were identified through a process of evidence based research, benchmarking and consultation, and align closely with the Strategic Objectives outlined in Yarra's Council Plan 2013-2017. Advocacy activities and outcomes have been reported to Council on a quarterly basis.

## ADVOCACY HIGHLIGHTS

2013-14 was an extraordinarily busy year for Council's public transport advocacy. Of particular note has been Council's ongoing Trains Not Toll Roads community campaign which has raised public discussion about public transport to levels never before seen in Victoria. The community support has surpassed all expectations and is now an example of full scale community engagement. Council's Trains Not Toll Roads advocacy has contributed to the community's trust and confidence in Council increasing substantially in the last 12 months as evidenced in the results of the 2013 Customer Service Survey.



A MEMBER OF THE PUBLIC PARTICIPATES IN ONE OF THE WEEKLY TRAINS NOT TOLLROADS PEACEFUL PROTESTS WHICH HAVE BEEN RUNNING FOR MORE THAN A YEAR



## Sustainable transport

- Council made a submission to the Senate Rural and Regional Affairs and Transport References Committee on the need for federal government investment in public transport.
- Representations were made to the Minister for Public Transport to advocate for an expansion of the Melbourne Bike Share Scheme to Yarra with funding requested in Yarra's submission to the State Budget 2014-15.
- Through the Inner South Metropolitan Mayors' Forum, Yarra advocated for a range of public transport enhancements, including the original Melbourne Metro and Doncaster Rail proposals, as well as improvements to bicycle paths.
- Highlights of Council's Trains Not Toll Roads (TNTR) campaign have included:
  - Over 10,400 people have supported the campaign through a dedicated Facebook page and more than 85,000 people have actively discussed or shared information from the TNTR Facebook site. All up, there have been millions of impressions (the number of times content has been viewed, linked, shared or blogged on web or social media).
  - Almost 20,000 petition signatures have been gathered either online or in hard copy.
  - Thousands of people have been engaged over the last 12 months in public rallies, meetings, advocacy training, festivals and events.
  - The community's dedication has seen them turn up rain, hail or shine every Friday morning over eight months for peaceful protests at the Alexandra Parade/Hoddle Street intersection holding signs reading "Toot for Trains" and "Every train takes 800 cars off the road". These have received constant toots of support from drivers of cars, buses and trucks.
  - Signs and posters in opposition to the East West Link have been seen throughout inner Melbourne.
  - Five councils have resolved to support the TNTR campaign and many others have resolved to prioritise public transport ahead of the East West Link. Yarra was among the many councils in the Metropolitan Transport Forum which supported the 'Wrong Way Go Back' campaign. Yarra is also a member of an active Doncaster Rail Working Group of six councils.

## East West Link - Comprehensive Impact Statement

The state government progressed its plans for the East West Link by holding public hearings on the East West Road Link Comprehensive Impact Statement (CIS). Council responded by hosting a large community information forum at the Fitzroy Town Hall, preparing a detailed submission on behalf of the community and appearing before the Minister-appointed Assessment Committee during March and April 2014. Legal representatives for Council raised strong concerns about the absence of evidence within the CIS, particularly in relation to traffic, urban design and heritage. Hundreds of community members attended the hearings to support Council's position and to make submissions themselves.

## Managing the rate and nature of change in Yarra

Yarra is experiencing substantial change, growing in both population and economic activity. By 2031, the municipality is expected to grow by about 30,000 people to a total of 110,000. Council this year advocated for measures to influence the rate and nature of change by engaging extensively with bodies such as the new Metropolitan Planning Authority, Department of Transport, Planning and Local Infrastructure and VicRoads to ensure the interests of Yarra residents and businesses were heard. Examples of targeted advocacy include the Amcor Paper Mill site in Alphington, Plan Melbourne consultation and submissions, and residential zoning changes.

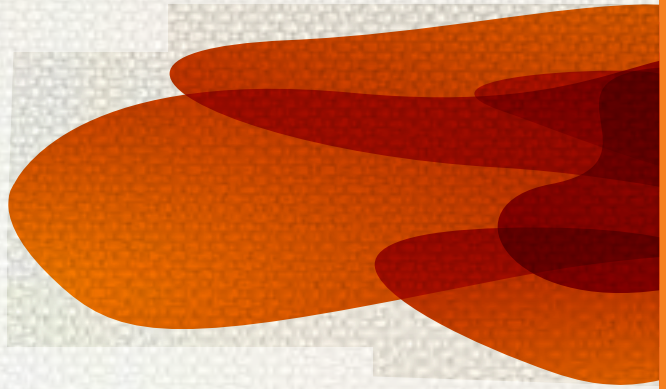


CHURCH STREET TRAM



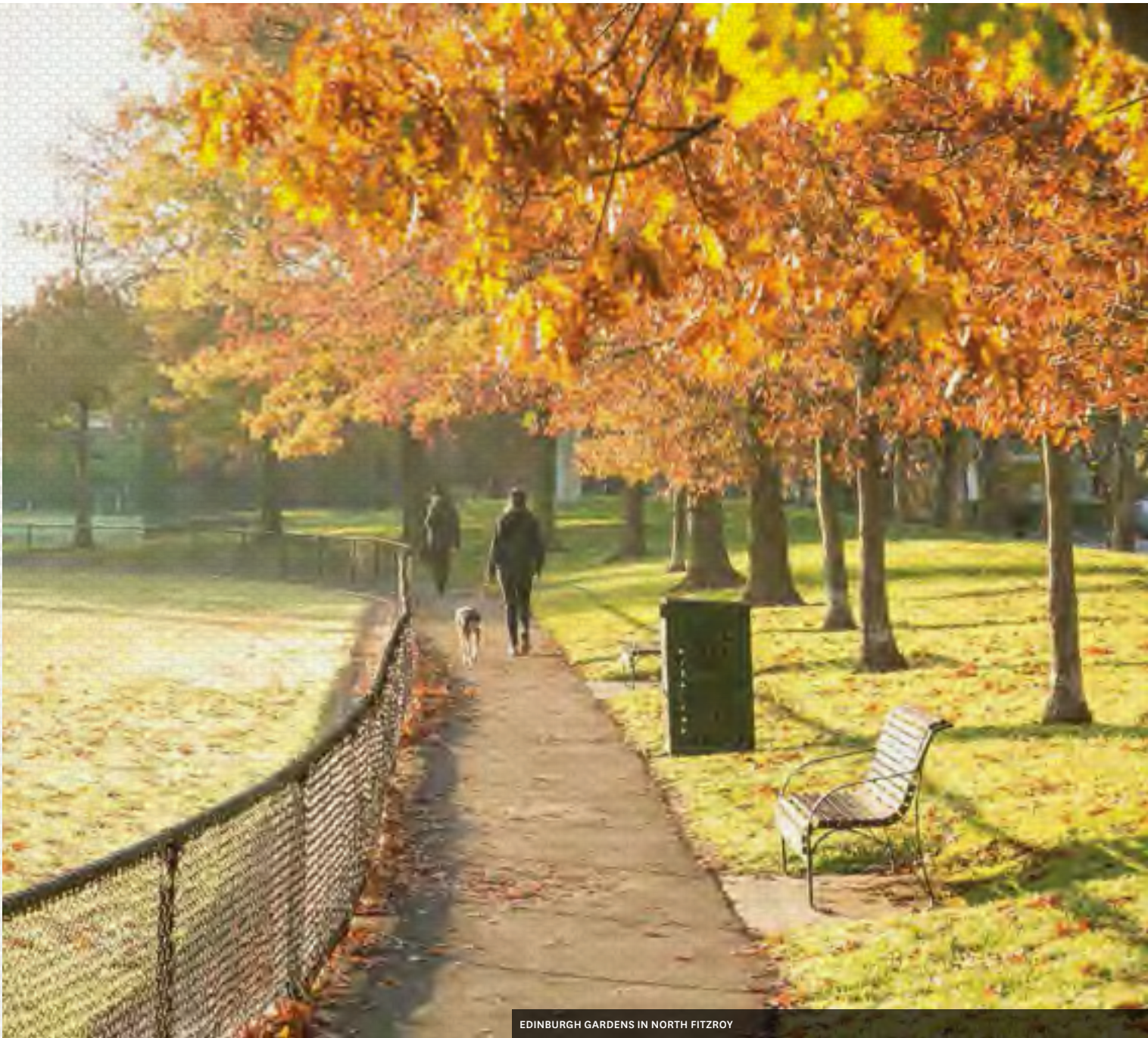
### Sustainable City

Yarra Council is one of Australia's leading sustainable cities, taking action in the areas of climate change, urban agriculture, water sensitive urban design, built environment and sustainable transport. In 2013, Council adopted its Environment Strategy 2013-17, which included a number of key advocacy objectives. Council briefed federal election candidates on Yarra's Sustainable City achievements and the Yarra Energy Foundation. The Mayor and CEO met with the federal Environment Minister's office to discuss opportunities for partnerships in reducing community emissions.



RECYCLING IN YARRA TAKES MANY FORMS





EDINBURGH GARDENS IN NORTH FITZROY

### Grants and Funding

Council secured more than \$1.1m in funding from the state and federal governments in 2013-14. During the year, Council introduced a new organisation-wide process for identifying and applying for competitive funding. Securing additional funding through competitive grants is a key objective of Yarra's Strategic Advocacy Program. It helps Yarra deliver Council Plan projects and new initiatives, and reduces pressure on Yarra's budget. This new process will ensure the organisation continues to maximise government funding opportunities by submitting well developed applications.

Some highlights of grants and funding achieved include:

- The Department of Industry contributed \$113,530 to help establish an Energy Performance Contract for the Richmond Recreation Centre.
- Sport and Recreation Victoria provided \$100,000 to assist Council in replacing the ageing Sutherland Pavilion at Fairfield Park with a modern facility.
- Council received \$162,500 from Melbourne Water to fund the development of a new park in Church Street and to support litter and stormwater education programs throughout Yarra's parks.
- Council was granted \$250,000 from the state government's Public Safety Infrastructure Fund for lighting and facility improvements in Edinburgh Gardens.
- The Metropolitan Waste Management Group contributed \$198,000 across a variety of programs, including Food Know How, Multi Unit Recycling, Commercial Business Education and the Lower Yarra Litter Strategy.
- Melbourne Water provided \$35,000 in support of Council's litter initiatives.



### Shared services and partnerships

Victorian councils are required by the *Local Government Act 1989* to endeavour to achieve the best outcomes for their local community, which includes ensuring that resources are used effectively and efficiently. Shared services involve councils working together and/or with other organisations to share costs and resources.

Yarra Council has a number of existing programs and services that are shared with other local governments. Some examples are:

- Yarra is involved in collective procurement arrangements through Procurement Australia and Municipal Association of Victoria Procurement. Contracted services include printing and related services, stationery, office machines and furniture, information technology consumables, copy paper, protective clothing, electrical products, equipment and fittings, tyres and batteries, road signs, recruitment and training services, cash collection and bill payment services, cleaning services and many other products and services essential for Council operations.
- Yarra participates in the Community Chef program, which is a \$24m collaborative project between all levels of government to ensure the food security and the nutritional wellbeing of older adults and other vulnerable people. Yarra is one of 20 member partner councils in this shared services food production kitchen, which produces 1.5 million meals a year.



ACCESS AND INCLUSION FORUM

- The Inner Melbourne Action Plan (IMAP) is a partnership between the inner city municipalities of Melbourne, Port Phillip, Stonnington and Yarra who work together to strengthen the liveability, attraction and prosperity of the region. IMAP priorities include public transport, bicycle paths, economic development/night time economy, social and community infrastructure, affordable and accessible housing, sustainability and climate change, open spaces and tourism.
- The Northern Metropolitan Mayors' Forum (NMMF) is a partnership between Banyule, Darebin, Hume, Moreland, Nillumbik and Whittlesea, Mitchell Shire and Yarra. During 2013-14, NMMF has focused on research and analysis to develop the Northern Horizons infrastructure report. This focusses on regional infrastructure including rail grade separations and regional trails, the digital economy and regional employment.
- The Inner South Metropolitan Mayors' Forum (ISMMF) is a partnership between Bayside, Glen Eira, Stonnington, Boroondara, Kingston, Port Phillip and Yarra Councils. Priorities include: Planning, public transport, home and community care, electric line clearance, library funding and grade separations. Identified transport advocacy projects include Melbourne Metro and *Disability Discrimination Act 1992* compliant tram stops.
- Yarra is an active member of the Metropolitan Waste Management Group (MWMG) which works with Melbourne's 30 metropolitan councils to plan, coordinate and facilitate cost effective procurement of waste management and resource recovery services. MWMG encourages joint efforts to reduce waste generation and maximise the sustainable recovery of materials from waste for reuse, recycling and reprocessing.
- The Metropolitan Transport Forum (MTF) involves 24 Melbourne metropolitan councils committed to the pursuit of sustainable transport and information sharing. Yarra is an active member of the MTF, with two representatives on the organisation's Executive.

### Overview of other advocacy priorities

Other advocacy projects that progressed in 2013 were the Night Time Economy project, secondary school education provision, harm reduction strategies, indoor sports facility in North Fitzroy and Council's state budget submission.



This section contains information about Council's staff. It provides an overview of the organisational structure, profiles the Executive Team, lists a range of staff development initiatives and explores the values adopted and embraced by all Yarra employees.

# Our People







# ORGANISATIONAL STRUCTURE

as at 30 June 2013





## EXECUTIVE MANAGEMENT TEAM

Council's Executive Management Team comprises a Chief Executive Officer, four Directors and three Executive Managers. They, along with 1000 staff, are responsible for implementing the actions in the Council Plan and delivering services and programs across Yarra.

### Vijaya Vaidyanath – Chief Executive Officer

#### Background

Vijaya joined Yarra City Council in July 2012, having served as the Chief Executive Officer of the Waitakere and Rodney Councils in New Zealand prior to moving to Melbourne. She is a Senior Executive Fellow of the John F Kennedy School of Government, Harvard University, and holds a Master of Business Administration (MBA), University of Pittsburgh, USA. Vijaya also holds a Master of Arts in Economics, among other qualifications. She is a member of the Procurement Australia Board. In New Zealand, she was a board member of the Bank of Baroda and Massey University, as well as an Advisory Member of several government agencies and boards.

#### Areas of responsibility

The Chief Executive Officer is responsible for the implementation and maintenance of Council's policies. As the primary conduit between Yarra's elected Council and its workforce, she ensures that the organisation's day-to-day activities are in alignment with its long term strategic objectives. The Chief Executive Officer provides high-level advice to Councillors and acts on behalf of the organisation in a range of contexts. She is ultimately responsible for all services provided by the Council.



### Jack Crawford – Director Corporate and Financial Services

#### Background

Jack was appointed as Director Corporate and Financial Services in 2010. Prior to joining Yarra, he held senior positions in a range of consulting firms, including Managing Director of Aclain Analytics. His areas of expertise include financial management, business process redesign, data analytics, and risk management. Jack is a Chartered Accountant, Certified Internal Auditor and a member of the Association of Certified Fraud Examiners. He also holds a Bachelor of Economics.

#### Areas of responsibility

The Corporate and Financial Services Division is responsible for managing Council's financial performance and long-term financial sustainability. It is also responsible for key corporate business processes and information systems. The Division also provides innovation, strategic procurement and risk management support to the organisation, as well as parking enforcement and administration services.



### Ivan Gilbert – Executive Manager Governance

#### Background

Ivan was appointed Manager Governance in June 2005, a role that has since been expanded to Executive Manager. He has also acted as Yarra's Chief Executive Officer and Manager Organisational Development. Prior to joining Yarra, Ivan held the roles of City Manager, Chief Executive Officer, Town Clerk and Shire Secretary at a number of regional municipalities. Ivan holds a Diploma of Business Studies in Local Government and a Graduate Diploma of Business in Change Management. Ivan also worked in the Legal and Equity Division of the Department of Justice in for a period.

#### Areas of responsibility

Ivan oversees the Governance Support Unit, the Mayor and Councillors Office, and the Compliance Branch. Areas of responsibility include organising Council Meetings Business, facilitating legal advice, and maintaining the Policy Management Framework. Ivan is also responsible for processing Freedom of Information and State Ombudsman inquiries, maintenance of Council's Public Register and Instruments of Delegation, and overseeing the enforcement of a range of local laws, including those related to public health and animal management. The Executive Manager Governance also fills the role of Internal Ombudsman.





### Craig Kenny – Director Community Programs



#### Background

Craig has worked as a Director with the City of Yarra since 2003. He has held senior management roles in local government for over 20 years, including with Wyndham City Council, an interface growth Council on the western fringe of Melbourne, where he managed Corporate and Community Services, Information Technology and Council Planning. Craig holds a Masters of Business Administration.

#### Areas of responsibility

The Community Programs Division enhances community wellbeing through policy development, service delivery and community partnerships. Craig oversees activities related to libraries, senior citizens, children and families, arts and culture, people with disabilities and sports and leisure. Craig's divisional responsibilities also include project sponsorship for major community infrastructure initiatives.

### Joanne Mulcahy – Executive Manager Communications and Customer Service



#### Background

Joanne joined Yarra in 2011 after 20 years in local government and the media. She was a News Editor of five local papers before taking on senior management roles at Kingston, Whitehorse and Yarra Councils. She has experience in communications, media relations, strategic advocacy, customer service, arts planning and major events. In 2013-14 she also undertook the role of Acting Governance Executive Manager on several occasions. Joanne is undertaking a Masters in International and Community Development. She is an LGPro Victoria Board Member and a National Director with Local Governance Managers Association (LGMA).

#### Areas of responsibility

Joanne is responsible for customer service, internal and external communications, issues management, strategic advocacy, media relations, design, corporate brand and publications, digital communications (including website and social media) and civic events. She is also the Chair of Yarra's staff Gender Equity Committee and a sponsor of a number of cross organisational projects.

### Bruce Phillips – Director City Development



#### Background

Bruce was appointed as Director City Development in 2006. Prior to this his work in local government spanned four councils, each located within metropolitan Melbourne, the past 18 years in inner Melbourne. Over the past 15 years, he has worked extensively in the areas of strategy development, in particular in strategic land use planning, strategic transport, place management and major projects. This has been in addition to his 30 years of experience regarding development approvals (planning, building, subdivision and enforcement). Bruce holds a Diploma of Applied Science in Town Planning and a Postgraduate Diploma in Environmental Science.

#### Areas of responsibility

The services provided by the City Development Division are designed to protect and enhance Yarra's physical, social and economic environment. Bruce oversees activities related to economic development, environmental management and advocacy, urban design, parks and gardens, statutory and strategic planning and sustainable transport. Bruce is also responsible for implementing the Inner Melbourne Action Plan.



## Fred Warner – Executive Manager People and Culture

### Background

Fred has been appointed to the position of Acting Executive Manager People and Culture for a 12 month period concluding in December 2014. Fred has over 25 years of local government experience in human resource and business development, including previous senior management roles at the Moonee Valley and Darebin City councils. Fred is currently completing a Graduate Certificate in Management and Leadership.

### Areas of responsibility

Fred is responsible for the People and Culture Executive Branch, which supports the entire organisation with human resource administration, including recruitment, policy development, organisational development, culture and leadership, employee and industrial relations, occupational health and safety, management of WorkCover, social inclusion, and equal employment opportunity. Fred is responsible for the implementation of Council's Organisational Development, Gender Equity, Employment Diversity and Recruitment and Employment Strategies, together with the Occupational Health and Safety Management Systems.



## Guy Wilson-Browne – Director Infrastructure Services

### Background

Guy arrived at Council in 2012 with more than 15 years' experience as a senior manager in the public infrastructure sector. His qualifications include a Degree in Civil Engineering, as well as Graduate Diplomas in Business Administration (Leisure and Tourism) and Commercial Law. Guy is a Fellow of the Australian Institute of Company Directors. He is also a non-executive Director for the Yarra Energy Foundation.

### Areas of responsibility

Guy is responsible for the provision and maintenance of public infrastructure in the City of Yarra. As Director Infrastructure Services, he oversees roads and footpaths, parks and gardens, and recycling and waste, along with a range of other activities related to the management of buildings and property. He is responsible for the implementation of Council's annual capital works program.



SMITH STREET IN FITZROY



## ORGANISATIONAL VALUES

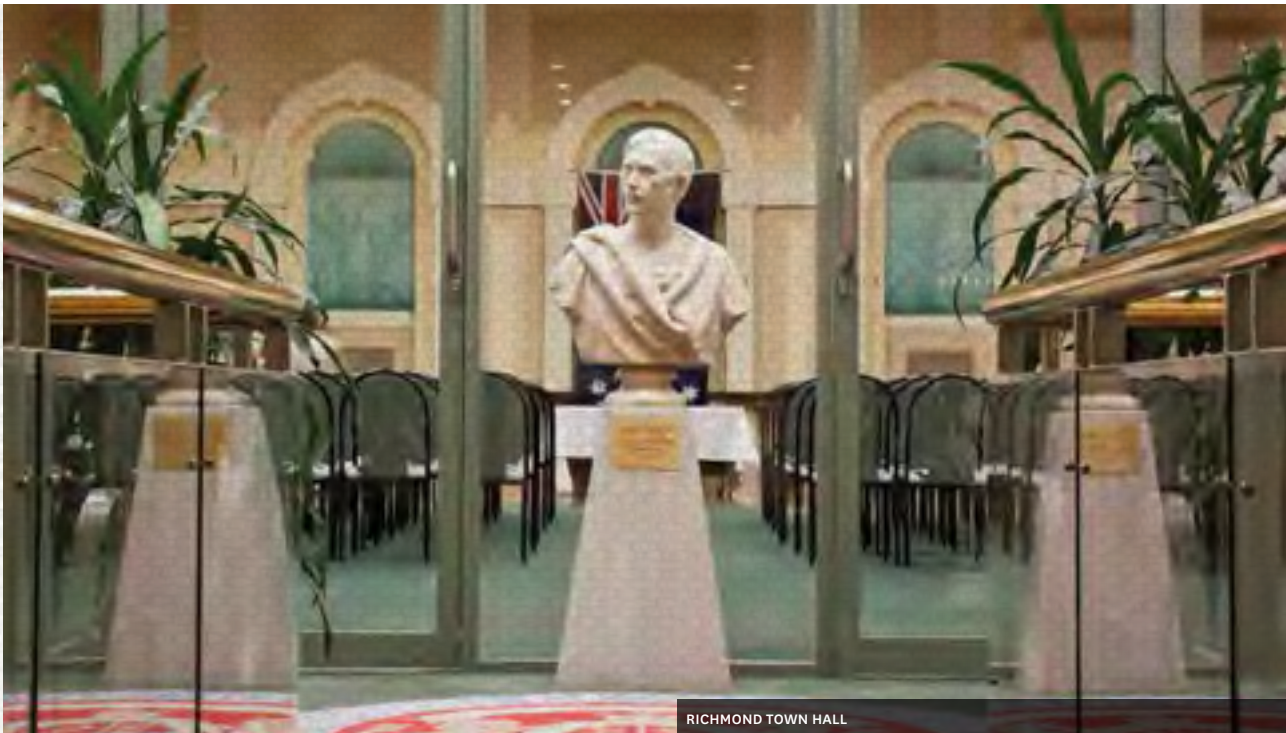
During 2013-14, Council's work was guided by the following agreed values and behaviours. These principles underpinned staff efforts to deliver the Council Plan and build a service culture based on positive relationships with each other and the community.

Value	Key words	Description
Integrity	Honesty Fairness Clarity	<ul style="list-style-type: none"> <li>We are open and honest.</li> <li>We communicate and apply relevant policies and procedures.</li> <li>We operate with fairness and consistency.</li> </ul>
Accountability	Achievement Personal responsibility Follow through	<ul style="list-style-type: none"> <li>We are accountable.</li> <li>We take responsibility for our actions.</li> <li>We follow through on commitments to others and achieve agreed goals and standards.</li> </ul>
Teamwork	Support Collaboration Encouragement	<ul style="list-style-type: none"> <li>We acknowledge we are one organisation.</li> <li>We build positive working relationships across all teams and groups.</li> <li>We willingly share our resources.</li> </ul>
Respect	Understanding Empathy	<ul style="list-style-type: none"> <li>We seek to understand expectations and identify requirements.</li> <li>We empathise with people and respond appropriately.</li> <li>We appreciate the value of different opinions, views and working styles to our organisation.</li> </ul>
Innovation	Lead Learn Improve	<ul style="list-style-type: none"> <li>We are prepared to tackle challenges.</li> <li>We learn from our actions and experiences. We improve.</li> <li>We seek and provide feedback.</li> <li>We further develop our knowledge and skills.</li> </ul>



COLLINGWOOD LEISURE CENTRE





RICHMOND TOWN HALL

## ONE YARRA: THE JOURNEY CONTINUES

In 2013-14, Council established an internal cross-organisational working group and charged it with enhancing the organisation's culture. This resulted in the development of Council's new Organisational Development Strategy, known as One Yarra, and a three year Action Plan containing clear and achievable targets. One Yarra was designed to:

- support Yarra's people by promoting adequate resourcing, integrated planning and consolidated reporting.
- generate opportunities for creativity and innovation to address the complex environment in which Council's people function.
- enhance Council's capacity to deliver superior leadership and develop effective structures and processes.
- strengthen Council's working values by promoting collaboration and shared accountability at all levels.
- ensure that Yarra's workforce is well positioned to deliver outstanding service to its vibrant and diverse community.

A range of year one actions have been completed, including conducting a comprehensive organisational culture survey. More than 650 staff members participated in the survey, a 40% increase over the survey in 2011.

Overall, the results were extremely positive with the organisation recording a shift away from 'oppositional' traits towards more 'humanistic and encouraging' behaviours. Staff received briefings on results and each team participated in workshops to develop a detailed action plan to build on past successes and address areas for improvement.

Furthermore, six Cross Organisational Reference and Engagement (CORE) staff groups were established to guide implementation of additional actions identified in the One Yarra Strategy. Each group is focused on one of the following principles:

- Accountability
- Teamwork
- Communications
- Values
- Leadership
- Wellbeing.

Through the One Yarra initiative, the entire organisation is working hard to build a more efficient and collaborative culture dedicated to delivering outstanding service to the community.





## YARRA'S PEOPLE

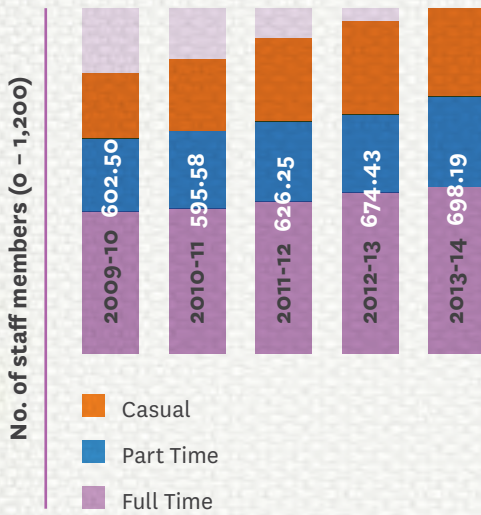
At the beginning of 2013-14, Council already boasted a highly skilled and adaptive workforce. Nevertheless, Council recognised the need to be proactive in supporting the physical, emotional and financial wellbeing of its employees.

One of the more obvious benefits of fostering a positive working environment was the ability to retain key staff. Though the employee turnover rate saw a slight increase from 8.3% to 8.8%, it represented Council's second best result over the past five years.

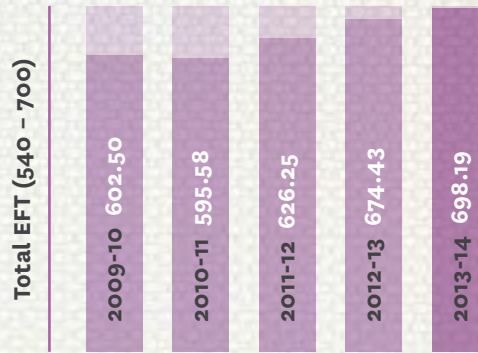
In order to better respond to the breadth of issues facing local government, Yarra expanded its workforce from 983 to exactly 1,000 during 2013-14, an increase of 1.7%.

As on 30 June 2014, Council maintained 698.19 effective full time positions, a year over year increase of 3.5%. Over the same period, the percentage of Yarra's workforce categorised as casual declined from 27.6% to 25.5%.

