

Listening to the community

Annual Report

2015/16



Welcome



Acknowledgement

Yarra City Council acknowledges the Wurundjeri as the Traditional Owners of this country, pays tribute to all Aboriginal and Torres Strait Islander people in Yarra and gives respect to Elders past and present.

Introduction and theme

Welcome to Yarra City Council's Annual Report for 2015/16.

Located in the inner north of Melbourne, the City of Yarra is home to a growing and engaged community. Yarra City Council aims to reflect the values of our community, drawing strength from its diversity and respecting the contributions of many voices and cultures.

The theme of this year's Annual Report is listening and responding to our community. Over the past year, many Council projects and services have benefited from the energy, enthusiasm, expertise and local knowledge of Yarra's highly educated and creative community.

Community consultation and engagement is helping Council support and enhance Yarra's thriving arts and live music scene, world-famous shopping and dining strips, growing network of parks and gardens, and state-of-the-art libraries and recreational facilities.

Many of the achievements discussed throughout this Annual Report are the direct result of listening and responding to the community. Some of the highlights of this approach are summarised on page 12.

In partnership with the community, Council will continue to enhance the liveability of the city and preserve the many heritage qualities that make it unique.

About this Annual Report

This year's Annual Report discusses Council's achievements and challenges during the 2015/16 financial year.

It provides important information on Council's finances and governance, along with a detailed account of Council's progress towards the objectives outlined in its Council Plan 2013-17.

Yarra is required, like all Victorian councils, to prepare its Annual Report in accordance with the *Local Government Act 1989*, and to submit it to the Minister for Local Government by 30 September 2016.

Your feedback

We would like to know what you think of this year's Annual Report and to provide us with feedback on what you would like to see in future years.

Let us know by calling **9205 5555** or emailing **info@yarracity.vic.gov.au**

How to obtain a copy

Printed copies of the Annual Report are available from Council's Customer Service Centres at Richmond and Collingwood town halls, the Connie Benn Family and Children's Centre, and Yarra's libraries at Richmond, Collingwood, Carlton, Fitzroy and North Fitzroy.

Visit yarracity.vic.gov.au to download a soft copy.

Large print

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

Translations

FOR INFORMATION IN YOUR LANGUAGE ABOUT THIS DOCUMENT OR ABOUT COUNCIL, PLEASE CALL 9280 1940 AND QUOTE THE REF NUMBER BELOW.

ARABIC

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SIMPLIFIED CHINESE

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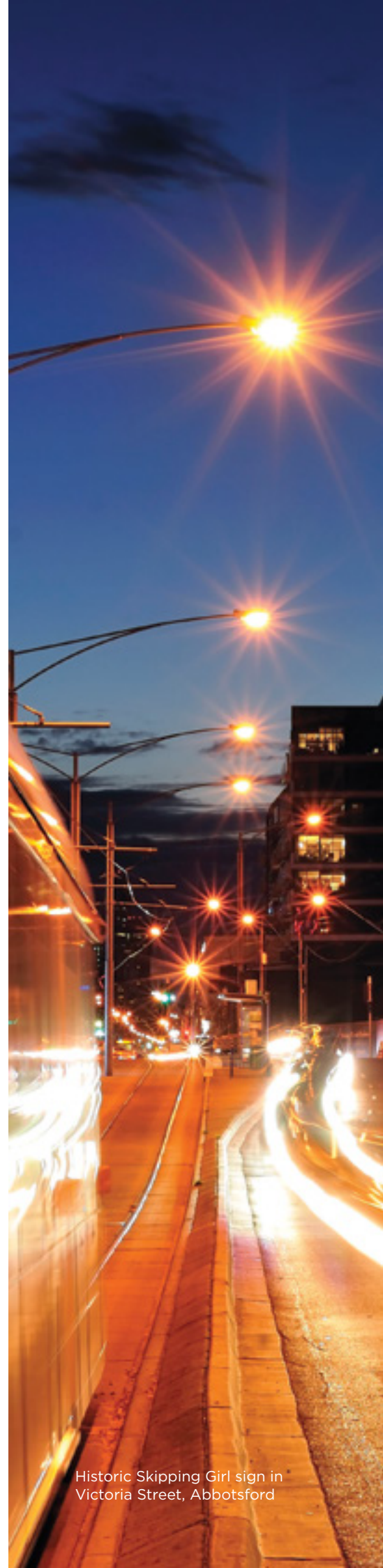
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Historic Skipping Girl sign in Victoria Street, Abbotsford





Performance Highlights



Council measures its performance against the five Strategic Objectives outlined in its Council Plan 2013-17.

The following table highlights some of the major achievements and challenges associated with each during 2015/16. Of the 48 activities Council aimed to implement during 2015/16, 44 were considered to be complete or on track by the end of the year, for an overall achievement rate of 92%. Council has now recorded three consecutive year-on-year improvements against this key benchmark.

Refer to page 90 for a more detailed breakdown of Council's performance.

STRATEGIC OBJECTIVE

01

Celebrating Yarra's Uniqueness

MAJOR ACHIEVEMENTS

- › Heritage gap assessments completed and draft planning scheme amendments prepared to protect many of Yarra's heritage buildings.
- › Studio 1 Community Hub at the former GTV9 site in Richmond completed and opened.
- › Teachers' resource about Aboriginal culture launched as part of Council's Aboriginal Partnerships Plan 2015-18.
- › Multicultural Advisory Group established and inaugural meeting held.
- › Community Engagement Policy launched with a strong focus on CALD communities and people with a disability.
- › Interim planning controls for the Yarra River Corridor introduced by the State Government (with a permanent amendment to come) following Council advocacy.

02

Supporting Yarra's Community

- › Construction commenced on the Bargoonga Nganjin, North Fitzroy Library (incorporating a Maternal and Child Health Centre).
- › NDIS transitioning work completed to assist eligible Yarra residents to transfer to the new scheme.
- › Mothers Matter Too program developed with St Vincent's Mental Health to support women experiencing perinatal or postnatal depression or anxiety.
- › Events and Festivals Disability Guide launched to help make public events more accessible for people with a disability.
- › Redevelopment of the Yarra Community Youth Centre in Napier Street, Fitzroy commenced.
- › Advocated for the State Government to include a major indoor sports facility at the former gasworks site in Fitzroy.

CHALLENGES

- › Feasibility report on the redevelopment of buildings in the Collingwood Town Hall precinct delayed in order to investigate potential private partnerships.
- › Community Infrastructure Plan postponed to direct internal resources to the Alphington Paper Mill redevelopment.
- › Aged and Disability Services review delayed in order to facilitate the transition of Yarra's disability clients to the new NDIS.

LOOKING AHEAD TO 2016-17

- › Roving projection art program to be developed for Yarra.
- › Internal network of engagement experts to provide advice and support on major consultations.
- › Completion of Bargoonga Nganjin, North Fitzroy Library.
- › Communities that Care project to improve local healthy development of children and young people.



03

Making Yarra More Liveable

- › Trial park established and community consultation carried out on the potential for a new park in Mollison Street (at the corner of Charles Street), Abbotsford.
- › Joint Use Agreement developed with Yarra Primary School to enable its grounds to be used as a public park outside school hours.
- › Five Disability Discrimination Act (DDA) compliant parking bays installed across Yarra.
- › Liveable Yarra deliberative engagement process saw 60 community members provide feedback on potential improvements to the Yarra Planning Scheme.
- › Endorsed a Revised Development Plan for the former Alphington Paper Mill site following extensive community consultation and negotiations with the developer.

04

Ensuring a Sustainable Yarra

- › Yarra awarded Sustainable City of the Year in the Keep Victoria Beautiful Awards.
- › Latest Food Know How campaign launched, with 1,100 residents joining the program to reduce household food waste.
- › Five Resource Recovery Hubs installed across Yarra to collect unwanted items for recycling (with 50 tonnes of goods received).
- › Recycling in Shopping Strips campaign (involving 1,104 businesses) diverted 1,107 tonnes of material away from landfill.
- › Biodiversity Health Survey completed under the Urban Wildlife Management Plan.
- › Advocated for sustainability improvements as part of the State Government's Chandler Highway bridge project.

05

Leading Local Government

- › Funding of \$1.8 million secured (primarily from other tiers of government) for roads, open space, waste minimisation and more.
- › Emergency management exercise hosted for the North West Region to test and improve collaboration between councils, emergency services and other agencies.
- › Long-term Financial Strategy approved by Council.
- › Self-loan stations installed across all five Yarra Libraries branches.
- › Project Management Office established to monitor delivery of large or complex initiatives.

- › Shared pathway connection on the Merri Creek Trail at Coulson Reserve postponed to 2016/17 due to unforeseen soil conditions.
- › Council's application to VicRoads for a signalised entry to the Abbotsford Convent car park from Johnston Street was unsuccessful.

- › Urban Forest Strategy update postponed to early 2017 in order to create efficiencies by partnering with another project.
- › Verification of improvements under the Energy Performance Contract pushed to 2016-17 due to delays in data acquisition.

- › Managing competing priorities as Council prepared for the first year of rate capping in 2016/17.

- › Yarra Planning Scheme to be updated.
- › Council to consider further land acquisition for open space development.

- › Adaptive Assets Program to support Council's renewable energy and carbon reduction goals.
- › Urban Wildlife Management Plan to be reviewed.

- › Development of Council Plan 2017-21.
- › Leisure Centre upgrades to ensure key assets are compliant with the Disability Discrimination Act 1992.



About Yarra



Yarra's natural beauty, heritage qualities, cultural attractions and community facilities have made it one of the most sought-after areas to live, work, study and visit.

An abundance of sustainable transport options (including trains, trams and shared pathways) provide easy access to Melbourne's central business district, as well as to the many parks and gardens throughout Yarra.

Residents and visitors have access to world-class Council facilities, including five libraries and three leisure centres, as well as a range of kindergartens, childcare centres, and community meeting spaces,

including the recently completed Studio 1 Community Hub in Richmond. Other attractions include Yarra's world-famous shopping and dining strips, and some of Victoria's most celebrated cultural festivals.

Yarra continues to attract strong interest from developers and prospective residents. Council does not always have the power to determine the precise nature and scale of development, but it is working hard to preserve the unique character of Yarra while capitalising on the opportunities presented by growth.

Fast facts

01

22% of Yarra's 20 square kilometres are classified as parkland.

02

Council-supported festivals and events attracted a record 170,000 to venues throughout the city during 2015/16.

03

Council received more than 1,600 planning applications during 2015/16.







About Yarra



Yarra's people

A positive and inclusive spirit defines the Yarra community.

Over the past 70 years, Yarra has welcomed large numbers of immigrants, refugees and asylum seekers from Europe, Asia and (more recently) Africa. Today about 19% of Yarra residents were born in non-English speaking countries and 23% speak a language other than English at home. Each group of new arrivals has diversified and strengthened the culture and economy of Yarra.

Overall Yarra is evolving into a more educated and affluent community, with 45% of residents holding tertiary qualifications (compared to the Greater Melbourne average of 24%) and 58% working in management or the professions (compared to the Greater Melbourne average of 37%).

Around 11% of Yarra's population resides in public housing estates. Therefore provision of social services remains a very high priority for Council, with many residents facing social and economic disadvantage. The people of Yarra are also more than willing to lend a helping hand, with 20% undertaking some form of voluntary work compared to the Greater Melbourne average of 15.8%.

The majority of Yarra's households consist of singles, couples without children and groups. While the median age is comparatively low (33 compared to the Greater

Melbourne figure of 36), only 23% of households include children (compared to the Greater Melbourne average of 44%).

Yarra is an active community and its people are committed to healthy and sustainable modes of transport. About 46% of residents walk, cycle or catch public transport to work (compared to the Greater Melbourne average of 18%).

Fast facts

01

Yarra's current population of 89,151 is expected to grow by about 31% over the next 30 years.

02

The median weekly household income in Yarra is \$1,680 (26% above the Greater Melbourne figure).

03

It is estimated that about 12 in every 1,000 people in Yarra are homeless (about four times higher than the state average).

04

Major language groups include Vietnamese (spoken by 4.5% of Yarra's population), Greek (3.5%), Italian (2.3%), Cantonese (1.6%) and Mandarin (1.6%).



The local economy

Yarra is one of the inner city's major business and employment hubs.

An estimated 66,792 people work in Yarra, with the leading employment fields being health care and social assistance (18% of total jobs); professional, scientific and technical services (14%); and retail trade (12%). The once dominant manufacturing sector is still responsible for about 6% of local employment.

There are about 14,076 registered businesses in Yarra, with most employing one to four people. Some of Yarra's larger employers, including the Australian Catholic

University, Epworth Hospital and St Vincent's Hospital are in the midst of updating and expanding their local operations.

Yarra's creative sector, which includes everything from architecture to performing arts, has been identified as an important emerging industry. Council welcomed the State Government's recent decision to invest \$11 million in the creation of a new contemporary arts precinct in Collingwood. Already famous for its network of galleries and performance spaces, Yarra is fast becoming the destination of choice for art lovers and creative practitioners.

A brief history

The Wurundjeri people are the cultural custodians of the land now known as the City of Yarra.

They cared for the land for many thousands of years before being displaced by European settlers from the 1830s. Council acknowledges the profound impacts of these changes and today celebrates the rich and enduring culture of Yarra's Traditional Owners.

Colonial settlement intensified with the gold rush of the 1850s and Yarra soon became one of the major population centres of the Victorian era. Business and industry boomed over the next century, with Australian icons such as Heinz, Rosella and Fosters operating in the area. In the latter half of the 20th century, people from Greece, Italy and Vietnam arrived and made major contributions to Yarra's culture and economy.

Fast facts

- 01** The Yarra economy is growing, with gross regional product reaching \$9.5 billion in 2015 (up 2.9% since 2014).
- 02** Local unemployment has declined from a high of 7.9% in March 2014 to 6.3% in March 2016.
- 03** Development interest in Yarra remains high with more than 1,600 planning applications received during 2015/16.

The City of Yarra was established in June 1994 following the Victorian Government's restructure of Local Government. It unites 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. These neighbourhoods retain their own unique heritage and character.



Listening to the community



Informing community members and listening to their ideas and perspectives is the foundation of sound decision-making.

Council believes in engaging people who will be affected by a decision, not only to understand their specific circumstances, but also to benefit from their local knowledge and expertise. This leads to balanced decisions that carefully consider competing priorities in order to deliver positive outcomes for the community as a whole. Regular and meaningful engagement also strengthens the relationships between Council and the community it serves.

Many ways to have your say

Community engagement has informed and enhanced more than 30 Council projects over the past 12 months.