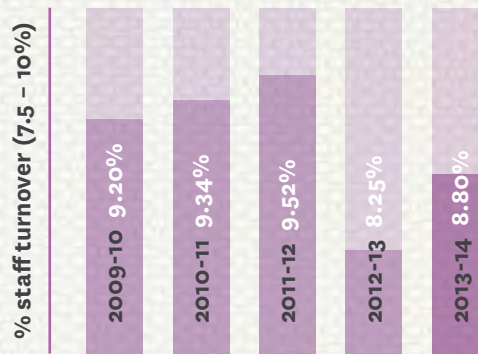
### Total staff numbers 2009-14



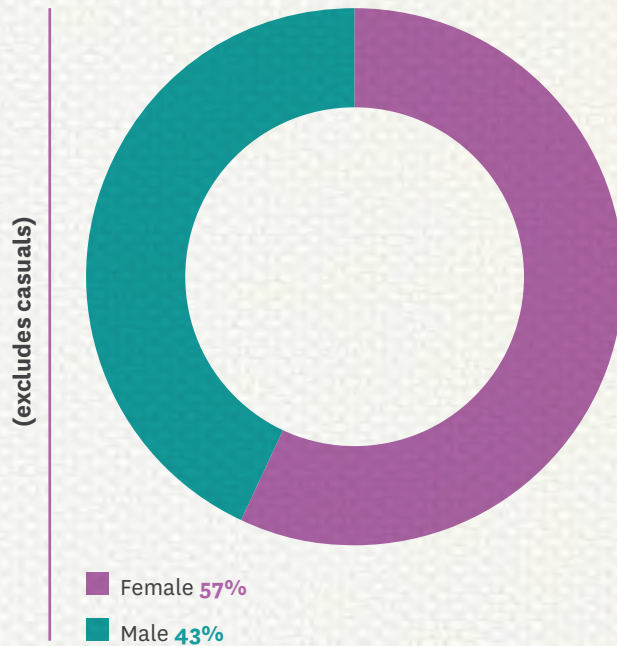
### Effective full time positions 2009-14



### Staff turnover rates 2009-14

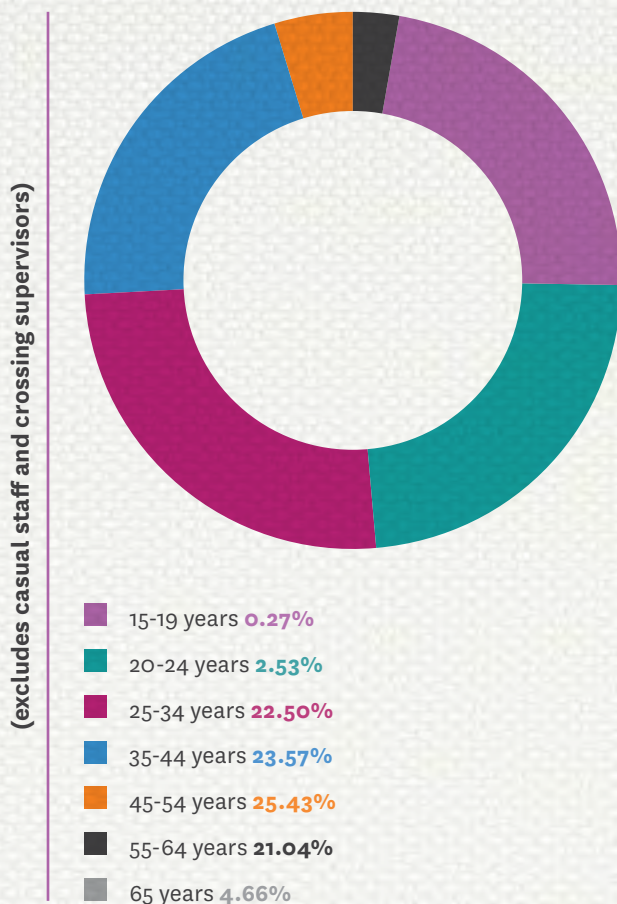


### Staff gender profile 2013-14

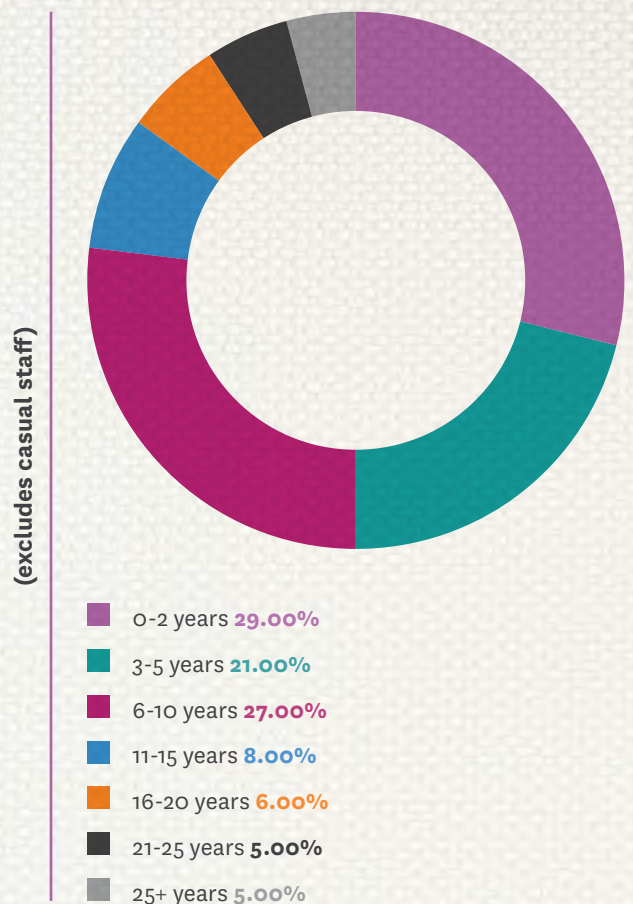




**Staff age profile 2013-14**



**Staff tenure 2013-14**



## HEALTH AND WELLBEING

Council’s commitment to a safe, healthy and happy workforce continued this year with more than half of its employees participating in Your Health, Your Life program rolling out some fantastic programs.

Council’s staff health and wellbeing program was underpinned by four principles: healthy eating, physical activity, health awareness and emotional wellbeing.

This year more than half of Yarra’s workforce participated in Your Health, Your Life programs facilitated by Council.

Council was fortunate enough to receive funding from WorkHealth during 2013-14, which enabled the People and Culture Branch to deliver a more diverse suite of programs and include more staff across the organisation.

### Ten of Council’s health and wellbeing initiatives during 2013-14

Council participated in **Go Home on Time Day** to encourage a healthy work/life balance.

Beginners and experts were energised by a diverse range of **Staff Fit Club** activities.

Council hosted **Vision Super** sessions to help employees plan for a secure retirement.

Staff members prepared for an active summer with a four-week training **Boot Camp**.

Quick and easy healthy eating strategies were outlined during **Nutrition Seminars**.

Staff participated in **Beyond Blue Information Sessions** on World Mental Health Day

Relaxation and stress management techniques were shared during **Meditation** classes.

The many cyclists on staff participated in a Smart Start Breakfast on **Ride2Work Day**.

Employees enjoyed healthy snacks as the popular **Fruit Box** program continued.

The **Pedometer Challenge** encouraged staff to remain active throughout the day.





AFRICAN CHILDREN'S SWIMMING PROGRAM

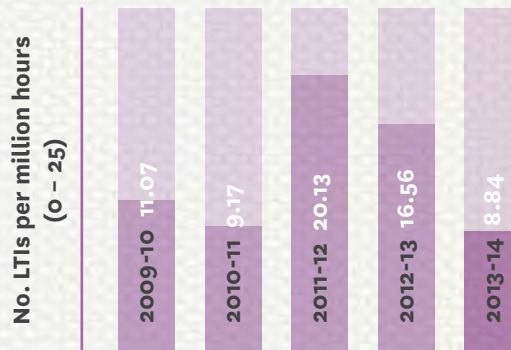
## WORKPLACE SAFETY

In the critical area of workplace safety, Council developed a new Strategic Occupational Health and Safety Plan, added a dedicated Injury Management Officer, and introduced the InjuryNET program to ensure that staff members were connected with the best doctors and physiotherapists.

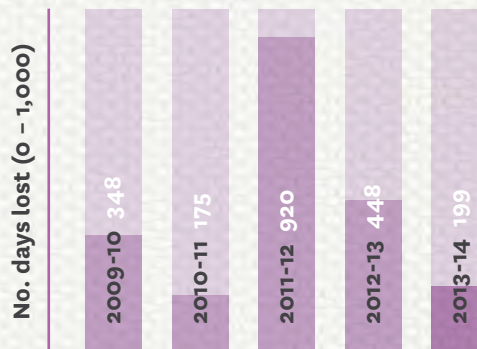
Council's commitment to continuous improvement in the field of workplace safety and injury management was reflected in the number of lost time injuries recorded per million hours worked. Council's result of 8.84 injuries per million hours was its best result in five years and represented a 46.6% reduction over the previous year. The total number of days lost to injury figure was similarly encouraging, coming it at 199 days, a 55.6% improvement over the 2012-13 result.

A range of other safety initiatives were undertaken throughout the year. Staff emergency fire wardens continued to receive training from the Metropolitan Fire Brigade and designated officers received updated first aid training to maintain their qualifications.

Incident frequency rate 2009-14 (Number of Lost Time Injuries per million hours worked)



Days lost 2009-14 (number of days absorbed by Lost Time Injuries)





## TRAINING AND DEVELOPMENT

Council is committed to developing its people through a range of leadership programs, study assistance and corporate learning initiatives.

The corporate training program offered 20 workshops in 2013-14, which were attended by 300 members of staff. In addition, Council supported 15 employees in commencing further education through the study assistance program.

All Yarra employees completed online training in information privacy, equal employment opportunity, bullying and harassment awareness, fraud awareness and prevention, occupational health and safety, and the Victorian Charter of Human Rights.

A particular highlight was the Cultural Awareness Training delivered by the Institute of Koorie Education (Deakin University). Council's leaders greatly valued the opportunity to develop a better understanding of Aboriginal culture and enhance their capacity to engage effectively with the Aboriginal community.

## GENDER EQUITY

Council's Gender Equity Committee completed work on Yarra's first Gender Equity Strategy, a document aimed at embedding the principles of fairness and justice in culture, training and professional development, policies, programs and practice.

Council aims to become a leader in this field. Endorsed by Executive and launched with great pride by Council's Chief Executive Officer, the strategy supports a range of outcomes, including:

- improved representation of women in leadership roles.
- removal of unconscious bias in recruitment.
- adoption of family friendly workplace practices.
- elimination of gender-based payment differentials.
- universal access to professional development opportunities.

## A NEW ENTERPRISE AGREEMENT

During the reporting period Council successfully completed negotiations for the Staff Enterprise Agreement 2013-17. The negotiating team collaboratively agreed on pay and conditions that enable Council to continue to attract and retain qualified and experienced staff while protecting the financial sustainability of the organisation. Of particular note is the addition of family violence leave provisions, which work in conjunction with Council's Family Violence Policy, to ensure that staff members facing this issue are supported.



YARRA STAFF CELEBRATE INTERNATIONAL WOMEN'S DAY





# Detailed Performance Report

Council offers extensive commentary on the implementation of its Council Plan 2013-17. This section also contains a range of measures and indicators regarding the organisation's performance over the past year.







# Understanding the detailed performance report

Yarra’s activities during the reporting period were guided by its Council Plan 2013-17. Adopted on 4 June 2013, this major strategic document outlines Council’s medium and long term aims and provides criteria for measuring Yarra’s performance over a four-year period. Council adopts an Annual Plan each year to assist in delivery of the Council Plan.

## STRATEGIC OBJECTIVES

The Council Plan is divided into five major strategic directions known as Strategic Objectives:

- Celebrating Yarra’s Uniqueness
- Supporting Yarra’s Community
- Making Yarra More Liveable
- Ensuring a Sustainable Yarra
- Leading Local Government

## STRATEGIES

Each Strategic Objective is supported by Strategies, which identify the focus for the next four years.

It is important to note that Council measures its performance against Strategic Indicators and Activities associated with Strategies, not against the Strategies themselves.

## ACTIVITIES

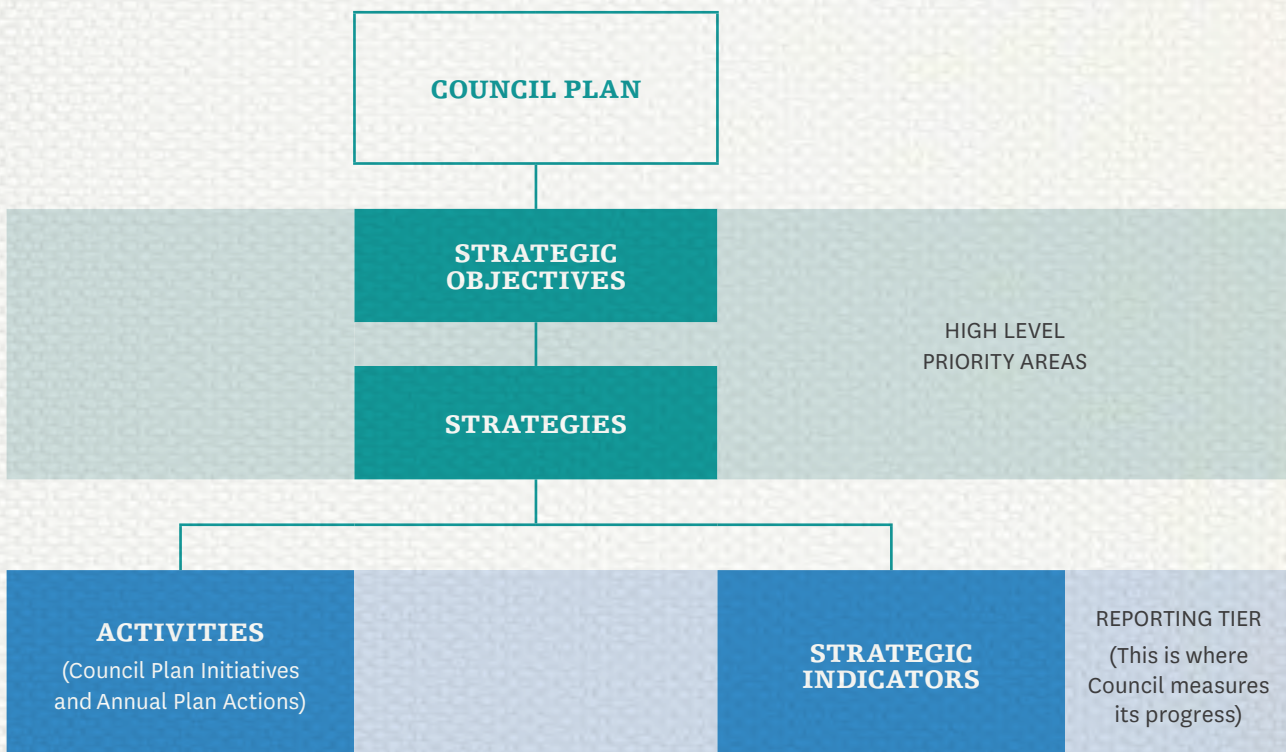
Activities represent the work undertaken by Council in pursuit of Strategic Objectives and Strategies.

Activities are derived from the Council Plan 2013-17 (where they are defined as Initiatives) and a supplementary document known as the Annual Plan 2013-14 (where they are defined as Actions).

## STRATEGIC INDICATORS

The completion percentages associated with Council Plan Activities are only one way of measuring Council’s progress. Strategic Indicators provide a second framework for measuring Council’s progress towards each Strategic Objective.

It is important to note that these measures do not necessarily correspond directly to Strategies or Activities undertaken during a given year.







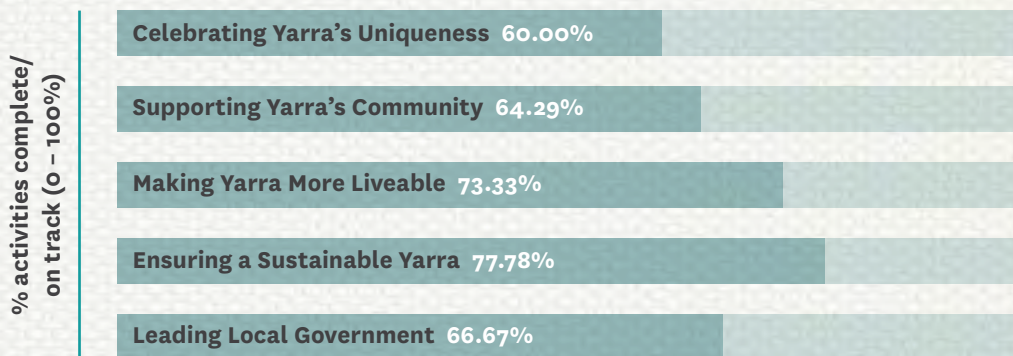
RICHMOND TERRACE PARK

## PERFORMANCE SUMMARY

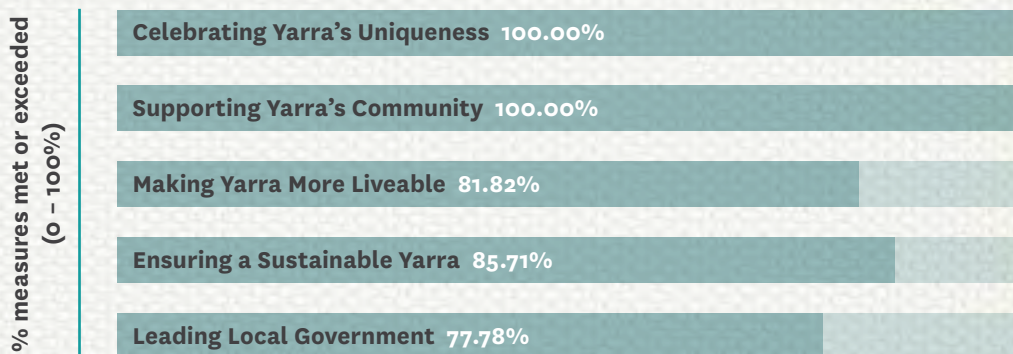
This has been a year of substantial improvement for Council. Council has taken a more measured and comprehensive approach to planning, implementing and tracking its actions. Overall, 68.3% of scheduled Activities were considered to be complete or on-track by the end of 2013-14.

This compared favourably to the 50% figure recorded in 2012-13, the final year of the preceding Council Plan. Of the 47 measures outlined in the Strategic Indicators, Council met or exceeded 41 for an excellent achievement rate of 89.4%, almost double its 2012-13 outcome of 48%.

### Performance against Strategic Objectives 2013-14



### Performance against measures in Strategic Objectives 2013-14







CITIZENSHIP CEREMONY AT THE RICHMOND TOWN HALL

STRATEGIC OBJECTIVE

# 1 Celebrating Yarra's uniqueness



Identity is a passionate and recurring theme throughout Yarra. This is about our community diversity, our history and our sense of place – be it our street, neighbourhood, suburb or municipality. An ongoing focus for Council is how to keep a sense of history and place, as reflected by streetscapes, shops and houses, as well as how to pay tribute to the lived history, connecting with the stories and experiences of those who came before us and shaped the character of Yarra.

**HIGHLIGHTS**

Just looking for the highlights? For an overview of the successes and challenges associated with this Strategic Objective, please refer to page 6.



## STRATEGIES

Council's commitment to *Celebrating Yarra's Uniqueness* is guided by the following nine Strategies.

- 1 Protect heritage and the Yarra River corridor.
- 2 Recognise the value of Yarra's Aboriginal cultural heritage.
- 3 Foster and promote Yarra's arts, culture, history, diversity and vitality.
- 4 Represent the community's views and needs, through strategic advocacy to state and federal governments, as well as local services and organisations.
- 5 Engage and strengthen connections with diverse groups in our community.
- 6 Support Yarra's business community and celebrate and promote sustainable, innovative and creative business.
- 7 Advocate to businesses, landowners and state government to ensure Yarra's commercial and retail businesses are provided in accessible buildings.
- 8 Strengthen relationships with key community partners such as Australian Catholic University, St Vincent's Hospital, Epworth Hospital and others.
- 9 Advocacy for increased social and affordable housing in Yarra, including a minimum of 5% of apartments designed to be wheelchair accessible and comply with DDA standards.

Reminder: Council measures its performance against the Activities and Strategic Indicators that flow from the Strategies, not against the Strategies themselves.





## PERFORMANCE

Of the 10 Activities sitting within this Strategic Objective, six or 60% were considered to be complete or on-track by the end of 2013-14. Of the 13 measures outlined in the associated Strategic Indicators, Council met or exceeded 13 or 100%.

## ACTIVITIES

Activity	Derived from	Summary	Percentage of 2013-14 target met
1.01 Heritage Gaps Study	Council Plan Initiative	Council sought to protect heritage buildings from inappropriate development by identifying gaps in the existing Yarra Planning Scheme. An assessment was completed for 17 precincts in the North Richmond region and work commenced on a brief for the Central Richmond region. Planning Scheme Amendments addressing heritage gaps have been endorsed by Council but are on hold pending approval from the Minister for Planning.	100%
1.02 Heritage Advisory Committee	Annual Plan Action	The Heritage Advisory Committee was established in 2012-13 to provide feedback on strategic heritage issues and promote awareness of heritage resources and services. As scheduled, four meetings were held throughout 2013-14 and a progress report is being prepared for Council. A major focus of the committee this year was contributing to the development of Council's Draft Heritage Strategy.	100%
1.03 Yarra River planning controls	Council Plan Initiative	Council is committed to working with the state government and other municipalities to preserve and enhance the Yarra River Corridor. This year, Council commissioned and received a consultant's report intended to inform development of draft controls and effective engagement with key stakeholders. A formal Council report on the proposed controls was delayed slightly and will now be presented in the first quarter of 2014-15.	87%
1.04 Economic Development Strategy	Council Plan Initiative	Following extensive research and consultation with the local business sector, Council produced a draft Economic Development Strategy 2015-20. The programs and partnerships proposed in the strategy are designed to stimulate economic growth and employment within the municipality. Currently on public exhibition, the draft will be considered for adoption by Council in 2014-15.	90%
1.05 Tourism Strategy	Council Plan Initiative	The existing Tourism Strategy was the subject of a detailed review. Council determined that the resultant work should be incorporated into the Economic Development Strategy 2015-20, a unified document that will ensure Yarra continues to offer unique and memorable visitor experiences.	90%
1.06 Mixed use development of buildings in the Collingwood Town Hall Precinct	Council Plan Initiative	Council continued to actively consider the potential to develop three sites in the Collingwood Town Hall Precinct: 117-119 Vere Street, 119-123 Vere Street and 152A Hoddle Street. An expression of interest process commenced in late 2013 and was extended to incorporate feedback on project objectives and directional statements from the Council. The process is proceeding to a conclusion in late 2014 with two active development participants.	63%

Celebrating  
Yarra's uniqueness





THE GTV9 DEVELOPMENT SITE IN RICHMOND

Activity	Derived from	Summary	Percentage of 2013-14 target met
1.07 Room to Create Charitable Fund	Council Plan Initiative	Council launched Room to Create in partnership with the Lord Mayor's Charitable Foundation to develop a perpetual fund to support creative spaces in Yarra. This initiative will help alleviate the growing costs of pursuing creative arts in the inner city. Council allocated \$100,000 from its 2013-14 budget to establish the fund, with the Lord Mayor's Charitable Foundation matching that commitment. Local business owner Moshe Meydan donated a further \$50,000. A community fundraising event in support of Room to Create was held in April 2014.	100%
1.08 GTV 9 Community Centre	Council Plan Initiative	Council continued to develop plans to transform part of the former GTV9 site into an innovative multi-service community centre. Stakeholder engagement was carried out to inform creation of a broad concept for the site. The search for a primary tenant has slowed progress of the detailed design phase, which is now expected to commence in September 2014.	80%
1.09 Memoranda of Understanding (MOU) with community partners	Council Plan Initiative	Partnerships between Council and other community-focused organisations can expand the range of essential services available to Yarra citizens. Council this year brought greater structure to these relationships by endorsing a range of principles and standard elements to be incorporated into agreements with these bodies. Council also initiated discussions with two prospective community partners.	100%
1.10 Reconciliation Action Plan	Annual Plan Action	The Reconciliation Action Plan 2012-14 details the measures Council will take to acknowledge past injustices and strengthen its bonds with the Aboriginal community. A key action during 2013-14 was delivery of Cultural Awareness Training to enable Yarra staff to develop a more nuanced understanding of cultural matters and engage more effectively with Aboriginal people. Another action called for the drafting of an Aboriginal Employment Strategy. Council determined that this will now be developed as a component of a broader Employment Diversity Strategy.	81%



## STRATEGIC INDICATORS (MEASURES OF SUCCESS)

### Condition of Council owned heritage assets

Council maintained five heritage buildings throughout 2013-14 and following the refurbishment of the Collingwood Town Hall, 100% of these assets were considered fit-for-purpose, exceeding Council's target of 90%.

### Increased participation in arts and cultural activities in Yarra

**Number of attendees at Council sponsored festivals and events:** Council exceeded its target of 105,000 visitors to Council-sponsored festivals, with an estimated 170,000 people attending events such as the Leaps and Bounds Music Festival, Lunar Festival and Johnston Street Fiesta.

**Number of projects funded:** Council aimed to provide funding for 30 arts projects and comfortably exceeded this goal. Council funded 51 projects during 2013-14, delivering a program consisting of 21 annual grants, 10 triennial grants and 20 small project grants.

**Number of participation projects funded:** Although Council hasn't established a target for this category, it continues to seek opportunities to support participatory community art projects. Six such initiatives were funded during 2013-14.

**Number of public art projects funded or produced:** Having set a benchmark of three new works, Council was able to fund or facilitate no fewer than eight new pieces, including new installations in Edinburgh Gardens, Fitzroy Pool and Victoria Park.

### Numbers attending events and activities for cultural and ethnically diverse communities at Yarra libraries

**Number of attendees at Library programs and events:** This year 28,105 people attended library programs and events. This not only represented a 3.4% improvement over the previous reporting period, it also surpassed Council's 2013-14 target of 23,000 by 22%.

**Conduct an annual review of cultural events and programs delivered by Yarra Libraries:** Council completed the scheduled review, which highlighted the ongoing value of initiatives such as Vietnamese Reading Month, as well as programs aimed at the Chinese, Spanish, Greek and African communities.

**Develop an annual program of learning and reader focused activities:** Council delivered a diverse program incorporating author presentations, writing classes, computer lessons and eBook training, as well as workshops devoted to resumé production and sustainability.



LUNAR FESTIVAL



FITZROY TOWN HALL





A PORCELAIN PUNCH PERFORMANCE AT THE RICHMOND THEATRETTE (PHOTO: STITCH)

**Sustained or increased space, both Council and privately owned, available for creative practice**

**Develop a Richmond Theatrette Program:** Following a period of research and development, the Richmond Theatrette Program was successfully implemented. Some of the works delivered through this program have gone on to be staged at other venues.

**Number of facilities maintained for medium term accommodation for creative organisations:** Council met its target of maintaining five creative spaces throughout 2013-14. Organisations such as the Yarra Sculpture Gallery, Australian Print Council and Women's Art Register benefited from Council's accommodation support.

**Number of exhibition spaces maintained:** Exhibition spaces were maintained at the Richmond Town Hall as well as the Fitzroy and Richmond Libraries, enabling Council to meet its target of three venues. The recent refurbishment of the Collingwood Town Hall will provide Council with an additional ongoing display space.

**Develop a corpus for the Room to Create Fund of \$200,000 in the first four years:** Council established the Room to Create Fund in 2013-14 to support creative spaces in Yarra. Following contributions from Council, The Lord Mayor's Charitable Fund and local business owner Moshe Meydan, the fund has grown to \$250,000, exceeding Council's target of \$100,000.

**Number of new MOUs established with key community partners**

There was no 2013-14 target for this Strategic Indicator, but Council is aiming to finalise two memoranda of understanding by the conclusion of 2014-15. Council commenced discussions with two potential community partners during 2013-14.



ALICE GLENN AND HAZEL BROWN OF SCHOOLHOUSE STUDIOS CELEBRATE THE ROOM TO CREATE LAUNCH

Celebrating  
Yarra's uniqueness





STRATEGIC OBJECTIVE

# 2 Supporting Yarra's community

LIVING IT UP PROGRAM



Yarra is a great place to live, to raise families, with access to a wide range of services, support and facilities, and is home to a diverse community.

Council provides many local human services and facilities important to the community's health and wellbeing. This includes ensuring early childhood health, education and development, providing support and opportunities for younger adults, ensuring access and inclusion for people with disabilities, supporting positive ageing, as well as assisting older residents and people with disabilities to remain in their homes. Sports, recreation facilities and infrastructure encouraging active lifestyles are also important to local wellbeing as are thriving local businesses offering jobs and services.

## HIGHLIGHTS

Just looking for the highlights? For an overview of the successes and challenges associated with this Strategic Objective, please refer to page 6.



## STRATEGIES

Council's commitment to *Supporting Yarra's Community* is guided by the following nine Strategies:

- 1** Champion rights to civic and community participation for residents experiencing social disadvantage.
- 2** Continue to create a resident-friendly city that reduces isolation, improves access to the built environment and builds social connections.
- 3** Undertake Community Infrastructure Planning for all Yarra neighbourhoods to inform advocacy, funding applications and developer contribution negotiations.
- 4** Encourage greater social cohesion and participation through volunteer initiatives and community development activities.
- 5** Support Yarra's disadvantaged community into employment through direct recruitment, social procurement or development of social enterprises.
- 6** Deliver Council services that meet community priorities and needs.
- 7** Ensure Council strategies and plans address community aspirations and needs and work to deliver outcomes in a highly integrated manner.
- 8** Ensure Council's Asset Management Plans deliver infrastructure and facilities that are fit for purpose.
- 9** Implementation of the new Disability Action Plan continuing our focus on the empowerment of residents with a disability.

Reminder: Council measures its performance against the Activities and Strategic Indicators that flow from the Strategies, not against the Strategies themselves.



ATHERTON RESERVE IN FITZROY



## PERFORMANCE

Of the 14 Activities sitting within this Strategic Objective, nine or 64.29% were considered to be complete or on-track by the end of 2013-14. Of the seven measures outlined in the associated Strategic Indicators, Council met or exceeded seven or 100%.