A range of engagement opportunities ensure that community members in a variety of circumstances have the opportunity to participate. This year we have broadened our reach, using face-to-face techniques like deliberative forums, on-site listening posts, and intercept surveying, as well as online resources like discussion forums, surveys and brainstorming tools. Council also continued to support more traditional feedback channels (such as telephone calls, written correspondence and over-the-counter interaction) for community members who prefer these methods. Go to page 14 for some of the highlights from this year's engagement program.

Understanding different perspectives

More than 250 members of the Yarra community participated in Council's standing consultative committees, including (but not limited to) the Aboriginal Advisory Committee, Youth Advisory Committee and Disability Advisory Committee.

These bodies met regularly throughout 2015/16 and provided Council with targeted insights on a range of projects and services. For a full listing of Council's consultative committees, refer to page 72.

Council also included translation advice on a range of consultation materials and reached out directly to involve people from culturally and linguistically diverse backgrounds in key engagement projects. For more on Council's connection with diverse communities, refer to page 40.

Improving our capacity to engage

Developing new and more meaningful engagement programs is an essential part of Council's continuous improvement journey.

This year staff from across the organisation participated in five days of intensive community engagement training to build skills in delivering well-planned engagement. More than 20 staff members received the IAP2 Certificate in Engagement, an internationally recognised qualification. Participants were drawn from Recreation and Open Space; Traffic and Special Projects; Parking Services, Arts, Culture and Venues; and other branches. This represents a major commitment to expanding Council's capacity to involve the community in its decision-making processes.



Listening to
the community



Listening to
different ideas
and perspectives
helps Council
make informed
decisions.



Listening to the community



Engagement highlights

The Liveable Yarra People's Panel featured 60 residents from many different backgrounds.

Liveable Yarra deliberative engagement

The Liveable Yarra deliberative engagement process was an innovative and highly successful example of community participation in Council decision-making on a complex topic. It enabled Council to have an in-depth conversation with the community about the forthcoming rewrite of the Yarra Planning Scheme.

The highlight of the process was the establishment of a People's Panel featuring 60 Yarra residents representative of the city's demographic profile. With the support of facilitators and subject matter experts, participants spent time discussing complex issues such as planning and design, heritage protection and building accessibility, before settling on a series of well-constructed recommendations. Council subsequently received a presentation from panel members and voted unanimously to use the recommendations to help inform development of a revised Yarra Planning Scheme.

Other valuable engagement methods employed throughout this process included a household survey of 800 residents, targeted focus groups, and consultation with Council's community advisory committees.

Alphington Paper Mill site development

The project to create a new mini-suburb at the site of the former Alphington Paper Mill continued to generate enormous interest during 2015/16. Council kept local residents and businesses informed with a series of

newsletters encouraging all members of the community to have their say on this major private development.

Council worked hard to foster a productive and respectful dialogue between developers and community members impacted by the project. These discussions, along with negotiations between Council and the developers, led to the lodgement of a revised (and significantly improved) Development Plan, which Council endorsed in December 2015.

More than 300 members of the community have now contributed to this process since it began over 18 months ago, and Council is keen to continue this highly productive engagement. Council therefore resolved to establish the Alphington Paper Mill Site Community Reference Group. The new group will provide Council with ongoing feedback on the project, with an emphasis on community infrastructure, sporting facilities, open spaces and traffic and sustainable transport.

Arts and Culture Strategy 2016–2020

The sharing of art and culture is an essential part of community life. With Yarra emerging as one of the state's key creative hubs, Council began work on a new Arts and Culture Strategy for the city. In order to determine the strategy's key themes and priority areas, Council embarked on an ambitious community engagement process.

A series of seven facilitated workshops held in galleries and performance spaces formed the centrepiece of this engagement process. More than 100 community



members, arts organisations and creative practitioners contributed to these sessions, providing Council with a wealth of ideas and insights. Other activities included a community survey that attracted more than 150 responses, and direct engagement with eight of Council's community advisory committees.

Feedback received throughout the consultation period helped Council deliver a roadmap for a vibrant and diverse city in which people encounter art and culture as part of their everyday experience.

Social media

A growing proportion of the community now prefers to engage with Council through social media channels.

This year Council launched new Facebook and Instagram pages to complement its existing Twitter and LinkedIn accounts. This provides Council with new ways to promote its consultation activities and receive feedback from the community.

Community participation in Council meetings

Ordinary Council Meetings are the prime decision-making tool of Council.

All community members are invited to attend these meetings in order to ask questions without notice, make submissions about items on the agenda, lodge petitions or joint letters, or simply observe the proceedings. Refer to page 14 for further information.





Mayor's message



In the 2015/16 financial year, Council built on the strong foundations established in the previous 12 months.

In this time, we have delivered and progressed a number of significant projects – all while preparing for the challenges presented by the recently introduced cap on Council rates.

Listening to the community

This year has seen Council reach out to the community, with several significant engagement projects helping to shape real change and bring about opportunities for collaboration.

In an exciting first, Council undertook a deliberative engagement approach for the Liveable Yarra: better planning for people and places project, to help inform the re-write of the Yarra Planning Scheme.

A People's Panel of 60 community members came together for four Saturday sessions in August-September 2015 to examine a range of topics including housing, heritage, transport, built form, open space and the local economy. The panel members represented a range of demographics and the diversity of views and experiences of Yarra, ensuring we captured a range of input from the people who live, work, visit and invest locally.

Combined with engagement with Council's Advisory Committees and targeted community workshops, the People's Panel enabled Council to have in-depth conversation with our community about how Yarra can adapt to the challenges and opportunities brought about by growth and change in our city.

From strategic planning for the long-term future of our city to improving the amenity of local neighbourhoods, we have been working with and listening to the community to achieve great outcomes. In a terrific example of local engagement, Council

worked closely with Abbotsford residents on creating a new pocket park in Mollison Street.

Following a trial and targeted engagement with both local residents and the wider Abbotsford community, the project garnered strong support and is progressing to the next phase of detailed design. It is hoped that the new park will come to fruition in the near future, with a design that has been shaped by the community who will use it most.

Building our community

Another wonderful project for Council and the community which has significantly progressed in 2015/16 is the soon-to-be completed Bargoonga Nganjin, North Fitzroy Library.

This \$15 million community facility is set to become an iconic Yarra building, showcasing the latest in environmentally sustainable design features. The building will incorporate a library, maternal and child health centre, Council customer service area, community meeting spaces and a rooftop garden. Thanks to excellent project management, this significant project is on budget and on time, and is expected to be open to the public early next year.

This financial year also saw the opening of Studio 1, a new community facility located in the shell of a former GTV9 studio in Richmond. Council invested \$1.8 million to transform the space which, managed in conjunction with Richmond Community Learning Centre, offers a range of programs and activities for the local community. Studio 1



also features function rooms, a co-worker space and small meeting rooms, in an area of Richmond that was previously lacking in such facilities.

Working together for our community

I acknowledge the dedication and enthusiasm of Cr Philip Vlahogiannis, whose mayoral term covered the first four months of this financial year. I also recognize the commitment of my other fellow Councillors, each of whom has worked to represent the interests of the community.

My great thanks go to the Chief Executive Officer, her Executive Team and Council staff. Working together, we have overcome challenges, made the most of opportunities, advocated for positive change and delivered fantastic outcomes for the community.

Here in Yarra, there is no shortage of enthusiastic and caring community members who are willing to share their time and expertise to help Council make our city the best it can be. To our residents, citizens, business operators and volunteers, to all those who sit on one of Council's Advisory Committees and to everyone who participated in any one of our many community projects, I thank you. Your involvement in our community makes Yarra the wonderful place that it is.