## ACTIVITIES

Activity	Derived from	Summary	Percentage of 2013-14 target met
2.01 Atherton Gardens Family and Children's Hub	Annual Plan Action	Council assumed sole responsibility for the management of the new Connie Benn Family and Children's Centre in Fitzroy and successfully relocated its maternal and child health service and kindergarten to this innovative and accessible community hub.	100%
2.02 Lourdes Family and Children's Hub	Council Plan Initiative	Council progressed development of the Lourdes Family and Children's Hub, which will provide an integrated suite of family and children's services, as well as 75 additional child care places. A permit for the site was obtained from Heritage Victoria and community engagement commenced. Complexities surrounding the demolition process resulted in delays and Council will review the timing of the funding in 2013-14.	25%
2.03 North Fitzroy Community Hub	Council Plan Initiative	Development of the North Fitzroy Community Hub continued. The schematic design for the hub was completed and the detailed design process commenced. Planning approval was delayed to July 2014 due to an extensive consultation process with stakeholders to ensure the best possible design. When complete, the hub will feature a new library service, maternal and child health service, and spaces for multicultural groups and community meetings.	67%
2.04 Indoor Sports Facility	Council Plan Initiative	Much of Council's Indoor Sports Centre planning was deferred due to the unavailability of the preferred North Fitzroy Gas Works site, which may be used by the state government during construction of the proposed East West Link. However Council continued to advocate for an indoor sports facility in its state budget submission.	57%
2.05 Municipal Wide Infrastructure Plan	Annual Plan Action	Council commenced work on an updated Municipal Wide Infrastructure Plan. The finished product will ensure that infrastructure used to deliver programs to children and families continues to meet Council's changing service requirements. After a slight delay to complete data collection and analysis, the revised plan will be presented to Council in the first quarter of 2014-15.	78%
2.06 Community infrastructure planning	Council Plan Initiative	A new Community Infrastructure Planning Framework was developed to guide infrastructure planning for library, leisure and child care services. Council adopted the framework in July 2014.	100%
2.07 Buildings Asset Management Plan	Council Plan Initiative	Council's responded to evolving service needs by developing and implementing a new Buildings Asset Management Plan (BAMP) to ensure facilities are well maintained and fit for purpose, as well as to identify opportunities to reduce the buildings renewal funding gap.	100%
2.08 Service Review Framework	Council Plan Initiative	Council endorsed the Service Planning and Review Framework in March, noting that the initial focus would be on Statutory Planning, Leisure Services and the Councillor Support Unit. Council also approved a revised October 2014 completion date for the first wave of plans. The framework is already supporting a more structured, comprehensive and accountable approach to the delivery of Council services.	100%



Activity	Derived from	Summary	Percentage of 2013-14 target met
<b>2.09</b> Volunteering Strategy	Council Plan Initiative	Council considered a new initiative bid to develop a Volunteering Strategy, but elected not to proceed with the proposal in the short term. Council may consider a revised new initiative bid during the 2015-16 budget process. Council continued its existing support for volunteers through its extensive community grants program, provision of web resources and by hosting the annual Volunteer Event to celebrate and formally recognise the contribution of volunteers.	100%
<b>2.10</b> Yarra's Health Plan	Council Plan Initiative	Council adopted the Health Plan 2013-2017, a comprehensive framework for empowering communities through grants and partnerships, promoting physical activity through better cycling infrastructure, minimising harms associated with illicit drugs, closing the gap on Aboriginal health and much more.	100%
<b>2.11</b> Disability Access and Inclusion Plan	Council Plan Initiative	Following extensive consultation, including with Council's Disability Advisory Committee, The Access and Inclusion Plan 2014-17 was adopted by Council in November 2013. The plan contains a range of measures designed to ensure that people with a disability can participate fully in the economic and cultural life of Yarra.	100%
<b>2.12</b> Early Years Strategy	Annual Plan Action	Council drafted its Early Years Strategy 2014-17 to guide development and delivery of services for children up to eight years of age. The community consultation period was extended by a month to ensure that all stakeholders, including children and families, had an opportunity to contribute. As a result Council will now consider adoption of the final strategy and its associated action plan in the first quarter of 2014-15.	90%
<b>2.13</b> Positive Ageing Strategy	Annual Plan Action	Council delivers a range of programs to assist its older residents in remaining active and independent. During 2013-14, these programs continued to be informed by Council's Positive Ageing Strategy 2007-16. Following extensive consultation, officers developed a detailed action plan for the next two years. Following a short delay, this will be presented to Council the first quarter of 2014-15.	88%
<b>2.14</b> National Home Care and Disability Care reforms	Annual Plan Action	Council this year responded to questions outlined in a federal government paper on proposed reforms to the Home and Disability Care system across Australia. When the federal government finalises its position, Council will be able to respond further and establish its future direction as a service provider.	92%

Supporting Yarra's  
community



## STRATEGIC INDICATORS (MEASURES OF SUCCESS)

### Number of submissions made to state and federal governments on Yarra's diverse socio-economic profile

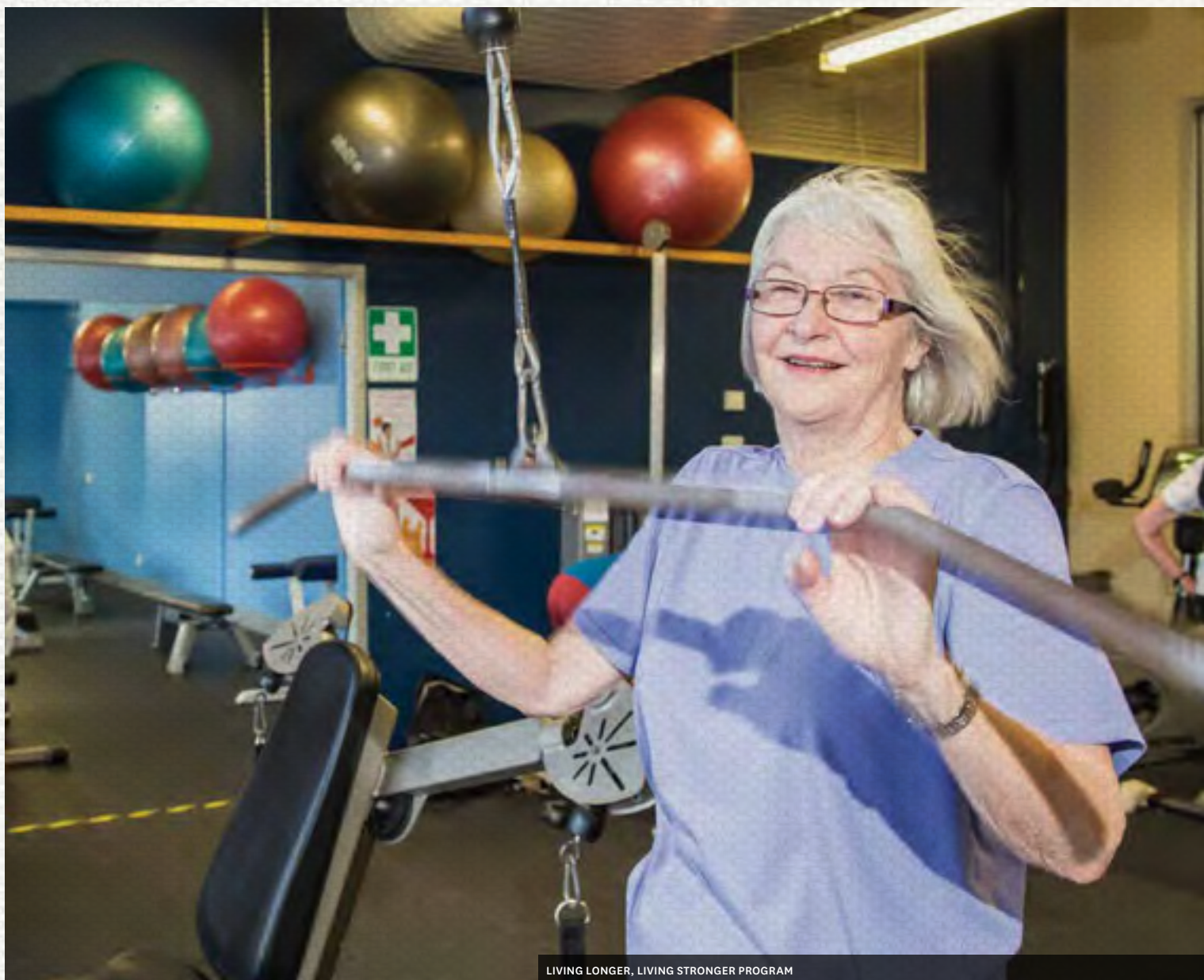
There was no 2013-14 target for this Strategic Indicator. However, Council will develop a Strategic Advocacy Plan for socio-economic and social justice issues in 2014-15. This will guide the number and type of submissions made to state and federal governments.

### Number of new strategies and plans that consider disability access and inclusion

Council adopted 10 strategies and plans this year and nine addressed disability access and inclusion through a range of means including consultation with the Disability Advisory Committee. As a result, Council met its target of 90%. Documents considered include the Early Years Strategy 2014-17, Organisational Development Strategy 2013-17, and the latest action plan for the Positive Ageing Strategy 2007-16.

### Community Infrastructure Plans developed for all Neighbourhoods

Council this year adopted a new Community Infrastructure Planning Framework to guide development of targeted Neighbourhood Community Infrastructure Plans. Council aims to complete 10 such documents over the next two years to ensure that it understands and plans for Yarra's library, leisure and child care requirements.



LIVING LONGER, LIVING STRONGER PROGRAM





A RAIN GARDEN IN EDINBURGH GARDENS

#### Volunteering Strategy adopted by Council

There was no 2013-14 goal for this Strategic Indicator, however Council has a target of developing a Volunteering Strategy during 2014-15. The strategy will support opportunities for volunteering through Yarra's nine Neighbourhood Houses, as well as via Council's Community Grants Program and other community-focused activities.

#### Service review framework adopted by Council

Council endorsed the Service Planning and Review Framework in March 2014 to ensure that its services continue to be aligned with the objectives of the Council Plan and meet the evolving needs of the community.

#### Number of service areas reviewed in accordance with the service review framework each year

Council initially planned to complete three service reviews during 2013-14, but elected to endorse a revised timeline of October 2014 when it adopted the Service Planning and Review Framework in March 2014. Officers this year commenced reviewing the operations of Statutory Planning, Leisure Services and the Councillor Support Unit.

#### Achievement against actions and targets in Asset Management Plans

Council aimed to complete 85% of the 2013-14 actions and targets outlined in Asset Management Plans and exceeded its target by recording a result of 90%. Highlights included completing a fit-for-purpose survey for all Council owned and managed buildings, documenting draft asset handover procedures, and developing an asset management skills matrix.





PRIORITY SIGNALLING AT NAPIER AND JOHNSTON STREETS IN FITZROY

STRATEGIC OBJECTIVE

# 3 Making Yarra more liveable

Maintaining Yarra's valued qualities whilst the City continues to grow – both in residents, workers and visitors – will occupy more of our attention. Mediating conflicting needs and competition for space – parking, travel, recreation, social, environmental needs – will require considered community engagement and creative innovative solutions.



## HIGHLIGHTS

Just looking for the highlights? For an overview of the successes and challenges associated with this Strategic Objective, please refer to page 7.



## STRATEGIES

Council's commitment to *Making Yarra More Liveable* is guided by the following 14 Strategies:

- 1 Manage competing demands for use of public and green open space.
- 2 Continue to identify opportunities to convert road spaces and laneways for parks or improved pedestrian spaces.
- 3 Increase amount of public and open space in areas with least access, in accordance with the Open Space Strategy.
- 4 Advocate to protect green and open spaces on Yarra's public housing estates.
- 5 Upgrade and refresh Leisure Centres, sports and recreation facilities and grounds to meeting growing demands.
- 6 Seek to achieve more communal private open space within large developments.
- 7 Increase cycling through improved access and infrastructure.
- 8 Increase pedestrian activity and safety through improved access and infrastructure. This needs to include improved access for mobility aid devices.
- 9 Advocate for public transport improvements.
- 10 Continue to implement Council's Local Area Traffic Management Study (LATMS) program.
- 11 Manage competing parking needs of residents, business and visitors.
- 12 Manage change in Yarra's built form and activity centres through community engagement, land use planning and appropriate structure planning processes.
- 13 Protect Council assets through effective proactive construction management.
- 14 Improve disability access to community amenities and built environment.

Reminder: Council measures its performance against the Activities and Strategic Indicators that flow from the Strategies, not against the Strategies themselves.



LENNOX STREET PARK IN RICHMOND



## PERFORMANCE

Of the 15 Activities sitting within this Strategic Objective, 11 or 73.33% were considered to be complete or on-track by the end of 2013-14. Of the 11 measures outlined in the associated Strategic Indicators, Council met or exceeded nine or 81.82%.

## ACTIVITIES

Activity	Derived from	Summary	Percentage of 2013-14 target met	
3.01	New parks	Annual Plan Action	Parks contribute to a quality open space system that meets the recreational and environmental needs of local communities. Council completed work on three new parks in 2013-14: the first at Oxford/Derby Streets, Collingwood, the second at the corner of Lennox and Butler Streets, Richmond; and the third at the corner of Richmond Terrace and Docker Street, Richmond. Work also commenced on a park in Church Street, Richmond.	98%
3.02	Strategic land acquisition report	Council Plan Initiative	Having identified a need for additional public open space in areas where there is an existing shortfall, Council developed and endorsed a report containing detailed analysis of strategic land acquisition opportunities.	100%
3.03	Victoria Street Gateway	Council Plan Initiative	Construction of the Victoria Street Gateway was completed. Realised in conjunction with the state and federal governments, as well as the Richmond Asian Business Association, this major installation celebrates cultural diversity and promotes Yarra's vibrant Asian shopping precinct.	100%
3.04	Bicycle advocacy	Council Plan Initiative	Council wrote to the state government and the City of Melbourne to advocate for the extension of the Melbourne bike share scheme into Yarra and other inner city areas. VicRoads has conducted a tender for continuation of the service, but is yet to announce the successful tenderer or the future scope of the program.	97%
3.05	Bicycle Strategy	Annual Plan Action	The Bicycle Strategy 2010-15 adopted in December 2009 establishes a long term vision for cycling in Yarra. One key project for 2014-15 was development of a separated bicycle lane on Wellington Street. Following extensive consultation with local business owners, bicycle users and other stakeholders, Council resolved to undertake further design work and further investigate costs before determining whether to proceed with the project.	45%
3.06	Public transport advocacy	Council Plan Initiative	Council continued to advocate strongly for sustainable transport solutions on behalf of its community. This year's highlights included continuing leadership with the Trains Not Toll Roads community campaign, making submissions to state and federal governments in support of the Melbourne Metro proposal, successfully advocating for a new tram route terminating at Victoria Gardens, participating in evaluation sessions for new easy access tram stops in Bridge Road and assisting in community engagement initiatives related to the upgrade of Tram Route 96. Council also intended to respond to the second phase of the Doncaster Rail study, but related documentation has not yet been issued by the state government.	100%
3.07	East West Link advocacy	Council Plan Initiative	Council continued to oppose the East West Link not only because it would adversely impact the Yarra community, but also because it would divert funds from much needed public transport initiatives. Advocacy highlights include making a formal submission to the East West Link Project Assessment Committee regarding the Comprehensive Impact Statement and taking a leadership role in the Trains Not Toll Roads community campaign (which has engaged thousands of community members).	100%



Activity	Derived from	Summary	Percentage of 2013-14 target met
3.08 Traffic management initiatives	Annual Plan Action	The organisation improved the safety and amenity of residential neighbourhoods by meeting its Local Area Traffic Management Plan commitments across four precincts throughout Yarra and commencing planning on two more. Traffic calming measures were developed in close consultation with local communities.	98%
3.09 Abbotsford Convent Precinct traffic and parking plan	Council Plan Initiative	Council worked in conjunction with the Abbotsford Convent Foundation to develop traffic and parking measures to improve safety and accessibility in the precinct. Parking bays in St Heliers Street were removed (only disabled bays and loading areas remain) and bollards, bicycle hoops and public seating installed, along with a new footpath. The convent has also implemented a new ticketing system in its internal car park. A funding application for a signalised entry to the car park was lodged with VicRoads.	80%
3.10 Parking Strategy	Council Plan Initiative	In November 2013, Council resolved to note, publish and distribute its Parking Management Strategy 2013-15 and thereafter conducted extensive consultation on aspects of the associated action plan. Several 'quick wins' suggested by the strategy were implemented, including the addition of a pay-by-phone option for all paid parking bays across the city, and preparation of an updated Parking Permit Scheme for Council consideration.	100%



Making Yarra  
more liveable





TRAFFIC MANAGEMENT

Activity	Derived from	Summary	Percentage of 2013-14 target met
3.11 Emerging parking enforcement technologies	Council Plan Initiative	Council this year investigated technologies to improve the efficiency and effectiveness of its parking enforcement operations. A specification was prepared and advertised. The process was delayed slightly to ensure that the specification met all of Council's requirements, including the capacity to issue infringements relating to local laws.	50%
3.12 Yarra Planning Scheme review	Council Plan Initiative	The Yarra Planning Scheme seeks to preserve the unique characteristics of the municipality while catering for an increase in population. Following targeted internal and external consultation, officers completed a review of the existing scheme and submitted it for peer analysis during 2013-14. Council will consider a report on the review in the first quarter of 2014-15.	100%
3.13 Advocate to State Government on the rate of growth and change within Yarra	Council Plan Initiative	Council developed and submitted a response to the state government's Draft Metropolitan Planning Strategy, which is designed to guide growth throughout Melbourne over the next four decades. With Yarra's population projected to expand by about 30% over the next 17 years, it was important to communicate the challenges the municipality is facing in terms of increased demands on services, facilities and infrastructure.	100%
3.14 Manage urban growth and change in Yarra	Council Plan Initiative	This year, research was undertaken (using data from the Department of Transport, Planning and Local Infrastructure) on the rate of change within Yarra, with a particular focus on long-term housing development trends. A draft paper was produced on the subject. Following receipt of updated data, the paper will be revised and used to inform the development of planning policies as part of the re-writing of the Yarra Planning Scheme.	95%
3.15 Master Planning for Town Hall Precincts	Council Plan Initiative	A range of conversations occurred during 2014-15 to work towards 'unlocking' the lands in the Richmond Town Hall precinct for future development. This dialogue included owners of key parcels in the area and relevant agencies. Council also considered options for the future use of the former Richmond Police Station. There are a number of contested matters in this precinct due to the status of land (crown land), tenants and design matters. Due to this complexity and the number of stakeholders involved, key determinations were not possible by the end of June 2014. Matters will be progressed in 2014-15.	51%



## STRATEGIC INDICATORS (MEASURES OF SUCCESS)

### Number of new parks planned, and constructed

Yarra expanded the open space network by completing three new parks: the first at Derby/Oxford Streets, Collingwood; the second at the corner of Lennox and Butler Streets, Richmond; and the third at the corner of Richmond Terrace and Docker Street, Richmond. As the first two were substantially undertaken during 2012-13, only the latter has been included in the 2013-14 measurements, which saw Council meet its target of one new park completed.

### Completion of bicycle and pedestrian assets in accordance with the adopted capital works program

Council aimed to implement 85% of the component of its capital works budget related to bicycle and pedestrian assets. Total expenditure was \$253,699, compared to the adopted budget of \$266,000. Council therefore executed 95% of its program. Highlights included installation of additional bicycle hoops in the Brunswick Street and Queens Parade business precincts, and establishment of a new pedestrian crossing in Trenerry Crescent, Abbotsford.

### Number of LATMS precinct plans designed and constructed per annum

Having committed itself to two Local Area Traffic Management (LATM) plans during 2013-14, Council more than doubled its proposed output, completing works in four precincts and commencing planning for two others. Works designed to calm traffic and enhance safety were finalised in the Balmain, Coppin, East Clifton Hill and Richmond LATM precincts.

### Updated Parking Strategy endorsed by Council

Council fulfilled the requirements of this Strategic Indicator when it adopted its Parking Management Strategy 2013-15 in November 2013. This document will assist Council in taking a proactive approach to managing increasing demand and promoting greater community awareness of the limited parking options available.

### Effective metrics and measures established to monitor rate of growth and change in Yarra

In the past 12 months, Council has undertaken extensive research on the rate and extent of development growth throughout the municipality. Officers devised a range of measures and metrics to help Council understand and guide further growth, and these will be considered for inclusion in a forthcoming report to Council.

### Completion of the Yarra Planning Scheme review and preparation of a revised Planning Scheme

Council's 2013-14 goal for this Strategic Indicator was to undertake a review of the Yarra Planning Scheme. The review was completed and independently analysed. It will now become the subject of a formal report to Council. Preparation of a revised Yarra Planning Scheme is scheduled to take place during 2014-15.

### Increased use of disability access audits for Council facilities

**Set up Council's Panel of Accredited Disability Access Consultants:** No work relating to this Strategic Indicator was scheduled for 2013-14. Council aims to further enhance its support for people with disabilities by establishing a panel of accredited disability access consultants in 2014-15.

### All redevelopments of Council facilities and capital works identified in the Annual Plan demonstrate the use of panel consultants at all phases from design to completion:

While the panel itself was not scheduled for establishment until 2014-15, Council did employ the services of an accredited disability access auditor during 2013-14. This enabled Council to better respond to the needs of people with disabilities during the design and construction phases of projects such as the North Fitzroy Community Hub, the new public park in Oxford Street and the refurbished Collingwood Town Hall. In fact, Council engaged the auditor's services on 100% of relevant occasions, bettering its target of 80%.

### Monitor and improve turnaround times of planning applications and appeal rates

**Fast track:** Council processed 81 'fast track' planning applications during 2013-14 and issued determinations regarding each within the designated 21 day period for a 100% result in this Strategic Indicator.

**Simple:** Of the 766 'simple' planning applications received by Council, 439 or 57.3% were determined within 60 days. While Council narrowly missed its target of 60% for the year, it did record an encouraging result of 68% during the fourth quarter.

**Failure to determine appeals:** Council aimed to be the subject of no more than 10 'failure to determine' appeals at the Victorian Civil and Administrative Tribunal during 2013-14. Exactly 10 such appeals were lodged, meaning Council satisfied the requirements of this Strategic Indicator.

Making Yarra  
more liveable







STRATEGIC OBJECTIVE

# 4 Ensuring a sustainable Yarra

CECIL STREET COMMUNITY GARDEN IN FITZROY



Reducing Yarra’s environmental footprint is critical – including a target to become carbon neutral by 2020, reduce waste going to landfill, increase renewable energy use, improve biodiversity, increase local food production, use more locally collected rainwater to reduce storm water run off and dependency on Melbourne’s water catchments.

In November 2012 Yarra became the first Victorian Council to be certified carbon neutral. This reflects our commitment to reducing the City’s environmental footprint – the resources we use to live – such as reducing the use of potable water and energy, as well as reducing waste going to landfill. In 2011 Yarra was named as the Sustainable City of the Year, acknowledging the wide range of programs working to make Yarra more sustainable.

## HIGHLIGHTS

Just looking for the highlights? For an overview of the successes and challenges associated with this Strategic Objective, please refer to page 7.



## STRATEGIES

Council's commitment to *Ensuring a sustainable Yarra* is guided by the following eight Strategies:

- 1 Develop and renew Council's key environmental strategies.
- 2 Initiate and implement strategies to reduce Council's carbon emissions and energy use.
- 3 Support the community to reduce greenhouse gas emissions.
- 4 Increase implementation of water-sensitive urban design.
- 5 Encourage urban agriculture.
- 6 Initiate and implement strategies to reduce Council's potable water consumption.
- 7 Initiate and implement strategies to reduce waste to landfill in Yarra.
- 8 Advocate to state and federal governments on their responsibility to achieve a sustainable Yarra.

Reminder: Council measures its performance against the Activities and Strategic Indicators that flow from the Strategies, not against the Strategies themselves.



LENNOX STREET PARK IN RICHMOND



## PERFORMANCE

Of the nine Activities sitting within this Strategic Objective, seven or 77.78% were considered to be complete or on-track by the end of 2013-14. Of the seven measures outlined in the associated Strategic Indicators, Council met or exceeded six or 85.71%.

## ACTIVITIES

Activity	Derived from	Summary	Percentage of 2013-14 target met
4.01 Reduce Yarra's energy use	Council Plan Initiative	Following a period of internal research and evaluation, a new Energy Performance Contract was adopted in December 2013 to identify and accelerate energy-reduction opportunities for Council buildings. Council's energy consumption has declined by 4.1% over the past year and by an impressive 29.6% since the baseline year of 2000/01. The Energy Performance Contract will play a major role in helping Council get as close as possible to a 50% reduction against the baseline year before the end of June 2015.	100%
4.02 Yarra Environment Strategy	Council Plan Initiative	Council embraced its responsibility to the next generation of Yarra citizens by developing and adopting the Environment Strategy 2013-17. The fourth successive document of its kind, the strategy responds to Yarra's sustainability challenges with an innovative mix of leadership and collaboration, direct action and advocacy, consultation and education.	100%
4.03 Stormwater and drainage asset management plan	Annual Plan Action	The municipality has 170 kilometres of drainage assets, which are critical for the transportation and disposal of stormwater. Council this year developed a draft Drainage Asset Management Plan to guide maintenance and renewal programs that will ensure that these assets operate at maximum efficiency and minimise the risk of flooding within Yarra. The draft is now scheduled to be presented to Council for adoption during the second quarter of 2014-15.	98%
4.04 Climate Change Adaptation Plan	Council Plan Initiative	Council this year introduced its Climate Change Adaptation Plan 2013-15 and established a steering committee to guide implementation. The plan outlines the practical actions that Council is taking to protect Yarra's people, environment and infrastructure from the projected impacts of climate change such as higher temperatures, lower rainfalls and more extreme weather events.	100%
4.05 Yarra Energy Foundation	Council Plan Initiative	The Yarra Energy Foundation was launched by Council in 2011. During 2013-14, Council received regular updates on the foundation's programs to assist Yarra businesses and residents in reducing their carbon emissions. This year's highlights include an expansion of the foundation's partnerships in the small business sector and the creation of a commercial solar panel advice project.	100%
4.06 Waste Management Strategy	Council Plan Initiative	The draft Waste Management Strategy 2014-18 was developed and released for public comment. The strategy will assist Council in moving towards more sustainable solutions for the collection and disposal of waste. It will also allow Council to assist residents and businesses to develop more sustainable consumption behaviours. Following consideration of community feedback, a revised draft will be presented to Council for endorsement in the first quarter of 2014-15.	99%



Activity	Derived from	Summary	Percentage of 2013-14 target met
4.07 Urban Forest Strategy	Council Plan Initiative	Council undertook preliminary research to inform development of an Urban Forest Strategy that could provide broad directions and key principles for the delivery of environmental initiatives in an urban context. Due to the complexity of data collection and analysis required, a report on the potential for an Urban Forest Strategy has been postponed to 2014-15.	66%
4.08 Urban Wildlife Management Plan	Council Plan Initiative	The existing Urban Wildlife Management Plan assists Council in protecting and enhancing habitats for animals, as well as in controlling species classified as pests. Council this year conducted an initial review of the plan, but the final report was postponed to 2014-15 to enable it to incorporate data from the forthcoming Biodiversity Health Study.	65%
4.09 Urban Agriculture	Annual Plan Action	Officers worked closely with the Urban Agriculture Advisory Committee to develop a draft strategy that will facilitate the creation and management of community projects such as nature-strip gardens and planter boxes. The Urban Agriculture Strategy will be presented to Council for consideration in the first quarter of 2014-15.	97%

Ensuring a sustainable Yarra





## STRATEGIC INDICATORS (MEASURES OF SUCCESS)

### Targets in the new Environment Strategy met for the following measures

**Reduction in Council's energy use:** While there was no 2013-14 target for this Strategic Indicator, Council generated 11,846 tonnes of CO<sub>2</sub>-e (carbon dioxide equivalent) during the year, which represented a 4.1% reduction over the preceding year and a 29.6% reduction over the baseline year of 2000-01. Actions contributing to these results included use of energy efficient streetlights, use of cogeneration unit at the Fitzroy Swimming Pool, and a comprehensive retrofit of the Richmond Library. Council is aiming for a 50% reduction over the baseline year of 2000-01 by the end of 2014-15.

**Reduction in community emissions:** Council is working with the Yarra Energy Foundation to assist the community in achieving zero net emissions by 2020. The Council Plan 2013-17 did not establish interim targets for this Strategic Indicator and progress data is not yet available.

**Reduction in Council's potable water use:** Over the past year, Council reduced its consumption of potable water by 4.9% to 213 megalitres. Results in 2013-14 were aided by improvements to Council's sports field irrigation systems and further recommendations have been made for the following year. Council has now achieved a 36.2% reduction over the baseline year of 2000-01. There was no 2013-14 target for this Strategic Indicator, but Council is aiming for a 40% reduction by the end of 2014-15.

### Council's energy needs generated from renewable and low carbon local energy sources:

Council derived 14.6% of its stationary energy requirements from renewable and low carbon sources such as solar panels and cogeneration during 2013-14, which represents a dramatic improvement over the previous year's result of 9.2%. Implementation of a new large solar PV system and a leading edge micro-generation system at the Richmond Library were among the highlights. While there was no 2013-14 target for this Strategic Indicator, Council is aiming for 25% by the end of 2014-15.

### Council's carbon neutral status (zero net emissions) for Council operations retained

Council first achieved carbon neutrality in 2011-12 and is projected to have maintained this status for the third consecutive year in 2013-14. Council will again calculate total emissions from its operations, and will procure accredited offsets of equal amount to bring its total net emissions to zero.



CARDBOARD RECYCLING DROP-OFF



STATION STREET RAIN GARDEN IN NORTH CARLTON



**Stormwater and Drainage Asset Management Plans completed**

Council developed a draft Drainage Asset Management Plan designed to ensure that Yarra's 170 kilometres of drainage assets are maintained and renewed. The draft is now scheduled to be presented to Council for adoption during the second quarter of 2014-15.

**Waste per household going to landfill reduced in accordance with the new Waste Management Strategy 2014-20**

This year 37.4% of household waste was diverted from landfill. A new draft Waste Management Strategy was developed and released for public comment during 2013-14. Targets for this Strategic Indicator will be established when Council adopts the strategy in 2014-15.



PLANTING TREES IN FAIRFIELD PARK

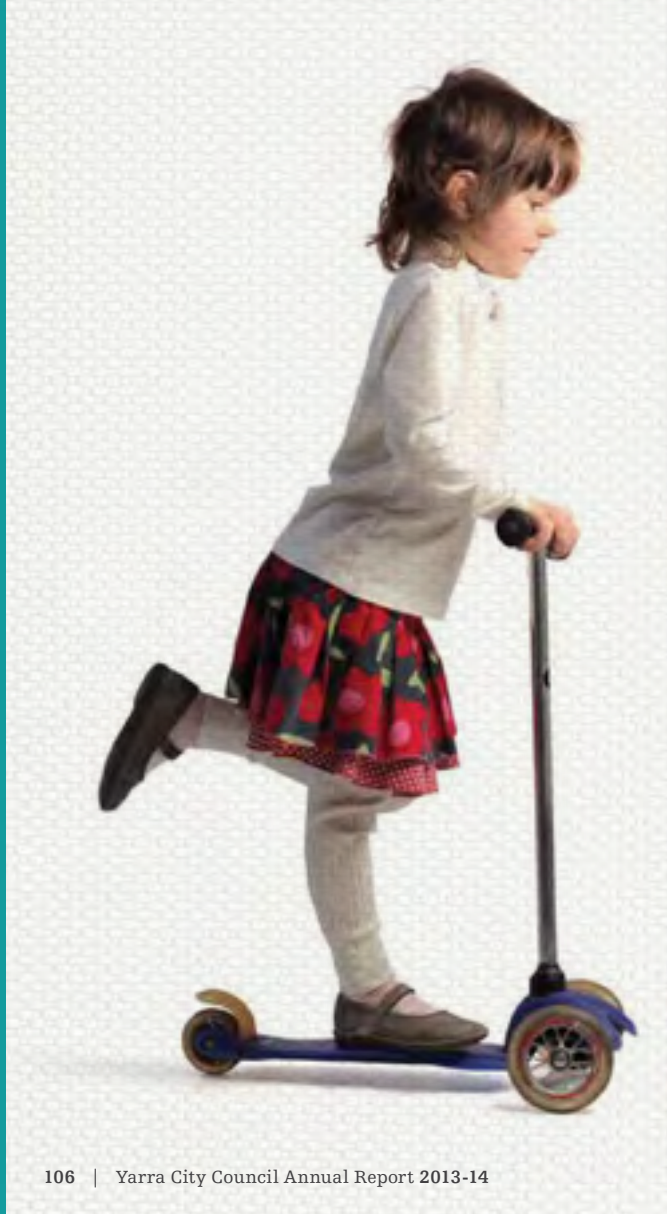




STRATEGIC OBJECTIVE

# 5 Leading Local Government

NEW TRAM STOP AT VICTORIA GARDENS IN RICHMOND



A changing and divergent community requires an agile and responsive organisation. To maximise value to our community, the services and facilities they want, it is critical that Council review our services to ensure they are relevant and appropriate.

**HIGHLIGHTS**

Just looking for the highlights? For an overview of the successes and challenges associated with this Strategic Objective, please refer to page 7.



## STRATEGIES

Council's commitment to *Leading Local Government* is guided by the following nine Strategies:

- 1 Align vision, values and organisational culture.
- 2 Encourage and support a workforce that reflects our community's diversity.
- 3 Enhance internal systems and processes, and their integration, to improve community service delivery and governance support.
- 4 Build Council's emergency management and recovery response.
- 5 Build community engagement to inform Council's policy development and decision making.
- 6 Enhance access to Council information and services, including wider use of digital media.
- 7 Seek to achieve best practice standards, measured by benchmarking all services.
- 8 Enhance procurement and contract management practice to extract better value for money.
- 9 Enhance productivity and business support, and reduce risk for critical business processes.

Reminder: Council measures its performance against the Activities and Strategic Indicators that flow from the Strategies, not against the Strategies themselves.





## PERFORMANCE

Of the 12 Activities sitting within this Strategic Objective, eight or 66.67% were considered to be complete or on-track by the end of 2013-14. Of the nine measures outlined in the associated Strategic Indicators, Council met or exceeded seven or 77.78%.

## ACTIVITIES

Activity	Derived from	Summary	Percentage of 2013-14 target met
5.01 Consultation and Engagement Strategy	Council Plan Initiative	A comprehensive review was conducted of Council's consultation and engagement practices, with a particular focus on improved participation of culturally and linguistically diverse communities as well as people living with disabilities. A revised policy was adopted by Council in June 2014 and a year one implementation plan is scheduled for 2014-15.	100%
5.02 Organisational Development Strategy	Council Plan Initiative	The Executive Team endorsed a new Organisational Development Strategy and Action Plan in July 2013. Known as One Yarra, the strategy is guiding Council's efforts to build a more efficient and collaborative working culture for the benefit of the entire Yarra community. During 2013-14, Council established staff focus groups to guide implementation of year one actions, and conducted a comprehensive organisational culture survey. Following the survey, every branch reviewed the results and developed practical plans to improve team culture and enhance operations.	92%
5.03 Employment Diversity Strategy	Council Plan Initiative	Council this year reviewed its existing employment diversity initiatives and conducted scoping for an overarching Employment Diversity Strategy. The strategy will guide Council's employment practices with regard to people with disabilities, older and younger people, people from culturally and linguistically diverse backgrounds, women, Aboriginal people, and people from GLBTIQ communities. Completion and adoption of the strategy is scheduled to take place in 2014-15.	100%
5.04 Project management principles	Council Plan Initiative	Development commenced on a new 'whole of organisation' project management methodology. New project management software was procured to support this initiative but implementation was postponed to 2014-15 in order to simplify and consolidate associated internal processes.	21%
5.05 Process improvement and innovation framework	Council Plan Initiative	Following stakeholder engagement, including Executive workshops, officers developed a draft Process Improvement and Innovation Framework to drive continuous improvement across all areas of Council. While this work absorbed slightly more time than anticipated, the framework is expected to be finalised and launched in the first quarter of 2014-15.	59%
5.06 Strategic Advocacy Framework	Council Plan Initiative	Council adopted Yarra's first Strategic Advocacy Framework in December 2013 to ensure that its advocacy efforts were coordinated, consistent and measurable. Council made representations on behalf of the Yarra community both in its role as a single entity and as a member of a range of local government associations and peak bodies. Please refer to pages 61-65 for more detail on Council's strategic advocacy.	100%

Leading Local  
Government



Activity	Derived from	Summary	Percentage of 2013-14 target met	
5.07	Emergency management response and recovery planning	Council Plan Initiative	Development of protocols to enhance collaboration with other councils during emergency situations commenced during 2013-14. The initial recruitment process for the position of Emergency Management Project Officer was unsuccessful and this slowed Council's progress throughout the year. An appointment is now due to take place in the first quarter of 2014-15. Other Council staff continued to attend North-West Regional Councils Collaboration Project meetings and contribute to the development and planning processes.	21%
5.08	Capital works program	Annual Plan Action	Council executed an ambitious and diverse schedule of works on behalf of the community. Total capital works expenditure for 2013-14 was \$44.9m, which represented 130% completion of the original capital budget (a revised budget was later adopted to enable Council to assume sole management of the Connie Benn Family and Children's Centre and acquire the property at 345 Bridge Road, Richmond). As this exceeded Council's target of 85%, this Activity has been recorded as 100% achieved. Major projects included completion of the Victoria Street Gateway, installation of a basketball court in Burnley Park and the widening of the Main Yarra trail. Please refer to pages 26-29 for more detail on Council's capital works program.	100%
5.09	Collingwood Town Hall upgrade	Annual Plan Action	Originally built in the 1880s, the heritage listed Collingwood Town Hall required extensive works to ensure compliance with current occupational health and safety requirements, the Disability Discrimination Act 1992 and the Building Code of Australia. The project achieved practical completion in June 2014 and this much loved building reopened to the public in July.	100%
5.10	Revenue Strategy	Council Plan Initiative	Work commenced on a new Revenue Strategy that will incorporate rates, as well as fees and charges and other current income sources, along with a framework for identifying additional income opportunities. The scale and complexity of the task, along with internal resource considerations, will see completion of the strategy occur in 2014-15.	44%
5.11	New finance system	Annual Plan Action	Council completed the tender process for a more contemporary and efficient finance system. The new software was installed and successfully tested. Staff training was conducted and the system went live in June 2014. As a result, Council is now better positioned to monitor its financial transactions in a comprehensive and accountable fashion.	100%
5.12	Strategic planning sessions with Executive and Council	Council Plan Initiative	Two strategic planning sessions were held to enable Councillors and the Executive Team to discuss the Council Plan, Long Term Financial Plan and other key issues. These sessions helped to ensure maximum oversight and enhance opportunities for dynamic collaboration.	100%



## STRATEGIC INDICATORS (MEASURES OF SUCCESS)

### Agreed project management principles implemented

Council commenced work on new project management principles and obtained software to support the process. However Council elected to postpone the launch of the new system until the first quarter of 2014-15 in order to simplify and consolidate associated internal processes.

### Council adoption of Strategic Advocacy Framework

Council adopted its Strategic Advocacy Framework in December 2013 to ensure that its advocacy efforts were coordinated, consistent and measurable. The Strategic Advocacy Framework guided negotiations with a range of external agencies and helped Council influence decisions impacting the Yarra community.

### Achievement of Customer Guarantee targets

Yarra established a broad and ambitious range of customer service guarantees for the 2013-14 reporting period. Preliminary figures indicate that the organisation met or exceeded 42 of 66 guarantees for a result of 63.70%, which was short of Council's target of 70%. A further ten guarantees, or 15.15%, were within 3% of target.

### Overall Performance (as measured through the Annual Customer Service Survey)

Yarra achieved a 7.1 rating in the Metropolis Customer Service Survey, which easily exceeded Council's own target of 6.79, and compared very favourably to the overall average for metropolitan Melbourne (6.8). The survey measured community satisfaction with Council services and facilities. Refer to page 59 for more detail.

### Successfully obtain funding as a result of strategic advocacy

While Council did not set a specific target for this Strategic Indicator, it was able to secure at least \$1,112,710 of additional revenue in the form of 'competitive' grants from the state and federal governments. Grants highlights included \$250,000 from the state government's Public Safety Infrastructure Fund for lighting and facility improvements in Edinburgh Gardens; \$162,500 from Melbourne Water to fund development of a new park in Church Street and to support litter and stormwater education programs throughout Yarra's parks; and \$113,530 from the Department of Industry to help establish an Energy Performance Contract for the Richmond Recreation Centre.

### Implement new/upgraded finance system

Council met the requirements of this Strategic Indicator by acquiring a new finance system, conducting testing and training, and transitioning to the new system in June 2014. This will enable Council to more efficiently track its transactions and monitor its overall financial position.

### Council remains high performing against VAGO Financial Sustainability Indicators

**Liquidity:** The liquidity result of 1.07 exceeded Council's adjusted target of 1.0, which meets the Victorian Auditor General's Office definition of 'low risk'. It also represented a significant improvement on last year's outcome of 0.96.

**Underlying Result:** Council recorded a surplus position of \$12.673m.

### Completion of Capital Works projects

Council's total capital works expenditure program for 2013-14 was \$44.9m, which represents 130% completion of the original capital budget (a revised budget was later adopted to enable Council to assume sole management of the Connie Benn Family and Children's Centre and acquire the property at 345 Bridge Road, Richmond).



Leading Local  
Government



# Local Government Indicators

Indicator	2009-10	2010-11	2011-12	2012-13	2013-14
Average rates and charges per assessment.	\$1,576	\$1,635	\$1,686	\$1,714	\$1,760
Average rates and charges per residential assessment.	\$1,252	\$1,320	\$1,365	\$1,389	\$1,470
Average liabilities per assessment.	\$539	\$619	\$858	\$970	\$1,392
Operating result per assessment.	\$201	\$251	(\$451)	\$226	\$717
Average operating expenditure per assessment.	\$2,703	\$2,737	\$3,128	\$2,998	\$3,010
Average capital expenditure per assessment.	\$559	\$668	\$601	\$613	\$936
Infrastructure renewal.	107%	99%	95%	125.7%	131.9%
Infrastructure renewal and maintenance.	105%	99%	96%	117.9%	123.4%

## Community satisfaction results

Community satisfaction rates form another component of the Local Government Indicators. Yarra obtains these results by participating in the annual Customer Service Survey conducted by Metropolis Research.

Please refer to page 59 for Yarra's latest outcomes as well as five-year trend data.



'POOL PARADE' MURAL AT FITROY POOL (ART: STEPHEN BAKER)





# Detailed Financial Report

Readers looking for comprehensive information about Council's financial position should refer to this section, which also contains Certification of the Financial Report and Standard Statements, along with the Independent Auditor's Report.

For a more general summary of Council's finances refer to page 22.









# Understanding the Detailed Financial Report

THE YARRA RIVER CONTINUES TO BE A MAJOR DRAWCARD



## Council's Financial Report is presented in accordance with the Australian Equivalents to International Financial Reporting Standards.

Therefore particular terms required by the Standards may not be familiar to some readers. Furthermore, as Council is a 'not for profit' organisation, some of the generally recognised terms used in private sector company reports are not appropriate to Council's reports. Council is committed to accountability, and it is in this context that this guide has been developed to assist readers to understand and analyse the Financial Report.

Council's Financial Report has two main sections: the Report and the Notes. There are four Statements and 42 Notes. These are prepared by Council staff, examined by Council's Audit Committee and by Council itself, and then audited by the Victorian Auditor-General.





The four Statements included in the first few pages of the report are the:

- Comprehensive Income Statement.
- Balance Sheet.
- Statement of Changes in Equity.
- Cash Flow Statement.

Notes to these Statements explain Council's accounting policies and how values contained in these Statements were calculated.

## COMPREHENSIVE INCOME STATEMENT

The Comprehensive Income Statement shows:

- Sources of Council's revenue under various income headings.
- Expenses incurred in running the Council during the year.

These expenses relate only to the 'operations' and do not include the cost associated with the purchase or building of assets. While asset purchase costs are not included in the expenses, there is an item for 'depreciation'. This value is the value of the assets consumed during the year. The key figure to look at is the net result for the reporting period which is the equivalent to the profit or (loss) of Council for the year. A positive result means that revenues were greater than expenses.

## BALANCE SHEET

This is the most important of the Financial Statements. This one page summary is a snapshot of Council's financial situation as at 30 June 2014. It shows what Council owns as assets and owes as liabilities.

The bottom line of this Statement is net assets. This is the net worth of Council, which has been built up over many years. The assets and liabilities are separated into current and non-current. Current means those assets or liabilities which will fall due in the next 12 months. The components of the Balance Sheet are described below.

### Current and Non-Current Assets

- 'Cash assets' include cash and investments, i.e. cash held in the bank and in petty cash, and the market value of Council's investments.
- 'Receivables' are monies owed to Council by ratepayers and other service users.
- 'Accrued income' represents revenue due to Council, which had not been received by 30 June.
- 'Prepayment's reflect accounts which have been prepaid.
- 'Inventories' represent Council's stock of merchandise and fuels.
- 'Property, infrastructure, plant and equipment' is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc. which has been built up by Council over many years.





### Current and Non-Current Liabilities

- ‘Payables’ are monies owed to creditors by Council as at 30 June.
- ‘Trust funds’ represent monies held in trust by Council.
- ‘Income in advance’ represents revenue received by Council, which relates to future periods, e.g. prepaid Leisure Centre fees.
- ‘Employee benefits’ is the accounting term for accrued annual leave and long service leave entitlements.
- ‘Interest-bearing liabilities’ represent the loan borrowings held by Council.

### Net Assets

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of Council as at 30 June. The net assets of Council are also synonymous with the total equity of Council.

### Equity

This is the term used to describe the components of net assets. These components are:

- ‘Accumulated surplus’ (the value of all net assets accumulated over time).
- ‘Asset revaluation reserve’ (the difference between the previously recorded value of assets and their current valuations).
- ‘Other reserves’ (allocations of the accumulated surplus for specific purposes).

### STATEMENT OF CHANGES IN EQUITY

During the course of the year, the value of total equity as set out in the Balance Sheet changes. This Statement shows the values of such changes and how these changes arose. The main reasons for a change in equity stem from:

- Profit or loss from operations, described in the statement as ‘Surplus (deficit) for the year’.
- Revaluation of the assets – this takes place every two years in accordance with Council policy. It also occurs when existing assets are ‘taken up’ in Council’s financial records for the first time.
- Transfer of monies to or from Council’s reserves.



FOOD KNOW HOW COMPOSTING BIKE





GERTRUDE STREET PROJECTION FESTIVAL (ART: NICK AZIDIS)

## CASH FLOW STATEMENT

The Cash Flow Statement summarises Council's cash payments and cash receipts for the year. This Statement is presented according to a very specific accounting standard and requires careful analysis. The values may differ from those shown in the Income Statement because the Income Statement is prepared on an accrual accounting basis. Cash in this Statement refers to bank deposits and other forms of highly liquid investments that can readily be converted to cash, such as cash invested with fund managers. Council's cash arises from, and is used in, three main areas:

### Cash flows from operating activities

**Receipts:** All cash received into Council's bank account from ratepayers and others who owed money to Council. Receipts also include the interest earnings from Council's cash investments. It does not include the proceeds associated with the sale of assets.

**Payments:** All cash paid by Council from its bank account to staff, creditors and other persons. It does not include the payments associated with the creation of assets.

### Cash flows from investing activities:

The accounting term 'investing activities' relates to assets such as new capital plant and other long term revenue-producing assets. This part of the Statement includes all payments associated with the creation of assets and proceeds associated with the sale of assets.

### Cash flows from financing activities:

This part of the Statement is where the receipt and repayment of borrowed funds are recorded. The bottom line of the Cash Flow Statement is the Cash at end of financial year. This shows the capacity of Council to meet its debts and other liabilities.





CONSULTING THE COMMUNITY

## NOTES TO THE FINANCIAL REPORT

The Notes are a very important and informative section of the report. The Australian Accounting Standards are not prescriptive in relation to amount of detail. Therefore, to enable the reader to understand the basis on which the values shown in the Statements are established, it is necessary to provide an explanation of Council's accounting policies. These are described in Note 1.

Apart from the accounting policies, the Notes also give details behind many of the summary figures contained in the Statements. The Note numbers are shown beside the relevant items in the Income Statement, Balance Sheet and the Cash Flow Statement. Where Council wishes to disclose other information which cannot be incorporated into the Statements, this is shown in the Notes.

The Notes include the cost of the various functions of Council, the breakdown of expenses, revenues, reserves and other assets, transactions with persons related to Council and financial ratios (performance indicators). The Notes should be read together with the other parts of the Financial Report to get a clear picture of Council's financial performance and position.

## STATEMENTS BY PRINCIPAL ACCOUNTING OFFICER AND COUNCILLORS

The certification by the Principal Accounting Officer is made by the person responsible for the preparation of the Financial Report. It certifies that in their opinion, the report has met all the statutory and professional reporting requirements. The certification of Councillors is made by two Councillors on behalf of Council that, in their opinion, the Financial Report is presented fairly and is not misleading or inaccurate.

## AUDITOR-GENERAL'S REPORT

The Auditor-General's Report is the external and independent opinion on the Financial Report. It provides the reader with a totally independent opinion on the Financial Report and the information it contains. The opinion covers both the statutory and professional requirements and also the fairness aspects of the Financial Report.



# Financial Glossary

Term	Definition
Annual operating budget	The budgeted operating result for the specified financial year, with distinction made between revenue received for operating purposes and revenue received for capital purposes.
Annual budget	Council's planned allocation of monetary resources for a specified financial year. This document sets out Council's short-term goals and objectives as part of its overall strategic planning framework.
Capital expenditure	Large (material) expenditure that produces economic benefits expected to last for more than 12 months.
Capital renewal	Expenditure on an existing asset, which returns the service potential or the life of the asset, up to that which it had originally.
Capital outlays/ rate revenue	This ratio represents the capital outlays as a percentage of rate revenue and therefore Council's relative ability to convert rate revenue into capital works.
Current assets/ current liability	Otherwise known as the working capital ratio, this indicator expresses Council's short-term ability to meet its liquidity requirements within the current financial year.
Debt servicing/ total revenue	This ratio contrasts the amount of interest expense that Council is incurring on its interest bearing liabilities as a percentage of the total revenue base.
Financing activities	Activities relating to changing the size and composition of the financial structure of the entity, including equity, and borrowings not falling within the definition of cash.
Grants/total revenue	This ratio provides an indication of the percentage of total revenue that is comprised of grant income.
Indebtedness/ rate revenue	This ratio measures the total amount of interest bearing liabilities compared to the annual rates levy.
Infrastructure	Physical assets that contribute to meeting the community's need for access to major economic and social facilities and services.
International Financial Reporting Standards	Australian reporting entities currently report according to International Financial Reporting Standards (IFRS) effective since January 1, 2005.
Investing activities	Activities which relate to acquisition and disposal of non-current assets, including property, plant and equipment and other productive assets. Investments are not cash.
Key financial indicators	Ratios and comparisons of critical financial data over a period of years to provide a better understanding of key measures, such as indebtedness and liquidity, which are often undisclosed when financial information is presented in a standard statement format.
New assets	New assets or capital expenditure do not have any element of expansion or upgrade of existing assets. New capital expenditure may or may not result in additional revenue for Council. New assets will require maintenance and capital renewal in the future.
Operating expenses/ assessment	This ratio measures the average operational spending (as drawn from the income statement) on a per assessment basis.
Operating activities	Operating activities relate to the provision of goods and services.
Operating expenditure	Consumption or loss of future economic benefits in the form of reductions in assets or increases in liabilities that result in a decrease in equity during the reporting period.
Operating revenue	Operating revenue is defined as inflows or other enhancements, or savings in outflows of future economic benefits, in the form of increases in assets or reductions in liabilities, and that result in an increase in equity during the reporting period.
Rate revenue/ total revenue	This ratio measures Council's reliance on rate revenue as its principal source of funding.
Rate revenue/ assessment	This ratio provides an illustration of the average rates paid on a per assessment basis across the municipality.
Standard Statements	The standard statements are the Standard Income Statement, Standard Balance Sheet, Standard Cash Flow Statement, and Standard Statement of Capital Works.
Statutory reserves	Funds set aside for specified statutory purposes in accordance with legislative and contractual requirements. These reserves are not available for other purposes.
Total liabilities/ assessment	This ratio expresses the sum total of current liabilities and non-current liabilities expressed on a per assessment basis.
Working capital	Funds that are free of all specific Council commitments and are available to meet daily cash flow requirements and unexpected short-term needs.



# Financial Report

for the year ended 30 June 2014

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# Comprehensive Income Statement

for the year ended 30 June 2014

	Note	2014 \$'000	2013 \$'000
<b>Income</b>			
Rates and charges	3	84,934	79,698
Parking revenue	4	26,199	25,546
User charges, fees, and other fines	5(a)	21,519	20,103
Government grants	6	11,485	11,546
Contributions	7	5,865	5,668
Reimbursements	8	660	739
Net gain on disposal of non-current assets	9	28	(18)
Other income	5(b)	6,636	1,381
<b>Total Income</b>		<u>157,326</u>	<u>144,663</u>
<b>Expenses</b>			
Employee expenses	10	66,243	58,286
Contract payments	11	19,134	17,964
Materials and services	12	37,021	40,487
Bad and doubtful debts	13	2,844	2,082
Depreciation	14	18,954	18,290
Borrowing costs	15	457	325
<b>Total Expenses</b>		<u>144,653</u>	<u>137,434</u>
<b>Surplus/(deficit)</b>		12,673	7,229
<b>Other comprehensive income</b>			
Net asset revaluation increment/(decrement)	28	21,208	3,131
<b>Comprehensive result for the year</b>		<u>33,881</u>	<u>10,360</u>

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



# Balance Sheet

for the year ended 30 June 2014

	Note	2014 \$'000	2013 \$'000
<b>ASSETS</b>			
<b>Current assets</b>			
Cash and cash equivalents	16	21,719	18,918
Receivables	17	11,283	9,965
Accrued income	18	242	68
Prepayments	19	194	247
Inventories	20	145	151
Non-current assets held for sale	21(a)	651	-
<b>Total current assets</b>		<u>34,234</u>	<u>29,349</u>
<b>Non-current assets</b>			
Investments	21	205	205
Receivables	17	20	20
Property, infrastructure, plant and equipment	22	1,500,301	1,450,002
<b>Total non-current assets</b>		<u>1,500,526</u>	<u>1,450,227</u>
<b>TOTAL ASSETS</b>		<u>1,534,760</u>	<u>1,479,576</u>
<b>LIABILITIES</b>			
<b>Current liabilities</b>			
Payables	23	14,613	18,180
Trust funds and Fire services levy	24	5,780	1,475
Income in advance	25	325	308
Employee benefits	26	11,398	10,371
Interest-bearing liabilities	27	-	143
<b>Total current liabilities</b>		<u>32,116</u>	<u>30,477</u>
<b>Non-current liabilities</b>			
Employee benefits	26	1,165	1,004
Interest-bearing liabilities	27	32,500	12,994
<b>Total non-current liabilities</b>		<u>33,665</u>	<u>13,998</u>
<b>TOTAL LIABILITIES</b>		<u>65,781</u>	<u>44,475</u>
<b>NET ASSETS</b>		<u>1,468,981</u>	<u>1,435,101</u>
<b>Represented by:</b>			
Accumulated surplus		564,646	554,786
Asset revaluation reserves	28 (a)	886,998	865,790
Other reserves	28 (b)	17,337	14,525
<b>TOTAL EQUITY</b>		<u>1,468,981</u>	<u>1,435,101</u>

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



# Statement of Changes in Equity

for the year ended 30 June 2014

	Note	Total 2014 \$'000	Accumulated Surplus 2014 \$'000	Asset Revaluation Reserves 2014 \$'000	Other Reserves 2014 \$'000
<b>2014</b>					
Balance at beginning of the financial year		1,435,100	554,785	865,790	14,525
Surplus (deficit) for the year		12,673	12,673	-	-
Asset revaluation	28	21,208	-	21,208	-
Transfers to other reserves	28	-	(4,028)	-	4,028
Transfers from other reserves	28	-	1,216	-	(1,216)
<b>Balance at end of the financial year</b>		<b>1,468,981</b>	<b>564,646</b>	<b>886,998</b>	<b>17,337</b>

		Total 2013 \$'000	Accumulated Surplus 2013 \$'000	Asset Revaluation Reserves 2013 \$'000	Other Reserves 2013 \$'000
<b>2013</b>					
Balance at beginning of the financial year		1,424,741	549,238	862,659	12,844
Surplus (deficit) for the year		7,228	7,228	-	-
Asset revaluation	28	3,131	-	3,131	-
Transfers to other reserves	28	-	(4,124)	-	4,124
Transfers from other reserves	28	-	2,443	-	(2,443)
<b>Balance at end of the financial year</b>		<b>1,435,100</b>	<b>554,785</b>	<b>865,790</b>	<b>14,525</b>

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



# Statement of Cash Flows

for the year ended 30 June 2014

	Notes	2014 Inflows/ (Outflows) \$'000	2013 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Receipts from ratepayers		85,193	79,689
Parking revenue		24,575	23,646
User charges, fees and other fines		20,636	19,675
Government grants		12,064	12,179
Contributions		5,865	5,668
Reimbursements		1,665	1,257
Fire Services Levy Received		13,401	-
Fire Services Levy Paid		(10,102)	-
Interest received from other entities		373	428
Rent		1,147	953
Payments to suppliers		(69,407)	(61,688)
Payments to employees		(64,682)	(57,812)
Borrowing costs		(457)	(326)
Net GST refund		5,452	5,684
Net cash provided by operating activities	29	<u>25,723</u>	<u>29,353</u>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment		(42,944)	(28,122)
Proceeds from sale of property, plant and equipment	9	660	527
Net cash (used in) investing activities		<u>(42,284)</u>	<u>(27,595)</u>
<b>Cash flows from financing activities</b>			
New Borrowings		32,500	-
Repayment of Borrowings		(13,137)	-
Net cash provided financing activities		<u>19,363</u>	<u>-</u>
Change in cash and cash equivalents		2,801	1,758
Cash at the beginning of the financial year		18,918	17,160
<b>Cash and cash equivalents at the end of the financial year</b>	30	<u><u>21,719</u></u>	<u><u>18,918</u></u>

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



# Notes to the Financial Report

for the year ended 30 June 2014

## Introduction

- (a) The City of Yarra was established by an Order of the Governor in Council on 22 June 1994 and is a body corporate. The Council's main office is located at 333 Bridge Road Richmond.
- (b) The purpose of the Council is to:
- provide for the peace, order, and good government of its municipal district;
  - promote the social, economic and environmental viability and sustainability of the municipal district;
  - ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community;
  - improve the overall quality of life of people in the local community;
  - promote appropriate business and employment opportunities;
  - ensure that services and facilities provided by the Council are accessible and equitable;
  - ensure the equitable imposition of rates and charges; and
  - ensure transparency and accountability in Council decision making.