**Councillor Roberto Colanzi,
Mayor**

Chief Executive Officer's message



Welcome to Yarra City Council's Annual Report. I am proud to report we have had another great year of achievements, with 92% completion of our Council Plan activities for the year, against an 85% target.





It has also been a year of significant challenge, with external influences having a greater impact on our organisation than perhaps ever before.

We finalised our first budget under the new rate capping environment, and demonstrated a new level of financial restraint. Our process was focused on innovation, continuous improvement, creative ways to raise vital revenue, and community consultation.

We continued to manage the ongoing pressures of increased planning and development in our densely populated city. At the same time, we tackled large and complex projects, such as the Alphington Paper Mill development at the former Amcor site where a mini suburb is being built.

Advocacy was high on our agenda this year. We successfully advocated for planning controls along the Yarra River corridor and for an indoor sports stadium to be put on the table with the State Government, which is proposing to develop the former gasworks site at 433 Smith Street, Fitzroy.

My executive team and I led more than 100 delegations to state and federal government, education and employer groups, and business leaders on key projects and opportunities for Yarra.

Through our advocacy, we received \$1.8 million in additional funding from state and federal governments (and other sources) which allowed us to do many things such as fix road black spots and install path lighting in open spaces.

A challenge, beyond our control, was working through the roll out in Yarra of the National Disability Insurance Scheme or NDIS, after the Federal Government unexpectedly announced in September that Yarra would be one of the first cities to transfer to the NDIS on 1 July.

We delivered, yet again, one of this State's largest community grants programs, committing more than \$2 million to 250 community projects.

This year we continued to place great emphasis on customer service, community engagement and accessible communications for hard-to-reach communities. I encourage you to read more on this on page 40.

Satisfaction with the overall performance of Yarra Council improved strongly in 2015, up 5.5% on 2014, and our best result ever. The Metropolis Research survey also recorded some of the highest satisfaction scores for our core infrastructure services, in particular waste collection, traffic management, roads and footpaths.

These results indicate increased trust and confidence in Council.

Organisationally, we have undergone a structural realignment for better efficiency, and embarked on a ground-breaking leadership development program.

This year, my fifth as Chief Executive Officer, has seen Council continue to lead the sector in many areas with progressive policies and unwavering commitment to a fairer, more inclusive society.

I would like to thank the Yarra community for their involvement, support and passion.

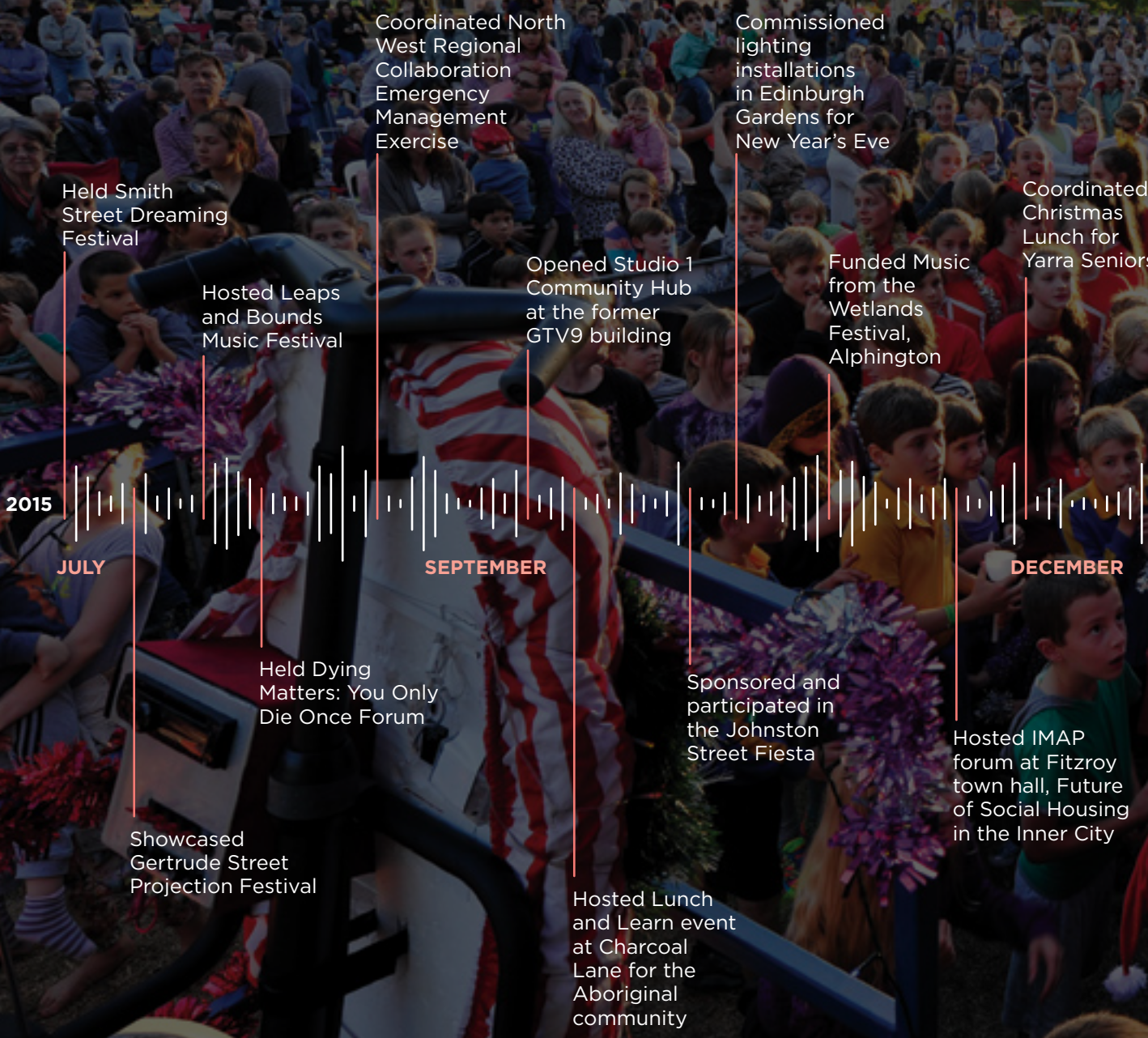
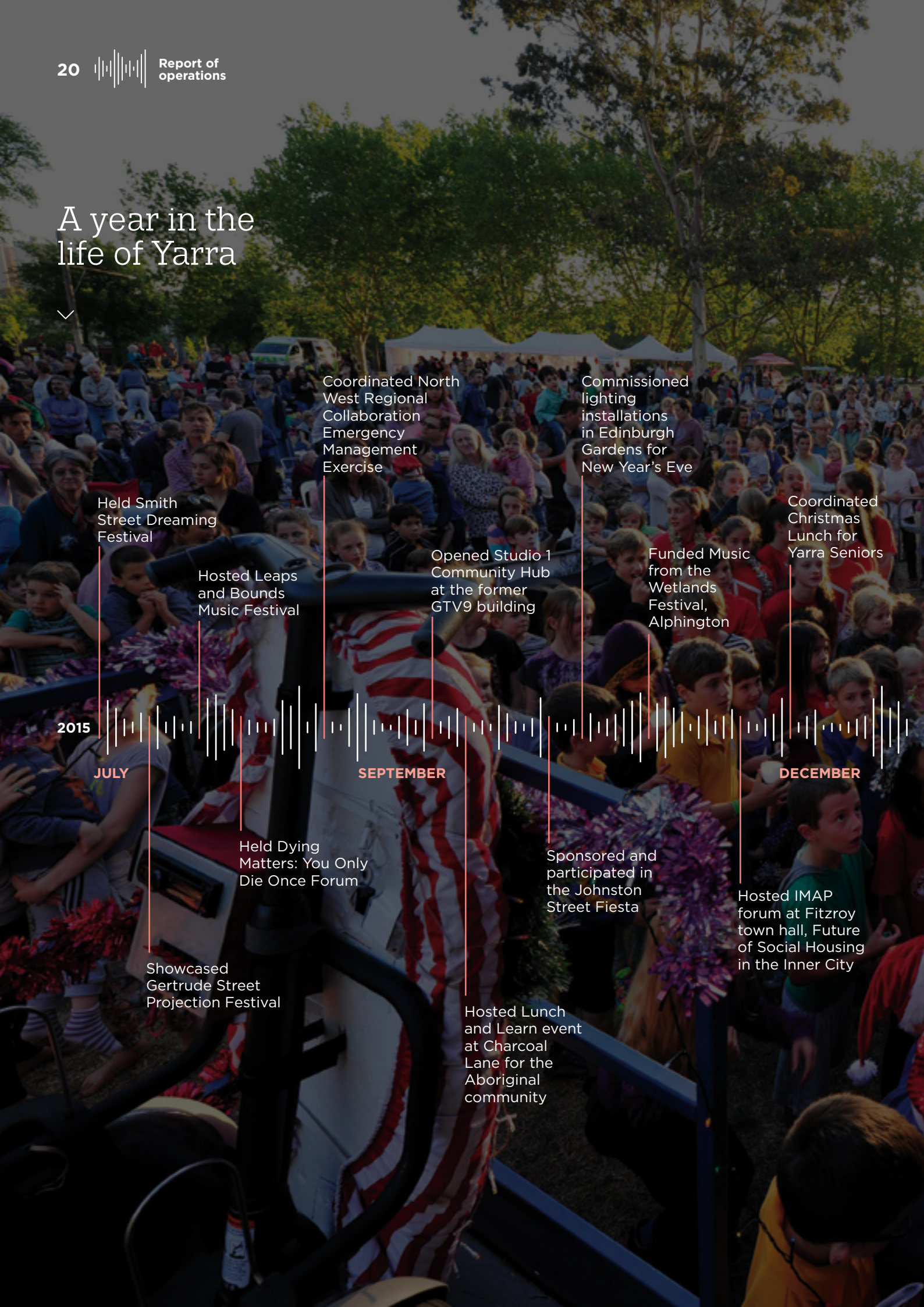
I'd like to finish by thanking our Mayor and Councillors for their guidance, enthusiasm and support over the past year. I'm fortunate to lead a dynamic and capable organisation who is committed to delivering quality outcomes for the Yarra community.