External Auditor - Victorian Auditor-General

Internal Auditor - Crowe Horwath

Solicitors - Maddocks

Bankers - National Australia Bank

Website address - [www.yarracity.vic.gov.au](http://www.yarracity.vic.gov.au)

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



# Notes to the Financial Report

for the year ended 30 June 2014

## Note 1 Significant Accounting Policies

### (a) Basis of Accounting

This financial report has been prepared on an accrual and going concern basis.

The financial report has also been prepared under the historical cost convention except where specifically stated in Note 1(b) and 1(g).

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

### (b) Recognition and measurement of assets

#### Acquisition

The purchase method of accounting is used for acquisitions of assets. The purchase method of accounting represents the fair value of the assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition.

The following classes of assets have been recognised in Note 22. In accordance with Council policy, the threshold limits listed below have been applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year:

	2014 Threshold limit
<b>Class of Asset</b>	
<b>Land &amp; Buildings</b>	
Land	Nil
Land under roads acquired after 30 June 2008	Nil
Buildings	\$10,000
Land improvements	\$10,000
<b>Heritage Assets</b>	
Heritage assets	Nil
<b>Plant &amp; Equipment</b>	
Plant & machinery	\$500
Furniture, equipment & computers	\$500
Library books	Nil
Library audio and visual	Nil
<b>Infrastructure</b>	
Roads - substructure	\$50,000
- seal	\$15,000
Footpaths - substructure	\$25,000
- seal	\$15,000
Kerb and channel	\$25,000
Drains	\$25,000
Bridges	\$25,000
Lanes - substructure	\$50,000
- seal	\$15,000
<b>Other</b>	
Mobile garbage bins/recycling crates	\$500
Irrigation & sprinkler systems	\$500
Street furniture	\$500
Parks & gardens furniture & equipment	\$500
Playground equipment	\$500
Fencing	Nil
Trees	Nil

#### Revaluation

Subsequent to the initial recognition of assets, land, buildings, and infrastructure assets are measured at fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction.

At each balance date, the Council reviews the carrying value of the individual classes of assets within land, buildings, and infrastructure assets to ensure that each asset materially approximates its fair value. Where the carrying value materially differs from the fair value the class of assets is revalued.

In addition, Council undertakes a formal revaluation (either by experienced council officers or independent experts) of land and buildings and infrastructure assets every 2 years.

Where assets are revalued, the revaluation increments are credited directly to the applicable 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 value 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.



**Note 1 Significant Accounting Policies (continued)**

**(b) Recognition and measurement of assets (continued)**

**Land Under Roads**

Any land under roads acquired after 30 June 2008 will be brought to account using the deemed cost basis. No land under roads have been acquired since 30 June 2008. Council does not recognise land under roads that it controlled prior to 30 June 2008 in its financial report.

**(c) Change in Accounting Policy**

**AASB 13 Fair Value Measurement**

Council has applied AASB 13 for the first time in the current year. AASB 13 establishes a single source of guidance for fair value measurements. The fair value measurement requirements of AASB 13 apply to both financial instrument items and non-financial instrument items for which other A-IFRS require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of AASB 2 Share-based Payment, leasing transactions that are within the scope of AASB 17 Leases, and measurements that have some similarities to fair value but not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

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 in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, AASB 13 includes extensive disclosure requirements.

AASB 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the Standard in comparative information provided for periods before the initial application of the Standard. In accordance with these transitional provisions, Council has not made any new disclosures required by AASB 13 for the 2012 comparative period (please see note 22).

Other than the additional disclosures, the application of AASB 13 has not had any material impact on the amounts recognised in the financial statements.

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

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

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

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

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

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

**AASB 119 Employee Benefits**

As per AASB 119 Employee Benefits, provision for annual leave liability has been classified into benefits expected to be settled within 12 months, and benefits expected to be settled greater than 12 months.

**(d) Depreciation of property, plant and equipment and infrastructure.**

Buildings, infrastructure, plant and equipment, and other assets (except trees) 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 have distinct useful lives and/or residual values a separate depreciation rate is determined for each component. Straight line depreciation is provided based on the residual useful life as determined each year.

Major depreciation periods used are listed below and are consistent with the prior year unless otherwise stated:

	<b>Periods</b>
	<b>2014</b>
<b>Land &amp; Buildings</b>	
Buildings	100 years
<b>Heritage Assets</b>	
Heritage Assets	100 years
<b>Plant &amp; Equipment</b>	
Plant & machinery	7-10 years
Furniture, equipment & computers	3-10 years
<b>Infrastructure</b>	
Roads - substructure	120 years
- seal	20 years
Footpaths - substructure	75 years
- seal	30 years
Kerb and channel	50 years
Drains	120 years
Bridges	120 years
Lane - substructure	120 years
- seal	50 years
<b>Other</b>	
Mobile garbage bins/recycling crates	10 years
Irrigation & sprinkler systems	10 years
Street furniture	20 years
Parks & gardens furniture & equipment	20 years
Playground equipment	10 years
Fencing	10 years
Library books	6-7 years
Library audio and visual	4 years



# Notes to the Financial Report

for the year ended 30 June 2014

## Note 1 Significant Accounting Policies (continued)

### (e) Repairs and maintenance

Routine maintenance, repair costs, and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and is subject to depreciation. The carrying value of the replaced asset is expensed.

### (f) Leases

#### *Finance leases*

Council does not have any finance leases.

#### *Operating leases*

Lease payments for operating leases are recognised on a straight line basis.

### (g) Employee benefits

#### *Wages and salaries*

Liabilities for wages and salaries are recognised and are measured as the amount unpaid at balance date. Entitlements include oncosts that are calculated using employee remuneration rates as at balance date.

#### *Annual leave*

Annual leave entitlements are accrued on a pro rata basis in respect of services provided by employees up to balance date, having regard to expected rates to apply at settlement and oncosts. Annual leave entitlements are provided for at their nominal value and classified as a current liability.

Short-term employee benefits are employee benefits (other than termination benefits) that are expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related service.

#### *Long service leave*

All unconditional vested LSL representing 7+ years of continuous service is

(i) disclosed in accordance with AASB 101, as a current liability even where the Council does not expect to settle the liability within 12 months as it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

(ii) measured at:

- nominal value under AASB 119 where a component of this current liability is expected to fall due within 12 months after the end of the period; and

- present value under AASB 119 where the entity does not expect to settle a component of this liability within 12 months.

LSL representing less than 7 years of continuous service is:

(i) disclosed in accordance with AASB 101 as a non-current liability; and

(ii) measured at present value under AASB 119 where the entity does not expect to settle this non-current liability within 12 months.

#### *Superannuation*

The amount charged to the Comprehensive Operating Statement in respect of superannuation represents contributions made or due by Yarra City Council to the relevant superannuation plans in respect to the services of Yarra City Council's staff (both past and present). Superannuation contributions are made to the plans based on the relevant rules of each plan and any relevant compulsory superannuation requirements that Yarra City Council is required to comply with (refer Note 33)

### (h) Revenue recognition

#### *Rates, grants, and contributions*

Rates, grants, and contributions (including developer contributions) are recognised as revenue when the municipality obtains control over the assets comprising these receipts.

Control over assets acquired from rates is obtained at the commencement of the rating year or, where earlier, upon receipt of the rates. A provision for doubtful debts on rates has not been established as unpaid rates represent a charge against the rateable property that will be recovered when the property is next sold.

Control over granted assets is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenue during the financial year were obtained on condition that they would be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 6.

These notes also disclose the amount of unused grant or contribution from prior years that were expended on Council's operations during the current year.

A liability is recognised in respect of revenue that is reciprocal in nature to the extent that the requisite service has not been provided at balance date.



**Note 1 Significant Accounting Policies (continued)**

**(h) Revenue recognition (continued)**

***User charges, fees, and fines***

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

A provision for doubtful debts is recognised when collection in full is no longer probable.

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

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

***Interest and rentals***

Interest and rentals are recognised as revenue when the payment is due, the value of the payment is notified, or the payment is received, whichever first occurs.

**(i) Cash and cash equivalent assets**

For the purposes of the Statement of Cash Flows, cash assets include cash on hand and highly liquid investments with short periods to maturity that are readily convertible to cash on hand at the Council's option and are subject to insignificant risk of changes in values, net of outstanding bank overdrafts.

**(j) Investments**

Investments are measured at cost.

**(k) Borrowing costs**

Borrowing costs are recognised as expenses and include interest on bank overdrafts and interest on borrowings

**(l) Allocation between current and non-current**

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be realised or paid. The asset or liability is classified as current if it is expected to be settled within the next twelve months, or Council does not have an unconditional right to defer settlement beyond twelve months.

**(m) Agreements equally proportionately unperformed**

The Council does not recognise assets and liabilities arising from agreements that are equally proportionately unperformed.

**(n) Rounding**

Unless otherwise stated, amounts in the report have been rounded to the nearest thousand dollars.

**(o) Tender deposits**

Amounts received as tender deposits and retention amounts controlled by Council are recognised as Trust Funds until they are returned or forfeited (refer to Note 24).

**(p) Inventories**

Inventories of saleable items and consumable stores have been valued at the lower of cost or net realisable value.



# Notes to the Financial Report

for the year ended 30 June 2014

## Note 2 Pending Accounting Standards

The following Australian Accounting Standards have been issued or amended and are applicable to the Council but are not yet effective:

Provisionment	Summary	Impact/Action	Transition	Effective date
AASB 9 Financial Instruments	<p>AASB 9 standard is one of a series of amendments that are expected to eventually completely replace AASB 139. During 2010-11, the standard will be expanded to include new rules on measurement of financial liabilities and hedge accounting. Currently the existing provisions of AASB 139 will continue to apply in these areas. AASB 9 simplifies the classifications of financial assets into those to be carried at amortised cost and those to be carried at fair value – the 'available for sale' and 'held-to-maturity' categories no longer exists. AASB 9 also simplifies requirements for embedded derivatives and removes the lanting rules associated with held-to-maturity assets. The new categories of financial assets are:</p> <ul style="list-style-type: none"> <li>• Amortised cost – those assets with 'basic' loan features</li> <li>• Fair value through other comprehensive income – this treatment is optional for equity instruments not held for trading (this)</li> <li>• Fair Value through profit and Loss – everything that does not fall into the above two categories.</li> </ul> <p>The following changes also apply:</p> <ul style="list-style-type: none"> <li>• Investments in unquoted equity instruments must be measured at fair value. However, cost may be the appropriate measure</li> <li>• There is no longer any requirement to consider whether 'significant or prolonged' decline in the value of financial assets has</li> <li>• Similarly, all movements in the fair value of a financial asset now go to the income statement, or, for equity instruments not held for trading, other comprehensive income. There is no longer any requirement to book decrements through the income statement, and increments through equity.</li> </ul>	<p>The impact is not likely to be extensive in the local government sector. Although it will vary considerably between entities. While the rules are less complex than those of AASB 139, the option to show equity instruments at cost has been largely removed, which is likely to lead to greater volatility within the income statement. However it may also lead to an improved financial position for some entities. This will also create a requirement to measure some instruments annually that has not previously existed.</p>	<p>Transitional arrangements are extensive – in general retrospective restatement is required, but there are exceptions. Early-adoption of the standard before 1 January 2014 removes the requirement for restatement of comparatives.</p>	<p>Periods beginning on or after 1 July 2015.</p>
AASB 10 Consolidated Financial Statements	<p>This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities.</p> <p>The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.</p> <p>This Standard forms the basis for determining which entities should be consolidated into an entity's financial statements. AASB 10 defines 'control' as requiring exposure or rights to variable returns and the ability to affect those returns through power over an investee, which may broaden the concept of control for public sector entities.</p> <p>The AASB has issued an exposure draft ED 238 Consolidated Financial Statements – Australian Implementation Guidance for Not-for-Profit Entities that explains and illustrates how the principles in the Standard apply from the perspective of not-for-profit entities in the private and public sectors.</p>	<p>The AASB have finalised deliberations on ED 238 and any modifications made to AASB 10 for not-for-profit entities, Council will need to re-assess the nature of its relationships with other entities, including those that are currently not consolidated.</p>		<p>1 July 2014</p>
AASB 12 Disclosure of Involvement with Other Entities	<p>AASB 12 requires the disclosure of information to enable users to evaluate the nature of, and risks associated with, its interests in other entities and The effect of those interests on its financial position, financial performance, and cash flows. AASB 12 applies to all entities that have subsidiaries, joint arrangements, associates, or unconsolidated structured entities, and requires disclosures grouped into four categories:</p> <ul style="list-style-type: none"> <li>• Significant judgments and assumptions, including how control, joint control, or significant influence has been determined.</li> <li>• Interests in subsidiaries, including details of the composition of the group, the interests held by any non-controlling interest, any changes in control, and the nature of any associated risks.</li> <li>• Interests in joint arrangements and associates, including their nature and extent, the effects on the group, and any associated risks.</li> <li>• Interests in unconsolidated structured entities, including their nature and extent, any changes during the year, and the associated risks.</li> </ul>	<p>The disclosures required will be both qualitative and quantitative. In particular, management should document and be able to justify its key judgments concerning control and significant influence. In the local government context this is likely to require increased disclosures around the operations of Library Corporations as well as other activities that Council have an interest in.</p>	<p>Early adoption is permitted, but AASB 10, AASB 11, AASB 12, AASB 127 (revised) and AASB 128 (revised) must all be adopted simultaneously.</p>	<p>Periods beginning on or after 1 July 2014</p>



<b>Note 3</b>	<b>Rates and charges</b>	<b>\$'000</b>	<b>\$'000</b>
	Council uses Net Annual Value (NAV) as the basis of valuation of all properties within the municipal district. The NAV of a property is its imputed rental value.		
	The valuation base used to calculate general rates for 2013/14 was \$1,823.094 million (2012/13 \$1,798.095 million) with the increase in the rate base resulting from the return of supplementary valuations for properties constructed and/or building works completed since the return of the previous general revaluation of land for rating purposes as at 1 January 2012.		
	The 2013/14 rate in the NAV dollar of 4.561 cents generated a 4.4% increase in rate income. The 2012/13 rate in the NAV dollar was 4.369 cents.		
	Residential	56,805	53,431
	Commercial	22,198	21,215
	Industrial	3,825	3,608
	Supplementary rates and rate adjustments	1,759	953
	Garbage bin charge	55	19
	Interest on rates	292	472
		<u>84,934</u>	<u>79,698</u>
	A general revaluation of land for rating purposes within the municipal district was undertaken as at 1 January 2012 and was first applied to the rating period commencing 1 July 2012.		
	The date of the next general revaluation of land for rating purposes within the municipal district is 1 January 2014 and the valuation will be first applied in the rating year commencing 1 July 2014.		
<b>Note 4</b>	<b>Parking revenue</b>		
	Infringements & costs	12,694	12,180
	PERIN court recoveries	1,831	1,980
	Fees - ticket machines	9,750	9,883
	Fees - parking meters	379	244
	Permits	1,545	1,259
		<u>26,199</u>	<u>25,546</u>
<b>Note 5(a)</b>	<b>User charges, fees and other fines</b>		
	Leisure centre fees	8,717	8,702
	Child care/children's program fees	2,217	2,419
	Town planning fees	1,857	1,458
	Insurance refunds	61	21
	Registration fees	1,134	1,027
	Pre schools	551	246
	Aged services fees	240	258
	Road occupation permit fees	1,847	1,769
	Library fees and fines	65	52
	Golf course fees	379	361
	Footpath advertising & display	493	523
	Building services fees	286	216
	Valuation fees/supplementary charges	302	511
	Kerb market fees	197	158
	Land information certificates	91	67
	Local laws fines	980	470
	Sales Right of Way	1,029	690
	Victorian Electoral Commission fines	58	189
	Other fees and charges	1,215	965
		<u>21,519</u>	<u>20,103</u>
<b>Note 5(b)</b>	<b>Other income</b>		
	Interest	373	428
	Rent	1,147	953
	Other (refer Note 22)*	5,116	-
		<u>6,636</u>	<u>1,381</u>

\* This amount refers to land assets identified during the 2014 revaluation process for Council assets and recognises additional land parcels that were not previously recorded as Council assets.



# Notes to the Financial Report

for the year ended 30 June 2014

<b>Note 6 Government grants</b>	<b>2014</b>	<b>2013</b>
Government grants were received in respect of the following:	<b>\$'000</b>	<b>\$'000</b>
Victoria Grants Commission - general purpose	839	1,580
Victoria Grants Commission - local roads	190	376
Environmental Management	421	343
Aged Services Assessment and Planning	996	942
Community Amenity and Health	169	121
Children Services	2,514	2,342
Family Services	1,349	1,313
Aged Services - Home Care Services	2,070	2,081
Library Development	513	450
Aged Services - Meals Services	195	112
Open Space and Recreation	33	52
Aged Services - Social Support Service	191	187
Youth Information Resourcing	113	116
Regional and Local Community Infrastructure	131	207
Capital grants	1,701	1,252
Other	60	72
	<u>11,485</u>	<u>11,546</u>
<b>Total</b>	<u>11,485</u>	<u>11,546</u>
Victoria Grants Commission	1,029	1,956
Government grants	10,456	9,590
<b>Total</b>	<u>11,485</u>	<u>11,546</u>
Recurrent	9,653	10,087
Non-recurrent	1,832	1,459
<b>Total</b>	<u>11,485</u>	<u>11,546</u>

## **Conditions on grants**

Grants recognised as revenue during the year which were obtained on the condition that they be expended in a specified manner that had not occurred at balance date were:

Community Development	179	80
Aged & Disability	194	-
Victoria Grants Commission	-	1,034
	<u>373</u>	<u>1,114</u>

Grants recognised as revenue in prior years which were expended during the current year in the manner specified by the grantor were:

Community Development	80	90
Aged & Disability	-	10
Victorian Grants Commission	1,034	1,021
	<u>1,114</u>	<u>1,121</u>

Net increase/(decrease) in restricted assets resulting from grant revenues for the year

	<u>(741)</u>	<u>(7)</u>
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	2014 \$'000	2013 \$'000
<b>Note 7 Contributions</b>		
Government capital contributions	268	202
Drainage contributions	-	9
Transport planning	9	5
Resort and recreation fees*	4,028	4,124
Road inspection	347	290
Road reinstatements	106	61
Library resources	110	88
Domestic waste	405	484
Environmental sustainability	108	45
Other	484	360
	<u>5,865</u>	<u>5,668</u>

\* Resort and recreation fees received during the year are transferred to reserves pursuant to section 18 of the Subdivision Act 1988, (Resort and Recreation Reserve) (Note 28(b)).

<b>Note 8 Reimbursements</b>		
Road maintenance/works (other)	660	739
	<u>660</u>	<u>739</u>

<b>Note 9 Net gain on disposal of non-current assets</b>		
<b>Plant &amp; Equipment</b>		
Proceeds from sale of assets	660	527
Written down value of assets sold/disposed	632	545
Profit/(loss) on sale/disposal of property, plant and equipment	<u>28</u>	<u>(18)</u>



# Notes to the Financial Report

for the year ended 30 June 2014

	2014 \$'000	2013 \$'000
<b>Note 10</b>		
<b>Employee expenses</b>		
Wages and salaries	51,408	45,325
Oncosts	7,614	6,166
Overtime	1,169	1,093
Temporary staff costs	5,780	5,432
Mayoral/Councillors' allowances	272	270
	<u>66,243</u>	<u>58,286</u>
<b>Note 11</b>		
<b>Contract payments</b>		
Street sweeping	2,855	2,541
Waste management	4,567	4,656
Open space	5,708	5,466
Aged services & public health	2,335	2,285
Family & childrens services	97	94
Leisure services	812	795
Valuations	467	299
Parking meter maintenance	352	385
Information systems & asset management	214	243
Road maintenance	1,593	1,089
Other	134	111
	<u>19,134</u>	<u>17,964</u>
<b>Note 12</b>		
<b>Materials and services</b>		
Community grants and contributions	4,037	7,315
Maintenance	6,866	7,903
Professional services	6,579	6,707
Utilities	2,655	2,964
Insurances	1,974	1,759
Materials	2,870	2,748
External lease charges	1,205	747
Motor vehicle expenses	953	904
Printing & stationery	1,266	1,215
Tipping fees	2,263	2,252
Aged, linkages and food services	984	808
Bank charges	834	676
Fringe benefits tax	434	417
Licences, permits and registrations	104	119
Postage	371	342
Advertising & promotion	533	593
Vic Roads search fees	176	207
Training	290	272
Other	2,627	2,539
	<u>37,021</u>	<u>40,487</u>
<b>Note 13</b>		
<b>Bad and doubtful debts</b>		
Parking infringement debtors	2,560	1,995
Other debtors	284	87
	<u>2,844</u>	<u>2,082</u>



	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Note 14</b>		
<b>Depreciation</b>		
Buildings	2,416	2,178
Heritage assets	53	13
Plant and machinery	1,462	1,327
Furniture, equipment, and computers	1,982	1,893
Roads	4,424	4,283
Footpaths	3,053	2,875
Kerb and channel	2,217	2,200
Drains	829	819
Bridges	55	12
Lanes	1,182	1,182
Mobile garbage bins/recycling crates	39	108
Irrigation and sprinkler systems	52	59
Street furniture	380	416
Parks and gardens furniture and equipment	198	199
Playground equipment	11	13
Fencing	65	78
Library books	457	555
Library audio visual	79	81
<b>Total depreciation</b>	<u>18,954</u>	<u>18,290</u>

<b>Note 15</b>		
<b>Borrowing costs</b>		
Interest - on Borrowings	457	325
	<u>457</u>	<u>325</u>



# Notes to the Financial Report

for the year ended 30 June 2014

	2014 \$'000	2013 \$'000
<b>Note 16</b>		
<b>Cash and cash equivalents</b>		
Cash at bank*	2,008	208
Cash on hand	11	10
Term deposit investments*	19,700	18,700
	<u>21,719</u>	<u>18,918</u>
*Council has assets of \$14.248m (\$11.436m in 2012/13) that are subject to restriction (refer to Note 32).		
<b>Note 17</b>		
<b>Receivables</b>		
<i>Current</i>		
Rates debtors	3,134	3,021
Parking infringement debtors	19,721	17,269
Provision for doubtful debts - parking infringements	(16,433)	(14,098)
Other debtors	4,513	3,840
Provision for doubtful debts - other debtors	(2,272)	(1,764)
Workcover	97	38
GST recoverable from ATO	2,523	1,659
	<u>11,283</u>	<u>9,965</u>
<i>Non-current</i>		
Park Place Child Care Centre Inc. - Loan	20	20
	<u>20</u>	<u>20</u>
<b>Total Receivables</b>	<u>11,303</u>	<u>9,985</u>
<b>Note 18</b>		
<b>Accrued income</b>		
Government grants and other income	226	18
Interest	16	50
	<u>242</u>	<u>68</u>
<b>Note 19</b>		
<b>Prepayments</b>		
Vehicle registrations	128	118
Contributions and insurance	66	129
	<u>194</u>	<u>247</u>
<b>Note 20</b>		
<b>Inventories</b>		
Merchandise	140	143
General	5	8
	<u>145</u>	<u>151</u>
<b>Note 21(a)</b>		
<b>Non-current assets held for sale</b>		
Motor Vehicles held for sale	651	-
	<u>651</u>	<u>-</u>
<b>Note 21</b>		
<b>Investments</b>		
Council's carrying value of investment in RFK P/L (trading as Community Chef) and Regional Kitchen P/L is at cost	200	200
Other investment	5	5
	<u>205</u>	<u>205</u>



**Note 22 Property, infrastructure, plant and equipment**

<b>Summary</b>	<b>2014 \$'000</b>	<b>2013 \$'000</b>
<i>Balance at beginning of financial year</i>	1,450,002	1,437,585
Acquisition of assets	44,212	28,122
Depreciation (Note 14)	(18,954)	(18,290)
Disposal of non current assets (Note 9) - WDV of disposals	(632)	(546)
Found assets (Note 5b)	5,116	-
Asset held for sale reclassified from current assets	(651)	-
Increment/(decrement) on revaluation June 2014 (Note 28)	21,208	3,131
<i>Balance at end of financial year</i>	<u>1,500,301</u>	<u>1,450,002</u>

**Property, infrastructure, plant and equipment**

- at Cost	107,728	126,139
- at Valuation	1,690,635	1,816,024
Less: accumulated depreciation	298,062	292,161
	<u>1,500,301</u>	<u>1,450,002</u>

**Land and buildings**

Land		
- at Valuation	719,255	669,137
	<u>719,255</u>	<u>669,137</u>

**Land Improvements**

- Land Improvements at cost	-	8,649
	<u>-</u>	<u>8,649</u>

**Buildings**

- at Cost	-	16,829
- at Valuation	241,182	216,690
Less: accumulated depreciation	69,027	78,475
	<u>172,155</u>	<u>155,044</u>

*Valuations of land and buildings were undertaken by Westlink Consulting under the supervision of William J Graham, City Valuer, A.V.L.E (Vals), Qualified Valuer. The valuation of buildings was replacement cost less accumulated depreciation and was first applied as at 30 June 2014.*

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2014 are as follows:

	<b>Level 1 \$'000</b>	<b>Level 2 \$'000</b>	<b>Level 3 \$'000</b>
Land - Non specialised	-	55,303	-
Land - Specialised	-	-	663,952
Buildings - Non specialised	-	-	-
Buildings - Specialised	-	-	172,155
<b>Total</b>	<u>-</u>	<u>55,303</u>	<u>836,107</u>



# Notes to the Financial Report

for the year ended 30 June 2014

	2014 \$'000	2013 \$'000
<b>Note 22 Property, infrastructure, plant and equipment (continued)</b>		
<b>Heritage assets</b>		
Heritage assets		
- at Cost	43	-
- at Valuation	4,528	4,528
Less: accumulated depreciation	103	50
	<u>4,468</u>	<u>4,478</u>
 <i>Valuations of Heritage assets were undertaken by Warren Joel (of Byjoel valuations) and Warwick Reeder (of Reeders Fine Art Pty Ltd). The valuations were applied as at 30 June 2013.</i>		
<b>Plant and equipment</b>		
Plant and machinery		
- at Cost	12,652	11,693
Less: accumulated depreciation	5,306	5,033
	<u>7,346</u>	<u>6,660</u>
Furniture, equipment and computers		
- at Cost	28,684	25,866
Less: accumulated depreciation	22,101	20,119
	<u>6,583</u>	<u>5,747</u>
Library Books and Audio Visual		
- at Cost	5,328	4,897
Less: accumulated depreciation	3,740	3,205
	<u>1,588</u>	<u>1,692</u>
<b>Infrastructure</b>		
Road Substructure		
- at Cost	1,469	1,012
- at Valuation	279,299	279,299
Less: accumulated depreciation	51,938	49,611
	<u>228,830</u>	<u>230,700</u>
Road Seal		
- at Cost	7,415	5,127
- at Valuation	36,828	36,828
Less: accumulated depreciation	11,812	9,714
	<u>32,431</u>	<u>32,241</u>



	2014 \$'000	2013 \$'000
<b>Note 22 Property, infrastructure, plant and equipment (continued)</b>		
Footpaths substructure		
- at Cost	1,278	857
- at Valuation	69,534	69,534
Less: accumulated depreciation	<u>12,339</u>	<u>11,403</u>
	<u>58,473</u>	<u>58,988</u>
Footpaths seal		
- at Cost	10,035	5,372
- at Valuation	45,443	45,443
Less: accumulated depreciation	<u>12,198</u>	<u>10,081</u>
	<u>43,280</u>	<u>40,734</u>
Kerb and channel		
- at Cost	2,974	1,945
- at Valuation	108,924	108,924
Less: accumulated depreciation	<u>22,607</u>	<u>20,389</u>
	<u>89,291</u>	<u>90,480</u>
Drains		
- at Cost	3,544	2,491
- at Valuation	97,372	97,372
Less: accumulated depreciation	<u>44,306</u>	<u>43,477</u>
	<u>56,610</u>	<u>56,386</u>
Bridges		
- at Cost	-	-
- at Valuation	4,970	4,970
Less: accumulated depreciation	<u>2,349</u>	<u>2,294</u>
	<u>2,621</u>	<u>2,676</u>
Lanes - substructure		
- at Valuation	31,714	31,713
Less: accumulated depreciation	<u>6,403</u>	<u>6,139</u>
	<u>25,311</u>	<u>25,574</u>
Lanes - seal		
- at Valuation	45,934	45,934
Less: accumulated depreciation	<u>11,100</u>	<u>10,182</u>
	<u>34,834</u>	<u>35,752</u>
<b>Other</b>		
Mobile garbage bins/recycling crates		
- at Cost	2,512	2,477
Less: accumulated depreciation	<u>2,219</u>	<u>2,180</u>
	<u>293</u>	<u>297</u>

Valuation of bridges were undertaken by Dimitrios Vokolos, B.Eng (civil), Qualified Engineer. The valuations were applied as at 30 June 2013.

Valuation of road infrastructure was undertaken by Dimitrios Vokolos, B.Eng (Civil), Qualified Engineer. The valuations are at replacement costs less accumulated depreciation and were first applied as at 30 June 2011.