Vijaya Vaidyanath,
Chief Executive Officer



A year in the life of Yarra





Held Cultural Diversity Week event

Hosted Victoria Street Lunar Festival

Coordinated Yarra Young Entrepreneurs Graduation Ceremony

Launched Telling Tree (GLBTIQ storybook) with Gender 7 Sexuality Commissioner Rowena Allen

Launched Shaping Change exhibit in partnership with Swinburne University

Championed the Deadly Elders Circus

Launched the Mary Rogers 'green lady' pedestrian crossing

Held holiday Storytimes in various Yarra Libraries

2016

JANUARY

MARCH

JUNE

Hosted Fairfield Amphitheatre summer concert series

Screened *Whale Rider* at Holden Street Reserve

Coordinated the Beat of Brunswick Street campaign

Funded Emerge in Yarra, 18-25 June, for talented artists from refugee and emerging communities during Refugee Week

Hosted business events on digital marketing, business planning and financial strategy

Held the inaugural Yarra Multicultural Advisory Group meeting

Chief Financial Officer's report



The following pages provide a summary of Council's financial activities over the past year, from 1 July 2015 to 30 June 2016.

Council's financial performance for the year is geared toward achieving the objectives of the Council Plan. Financial performance into the future is guided by both the current Council Plan and by the Long Term Financial Strategy. Financial sustainability and the maintenance and improvement of infrastructure assets, whilst providing quality services to the community and achievement of future operating surpluses, are key considerations. You can read the full financials from page 132.

Financial snapshot

- › \$170.9 million revenue in 2015/16 against \$164.5 million in 2014/15.
- › \$10 million operating surplus in 2015/16 against \$9.9 million in 2014/15.
- › \$30.64 million capital works program in 2015/16 against \$32.18 million in 2014/15.
- › \$1.709 billion in assets in 2015/16 against 1.606 billion in 2014/15.
- › \$97.9 million in rates and charges (57.3% of income) in 2015/16 against \$91.5 million (55.6% in 2014/15).
- › \$22.5 million in cash holdings in 2015/16 against \$22.4 million in 2014/15.
- › Debt \$32.5 million in 2015/16 against \$32.5 million in 2014/15.

Operating result

This year, Council achieved an operating surplus of \$10.009 million. This surplus includes favourable income generation in the form of developer's contributions and supplementary rate income which is partly offset by lower than expected statutory

fees and charges. During the year, additional expenditure was incurred on legal fees, additional employee and agency costs (some of which are income related) and additional leave liability for long service and annual leave. The full income statement is on page 137.

Net results 2012-16

	2011/12 \$000s	2012/13 \$000s	2013/14 \$000s	2014/15 \$000s	2015/16 \$000s
Revenue	136,869	144,663	157,326	164,462	170,910
Expenses	140,289	137,434	144,653	154,527	160,901
Net result	(3,420)	7,229	12,673	9,935	10,009



Equity

Council continued to build its equity and increase its overall value over the last financial year to \$1.64 billion. This is mainly due to the surplus for the year and revaluation of land and building assets. For the full statement on changes in equity, refer to page 139.

Year-end balance 2015/16	\$000s
Balance at the beginning of year	1,538,077
Surplus for the year	10,009
Net reserves movement (incl. revaluation)	89,475
Balance at end of financial year	1,637,561

Cash

Cash levels increased marginally due to a higher level of operating activities. This was partly offset by capital works investment and financing activities for the year. The full statement of cash flows can be found on page 140.

Year-end cash position 2015/16	\$000s
Net cash provided by operating activities	32,048
Net cash used in investing activities	(30,431)
Net cash used in financing activities	(1,508)
Net increase in cash held	109
Cash at the beginning of the financial year	22,435
Cash at the end of the financial year	22,544

Balance Sheet

Council increased total equity during the year by \$99.5 million. Refer to page 138 for the full Balance Sheet.

Summary Balance Sheet 2015/16	\$000s
Current assets (incl. cash assets \$22.5m)	37,593
Non-current assets	1,670,969
Total assets	1,708,562
Current liabilities	36,500
Non-current liabilities	34,501
Total liabilities	71,001
NET ASSETS	1,637,561
Accumulated surplus	581,748
Reserves	1,055,813
EQUITY	1,637,561



Chief Financial Officer's report



Capital Works Program

Council delivered a \$30.64 million capital works program, including: \$9.05 million on road infrastructure, footpaths, drains, kerb and channel; \$3.13 million on open space improvements, and \$18.46 million on Council's buildings, facilities, plant and equipment. Refer to page 28 for more detail on Council's capital works program.

Financial Statements

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 137); the Balance Sheet (page 138); the Statement of Changes in Equity (page 139); and the Statement of Cash Flows (page 140).