# Notes to the Financial Report

for the year ended 30 June 2014

	2014 \$'000	2013 \$'000
<b>Note 22 Property, infrastructure, plant and equipment (continued)</b>		
Irrigation and sprinkler systems		
- at Cost	1,547	1,547
Less: accumulated depreciation	<u>1,417</u>	<u>1,365</u>
	130	182
Street furniture		
- at Cost	14,428	14,102
Less: accumulated depreciation	<u>10,677</u>	<u>10,297</u>
	3,751	3,805
Parks and gardens furniture and equipment		
- at Cost	7,199	7,199
Less: accumulated depreciation	<u>5,686</u>	<u>5,487</u>
	1,513	1,712
Playground equipment		
- at Cost	1,107	1,107
Less: accumulated depreciation	<u>1,073</u>	<u>1,063</u>
	34	44
Fencing		
- at Cost	1,829	1,828
Less: accumulated depreciation	<u>1,662</u>	<u>1,596</u>
	167	232
Trees and Tree Infrastructure		
- at Cost	1,611	1,611
- at Valuation	<u>5,651</u>	<u>5,651</u>
	7,262	7,262
Council valuation of trees was performed by Stewart Campbell, Senior Arborist, Advanced Certificate of Arboriculture, Advanced Certificate of Management and was applied in 2004		
Works in progress - at Cost	<u>4,075</u>	<u>11,529</u>
<b>Total property, infrastructure, plant and equipment</b>	<u>1,500,301</u>	<u>1,450,002</u>

Details of the Council's infrastructure assets and information about the fair value hierarchy as at 30 June 2014 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Roads	-	-	261,260
Bridges	-	-	2,621
Footpaths Lanes and Kerb and channel	-	-	251,189
Drainage	-	-	56,610
<b>Total</b>	<u>-</u>	<u>-</u>	<u>571,680</u>



## **Note 22 Property, infrastructure, plant and equipment (cont)**

### **Valuation basis**

#### ***Non-specialised land and buildings***

Non-specialised land and buildings are valued using the market based direct comparison method. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For non-specialised land and buildings, an independent valuation was performed by William J Graham, City Valuer, A.V.L.E (Vals), Qualified Valuer, to determine the fair value using the market based direct comparison method. Valuation of the assets was determined by analysing comparable sales and allowing for share, size, topography, location and other relevant factors specific to the asset being valued. From the sales analysed, an appropriate rate per square metre has been applied to the subject asset. The effective date of the valuation is 30 June 2014.

To the extent that non-specialised land and buildings do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market based direct comparison approach.

#### ***Specialised land and buildings***

The market based direct comparison method is also used for specialised land although is adjusted to reflect the specialised nature of the assets being valued. For Council specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciations. Specialised assets contain significant, unobservable adjustments, therefore these assets are classified as Level 3 fair value measurements.

An adjustment is made to reflect a restriction on the sale or use of an asset by Council. The adjustment is an allowance made to reflect the difference in value between unrestricted assets and those held by the Council which are impacted by external restraints on their use.

An independent valuation of Council's specialised land and buildings was performed by William J Graham, City Valuer, A.V.L.E (Vals), Qualified Valuer. The valuation was performed using either the market based direct comparison method or depreciated replacement cost, adjusted for restrictions in use. The effective date of the valuation is 30 June 2014.



# Notes to the Financial Report

for the year ended 30 June 2014

## Reconciliation of Level 3 fair value

2014	Specialised Land and Land Improvements	Specialised Buildings	Infrastructure \$000
Opening Balance	633,388	155,043	573,531
Depreciation	-	(2,416)	(11,760)
Impairment Loss	-	-	-
Revaluation	27,893	(9,539)	-
Acquisitions (Disposals)	2,671	29,067	9,909
Transfers	-	-	-
Closing Balance	663,952	172,155	571,680

## Description of significant unobservable inputs into level 3 valuations

	Valuation Technique	Significant Unobservable inputs	Range	Sensitivity
Specialised Land and Land Improvements	Market based direct comparison approach (refer above)	Extent and impact of restriction of use	15-30%	Increase or decrease in the extent of restriction would result in a higher or lower value.
Specialised Buildings	Depreciated Replacement Cost	Direct cost per square metre	185 - 25,000 ps/m	Increase or decrease in the direct cost per square metre adjustment would result in a higher or lower value.
		Useful life of specialised buildings (yrs.)	40-150	Increase or decrease in the estimated useful life of the asset would result in a higher or lower value.
Infrastructure	Depreciated Replacement Cost	Cost per unit	Range	Increase or decrease in the cost per unit would result in a higher or lower value.
Pavement and Lane			18 - 226	
Footpath and Kerb and channel			41 - 314	
Drainage -Pits Drainage Pipe			1,797 - 2,945 1 - 1,245	
		Useful life of infrastructure (yrs.)	20 - 120	Increase or decrease in the estimated useful life would result in a higher or lower value.



22 Property, Infrastructure, Plant and Equipment (cont.)

	2014	Balance at beginning of financial year	Acquisition of assets	Transfer To current assets	Found assets	Depreciation	WDV of disposals	Revaluation	Capitalisation	Balance at end of financial year
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property, Plant and Equipment</b>										
Land										
Land Specialised		677,786	-	-	5,116	-	-	30,746	5,607	719,255
Buildings Specialised		155,043	-	-	-	(2,416)	-	(9,539)	29,067	172,155
Heritage assets		4,479	-	-	-	(53)	-	-	43	4,468
Plant and equipment		6,660	-	(651)	-	(1,462)	(632)	-	3,431	7,346
Furniture, equipment and computers		5,747	-	-	-	(1,982)	-	-	2,817	6,583
Mobile garbage/bins crates		297	-	-	-	(39)	-	-	35	293
Irrigation and sprinkler systems		182	-	-	-	(52)	-	-	-	130
Street furniture		3,805	-	-	-	(380)	-	-	326	3,751
Parks and gardens furniture and equipment		1,712	-	-	-	(198)	-	-	-	1,513
Playground equipment		44	-	-	-	(11)	-	-	-	34
Fencing		232	-	-	-	(65)	-	-	-	167
Trees and Tree Infrastructure		7,262	-	-	-	-	-	-	-	7,262
Library books		1,504	-	-	-	(457)	-	-	296	1,344
Library Audio Visual		189	-	-	-	(78)	-	-	134	245
Road substructure		230,700	-	-	-	(2,327)	-	-	457	228,830
Road seal		32,241	-	-	-	(2,098)	-	-	2,288	32,431
Bridges		2,675	-	-	-	(55)	-	-	-	2,621
Footpaths substructure		58,988	-	-	-	(936)	-	-	421	58,473
Footpaths seal		40,734	-	-	-	(2,117)	-	-	4,662	43,280
Lanes substructure		25,574	-	-	-	(263)	-	-	-	25,311
Lanes seal		35,752	-	-	-	(919)	-	-	-	34,833
Kerb and channel		90,480	-	-	-	(2,217)	-	-	1,028	89,291
Drains		56,386	-	-	-	(829)	-	-	1,054	56,610
Works in progress		11,529	44,212	-	-	-	-	-	(51,667)	4,075
<b>Total property, plant &amp; equipment</b>		<b>1,450,002</b>	<b>44,212</b>	<b>(651)</b>	<b>5,116</b>	<b>(18,954)</b>	<b>(632)</b>	<b>21,208</b>	<b>-</b>	<b>1,500,301</b>



# Notes to the Financial Report

for the year ended 30 June 2014

## 22 Property, Infrastructure, Plant and Equipment (cont.)

	2013		2012				2011				2010			
	Balance at beginning of financial year	Acquisition of assets	Depreciation	WDV of disposals	Revaluation	Capitalisation	Balance at end of financial year	Balance at beginning of financial year	Acquisition of assets	Depreciation	WDV of disposals	Revaluation	Capitalisation	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Property, Plant and Equipment</b>														
Land	671,988	-	-	-	-	-	671,988	-	-	-	-	-	-	671,988
Buildings	150,116	-	(2,178)	-	-	-	147,938	-	-	-	-	-	7,105	155,043
Heritage assets	1,581	-	(13)	-	2,860	-	4,479	-	-	-	-	-	52	4,479
Plant and equipment	6,519	-	(1,327)	(545)	-	-	4,647	-	-	-	-	-	2,014	6,660
Furniture, equipment and computers	5,758	-	(1,893)	-	-	-	3,865	-	-	-	-	-	1,882	5,747
Mobile garbage bins/ recycling crates	292	-	(108)	-	-	-	184	-	-	-	-	-	113	297
Irrigation and sprinkler systems	241	-	(59)	-	-	-	182	-	-	-	-	-	-	182
Street furniture	4,151	-	(416)	-	-	-	3,735	-	-	-	-	-	70	3,805
Parks and gardens furniture and equipment	1,910	-	(199)	-	-	-	1,712	-	-	-	-	-	-	1,712
Playground equipment	57	-	(13)	-	-	-	44	-	-	-	-	-	-	44
Fencing	310	-	(78)	-	-	-	232	-	-	-	-	-	-	232
Trees and Tree Infrastructure	7,262	-	-	-	-	-	7,262	-	-	-	-	-	-	7,262
Library books	1,694	-	(555)	-	-	-	1,139	-	-	-	-	-	365	1,504
Library Audio Visual	192	-	(81)	-	-	-	111	-	-	-	-	-	78	189
Road substructure	232,517	-	(2,323)	-	-	-	230,194	-	-	-	-	-	506	230,700
Road seal	31,210	-	(1,961)	-	-	-	29,249	-	-	-	-	-	2,992	32,241
Bridges	2,416	-	(12)	-	271	-	2,675	-	-	-	-	-	-	2,675
Footpaths substructure	59,540	-	(932)	-	-	-	58,608	-	-	-	-	-	380	58,988
Footpaths seal	39,839	-	(1,943)	-	-	-	37,896	-	-	-	-	-	2,839	40,734
Lanes substructure	25,837	-	(263)	-	-	-	25,574	-	-	-	-	-	-	25,574
Lanes seal	36,671	-	(919)	-	-	-	35,752	-	-	-	-	-	-	35,752
Kerb and channel	91,708	-	(2,200)	-	-	-	89,508	-	-	-	-	-	973	90,480
Drains	55,884	-	(819)	-	-	-	55,065	-	-	-	-	-	1,321	56,386
Works in progress	9,893	28,122	-	-	-	-	38,015	-	-	-	-	-	(26,485)	11,529
<b>Total property, plant &amp; equipment</b>	<b>1,437,584</b>	<b>28,122</b>	<b>(18,290)</b>	<b>(545)</b>	<b>3,131</b>	<b>-</b>	<b>1,450,002</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,450,002</b>



		2014 \$'000	2013 \$'000
<b>Note 23</b>	<b>Payables</b>		
	<b>Current</b>		
	Trade creditors	7,903	13,425
	Superannuation	163	163
	Accrued expenses	6,547	4,592
		<u>14,613</u>	<u>18,180</u>
<b>Note 24</b>	<b>Trust funds and Fire services levy</b>		
	Refundable building deposits	166	182
	Other refundable deposits	214	202
	Other trust items	1,703	747
	Refundable contract deposits	148	148
	Refundable civic facilities deposits	169	120
	Leased properties security deposit	14	9
	Strategic Transport Development	20	20
	Fire Service Levy	3,299	-
	Unclaimed monies	47	47
		<u>5,780</u>	<u>1,475</u>
<b>Note 25</b>	<b>Income in advance</b>		
	Leisure Centre fees	325	308
		<u>325</u>	<u>308</u>



# Notes to the Financial Report

for the year ended 30 June 2014

	2014 \$'000	2013 \$'000
<b>Note 26 Employee benefits</b>		
<b>Current</b>		
Annual leave	4,439	3,990
Long service leave (Notes 1(g))	6,959	6,381
	<u>11,398</u>	<u>10,371</u>
<p>Current employee benefits include all annual leave and LSL entitlements representing 7+ years of service. Short-term employee benefits that fall due within 12 months after the end of the period are measured at nominal value.</p>		
<b>Non-current</b>		
Long service leave (Notes 1(g))	1,165	1,004
	<u>1,165</u>	<u>1,004</u>
<p>LSL representing less than 7 years of continuous service is measured at present value.</p>		
<p>Aggregate carrying amount of employee entitlements</p>		
<b>Current</b>	11,398	10,371
<b>Non-current</b>	1,165	1,004
	<u>12,563</u>	<u>11,375</u>
Sum of full-time equivalent staff numbers	701	674
<p>The following assumptions were adopted in measuring the present value of long service leave:</p>		
Weighted average increase in employee costs (as per Enterprise Bargaining Agreement)	4.0%	3.5%
Weighted average discount rates	3.30%	3.44%
<b>Note 27 Interest-bearing liabilities</b>		
<p>The maturity profile for Council's borrowings* and other liabilities is as follows:</p>		
Not later than one year	-	143
Later than one year and not later than five years	32,500	5,971
Later than five years	-	7,023
	<u>32,500</u>	<u>13,137</u>
<b>Current</b>		
LASF defined benefit plan liability	-	143
<b>Non-current</b>		
Loans - secured**	32,500	12,994
	<u>32,500</u>	<u>13,137</u>
<b>Total</b>	<u>32,500</u>	<u>13,137</u>
<p>* Borrowings are secured by way of mortgages over the general rates of the Council.</p>		
<p>** New loan funds of \$32.5 million acquired during 2013/14 are interest only and the 2012/13 loans component relates to the Vision super unfunded superannuation liability which has been repaid.</p>		
<p>Aggregate carrying amount of interest-bearing liabilities</p>		
<b>Current</b>	-	143
<b>Non-current</b>	32,500	12,994
<b>Total</b>	<u>32,500</u>	<u>13,137</u>



Note 28 Reserves

(a)	Asset revaluation reserves	Balance at	Increment	Balance at end of	
		beginning of Year	(decrement)	Year	
		\$'000	\$'000	\$'000	
<b>2014</b>					
<b>Property</b>					
	Land	491,178	30,746	521,925	
	Buildings	65,421	(9,538)	55,883	
	Heritage buildings	2,860	-	2,860	
		<u>559,459</u>	<u>21,208</u>	<u>580,668</u>	
<b>Infrastructure</b>					
	Road Substructure	96,506	-	96,506	
	Road Seal	8,784	-	8,784	
	Footpaths Substructure	35,974	-	35,974	
	Footpaths Seal	28,782	-	28,782	
	Drains	7,930	-	7,930	
	Bridges	1,000	-	1,000	
	Lane Substructure	11,303	-	11,303	
	Lane Seal	34,448	-	34,448	
	Kerb and channel	81,590	-	81,590	
	Trees	13	-	13	
		<u>306,330</u>	<u>-</u>	<u>306,330</u>	
	<b>Total Asset revaluation reserves</b>	<u>865,790</u>	<u>21,208</u>	<u>886,998</u>	
<b>2013</b>					
<b>Property</b>					
	Land	491,178	-	491,178	
	Write back of revaluation on land disposal	-	-	-	
	Buildings	65,422	-	65,422	
	Heritage buildings	-	2,860	2,860	
		<u>556,600</u>	<u>2,860</u>	<u>559,459</u>	
<b>Infrastructure</b>					
	Road Substructure	96,506	-	96,506	
	Road Seal	8,784	-	8,784	
	Footpaths Substructure	35,974	-	35,974	
	Footpaths Seal	28,782	-	28,782	
	Drains	7,929	-	7,929	
	Bridges	729	271	1,000	
	Lane Substructure	11,303	-	11,303	
	Lane Seal	34,448	-	34,448	
	Kerb and channel	81,590	-	81,590	
	Trees	13	-	13	
		<u>306,060</u>	<u>271</u>	<u>306,331</u>	
	<b>Total Asset revaluation reserves</b>	<u>862,659</u>	<u>3,131</u>	<u>865,790</u>	
<b>(b) Other reserves</b>					
		Balance at	Transfer to	Transfer from	Balance at end of
		beginning of Year	accumulated surplus	accumulated surplus	Year
		\$'000	\$'000	\$'000	\$'000
<b>2014</b>					
	Resort and recreation	11,436	(1,216)	4,028	14,248
	Parking	79	-	-	79
	Community Infrastructure Fund	3,010	-	-	3,010
	<b>Total Other reserves</b>	<u>14,525</u>	<u>(1,216)</u>	<u>4,028</u>	<u>17,337</u>
<b>2013</b>					
	Resort and recreation	8,255	(943)	4,124	11,436
	Parking	79	-	-	79
	Community Infrastructure Fund	3,010	-	-	3,010
	NRCHC Reserve (Lennox St sale)	1,500	(1,500)	-	-
	<b>Total Other reserves</b>	<u>12,844</u>	<u>(2,443)</u>	<u>4,124</u>	<u>14,525</u>

Resort and Recreation reserve relates to contributions received as Public Open Space Levies pursuant to the provisions of Section 18 of the Subdivision Act 1988. The reserve will be used to fund eligible open space capital works projects.

Parking reserve relates to contributions received in lieu of the provision of parking spaces required for property developments. This reserve will be used in the provision of additional car parking spaces as required.

Council resolved to provide funding for a Community Infrastructure Fund which includes funding for an indoor sporting facility in the future. Council's Long Term Financial Plan (LTFP) has allocated further fund transfers to the Community Infrastructure Fund in future years.



# Notes to the Financial Report

for the year ended 30 June 2014

<b>Note 29 Reconciliation of operating result to net cash from operations</b>	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Surplus	12,673	7,229
Depreciation	18,954	18,290
(Net gain)/loss on disposal of non current assets (refer to Note 9)	(28)	18
Change in assets and liabilities:		
(Increase)/decrease in receivables	(1,317)	(2,186)
(Increase)/decrease in prepayments	53	(33)
(Increase)/decrease in accrued income	(175)	73
Increase/(decrease) in payables	(5,522)	4,984
Increase/(decrease) in accrued expenses	1,955	295
Increase/(decrease) in other liabilities	(2,064)	624
(Increase)/decrease in inventories	6	(9)
Increase/(decrease) in employee benefits	1,188	68
Net cash provided by operating activities	<u>25,723</u>	<u>29,353</u>

<b>Note 30 Reconciliation of cash at year-end to cash and cash equivalents</b>		
Cash and Cash equivalents (refer to Note 16)	21,719	18,918
Less bank overdraft	-	-
	<u>21,719</u>	<u>18,918</u>

<b>Note 31 Financing arrangements</b>		
Bank overdraft*	5,000	5,000
Used facilities	-	-
Unused facilities	<u>5,000</u>	<u>5,000</u>

\*Bank Overdraft is not used until "net" cash position is negative.

<b>Note 32 Restricted assets</b>		
Council has Cash assets (refer to Note 16) that are subject to restriction. As at the reporting date Council had restrictions in relation to reserve funds (recreational lands reserve).		
Resort and recreation (Note 28)	<u>14,248</u>	<u>11,436</u>
	<u>14,248</u>	<u>11,436</u>



**Note 33 Superannuation**

Yarra City Council (the Council) makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. The defined benefit section provides lump sum benefits based on years of service and final average salary. The defined contribution section receives fixed contributions from Council and the Council's legal or constructive obligation is limited to these contributions.

Obligations for contributions to the Fund are recognised as an expense in Comprehensive Operating Statement when they are made or due.

	2014	2013
	\$,000	\$,000
<b>Defined benefit funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	539	573
	<u>539</u>	<u>573</u>

As provided under Paragraph 34 of AASB 119, Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a multi-employer sponsored plan.

As a multi-employer sponsored plan, the Fund was established as a mutual scheme to allow for the mobility of the workforce between the participating employers without attaching a specific liability to particular employees and their current employer. Therefore, there is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Council in the Fund cannot be measured as a percentage compared with other participating employers. While there is an agreed methodology to allocate any shortfalls identified by the Fund Actuary for funding purposes, there is no agreed methodology to allocate benefit liabilities, assets and costs between the participating employers for accounting purposes. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

**Accumulation Funds**

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	2,784	2,470
Employer contributions to other Funds*	1,444	1,181
	<u>4,228</u>	<u>3,651</u>

The Fund's accumulation category, Vision MySuper/Vision Super Saver, receives 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 2014, this was 9.25% required under Superannuation Guarantee legislation). Our commitment to defined contribution plans is limited to making contributions in accordance with our minimum statutory requirements. No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund.

Effective from 1 July 2014, the Superannuation Guarantee contribution rate is legislated to increase to 9.5%, and will progressively increase to 12% by 2019. Based on announcements included in the May 2014 Federal Budget, this progressive increase to 12% will be delayed until 2022.

\*Other Superannuation Funds include:-

Hesta, AGEST, AMP Super, ANZ Super Advantage, Aust. Ethical Super, ARF, AXA, BT Financial, Colonial First State, Construction First State, Health Super, Host Plus, Just Super, LG Super, MJ Pease, MLC Masterkey, MTAA Super, REST Super, Spectrum Super, Sunsuper, Superannuation Trust Aust., VIC Super, Virgin Super, and YMCA Super Fund.



# Notes to the Financial Report

for the year ended 30 June 2014

## Note 34 Contingent liabilities and contingent assets

### (a) arising from Public Liability

As a local authority we manage parks, reserves, roads, and other land holdings and, as a result, receive potential claims arising from incidents which occur on land managed by Council. There are a number of outstanding claims against Council in this regard. Council carries \$400 million of public liability insurance and an excess of \$20,000 on this policy in 2013/2014. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is MAV Insurance. There are no claims of which Council is aware which would fall outside the terms of Council's policy.

### (b) arising from Professional Indemnity

As a local authority with statutory regulatory responsibilities, including the responsibility of issuing permits and approvals, Council receives potential claims for damages arising from actions of Council or its officers. Council carries \$300 million of professional indemnity insurance and an excess of \$20,000 on this policy in 2013/14. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is MAV Insurance. There are no instances or claims of which Council is aware which would fall outside the terms of Council's policy.

### (c) arising from Legal Matters

The Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. This includes a legal matter involving the Metropolitan Fire and Emergency Services Board (MFESB) and Council concerning possible soil contamination issues at the Burnley Depot site.

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.

### (d) arising from LAS Defined Benefits Fund

Council has an ongoing obligation to share in the future experience of the Fund. Favourable or unfavourable variations may arise should the experience of the Fund differ from the assumptions made by the Fund's actuary in estimating the Fund's accrued benefits liability.

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the fund are covered by the assets of the fund. As a result of the increased volatility in financial markets the likelihood of making such contributions in future periods has increased.

As part of its wider review of the superannuation industry, the regulator, APRA, has issued SPS 160 about the future funding of defined benefit plans and what Trustees must do to ensure that a plan is in a satisfactory financial position. The standard became mandatory from 1 July 2013.

Under the standard, APRA uses the Vested Benefits Index (VBI) as its primary measure of fund solvency. The VBI measures the market value of assets in a defined benefit portfolio against the benefits that members would have been entitled to if they had all resigned on the same day.

The process that will apply to VBI estimates from 1 July 2013 is as follows. The independent Actuary to the Fund will calculate the VBI at 30 June each year. Vision Super will produce interim quarterly VBI estimates based on the actual quarterly assets and membership.

At 30 June each year it is necessary for the VBI to be 100% or greater each year. For the purposes of the interim quarterly estimates, it is permissible for the VBI to be 97% or greater. This is because APRA allows the Trustee to set a Shortfall Limit that is less than 100%; thereby allowing a fund to avoid the need for an automatic call in certain circumstances. The Actuary has recommended, and the Trustee accepted, a Shortfall Limit for LASF of 97%.

The estimated VBI at 31 March 2014 was 104.6%. As this is greater than 100%, there is no action required by employers at this stage.



**Note 35 Commitments**

The Council has entered into the following contracts:

2014	Not later than 1 year (\$ '000)	Later than 1 year and not later than 2 years (\$ '000)	Later than 2 years and not later than 5 years (\$ '000)	Later than 5 years (\$ '000)	Total (\$ '000)
<b>Operating</b>					
Street cleaning services	2,475	2,549	8,115	5,824	18,963
Garbage collection and recycling	4,689	4,809	10,055	-	19,533
Open space management	5,446	5,446	5,238	-	16,130
Consultancies	204	204	408	-	818
Information systems & technology	1,704	1,777	3,590	-	7,071
Insurances	1,184	1,184	3,907	-	6,275
Home Care	1,545	1,591	3,327	-	6,463
Cleaning contracts for Council buildings	970	999	2,088	-	4,057
Family Services	150	154	490	-	794
Parking meter maintenance	380	380	-	-	760
Animal pound services	53	53	-	-	108
Professional services	479	493	509	-	1,481
Bioremediation	496	511	867	-	1,874
Community services	1,931	-	-	-	1,931
<b>Capital</b>					
Construction works	3,990	-	-	-	3,990
Plant and equipment	300	300	900	-	1,500
<b>Total</b>	<b>25,976</b>	<b>20,450</b>	<b>39,494</b>	<b>5,824</b>	<b>91,744</b>

2013	Not later than 1 year (\$ '000)	Later than 1 year and not later than 2 years (\$ '000)	Later than 2 years and not later than 5 years (\$ '000)	Later than 5 years (\$ '000)	Total (\$ '000)
<b>Operating</b>					
Street cleaning services	2,380	2,475	8,009	5,907	18,771
Garbage collection and recycling	4,533	4,689	9,762	-	18,964
Open space management	6,060	890	-	-	6,950
Consultancies	204	204	612	-	1,020
Information systems & technology	2,001	2,061	2,122	-	6,184
Insurances	1,184	1,184	3,552	836	6,756
Home Care	1,500	1,545	4,918	-	7,963
Cleaning contracts for Council buildings	1,578	527	1,877	-	3,782
Parking meter maintenance	380	380	380	-	1,140
Audit	240	-	-	-	240
Animal pound services	44	44	-	-	88
Professional services	485	479	1,001	-	1,965
Bioremediation	482	498	1,081	297	2,356
Community services	1,833	1,931	-	-	3,764
<b>Capital</b>					
Construction works	4,133	-	-	-	4,133
Plant and equipment	300	300	900	-	1,500
<b>Total</b>	<b>27,317</b>	<b>17,185</b>	<b>34,014</b>	<b>7,040</b>	<b>85,556</b>



# Notes to the Financial Report

for the year ended 30 June 2014

## Note 36 Financial instruments (a) Accounting policy, terms, and conditions

Recognised financial instruments	Note	Accounting policy	Terms and conditions
<b>Financial assets</b>			
Cash and cash equivalents	16	Cash on hand and at bank and money market call account are valued at face value. Interest is recognised as it accrues.  Term Deposits / Bills are valued at cost and are held to maximise interest returns of surplus cash. Interest revenues are recognised as they accrue.	On call deposits returned a floating interest rate of 2.60% (2.85% in 2012/13). The interest rate at balance date was 2.60% (2.85% in 2012/13).  Funds returned fixed interest rate of between 2.55% and 3.62% (3.60% and 4.29% in 2012/13) net of fees.
Other debtors and receivables	17	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection in full is no longer probable. Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured and arrears may attract an interest rate of 10.5% (10.5% in 2012/13) Credit terms are based on 30 days.
<b>Financial liabilities</b>			
Payables	23	Liabilities are recognised for amounts to be paid in the future for goods and services provided to Council as at balance date whether or not invoices have been received.	General creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing liabilities	27	Loans are carried at their principal amounts, which represent the present value of future cash flows associated with servicing the debt. Interest is accrued over the period it becomes due and reported as part of payables.	Borrowings are secured by way of mortgages over the general rates of the Council.  The weighted average on borrowings and other liabilities is 3.71% during 2013/14 (8.36% in 2012/13).
Bank overdraft	31	Overdrafts are recorded at the principal amount. Interest is charged as an expense as it accrues.	The overdraft is subject to annual review. It is secured by a mortgage over Council's general rates and is repayable on demand. The Interest Rate on utilised overdraft was 7.97% (8.22% in 2012/13) during 2013/14. The interest rate as at balance date was 7.97% (8.22% in 2012/13).



**Note 36 Financial instruments (continued)**

**(b) Interest rate risk**

The exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows:

2014	Fixed interest maturing in :					Total \$,000
	Floating interest rate \$,000	1 year or less \$,000	Over 1 to 5 years \$,000	More than 5 years \$,000	Non-interest bearing \$,000	
<b>Financial assets</b>						
Cash assets	2,008	19,700	-	-	11	21,719
Receivables	-	-	-	-	7,133	7,133
<b>Total financial assets</b>	2,008	19,700	-	-	7,144	28,852
Weighted average interest rate	2.60%	3.62%	-	-	-	-
<b>Financial liabilities</b>						
Payables	-	-	-	-	14,613	14,613
Interest-bearing liabilities	-	-	32,500	-	-	32,500
<b>Total financial liabilities</b>	-	-	32,500	-	14,613	47,113
Weighted average interest rate	-	3.71%	3.71%	3.71%	-	-
<b>Net financial assets/(liabilities)</b>	2,008	19,700	(32,500)	-	(7,469)	(18,261)

2013	Fixed interest maturing in :					Total \$,000
	Floating interest rate \$,000	1 year or less \$,000	Over 1 to 5 years \$,000	More than 5 years \$,000	Non-interest bearing \$,000	
<b>Financial assets</b>						
Cash assets	208	18,700	-	-	10	18,918
Receivables	-	-	-	-	5,537	5,537
<b>Total financial assets</b>	208	18,700	-	-	5,548	24,455
Weighted average interest rate	4.55%	6.15%	-	-	-	-
<b>Financial liabilities</b>						
Payables	-	-	-	-	18,180	18,180
Interest-bearing liabilities	-	143	5,971	7,023	-	13,137
<b>Total financial liabilities</b>	-	143	5,971	7,023	18,180	31,317
Weighted average interest rate	-	8.36%	8.36%	8.36%	-	-
<b>Net financial assets/(liabilities)</b>	208	18,557	(5,971)	(7,023)	(12,632)	(6,861)

**(c) Net fair values**

The aggregate net fair values of financial assets and financial liabilities, both recognised and unrecognised, at balance date are as follows :

Financial Instruments	Total carrying amount as per Balance Sheet		Aggregate net fair value	
	2014 \$,000	2013 \$,000	2014 \$,000	2013 \$,000
<b>Financial assets</b>				
Cash assets	21,719	18,918	21,719	18,918
Other financial assets	-	-	-	-
Receivables	7,133	5,537	7,133	5,537
<b>Total financial assets</b>	28,852	24,455	28,852	24,455
<b>Financial liabilities</b>				
Payables	14,613	18,180	14,613	18,180
Interest-bearing liabilities*	32,500	13,137	32,500	13,137
<b>Total financial liabilities</b>	47,113	31,317	47,113	31,317

\*Interest-bearing liabilities for 2013 includes Council's Vision Super LASP defined benefit plan additional contribution.

**(d) Credit risk**

The maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is represented by the carrying amount of those assets as indicated in the Balance Sheet.

**(e) Risks and mitigation**

The risks associated with Council's main financial instruments and its policies for minimising these risks are detailed below.

**Market risk**

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

**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



**Note 36 Financial instruments (continued.)**

in market interest rates. Interest rate risk arises from interest bearing financial assets and liabilities that Council use. Non derivative interest bearing assets are predominantly short term liquid assets. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes it to fair value interest rate risk.

Council's loan borrowings are sourced from major Australian banks by a lender process.

Overdrafts are arranged with major Australian banks. We manage interest rate risk on our net debt portfolio by:

- ensuring access to diverse sources of funding;
- reducing risks of refinancing by managing in accordance with target maturity profiles; and
- setting prudential limits on interest repayments as a percentage of rate revenue.

Council manage the interest rate exposure on its net debt portfolio by appropriate budgeting strategies and obtaining approval for borrowings from the Australian Loan Council each year.

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

- conformity with State and Federal regulations and standards;
- adequate safety;
- appropriate liquidity;
- diversification by credit rating, financial institution and investment product;
- monitoring of return on investment;
- benchmarking of returns and comparison with budget.

Maturity will be staggered to provide for interest rate variations and to minimise interest rate risk.

**Credit risk**

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

- 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.

Trade and other receivables consist of a large number of customers, spread across the consumer, business and government sectors. Credit risk associated with the Council's financial assets is minimal.

Council do not have any significant credit risk exposure to a single customer or groups of customers.

Ongoing credit evaluation is performed on the financial condition of Council customers and, where appropriate, an allowance for doubtful debts is raised.

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 Council contingent liabilities are disclosed in Note 34.

**Liquidity risk**

Liquidity risk includes the risk that, as a result of Council operational liquidity requirements:

- Council will not have sufficient funds to settle a transaction on the date;
- Council will be forced to sell financial assets at a value which is less than what they are worth; or
- Council may be unable to settle or recover financial assets at all.

To help reduce these risks Council:

- 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
- monitor borrowings in relation to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's exposure to liquidity risk is deemed insignificant based on prior periods' data and current assessment of risk.

**(f) Sensitivity disclosure analysis**

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, the Council believes the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from the Reserve Bank of Australia):

- A parallel shift of +2% and -1% in market interest rates (AUD) from year-end rate

The table below discloses the impact on net operating result and equity for each category of financial instruments held by the Council at year end, if the above movements were to occur.

Market risk exposure

**2014**

**Financial assets:**

Cash and cash equivalents

Other financial assets

Trade and other receivables

**Financial liabilities:**

Interest-bearing borrowings and liabilities

Carrying amount subject to interest	Interest rate risk			
	2% 200 basis points		-1% 100 basis points	
	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
\$'000	\$'000	\$'000	\$'000	\$'000
21,719	434	434	(217)	(217)
5	-	-	-	-
7,133	-	-	-	-
32,500	-	-	-	-

Market risk exposure

**2013**

**Financial assets:**

Cash and cash equivalents

Other financial assets

Trade and other receivables

**Financial liabilities:**

Interest-bearing borrowings and liabilities\*

Carrying amount subject to interest	Interest rate risk			
	2% 200 basis points		-1% 100 basis points	
	Profit \$'000	Equity \$'000	Profit \$'000	Equity \$'000
\$'000	\$'000	\$'000	\$'000	\$'000
18,918	378	378	(189)	(189)
5	-	-	-	-
5,537	-	-	-	-
13,137	-	-	-	-

\* Interest rates are fixed for all interest bearing borrowings and liabilities.



<b>Note 37 Auditors' remuneration</b>	<b>2014</b>	<b>2013</b>
	<b>\$'000</b>	<b>\$'000</b>
Audit fee to conduct external audit - Victorian Auditor-General's Office	72	71
Internal audit fees - Crowe Horwath	157	161
Other	14	-
	<u>243</u>	<u>232</u>

#### **Note 38 Operating lease commitments**

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

Not later than one year	421	476
Later than one year and not later than five years	413	834
Later than five years	-	-
	<u>834</u>	<u>1,310</u>

#### **Note 39 Related party transactions**

- (i) As defined by Accounting Guideline No. 5 from the Department of Planning and Community Development (DPCD), Responsible Persons in relation to a Council are the Councillors and the Chief Executive Officer. Names of persons holding the position of a Responsible Person at the City of Yarra during the reporting year are:

<b>Councillors</b>	Councillor Jackie Fristacky (Mayor)	01 July 2013 - 30 Jun 2014
	Councillor Geoff Barbour	01 July 2013 - 30 Jun 2014
	Councillor Roberto Colanzi	01 July 2013 - 30 Jun 2014
	Councillor Misha Coleman	01 July 2013 - 30 Jun 2014
	Councillor Sam Gaylard	01 July 2013 - 30 Jun 2014
	Councillor Simon Huggins	01 July 2013 - 30 Jun 2014
	Councillor Stephen Jolly	01 July 2013 - 30 Jun 2014
	Councillor Amanda Stone	01 July 2013 - 30 Jun 2014
	Councillor Phillip Vlahogiannis	01 July 2013 - 30 Jun 2014
<b>Chief Executive Officer</b>	Vijaya Vaidyanath	01 July 2013 - 30 Jun 2014



# Notes to the Financial Report

for the year ended 30 June 2014

## Note 39 Related party transactions (continued)

### (ii) Remuneration of Responsible Persons

Remuneration of Responsible Persons was within the following bands:	2014 No	2013 No
\$1 - \$9,999	-	4
\$10,000 - \$19,999	-	5
\$20,000 - \$29,999	8	2
\$40,000 - \$49,999	-	1
\$50,000 - \$59,999	-	1
\$70,001 - \$80,000	1	-
\$280,000 - \$289,999	1	1
	<u>10</u>	<u>14</u>
	\$'000	\$'000
Total remuneration (including redundancy payments) for the reporting year for Responsible Persons included above amounted to:	557	554

(iii) No retirement benefits have been made by the Council to a Responsible Person (2012/13, Nil).

(iv) No loans have been made, guaranteed, or secured by the Council to a Responsible Person during the reporting year (2012/13, Nil).

(v) Other transactions.

No transactions other than remuneration payments or the reimbursement of approved expenses were entered into by Council with Responsible Persons, or related parties of such Responsible Persons, during the reporting year (2012/13, Nil).

### (vi) Senior Officers remuneration

Senior Officers include any officer who has management responsibilities and reports directly to the Chief Executive Officer or receives annual remuneration of \$133,000 or greater.

The number of Senior Officers, whose total remuneration exceeded \$133,000 during the reporting year, are shown below in their relevant income bands:

Income range:	2014 No.	2013 No.
\$133,000 - \$139,999	12	15
\$140,000 - \$149,999	10	10
\$160,000 - \$169,999	4	4
\$170,000 - \$179,999	1	1
\$180,000 - \$189,999	1	1
\$200,000 - \$209,999	1	-
\$210,000 - \$219,999	3	3
	<u>32</u>	<u>34</u>
	\$'000	\$'000
Total remuneration for the reporting year for Senior Officers included above, amounted to:	4,960	5,150



Note 40 Revenue, expenses and assets by function/activities

	Infrastructure Services		City Development		Community Programs		Chief Executive / Corporate Services		Total	
	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
<b>REVENUE</b>										
Government grants	835	917	1,518	702	8,065	8,171	1,244	1,823	11,662	11,613
Other	1,635	1,927	7,898	9,128	13,871	13,186	122,260	106,809	145,654	133,050
<b>TOTAL</b>	<b>2,470</b>	<b>2,844</b>	<b>9,416</b>	<b>9,830</b>	<b>21,936</b>	<b>21,357</b>	<b>123,504</b>	<b>110,632</b>	<b>157,326</b>	<b>144,663</b>
<b>EXPENSES</b>	<b>35,858</b>	<b>33,876</b>	<b>15,542</b>	<b>13,830</b>	<b>40,722</b>	<b>37,516</b>	<b>52,400</b>	<b>52,213</b>	<b>144,653</b>	<b>137,434</b>
<b>SURPLUS(DEFICIT) FOR THE YEAR</b>	<b>(33,428)</b>	<b>(31,031)</b>	<b>(6,126)</b>	<b>(4,000)</b>	<b>(18,786)</b>	<b>(16,159)</b>	<b>71,014</b>	<b>58,419</b>	<b>12,673</b>	<b>7,229</b>
<b>ASSETS ATTRIBUTED TO FUNCTIONS/ACTIVITIES*</b>	<b>1,500,301</b>	<b>1,450,002</b>	<b>3,288</b>	<b>3,171</b>	<b>407</b>	<b>239</b>	<b>30,754</b>	<b>25,164</b>	<b>1,534,760</b>	<b>1,479,576</b>

\*Assets have been attributed to functions/activities based on the control and/or custodianship of specific assets.

**Infrastructure Services Division**

The Infrastructure Services Division is responsible for providing strategic direction for the management of Council's assets as well as delivery of a wide range of services to the community. Assets managed include public swimming pools, libraries, childcare centres, parks and gardens, local network of roads, drains, footpaths, cycling tracks and bridges. Services provided include domestic refuse and recycling collection, street cleaning, traffic management, recreation planning and management of Council's parks, gardens, reserves and sportsgrounds. Routine maintenance of roads, drains, footpaths, and delivery of the capital works program also form part of the responsibilities of this division.

The division includes the following branches :

Sustainable Asset Management	Recreation and Open Space
Infrastructure and Operations	Buildings and Property
Engineering Operations	

**City Development Division**

The City Development Division is responsible for protecting and enhancing and developing the Yarra City Council's social and physical environment. The broad objective is achieved primarily through planning, coordination and delivery of a diverse range of high quality, cost-efficient community and environmental services which are responsive to the needs of residents and other service users.

The division includes the following branches :

Construction	City Strategy
Statutory Planning	Sustainability and Strategic Transport

**Community Programs Division**

The Community Programs Division promotes and enhances community wellbeing through funding programs, advocacy, service provision, community partnerships and regulatory activity.

The division includes the following branches :

Aged and Disability Services	Cultural and Library Services
Family, Youth and Children's Services	Leisure Facilities
Community Planning and Advocacy	

**Chief Executive / Corporate & Financial Services Division**

The Chief Executive / Corporate and Financial Services Division is responsible for providing executive, governance, human resources services and a range of strategic and operational financial services to business units and to the Council as a whole.

The division includes the following branches :

Chief Executive Office	Governance
Financial Services	Human Resources
Information Services	Strategic Procurement
Compliance	Risk Management and Insurance
Parking Services	Customer Service and Communications
Innovation	



# Notes to the Financial Report

for the year ended 30 June 2014

## Note 41 Financial ratios (performance indicators)

**(a) Debt servicing costs ratio (to identify the capacity of Council to service its outstanding debt)**

	2014	2014	2013	2012
	\$,000	(%)	\$,000	(%)
<u>Debt servicing costs</u>	457	=	325	=
<u>Total revenue</u>	157,326		144,663	
		0.29%		0.22%
				17 = 0.01%
				136,869

Debt servicing costs refer to the payment of interest on loan borrowings, finance lease interest and bank overdraft. The ratio expresses the amount of interest paid as a percentage of Council's total revenue. Total revenue includes other items' separately detailed in the income statement.

**(b) Debt commitment ratio (to identify Council's debt redemption strategy)**

<u>Debt servicing &amp; redemption costs</u>	457	=	325	=
<u>Rate revenue</u>	84,934		79,698	
		0.54%		0.41%
				502 = 0.67%
				75,268

The strategy involves the payment of loan principal and interest and finance lease principal and interest. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.

**(c) Revenue ratio (to identify Council's dependence on rate income)**

<u>Rate revenue</u>	84,934	=	79,698	=
<u>Total revenue</u>	157,326		144,663	
		53.99%		55.08%
				75,268 = 54.99%
				136,869

The level of Council's reliance on rate revenue is determined by assessing rate revenue as a proportion of the total revenue of Council.



**Note 41 Financial ratios (performance indicators) (continued)**

	2014	2014	2013	2013	2012	2012
	\$'000		\$'000		\$'000	

**(d) Debt exposure ratio (to identify Council's exposure to debt)**

Total indebtedness:	85,781	=	1.7.9	44,475	=	1.9.8	38,504	=	1.11.15
Total realisable assets:	520,776			439,399			425,062		

For the purposes of the calculation of financial ratios, realisable assets are those assets which can be sold and which are not subject to any restriction on realisation or use.

Any liability represented by a restricted asset (Note 32) is excluded from total indebtedness.

The following assets are excluded from total assets when calculating Council's realisable assets: land - other controlled; buildings on other controlled land; restricted assets; heritage assets; roads and lanes; footpaths; kerb and channel; drains; trees; and bridges.

This ratio enables assessment of Council's solvency and exposure to debt. Total indebtedness refers to the total liabilities of Council. Total liabilities are compared to total realisable assets which are all Council assets not subject to any restriction and are able to be realised. The ratio expresses the multiple of total liabilities for each dollar of realisable assets.

**(e) Working capital ratio (to assess Council's ability to meet current commitments)**

Current assets:	34,234	=	1.07.1	29,349	=	0.96.1	25,436	=	1.02.1
Current liabilities:	32,116			30,477			24,870		

The ratio expresses the level of current assets the Council has available to meet its current liabilities.

**(f) Adjusted working capital ratio (to assess Council's ability to meet current commitments)**

Current assets:	34,234	=	1.36.1	29,349	=	1.22.1	25,436	=	1.39.1
Current liabilities:	25,157			24,086			18,257		

Current liabilities have been reduced to reflect the long service leave that is shown as a current liability because Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, but is likely to fall due within 12 months after the end of the period.

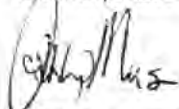
**Note 42 Events occurring after balance date**

There were no events that occurred after balance date that impact on the financial result.



# Certification of the Financial Report

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



**Philip Mason FCPA**  
Principal Accounting Officer

21 August 2014  
Richmond

In our opinion, the accompanying financial report presents fairly the financial transactions of Yarra City Council for the year ended 30 June 2014 and the financial position of the Council as at that date.

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

On 19 August 2014, we were authorised by the Council to certify the financial report in its final form on behalf of the Council.



**Jackie Fristacky**  
Mayor

21 August 2014  
Richmond



**Roberto Colanzi**  
Councillor

21 August 2014  
Richmond



**Vijaya Vaidyanath**  
Chief Executive Officer

21 August 2014  
Richmond



# Standard Statements

## **Note 1 Basis of preparation for the Standard Statements**

The Annual Financial Report shows the audited actual results for the year.

The following Standard Statements and explanatory notes form a special purpose financial report prepared specifically to meet the requirements of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

The Standard Statements provide information in relation to an aspect of Council's financial management. They should be read in conjunction with one another to obtain an overall understanding of Council's financial position and management.

The Standard Comprehensive Income Statement, Balance Sheet, Cash Flow Statement and Capital Works Statement are consistent with the 2013/14 Budget and are prepared on bases consistent with the Financial Report.

This report is a summary of the information found in the Budget and the Financial Reports and as such cannot be expected to provide as full an understanding of financial performance as the complete report from which it is derived. The Budget and Financial Report together with their detailed notes should be examined for further detailed information.

The Standard Statements are not a substitute for the general purpose financial report presented separately in the Annual Report, as they have not been prepared in accordance with all Australian Accounting Standards or other authoritative professional pronouncements.

The Standard Statements compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government Act 1989* requires explanation of any material variances. Council has adopted a materiality threshold of ten per cent where items are greater than \$250K variation to budget. 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 included in the Standard Statements are those adopted by Council. The budget was based on assumptions that were relevant at the time of adoption. Council sets revenue and expense targets in this budget in order to meet Council's business plan and financial performance targets for both the short and long term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

Detailed information on the actual financial results are contained in the general purpose financial report presented separately in the Annual Report. The detailed budget can be obtained by contacting Council or through Council's web site. The Standard Statements must be read with reference to these documents.



# Standard Income Statement

for the year ended 30 June 2014

	Budget 2013/14 \$'000	Actual 2013/14 \$'000	Variance \$'000	Variance %	Note
<b>Revenues from ordinary activities</b>					
Rates and charges	84,876	84,934	58	0.07	
Parking Revenue	27,276	26,199	(1,077)	(3.95)	1.1
Charges, Fees, Other Fines, and Rent	22,318	27,781	5,463	24.48	1.2
Operating Grants	9,317	9,784	467	5.01	1.3
Capital Grants	2,047	1,701	(346)	(16.90)	1.4
Reimbursements & Contributions	4,483	6,525	2,042	45.55	1.5
Interest on Investments	1,001	373	(628)	(62.74)	1.6
Net gain (loss) on disposal of non current assets	403	28	(375)	(93.08)	1.7
<b>Total revenues</b>	<b>151,721</b>	<b>157,326</b>	<b>5,605</b>		
<b>Expenses from ordinary activities</b>					
Employee Expenses	61,577	66,243	(4,666)	(7.58)	1.8
Contract Payments	18,927	19,134	(207)	(1.09)	
Materials and Services	36,796	37,021	(225)	(0.61)	
Bad and Doubtful Debts	2,025	2,844	(819)	(40.43)	1.9
Depreciation	18,767	18,954	(187)	(1.00)	
Borrowing Costs	819	457	362	44.17	1.10
<b>Total expenses</b>	<b>138,911</b>	<b>144,653</b>	<b>(5,741)</b>		
<b>Net Result before Transfers to Reserves</b>	<b>12,810</b>	<b>12,673</b>	<b>(137)</b>		
Transfers to Reserves	-	(4,028)	(4,028)	100.00	1.11
Transfers from Reserves	-	1,216	1,216	100.00	1.12
<b>Net Result after Transfers to Reserves</b>	<b>12,810</b>	<b>9,861</b>	<b>(2,949)</b>		

The accompanying notes form part of this financial report



# Standard Balance Sheet

for the year ended 30 June 2014

	Budget 2013/14 \$'000	Actual 2013/14 \$'000	Variance \$'000	Variance %	Note
<b>Current Assets</b>					
Cash and Cash Equivalents	25,181	21,719	(3,462)	(13.75)	2.1
Receivables	7,167	11,283	4,116	57.43	2.2
Accrued Income	141	242	101	71.74	2.3
Prepayments	214	194	(20)	(9.53)	
Inventories	142	145	3	2.35	
Non-current Assets Held for Sale	-	651	651	100.00	2.4
<b>Total Current Assets</b>	<b>32,845</b>	<b>34,234</b>	<b>1,389</b>	<b>4.23</b>	
<b>Non-Current Assets</b>					
Investments	204	205	1	0.52	
Receivables	20	20	-	-	
Other Financial Assets	5	-	(5)	(100.00)	
Property, Infrastructure, Plant and Equipment	1,491,994	1,500,301	8,307	0.56	2.5
<b>Total Non-Current Assets</b>	<b>1,492,223</b>	<b>1,500,526</b>	<b>8,303</b>	<b>0.56</b>	
<b>Total Assets</b>	<b>1,525,068</b>	<b>1,534,760</b>	<b>9,692</b>	<b>0.64</b>	
<b>Current Liabilities</b>					
Payables	13,510	14,613	(1,103)	(8.16)	2.6
Trust funds and Fire services levy	996	5,780	(4,784)	(480.28)	2.7
Income in Advance	-	325	(325)	100.00	2.8
Employee benefits	11,115	11,398	(283)	(2.55)	2.9
Interest bearing liabilities	1,127	-	1,127	100.00	2.10
<b>Total Current Liabilities</b>	<b>26,748</b>	<b>32,116</b>	<b>(5,368)</b>		
<b>Non-Current Liabilities</b>					
Employee benefits	881	1,165	(284)	(32.24)	
Interest bearing liabilities	11,300	32,500	(21,200)	(187.61)	2.11
<b>Total Non-Current Liabilities</b>	<b>12,181</b>	<b>33,665</b>	<b>(21,484)</b>		
<b>Total Liabilities</b>	<b>38,929</b>	<b>65,781</b>	<b>(26,852)</b>		
<b>Net Assets</b>	<b>1,486,139</b>	<b>1,468,981</b>	<b>(17,160)</b>		
<b>Equity</b>					
Accumulated Surplus	574,624	564,646	(9,978)	(1.74)	2.12
Asset Revaluation Reserves	896,340	886,998	(9,342)	(1.04)	2.13
Other Reserves	15,175	17,337	2,162	14.24	2.14
<b>Total Equity</b>	<b>1,486,139</b>	<b>1,468,981</b>	<b>(17,158)</b>		

The accompanying notes form part of this financial report.



# Standard Cash Flow Statement

for the year ended 30 June 2014

	Budget 2013/14 \$'000	Actual 2013/14 \$'000	Variance \$'000	Variance %	Note
<b>Cash Flows from Operating Activities</b>					
Receipts from Ratepayers	84,723	85,193	470	0.55	3.1
Parking Revenue	25,028	24,575	(453)	(1.81)	3.2
Interest Received	1,001	373	(628)	(62.74)	3.3
Government Grants Received	11,364	12,064	700	6.16	3.4
User Charges, Fees and Fines Received	22,160	21,782	(378)	(1.70)	3.5
Other Revenue	4,483	10,829	6,346	141.57	3.6
Net GST Refund	-	5,452	5,452	100.00	3.7
Payments to Suppliers	(55,415)	(69,407)	(13,992)	(25.25)	3.8
Payments to Employees	(58,498)	(64,682)	(6,184)	(10.57)	3.9
Borrowing Costs	-	(457)	(457)	(100.00)	3.10
<b>Net Cash Inflow (Outflow) from Operating Activities</b>	<b>34,846</b>	<b>25,723</b>	<b>(9,123)</b>		
<b>Cash Flows from Investing Activities</b>					
Proceeds from Sale of Property, Plant and Equipment	903	660	(243)	(26.92)	3.11
Payments for Infrastructure, Property, Plant and Equipment New Works	(22,632)	(21,010)	1,622	7.17	3.12
	(8,491)	(21,934)	(13,443)	(158.32)	3.13
<b>Net Cash Inflow (Outflow) from Investing Activities</b>	<b>(30,220)</b>	<b>(42,284)</b>	<b>(12,064)</b>		
<b>Cash Flows from Financing Activities</b>					
Proceeds from Borrowings	13,500	32,500	19,000	140.74	3.14
Repayment of Borrowings	(14,886)	(13,137)	1,749	11.75	3.15
<b>Net Cash Inflow (Outflow) from Financing Activities</b>	<b>(1,386)</b>	<b>19,363</b>	<b>20,749</b>		
<b>Net Increase (Decrease) in Cash Held</b>	<b>3,240</b>	<b>2,801</b>	<b>(439)</b>	<b>(13.54)</b>	
Cash at the Beginning of the Year	21,941	18,918	(3,023)	(13.78)	
<b>Cash at the End of the Year</b>	<b>25,181</b>	<b>21,719</b>	<b>(3,462)</b>		

The accompanying notes form part of this financial report.



# Standard Capital Works Statement

for the year ended 30 June 2014

	Budget 2013/14 \$'000	Actual 2013/14 \$'000	Variance \$'000	Variance %	Note
<b>Capital Works Areas</b>					
Roads, Footpaths, Kerb and Channel	9,636	8,240	1,396	14.48	4.1
Drains	995	709	286	28.75	4.2
Transport and Road Safety	1,710	1,186	524	30.61	4.3
Information Systems	1,766	2,073	(307)	(17.38)	4.4
Open Space Improvements	4,987	3,237	1,750	35.09	4.5
Buildings	13,097	26,426	(13,329)	(101.77)	4.6
Plant and Equipment	1,907	1,910	(3)	(0.13)	
Library	420	431	(11)	(2.54)	
<b>Total Capital Works</b>	<b>34,518</b>	<b>44,212</b>	<b>(9,694)</b>		4.7
<b>Types of Capital Works:</b>					
Asset - Renewal	22,944	22,737	(206)	(0.90)	
Asset - Upgrade	3,083	2,268	(815)	(26.44)	
Asset - New	8,491	19,207	10,716	126.20	
<b>Total Capital Works</b>	<b>34,518</b>	<b>44,212</b>	<b>9,694</b>		

*The accompanying notes form part of this financial report.*



# Notes accompanying the Standard Comprehensive Income Statement

for the year ended 30 June 2014

## Material Variance Explanation

Note	Item	Explanation
1.1	Parking Revenue	Parking Revenue unfavourable to budget by \$1.077M (3.95%) mainly due to parking infringements lower than budget due to lower infringement, improved compliance and also heat conditions over summer.
1.2	Charges, Fees, Other Fines and Rent	Charges, Fees, Other Fines and Rent are \$5.464M (24.48%) favourable to budget mainly due to \$5.116M of additional land assets being recognised.
1.3	Operating Grants	Operating Grants favourable to budget by \$0.47M (5.01%) mainly due to additional grant income received for the Collingwood Football Club Foundation Community Centre (\$0.200M) and the Digital Local Government program (\$0.131M) which are both off-set by additional expenditure. Additional funding was also received for Family and Children Services and Aged Services.
1.4	Capital Grants	Capital Grants unfavourable to budget by \$0.346M (16.9%) mainly due to a reduction in CEEP funding (\$0.197M) which is expected to be received in 2014/15. VGC Local Roads funding was less than budgeted due to Council receiving 50% of the 2013/14 payment in June 2013.
1.5	Reimbursements and Contributions	Reimbursements and Contributions favourable compared to budget by \$2.042M (45.55%) mainly due to an increase in resort and recreation fees received from property developers.
1.6	Interest on Investments	Interest Received unfavourable compared to budget by \$0.628M (62.74%) due to Council's low cash balances in the first half of the year and lower interest rates than budgeted.
1.7	Net gain (loss) on disposal of non current assets	Net gain (loss) on disposal of non current assets is \$0.375M (93.08%) unfavourable compared to budget due to delayed vehicle trade-ins which are now expected to occur early 2014/15.
1.8	Employee Expenses	Employee Costs are unfavourable to budget by \$4.666M (7.58%) due to additional agency staff costs, including contract labour, because of backfillings, maternity leave and vacant positions. Some additional agency expenditure is income related. Additional costs were incurred for long service leave provision due to lower discount interest rates and also workcover premium and superannuation cost increases.
1.9	Bad and Doubtful Debts	Bad and Doubtful Debts unfavourable to budget by \$0.819M (40.43%) due to additional parking and general debtor fees not expected to be recovered.
1.10	Borrowing Costs	Borrowing costs were \$0.362M (44.17%) favourable to budget due to interest rate received for the \$13.5M loan borrowings, for the Vision Super defined benefit liability, less than budgeted.
1.11	Transfers to Reserves	Transfers to Reserves was \$4.028M due to development contributions received for the year.
1.12	Transfer from Reserves	Transfers from Reserves was \$1.216M which related to expenditure on Open Space capital works funded by reserve.



# Notes accompanying the Standard Balance Sheet

for the year ended 30 June 2014

## Material Variance Explanation

Note	Item	Explanation
2.1	Cash and cash equivalents	Cash and cash equivalents at year end is \$21,719M which is unfavourable to budget by \$3,462M (13.75%) mainly due to additional legal fees expenditure, additional agency staff costs, some of which is income related, also reduced interest income and lower rate and parking collections from the Infringements Court.
2.2	Receivables	Receivables are \$4,116M (57.43%) higher than budget mainly due to a higher level of parking debtors at year end with collections pending.
2.3	Accrued Income	Accrued income is \$0,101M (71.74%) higher than budget due to additional accruals including lease income at year end. The budget included grant accruals which applied in previous years.
2.4	Non-current Assets Held for Sale	Motor Vehicles held for sale.
2.5	Property, Infrastructure, Plant and Equipment	Property, Infrastructure, Plant and Equipment is \$33,956M (2.28%) higher than budget mainly due to the acquisition of the property at 345 Bridge Road, Richmond and revaluation increments in land assets recognised in June 2014.
2.6	Payables	Payables are \$1,102M (6.16%) higher than budget due to the high volume of invoices and programmed capital works being completed late in the financial year.
2.7	Trust funds and Fire services levy	Trust Funds are \$4,784M (480.28%) higher than budget mainly due to the Fire Services Levy charges raised for the first time in 2013/14.
2.8	Income in Advance	Income in Advance is \$0,325M (100%) higher than the budget due to year end leisure centre advance payments recognised which were not budgeted.
2.9	Employee benefits	Employee benefits are \$0,283M (2.54%) higher than budget. Employee benefits include EBA increases due on 01/07/2014 in leave liability calculations and also long service leave liability which has increased due to a lower level bond investment discount rates which causes additional liability to be recognised.
2.10	Interest bearing liabilities (current)	Interest bearing liabilities (current) are \$1,127M (100%) lower as the budget estimated principal liability reduction during the year for loan borrowings but the actual facility engaged is 'interest only'.
2.11	Interest bearing liabilities (noncurrent)	Interest bearing liabilities (non-current) is \$21,200M (167.61%) higher than budget due to additional borrowings acquired through the Revised Budget process for property acquisition and capital expenditure.
2.12	Accumulated Surplus	Accumulated surplus is \$9,977M (1.74%) unfavourable to budget as the surplus for the year is lower than expected mainly due to capital works program expenditure that could not be capitalised.
2.13	Asset Revaluation Reserves	Asset Revaluation Reserves are \$9,342M (1.04%) unfavourable to budget due to the revaluation decrement experienced in this financial year and recognised after the budget was adopted.
2.14	Other Reserves	Other Reserves consist of Open Space, Parking, Community Projects and the Community Infrastructure Fund. The favourable variance of \$2,162M (14.24%) is mainly due to additional development resort and recreation contributions received for the year which are transferred to reserve.