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 2015/16 (income less expenditure) is \$10.009 million. Total operating income of \$170.91 million was achieved and total operating expenditure of \$160.9 million was incurred. Major income categories include rates and charges income, statutory fees and fines, user fees, government grants, contributions and reimbursements. The following chart details the break-up of Council's \$170.91 million total operating income for 2015/16.

Income by category 2015/16

Income by category	Income (\$'000s)	%
Rates and charges	97,912	57.3
Statutory fees and fines	26,242	15.4
User fees	23,896	14
Government grants	12,240	7.2
Contributions	7,935	4.6
Reimbursements	684	0.4
Net gain/(loss) on disposal of non-current assets	49	0
Other income	1,952	1.1
Total	170,910	100



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 \$160.9 million total operating expenditure for 2015/16.

Expenditure by category 2015-16

Expenditure by category	\$000s	%
Employee costs	75,871	47.2
Materials and services	61,881	38.5
Bad and doubtful debts	1,486	0.9
Depreciation	19,614	12.2
Borrowing costs	1,508	0.9
Other expenses	541	0.3
Total	160,901	100

Balance Sheet

Council's Balance Sheet (page 138) 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 2016, Council held \$1,708.56 million in assets, an increase on the previous year of \$102.71 million.

Council assets 2012-16

	2011/12 \$000s	2012/13 \$000s	2013/14 \$000s	2014/15 \$000s	2015/16 \$000s
Assets	1,463,246	1,479,576	1,534,760	1,605,856	1,708,562

Liabilities

Council's liabilities include amounts owed to suppliers, employee leave entitlements and debt. As at 30 June 2016, Council's liabilities total \$71 million, which is an increase of \$3.22 million on the previous year.

Other liabilities and debt 2012-16

	2011/12 \$000s	2012/13 \$000s	2013/14 \$000s	2014/15 \$000s	2015/16 \$000s
Other liabilities	25,400	31,338	33,281	35,279	38,501
Debt	13,104	13,137	32,500	32,500	32,500



Chief Financial Officer's report



Statement of Changes in Equity

The Statement of Changes in Equity (page 139) details the changes in Council's retained earnings, including reserves movement over the reporting period. Council's 'community ownership' equity as at 30 June 2016 is \$1.64 billion, which is an increase of \$99.5 million during the year due to a surplus on operations and asset revaluation.

Community equity 2012-16

	2011/12 \$000s	2012/13 \$000s	2013/14 \$000s	2014/15 \$000s	2015/16 \$000s
Community equity	1,424,742	1,435,101	1,468,981	1,538,077	1,637,561

Statement of Cash Flows

The cash flow statement (page 140) details Council's cash inflows and outflows for the year. Council's cash balance as at 30 June 2016 is \$22.54 million which increased by \$0.11 million on the previous year.

Cash balance 2012-16

	2011/12 \$000s	2012/13 \$000s	2013/14 \$000s	2014/15 \$000s	2015/16 \$000s
Cash balance	17,160	18,918	21,719	22,435	22,544

Future directions

Council will continue to provide cost-effective, high quality, accessible services to the community while 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 as part of the long-term financial strategy review.



Philip Mason,
Chief Financial Officer



Listening to
the community



Local arts organisations,
creative practitioners and
community members helped
develop Yarra's new Arts and
Culture Strategy.

'Shaping Change'
by artists Rebecca
Power and William
Wilding in Peel
Street, Collingwood



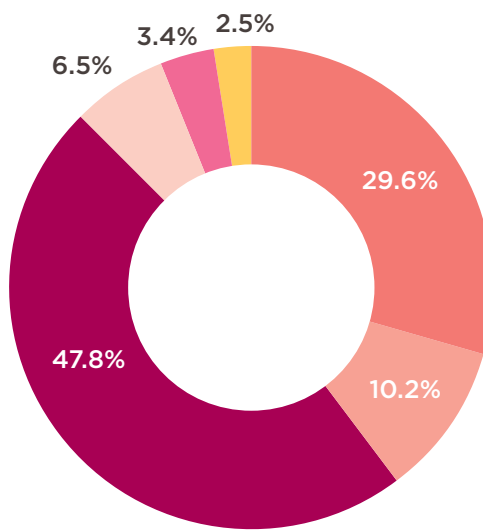
Major capital works projects



Capital works projects cover the provision of new community infrastructure and upgrades to existing facilities.

In 2015/16 Council's capital works program budget was \$40.53 million across 354 projects. As at the end of June, there were 315 capital works projects completed with a budget spend of \$30.64 million. This equates to a result of 76%. Compared to the revised budget of \$32.33 million, the result is 95%.

Capital works summary 2015-16



\$000s

- Roads, footpaths, kerb and channel construction, drains, cycleways **\$9,053**
- Open space improvements **\$3,130**
- Buildings **\$14,636**
- Information systems **\$1,990**
- Plant and equipment, and other **\$1,051**
- Library **\$780**

Studio 1 Community Hub, Richmond





Capital works highlights 2015-16

Buildings and facilities	Actual \$
Bargoonga Nganjin, North Fitzroy Library	7,576,000
Napier Street Yarra Community Youth Centre redevelopment	616,000
Fitzroy Town Hall and Collingwood Town Hall roof rehabilitations	1,185,000
Studio 1 Community Hub redevelopment of the former GTV9 site	401,000
Richmond Recreation centre (various renewals/upgrades)	686,000
Richmond Town Hall underpinning works and various other renewals/upgrades	717,000
Victoria Park Bob Rose pavilion façade works	334,000

Open space	
Barkly Gardens playground	282,000
Edinburgh Gardens irrigation works	285,000
Victoria Park and surrounds	373,000
Lighting upgrades at Edinburgh Gardens	236,000
635 Church Street – Western streetscape	219,000

Civic and culture	Actual \$
Purchase of new library books and installation of radio frequency identification	780,000
Purchase of new art works	24,000

Roads and drains	
Footpath upgrade works in the Bridge Road, Gertrude Street and Brunswick Street retail strips	287,000
Thirty-five road pavement renewal projects	2,500,000
Implementation of various Local Area Traffic Management Studies and Transport projects	1,410,000
Twenty-seven footpath renewal projects	1,300,000
Nine kerb and channel renewal projects	582,000
Fourteen ROW (Lanes) renewal projects	845,000
Thirteen drainage renewal/upgrade projects	872,000
Eighteen tree root barrier treatments	685,000
Targeted <i>Disability Discrimination Act</i> infrastructure upgrades to improve accessibility	194,000



Listening to the community





Council works in
partnership with
the Traditional
Owners of our land.



Members of Council's Stolen
Generations Marker Steering
Committee



Major capital works projects

SPOTLIGHT ON MAJOR PROJECTS FOR 2015-16



Bargoonga Nganjin, North Fitzroy Library

2015/16 projected expenditure: \$7,576,000

The Bargoonga Nganjin, North Fitzroy Library construction was more than 60% complete at the end of June. The three-level facility contains a library, maternal and child health services, a customer service centre, seminar rooms, community meeting spaces and a rooftop garden. The building has been designed to the Green Building Council of Australia six-star Excellence standard. The outside of the building will incorporate recycled brickwork, polished and etched concrete panels and perforated brass cladding. The much-anticipated opening is scheduled for early 2017.



Napier Street Yarra Community Youth Centre redevelopment

2015/16 projected expenditure: \$616,000

Stage 2 of the redevelopment of the Napier Street Yarra Community Youth Centre included the demolition of the existing forecourt and the creation of a decked forecourt with bench seating and raised gardens. The existing awning has been infilled to create a new entry. The music studio has been relocated upstairs to the existing office space. A new lift and relocated stair landing in the foyer will allow it to be acoustically isolated from the rest of the building.





Town hall roof rehabilitations

2015/16 projected expenditure: \$1,185,000

Council has completed the refurbishment and replacement of the slate on the main hall roofs of Fitzroy Town Hall and Collingwood Town Hall. This is the first stage in a three-year phased program of works to refurbish and replace the slate on both town halls. The estimated life-cycle of the Welsh slate used in the new works is 100 to 120 years. The program was developed following an extensive dilapidation survey and report prepared by conservation architects.



Edinburgh Gardens

2015/16 projected expenditure: total of \$521,000

A new irrigation system and park lighting were installed across Edinburgh Gardens, North Fitzroy, over two financial years at a total cost of \$1.1 million. The irrigation system replaced the aging above-ground sprays and sub-surface drip irrigation and included new main lines, back-flow prevention devices, water efficient spray heads, computer-assisted moisture sensors and controllers and a new pump and pump shed. Most of the pipe-work was installed using a boring method to minimise disruption to park activities, tree roots and other services.

In addition, new park lighting was installed along three key pedestrian/cycle avenues and involved a power supply upgrade, new metering and switchboards, and new 18-watt LED lamps. Most of the electrical cabling installed for the project used a boring method to minimise disruption to park activities, tree roots and other services. The State Government (Department of Justice) provided \$250,000 in funding for the new lighting.



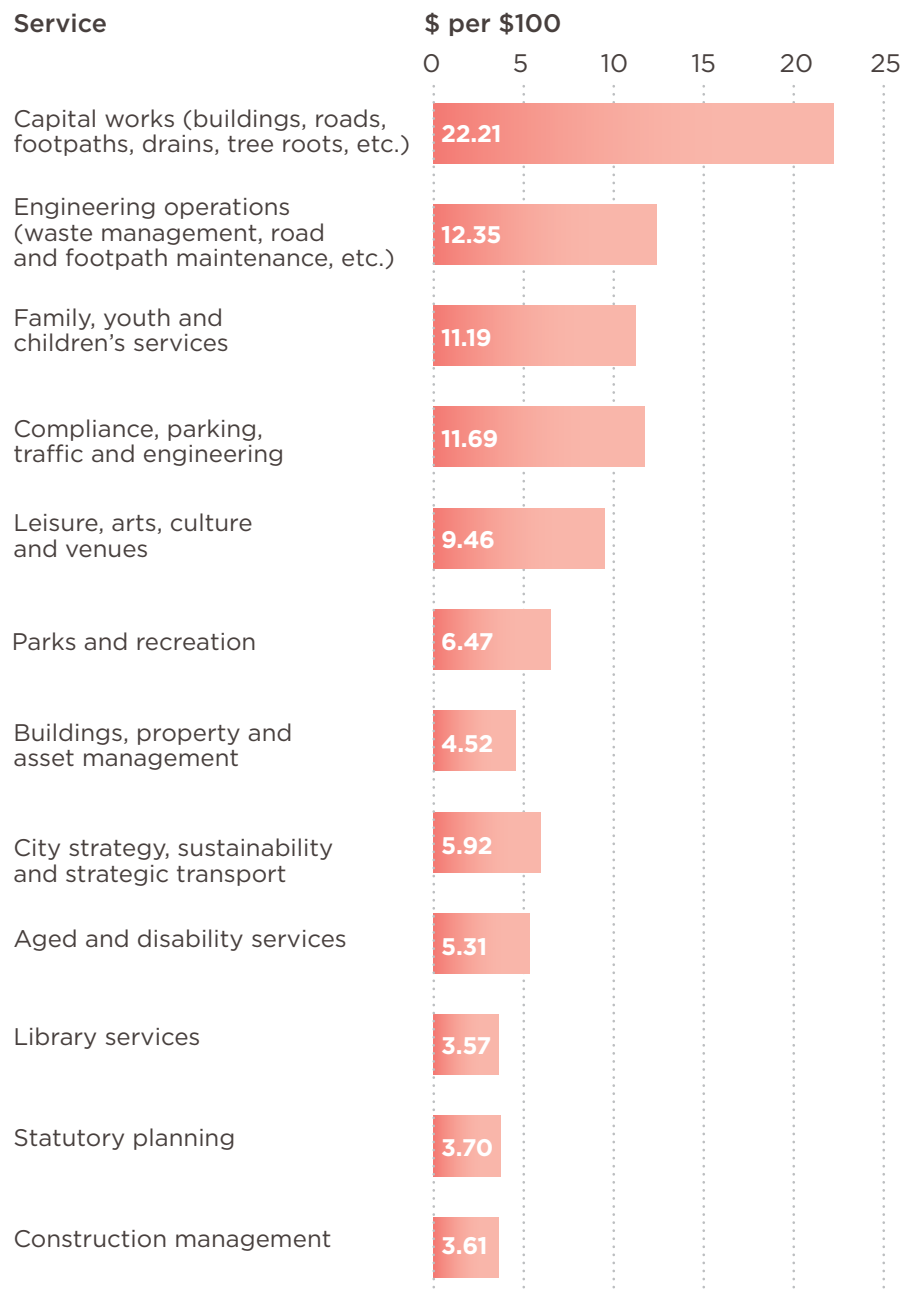


Your investment in Yarra



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

Rates at work 2015/16



Please note: this is a guide only and is intended to illustrate that property rates contribute to a wide range of services. Internal functions such as finance, governance, customer service and communications were divided equally across each service.



Listening to
the community

More than 250
community
members
participated
in Council's
consultative
committees
in 2015/16.





Advocacy



Advocacy continues to be a key priority for Yarra Council.

Council continued its strong strategic advocacy focus in 2015/16, particularly regarding opportunities for urban renewal and greater financial investment in our city.

Significant progress was made in pursuing public good outcomes at the planning and engagement stages for major projects of metropolitan and state wide significance that impact Yarra.

These projects include the future of the former Gas and Fuel site and proposed indoor sports stadium in North Fitzroy, a precinct planning approach to the State Government's new Richmond Secondary School development, Yarra River controls, the major Alphington Paper Mill development including community facilities, social and affordable housing, health and safety particularly in regards to harm minimisation strategies, the Melbourne Metro Project, Hoddle Street Streamlining Project and the Chandler Hwy Widening Project.

In 2015/16 the Chief Executive Officer and Executive officers led more than 100 delegations to local members of parliament, relevant Ministers and federal, state and local government officials, education and employer groups and business leaders about key projects, needs and opportunities.

Opportunities to collaborate with other councils and statutory agencies for improved community outcomes, has also occurred. Examples include pursuing strategic corridors of land for community benefit with VicTrack, ongoing shared services and procurement discussions with inner city councils, a submission to the Transport Accident Commission and meetings with Destination Melbourne, VicRoads and the Municipal Association of Victoria.

Yarra is also an active contributor to local government partnership groups and external bodies, including the Inner South Metropolitan Mayors' Forum (ISMMF), the Metropolitan Transport Forum (MTF), Inner Melbourne Action Plan (IMAP), Metropolitan (Local Government) Waste Management Forum (MWMG), and the Merri Creek Management Committee. Many of these regional bodies have clear advocacy agendas to which Council contributes.

Advocating for grants and other funding

A key priority for Council's advocacy program is to successfully obtain funding from other sources including State and Federal governments. A centralised grants register monitors the level of funds committed and received. This table lists the grant funding received across the organisation during 2015/16 that was in excess of the amount budgeted. Some of these grants were announced in the previous year.