# Notes accompanying the Standard Cash Flow Statement

for the year ended 30 June 2014

Material Variance Explanation		
Note	Item	Explanation
3.1	Receipts from Ratepayers	Receipts from Ratepayers are \$0.470M (0.55%) favourable to budget mainly due to additional income from supplementary valuations.
3.2	Parking Revenue	Receipts from Parking are \$0.452M (1.81%) unfavourable to budget due to a higher level of parking debtors at year end and collections pending with the infringements Court.
3.3	Interest Received	Interest Received is \$0.628M (62.74%) unfavourable to budget due to lower cash balances held during the early part of the financial year and lower interest rates.
3.4	Government Grants Received	Government Grants favourable compared to budget by \$0.700M (6.16%) due to additional funding received for Family & Children and Childcare grants (\$0.42M) as well as Aged Services (\$0.1M). Also contributing to the favourable variance is unbudgeted Waste Management funding (\$0.35M) which is off-set by additional expenditure and Victoria Park Community Centre funding (\$0.13M) which is to be forwarded onto the Collingwood Football Club Foundation.
3.5	User Charges, Fees and Fines Received	User Charges, Fees and Other Fines unfavourable to budget by \$0.379M (1.70%) due to lower fees and charges received in leisure services.
3.6	Other Revenue	Other Revenue is favourable compared to budget by \$6.346M (141.57%) mainly due to development contributions which are included in this category in the cashflow statement.
3.7	Net GST Refund	Net GST refund is \$5.453M (100%) favourable which represents the net GST refund for the financial year. GST refunds are not a budgeted item.
3.8	Payments to Suppliers	Payments to suppliers are \$13.992M (25.25%) unfavourable to budget mainly due to additional legal fees incurred this financial year, higher utility costs and additional consultant expenditure, some of which, was income related.
3.9	Payments to Employees	Employee Costs are unfavourable to budget by \$6.184M (10.57%) mainly due to additional agency staff requirements, including contract labour, and additional oncosts incurred for the year (LSL and workcover). Some of these costs were income related. Extended leave absences, backfilling and also return to work workcover arrangements have caused additional expenditure in various programs.
3.10	Borrowing Cost	Borrowing costs unfavourable compared to budget by \$0.457M (100%) due to additional interest incurred for further loan borrowings included as part of the revised budget process.
3.11	Proceeds from Sale of Property, Plant and Equipment	Proceeds from Disposal of Assets unfavourable compared to budget by \$0.243M (28.92%) due to a delay in vehicle trade-ins.
3.12	Payments for Infrastructure, Property, Plant and Equipment	Payments for Infrastructure, Property, Plant and Equipment are \$1.621M (7.16%) favourable to budget due to various project deferrals during the year.
3.13	New Works	New Works unfavourable compared to budget by \$13.443M (158.32%) unfavourable to budget mainly due to the acquisition of 345 Bridge Road, Richmond.
3.14	Proceeds from Borrowings	Proceeds from Borrowings is higher compared to budget by \$19.0M (140.74%) as Council revised the budget during the year to borrow additional funds to purchase the Bridge Road, Richmond site, the Connie Benn Centre business and also to fund components of the Energy Performance Contract.
3.15	Repayment of Borrowings	Repayment of Borrowings is lower compared to budget by \$1.749M (11.75%) due to the repayment of the Vision Super defined benefit liability in July 2013 and the interest only loan facility undertaken.



# Notes accompanying the Standard Capital Works Statement

for the year ended 30 June 2014

## Material Variance Explanation

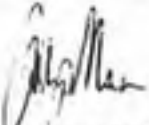
Note	Item	Explanation
4.1	Roads, Footpaths, Kerb and Channel	Roads, Footpaths, Kerb and Channel assets are \$1.396M (14.48%) lower than budget mainly due to project deferrals in the year.
4.2	Drains	Drains assets are \$0.286M (28.75%) lower than budget due to project deferrals during the year.
4.3	Transport and Road Safety	Transport and Road Safety assets are \$0.524M (30.61%) lower than budget due to various project deferrals during the year.
4.4	Information Systems.	Information Systems assets are \$0.307M (17.38%) higher than budget due to additional software development relating to the new finance system project.
4.5	Open Space Improvements	Open Space Improvements are \$1.750M (35.09%) favourable compared to budget mainly due to project deferrals including the Richmond Terrace project and the transfer of certain project expenditure to operating expenditure.
4.6	Buildings	Buildings assets are \$13.329M (101.77%) higher than budget due to the property acquisition at 345 Bridge Road, Richmond and major works such as the Collingwood Town Hall project.
4.7	Total Capital Works	Total Capital program expenditure of \$44.862M represents 129.9% completion of the 2013/14 capital works program budget. This includes the expenditure component of \$0.650M (net) transferred to operating plus capitalised works of \$44.212M.



# Certification of the Standard Statements

for the year ended 30 June 2014

In my opinion, the accompanying standard statements have been prepared on accounting bases consistent with the annual financial report and in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.



**Philip Mason FCPA**  
Principal Accounting Officer

21 August 2014  
Richmond

In our opinion, the accompanying standard statements have been prepared on accounting bases consistent with the annual financial report and in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

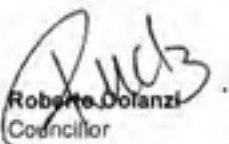
As at the date of signing, we are not aware of any circumstances which would render any particulars in the standard statements to be misleading or inaccurate.

We were authorised by the Council on 19 August 2014 to certify the standard statements in their final form.



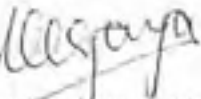
**Jackie Fristacky**  
Mayor

21 August 2014  
Richmond



**Roberto Dolanzi**  
Councillor

21 August 2014  
Richmond



**Vijaya Vaidyanath**  
Chief Executive Officer

21 August 2014  
Richmond



# Auditor-General's Report

on the Financial Report and Standard Statements

## VAGO

Victorian Auditor-General's Office

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### INDEPENDENT AUDITOR'S REPORT

To the Councillors, Yarra City Council

#### *The Financial Report and Standard Statements*

The accompanying financial report for the year ended 30 June 2014 of the Yarra City Council which comprises the comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial report has been audited.

The accompanying standard statements for the year ended 30 June 2014 of Yarra City Council which comprises the standard income statement, standard balance sheet, standard cash flow statement, standard statement of capital works, the related notes and the certification of standard statements have been audited.

#### *The Councillors' Responsibility for the Financial Report and Standard Statements*

The Councillors of the Yarra City Council are responsible for the preparation and the fair presentation of:

- the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*
- the standard statements in accordance with the basis of preparation as described in Note 1 to the statements and the requirements of the *Local Government Act 1989*.

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

#### *Auditor's Responsibility*

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the financial report and standard statements based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report and standard statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report and standard statements. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report and standard statements, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report and standard statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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



# Auditor-General's Report

on the Financial Report and Standard Statements (continued)

## Independent Auditor's Report (continued)

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

### Independence

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

### Opinion

In my opinion:

- (a) the financial report presents fairly, in all material respects, the financial position of the Yarra City Council as at 30 June 2014 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*
- (b) the standard statements present fairly, in all material respects, in accordance with the basis of preparation as described in Note 1 to the statements and the requirements of the *Local Government Act 1989*.

### Basis of Accounting for Standard Statements

Without modifying my opinion, I draw attention to Note 1 to the standard statements, which describes the basis of accounting. The standard statements are prepared to meet the requirements of the *Local Government Act 1989*. As a result, the standard statements may not be suitable for another purpose.

### Matters Relating to the Electronic Publication of the Audited Financial Report and Standard Statements

This auditor's report relates to the financial report and standard statements of the Yarra City Council for the year ended 30 June 2014 included both in the Yarra City Council's annual report and on the website. The Councillors of the Yarra City Council are responsible for the integrity of the Yarra City Council's website. I have not been engaged to report on the integrity of the Yarra City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report and standard statements are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report and standard statements to confirm the information contained in the website version of the financial report and standard statements.

MELBOURNE  
22 August 2014

  
Dr Peter Frost  
Acting Auditor-General

2  
*Auditing in the Public Interest*



# Performance Statement

for the year ended 30 June 2014

Strategic Activity	Performance Measure	Performance Target	Status	Comments
<b>Celebrating Yarra's uniqueness</b>				
<b>Economic Development Strategy</b> Complete new Economic Development Strategy	Strategy completed and presented to Council for endorsement	June 2014	Incomplete	An Economic Development Strategy Framework has been drafted and will be presented to Council for endorsement for public exhibition in July.
<b>Tourism Strategy</b> Complete new Tourism Strategy	Strategy completed and presented to Council for endorsement	June 2014	Incomplete	The existing Tourism Strategy has been reviewed in conjunction with the Economic Development Strategy with the intention of integrating both strategies into a single strategy.  The Economic Development Strategy is due to be presented to Council for endorsement for public exhibition in July.
<b>Heritage Advisory Committee</b> Resource and facilitate the effective operation of Council's Heritage Advisory Committee	Four Heritage Advisory Committee meetings held during the first year of operation	June 2014	Complete	A total of four Heritage Advisory Committee meetings were held during the year on 21 August, 28 October, 11 December and 4 June.  <b>Reference:</b> <i>Annual Plan Quarterly Progress Report – September 2013, p 6,</i> <i>Council Report, Agenda 12 November 2013, pp 42-44 Minutes p 21</i> <i>Annual Plan Quarterly Progress Report – December 2013, page 6 and</i> <i>Council Report, Agenda 18 February 2014, pp 27-29 Minutes p 18</i> <i>Annual Plan Quarterly Progress Report – June 2014 will be presented to Council in August 2014</i>
	Annual progress report on the Heritage Advisory Committee provided to Council	June 2014	Incomplete	The Heritage Advisory Committee's annual review has occurred and will be reported to Council in July.  <b>Reference:</b> <i>Annual Plan Quarterly Progress Report – June 2014 will be presented to Council in August 2014</i>



Strategic Activity	Performance Measure	Performance Target	Status	Comments
<b>Reconciliation Action Plan</b> Develop and implement an organisation wide cultural awareness strategy under the Reconciliation Action Plan	Training method and provider identified	December 2013	Complete	Based on a successful trial, Deakin University was engaged to design and deliver the Cultural Awareness training program.
	Training delivered to key leadership and service personnel across the organisation	June 2014	Complete	Cultural Awareness training has been provided to Councils leadership team (SMT+) over a number of sessions in June 2014. <b>Reference:</b> <i>Annual Plan Quarterly Progress Report – June 2014 will be presented to Council in August 2014</i>
<b>Supporting Yarra's community</b>				
<b>North Fitzroy Community Hub</b> Progress development of North Fitzroy Community Hub	Complete Design	December 2013	Complete	Schematic Design for the North Fitzroy Community Hub was completed and adopted by Council in December 2013. Planning permit application lodged in January 2014. <b>Reference:</b> <i>Council Minute - NFZ Community Hub - Schematic Design - 17 December 2014</i>
	Commence preliminary construction works	June 2014	Incomplete	Works are anticipated to commence in December 2014 or January 2015. Prequalification of builders is underway through Expression of Interest process. <b>Reference:</b> <i>Annual Plan Quarterly Progress Report – June 2014 will be presented to Council in August 2014</i>
<b>Yarra's Health Plan</b> Renew Yarra's Health Plan	Plan renewed and presented to Council for endorsement	December 2013	Complete	The Municipal Health and Wellbeing Plan for 2013-2017 (the Health Plan) was endorsed by Council at its meeting on October 22 2013. <b>Reference:</b> <i>Council Report 22 October 2013 Agenda pp17-21 Minutes p13</i>



Strategic Activity	Performance Measure	Performance Target	Status	Comments
<p><b>Building Asset Management Plan</b> Complete Yarra's Building Asset Management Plan (BAMP)</p>	<p>Plan completed and presented to Council for endorsement</p>	<p>December 2013</p>	<p>Complete</p>	<p>The Buildings Asset Management Plan was adopted by Council at its meeting on 8 October 2013. <b>Reference:</b> Council Report 8 October 2013 Agenda pp40-49 Minutes p18</p>
<p><b>Making Yarra more liveable</b></p>				
<p><b>Public Transport Advocacy</b> Advocate for Melbourne Metro and Doncaster Rail project, and other public transport improvements, as a priority for Federal and State funding</p>	<p>Make submissions to the State and Federal Governments for greater public transport funding</p>	<p>December 2013</p>	<p>Complete</p>	<p>Officers have continued to advocate for tram project improvements along Nicholson Street and Brunswick Street specifically. Officers have met with VicRoads to provide feedback on proposed VR concepts for project along Hoddle Street to further improve DART bus services, to augment Victoria Parade bus lane project. <b>Reference:</b> Annual Plan Quarterly Progress Report – June 2014 will be presented to Council in August 2014 Letter written to Department of Transport, Planning and Local Infrastructure and Infrastructure Australia advocating for Melbourne Metro project in 2014-15 budgets in January 2014. <b>Reference:</b> Annual Plan Quarterly Progress Report – March 2014, page 32 Council Report, Agenda 6 May 2014, pp 11-13 Minutes p 16 <b>Reference:</b> Council Report Agenda 4 February 2014, item 11.12 submission</p>



Strategic Activity	Performance Measure	Performance Target	Status	Comments
<p><b>Parking Strategy</b></p> <p>Update Yarra's Parking Strategy to provide clear guidance to the community on Council's Policy for managing the supply and demand of parking within the municipality</p>	Draft Strategy developed	September 2013	Complete	<p>Draft Parking Management Strategy developed and endorsed by Council at the November 2013 meeting.</p> <p><b>Reference:</b></p> <p>Council Report Agenda 12 November 2013 pp 28-30 Minutes pp 16-18</p>
	Community consultation complete	March 2014	Complete	<p>In November 2013, Council noted that the elements of the Parking Management Strategy 2013-15 Action Plan that would be subject to community consultation were identified in the strategy and would be subject to distinct consultation processes and subsequent Council reports.</p> <p>The first such public consultation process was conducted in relation to the revised Parking Permit Scheme and concluded in March 2014.</p> <p>Subsequent community consultation processes will be undertaken in the future on specific elements of the Action Plan, as they are developed.</p> <p><b>Reference:</b></p> <p>Council Report Agenda 12 November 2013 pp 28-30 Minutes pp 16-18</p>
	Final updated Parking Strategy presented to Council for endorsement	June 2014	Complete	<p>Council endorsed the Parking Management Strategy at the November 2013 Council meeting.</p> <p><b>Reference:</b></p> <p>Council Report Agenda 12 November 2013 pp 28-30 Minutes pp 16-18</p>
<p><b>Victoria Street Gateway</b></p> <p>Complete the Victoria Street Gateway project</p>	Project completed	March 2014	Complete	<p>The Victoria Street gateway was formally completed on 6 March when the project was handed over to Council by the contractors. The launch of the gateway was held on 14 March 2014.</p> <p><b>Reference:</b></p> <p>Annual Plan Quarterly Progress Report – March 2014, page 30</p> <p>Council Report, Agenda 6 May 2014, pp 11-13 Minutes p 16</p>
<p><b>Bicycle Advocacy</b></p> <p>Lobby for the extension of the Melbourne</p>	Make submissions to the City of Melbourne and State government	December 2013	Complete	<p>A letter to the City of Melbourne and the State Government (Bicycle Share Scheme) was sent in</p>



Strategic Activity	Performance Measure	Performance Target	Status	Comments
bike share scheme into Yarra and other inner-city areas	for extensions of the scheme			November 2013. <b>Reference:</b> <i>Annual Plan Quarterly Progress Report – December 2013, page 31</i> <i>Council Report, Agenda 18 February 2014, pp 27-29 Minutes p 18</i>
<b>Planning Scheme Review</b> Review the Yarra Planning Scheme including the existing Municipal Strategic Statement (MSS) and Local Policy.	Yarra Planning Scheme and existing MSS reviewed	June 2014	Incomplete	Draft review report completed and will be considered by executive and Council in August/September.
<b>Ensuring a sustainable Yarra</b>				
<b>Waste Management Strategy</b> Develop and implement new Waste Management Strategy 2014-20	Strategy completed and presented to Council for endorsement	June 2014	Incomplete	Draft Yarra Waste Strategy 2014-18 presented to Councilor Briefing 23 June and due to be presented to 6 August Council Meeting.
<b>Renew Yarra's Environment Strategy</b> Renew the Yarra Environment Strategy	Strategy renewed and presented to Council for endorsement	June 2014	Complete	The Environment Strategy was presented to Council and adopted in December 2013. <b>Reference:</b> <i>Council Report, Agenda 3 December 2013, pp 18-23 Minutes p 18</i>
<b>Reduce Yarra's Energy Use</b> Progress Energy Performance Contracts (EPCs) as a means of targeted reduction in energy usage	Report on EPC implementation presented to Council for endorsement	December 2013	Complete	Report on EPC implementation presented to Council in November and EPC adopted 3 December 2013.



Strategic Activity	Performance Measure	Performance Target	Status	Comments
<b>Leading local government</b>				
<b>Process Improvement and Innovation Framework</b> Develop and implement a process improvement and innovation framework to drive continuous improvement across all areas of Council	Framework developed	June 2014	Incomplete	Presentation of the Draft Process Improvement Framework to Executive and Council Briefing seeking endorsement of the framework is scheduled for 4 August 2014.
<b>Strategic Advocacy Framework</b> Develop a strategic advocacy framework	Framework developed	December 2013	Complete	The Strategic Advocacy Framework and associated Year One actions were presented to and adopted by Council on 3 December 2013.
<b>Organisational Development Strategic</b> Develop an Organisational Development Strategy, including Diversity (Gender Equity & Disability Action Plan)	Strategy completed	December 2013	Complete	Organisational Development Strategy (One Yarra) and Action Plan completed. <b>Reference:</b> <i>Executive Meeting minutes, 14 August 2013</i>
<b>Capital works program</b> Complete the capital works program to ensure assets are provided and maintained at an appropriate level.	Complete capital works projects during the year.	≥ 85% capital works budget	Complete	Council's total capital expenditure (\$44.862M) was 129.9% of the adopted budget (\$34.518M) due to additional projects being undertaken during the financial year.



# Certification of the Performance Statement

In our opinion, the accompanying performance statement of Yarra City Council in respect of the 2013-14 financial year is presented fairly in accordance with the Local Government Act 1989.

The statement outlines the performance targets and measures set out in relation to the achievements in Council's Business Plan and Council's 2013-14 Budget and describes the extent to which the business plan was met in that year having regard to those targets and measures.

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

On 19 August 2014, we were authorised by the Council to certify the performance statement and its accompanying notes in their final form on behalf of the Council.



**Jackie Fristacky**  
Mayor

21 August 2014  
Richmond



**Roberto Colanzi**  
Councillor

21 August 2014  
Richmond



# Auditor-General's Report

on the Performance Statement

## VAGO

Victorian Auditor-General's Office

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## INDEPENDENT AUDITOR'S REPORT

To the Councillors, Yarra City Council

### *The Performance Statement*

The accompanying performance statement for the year ended 30 June 2014 of the Yarra City Council which comprises the statement and the certification of the performance statement has been audited.

### *The Councillors' Responsibility for the Performance Statement*

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

### *Auditor's Responsibility*

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

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

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



### *Independence*

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

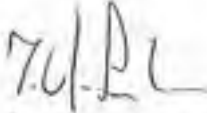
### *Auditor's Opinion*

In my opinion, the performance statement of the Yarra City Council in respect of the 30 June 2014 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

### *Matters Relating to the Electronic Publication of the Audited Performance Statement*

This auditor's report relates to the performance statement of the Yarra City Council for the year ended 30 June 2014 included both in the Yarra City Council's annual report and on the website. The Councillors of the Yarra City Council are responsible for the integrity of the Yarra City Council's website. I have not been engaged to report on the integrity of the Yarra City Council's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from this statement. If users of the performance statement are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited performance statement to confirm the information contained in the website version of the performance statement.

MELBOURNE  
22 August 2014

  
Dr Peter Frost  
Acting Auditor-General



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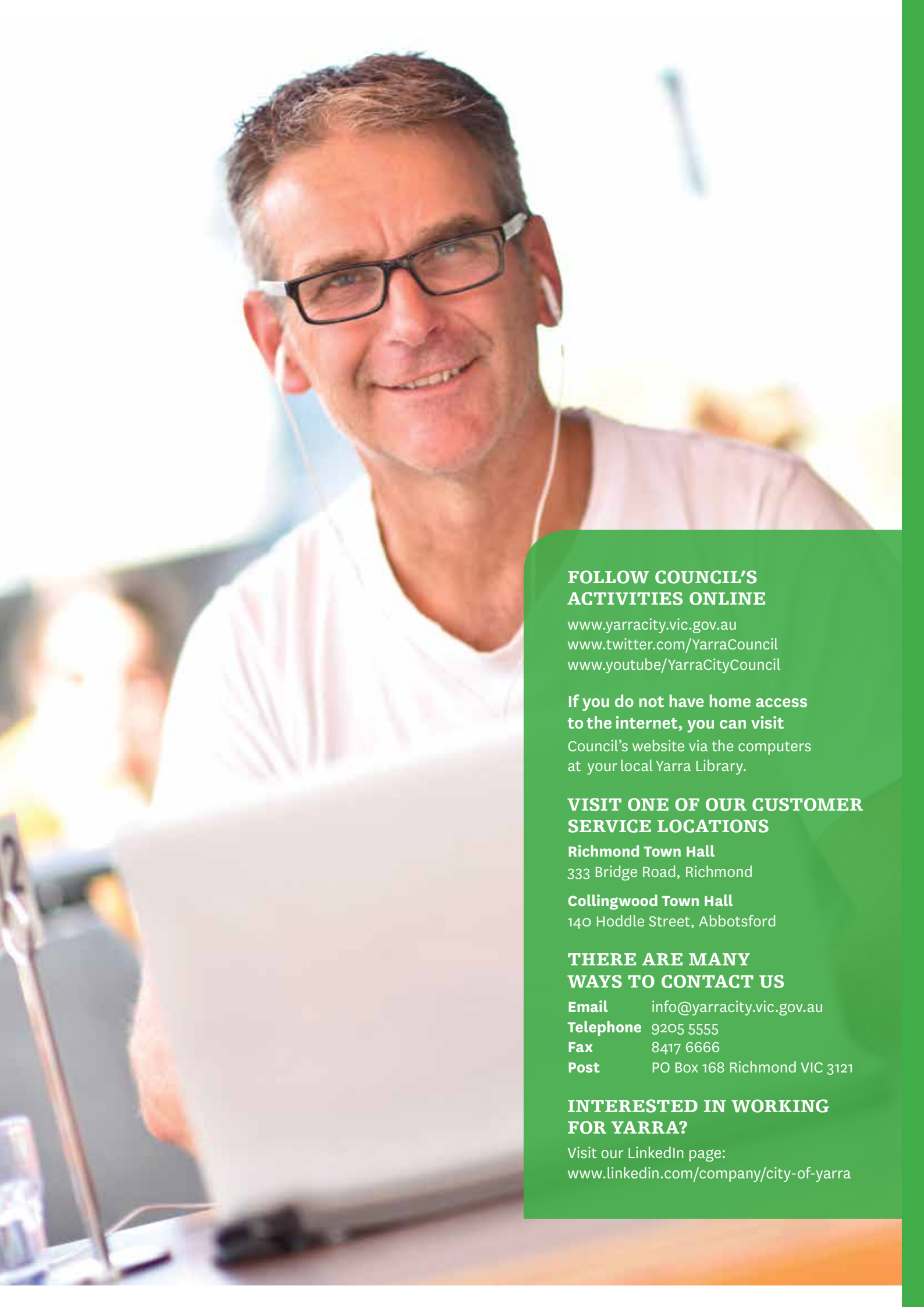
# Glossary

The following table defines some of the key terms used in the Annual Report.

Refer to page 140 for a glossary about terms specifically related to the Detailed Financial Report section of this document.

Term	Definition
2013-14	A reference to the financial year beginning 1 July 2013 and ending 30 June 2014.
Annual Plan	A strategic document outlining the actions Council will undertake to implement its Council Plan during a specific financial year.
Annual Plan Action	A specific Annual Plan activity designed to facilitate the achievement of a Council Plan Strategic Objective.
Annual Report	A transparent account of Council's activities and performance during a financial year.
Budget	Council's planned allocation of monetary resources for a specified financial year.
Council Plan	A major strategic document outlining Council's aims and initiatives for a four-year period.
Council Plan Initiative	A specific Council Plan activity designed to facilitate the achievement of a Strategic Objective.
Freedom of Information request	A request for Council to provide access to documents pursuant to the Freedom of Information Act 1982.
Local Area Traffic Management Study	Targeted research and consultation designed to inform safety and traffic flow improvements in residential streets.
Master Plan	A high level document outlining Council's plans for a key location within the municipality.
Planning Scheme	Planning rules created by Council and endorsed by the state government to guide land use and development.
Strategic Indicator	A target established in the Council Plan that is used to measure progress towards a Strategic Objective.
Strategic Objective	A high level outcome contained in the Council Plan.
Victorian Civil and Administrative Tribunal (VCAT)	A body established by the state government to determine the outcome of disputes (e.g. planning appeals).





### **FOLLOW COUNCIL'S ACTIVITIES ONLINE**

[www.yarracity.vic.gov.au](http://www.yarracity.vic.gov.au)  
[www.twitter.com/YarraCouncil](https://www.twitter.com/YarraCouncil)  
[www.youtube.com/YarraCityCouncil](https://www.youtube.com/YarraCityCouncil)

**If you do not have home access  
to the internet, you can visit**

Council's website via the computers  
at your local Yarra Library.

### **VISIT ONE OF OUR CUSTOMER SERVICE LOCATIONS**

**Richmond Town Hall**  
333 Bridge Road, Richmond

**Collingwood Town Hall**  
140 Hoddle Street, Abbotsford

### **THERE ARE MANY WAYS TO CONTACT US**

**Email** info@yarracity.vic.gov.au  
**Telephone** 9205 5555  
**Fax** 8417 6666  
**Post** PO Box 168 Richmond VIC 3121

### **INTERESTED IN WORKING FOR YARRA?**

Visit our LinkedIn page:  
[www.linkedin.com/company/city-of-yarra](https://www.linkedin.com/company/city-of-yarra)



**FOR INFORMATION IN YOUR LANGUAGE ABOUT  
THIS DOCUMENT OR ABOUT COUNCIL, PLEASE CALL  
9280 1940 AND QUOTE THE REF NUMBER BELOW.**

**ARABIC**

للمعلومات باللغة العربية، حول هذا المستند أو عن المجلس البلدي، نرجو الإتصال هاتفيا على الرقم 9280 1930 وأذكر رقم المرجع REF المذكور أدناه.

**SIMPLIFIED CHINESE**

欲知有关本文档或议会的普通话版本信息，请致电9280 1937并报上下列REF号码。

**TRADITIONAL CHINESE**

欲知有關本文檔或議會的粵語版本資訊，請致電9280 1932並報上下列REF號碼。

**GREEK**

ΓΙΑ ΠΛΗΡΟΦΟΡΙΕΣ ΣΤΑ ΕΛΛΗΝΙΚΑ ΣΧΕΤΙΚΕΣ ΜΕ ΑΥΤΟ ΤΟ ΈΓΓΡΑΦΟ Ή ΤΗ ΔΗΜΑΡΧΙΑ, ΠΑΡΑΚΑΛΟΥΜΕ ΚΑΛΉΣΤΕ ΤΟ 9280 1934 ΚΑΙ ΑΝΑΦΈΡΕΤΕ ΤΟΝ ΑΡΙΘΜΌ REF ΠΑΡΑΚΆΤΩ.

**ITALIAN**

PER AVERE INFORMAZIONI IN ITALIANO SU QUESTO DOCUMENTO O SUL COMUNE, SI PREGA CHIAMARE IL NUMERO 9280 1931 E CITARE IL NUMERO DI RIFERIMENTO (REF NUMBER) SOTTOINDICATO.

**SPANISH**

PARA INFORMACIÓN EN CASTELLANO SOBRE ESTE DOCUMENTO O SOBRE EL AYUNTAMIENTO, LLAME AL 9280 1935 Y CITE EL NÚMERO DE REF DE MÁS ADELANTE.

**VIETNAMESE**

ĐỂ BIẾT THÔNG TIN BẰNG TIẾNG VIỆT VỀ TÀI LIỆU NÀY HAY VỀ HỘI ĐỒNG, XIN HÃY GỌI SỐ 9280 1939 VÀ NẾU SỐ REF DƯỚI ĐÂY.

**SUDANESE ARABIC**

لو انت داير معلومات بلغة بتاعتك عن مستند ده أو عن المجلس، اتصل برقم تلفون ده 9280 1940 واديهم رقم REF تحت ده.

**REF 14112**