Unbudgeted income collected during 2015/16

Grant	\$ Amount
Australian Catholic University development	90,000
Australian Packaging Covenant - Thermal polystyrene densifier	82,898
Business/shopping precinct resource recovery project	54,182
Community resource recovery hubs	30,000
Creative Victoria - Music Works Grants funding program	40,000
Department of Environment, Land, Water and Planning	
› Embedding Green Infrastructure Best Practice Toolkit	60,000
› Living Libraries Grant	65,500
› North Fitzroy Community Hub	250,000
Department of Justice - Public Safety Infrastructure Fund	195,000
Department of Health and Human Services - Senior's Week activities	16,500
Food Know How regional food waste avoidance program	218,441
Melbourne Water	
› Living Rivers Program	9,000
› Corridors of Green	8,098
Multi Unit Development Program	45,000
National Broadband Network	91,063
New Initiatives Scheme - Heat safety engagement	30,000
Premiers Reading Challenge	10,201
SACS - Leadership Awards	15,000
State Library of Victoria - Pierre Gorman Award	25,000
Transport Accident Commission	
› Community Road Safety - Road Safety Strategy	11,000
› Community Road Safety - Speed awareness trailer	17,032
› Local Government Grants - Stewart Street shared zone	30,000
› Small Scale Infrastructure Fund	10,000
VicRoads	
› Black Spot at Cambridge/Langridge Streets	52,225
› Black Spot at Crescent/Garton Streets	37,800
› Black Spot at Drummond/Pigdon Streets	61,675
› Black Spot at Oxford/Langridge Streets	48,225
› Black Spot at Rathdowne/Fenwick Streets	52,225
› Black Spot at Rathdowne/Richardson Streets	58,157
› Black Spot at Reid/Brunswick Streets	78,100
Yarra Trams - Tram stop at Victoria Street (near Jonas Street)	40,000
Total	1,832,322



Advocacy



Measuring our advocacy performance

The 2015 Metropolis Annual Customer Satisfaction Survey showed that resident satisfaction with Council's 'representation, lobbying, advocacy' on their behalf remained categorised as 'good', a rating that was higher than the Melbourne metropolitan average. See page 42 for more on Council's customer satisfaction survey results.





Advocacy highlights for 2015/16

Major indoor sports stadium

Yarra Council's 10-year advocacy and vision for a major indoor sports stadium gathered momentum in 2015/16.

Places Victoria, the State Government's property development agency, met with Council to discuss the feasibility of urban renewal of the government's 3.9 hectare former gasworks site at 433 Smith Street, North Fitzroy. Yarra has advocated for a six-court indoor sports stadium to be part of any redevelopment of the site.

In March, Council unanimously endorsed a request from Places Victoria to commence community engagement and master planning on the site. The first phase of consultation was completed in mid-June, and included a community reference group.

In April, Council resolved to give in-principle support to Places Victoria's request to invite the Minister for Planning to be the Responsible Authority for the site if two conditions were met: a business case to fully fund a six-court indoor sports stadium and the relocation of Council's Fitzroy depot at no cost to Council; and that the intent of the draft masterplan reflects Council's adopted Urban Design Framework for the site.

Places Victoria is considering the community feedback as part of its investigation into the feasibility of redeveloping the site. If the site proves feasible, Places Victoria will develop a draft master plan for the site for public comment in late 2016.

Alphington Paper Mill redevelopment

On 2 December 2015, Yarra Council unanimously approved the revised Development Plan for the Alphington Paper Mill subject to conditions including extra protections for the Yarra River frontage and the establishment of a community reference group.

The historic decision, taken after more than 18 months of advocacy and community consultation, paved the way for the establishment of a new mini-suburb of up to 2,500 homes catering for about 5,000 residents, as well as commercial and retail spaces that will provide local employment.

Council worked hard with the developers to ensure the development plan achieved significant outcomes such as an unconditional 5 per cent for affordable housing, 4.5 per cent open space, 1,700 square metres for community facilities, a multi-purpose sports facility, and a 30 metre buffer zone protecting the Yarra River frontage. Council also ensured that road widths, heights and density were far improved from the original proposition.

Richmond secondary school

Yarra Council has long advocated for better education facilities for Richmond families and welcomed the State Government decision to build a new secondary school in the Richmond Town Hall precinct on Gleadell Street. The school will have capacity for 650 students from years 7 to 12.

A community planning committee was established to provide strategic advice on the development of a new secondary school, and Council is a member of this committee.

Council has an important advocacy role in ensuring the school meets the community's needs and aspirations.



Engaging with diverse audiences

Yarra is committed to ensuring that all residents have equal access to Council services regardless of their language skills, abilities or backgrounds.

People have varying communication needs, and it is Council's responsibility to ensure these needs are considered when sharing information.

The area is home to residents from a range of language groups, residents from both private and public high-rise apartments and to people living with a disability.

The municipality has approximately 5,000 people who do not speak English confidently, along with approximately 15,000 residents living in high rise apartments – making accessible communications to CALD communities a high priority for Council. Additionally, 2,800 people with a disability live in Yarra – requiring day-to-day assistance.

Engaging with our varied audiences, and keeping them informed, requires a more direct approach, and this section outlines the accessibility work Yarra has done this year.

Non-English speaking audiences

Reflecting a commitment to cultural diversity, Council endeavours to provide people from a range of backgrounds with access to key information and services.

Throughout 2015/16 Council's various service areas engaged a number of nationally accredited interpreters to attend more than 200 meetings with non-English speaking clients.

Some of Council's service areas also employed bi-lingual staff and engaged with culturally diverse communities through networks, partnerships and forums with community leaders/organisations and other local service organisations.

This resulted in a strong uptake of services by residents from culturally diverse backgrounds. For example, this year:

- › 40% of parents attending playgroups in Yarra were from culturally diverse backgrounds.
- › Up to 70% of young people attending our youth programs and individual support services were from culturally diverse backgrounds, the majority from the African community.
- › 47% per cent of the vulnerable families engaging with the family support program recorded that English was not their preferred language.

The Yarra Multicultural Advisory Group was established to allow improved two-way conversations between Council and the multicultural community. The first meeting was held on 7 April, with 25 community members attending. Planning is underway for further daytime and evening meetings.

Council's main services were translated into nine languages and distributed via all Council offices, libraries and Yarra's multicultural networks. The Speaking Your Language Info Pack contains 11 cards – each explaining a service in clear and concise language, complemented by simple illustrations.

During the year, Yarra began including a translations information panel on the bottom of Council letterheads, other printed and digital media items and temporary signage. The panel contains a unique reference number and language-specific telephone numbers which link residents directly to interpreters.

Council obtained a state government Tech Savvy Seniors Grant for Yarra Libraries to run free digital training courses next financial year in Mandarin, Vietnamese, Greek and English for Yarra residents aged 60 and over.

Yarra libraries also ran regular bilingual story times in Chinese, weekly English conversation sessions, and rostered on a Chinese-speaking staff member full-time, with Wednesdays, Thursdays and Fridays advertised for drop-in sessions.



Telephone callers or people who visit Yarra's customer service centres and who cannot speak English are referred to Council's Language Line to speak with a nationally accredited interpreter.

The Advocacy and Engagement branch also ensured community consultation material was translated into several languages, based on stakeholder analysis, and that Council information about events, decisions and services was distributed to multicultural newspapers and radio stations.

Yarra News, Council's bi-monthly community newsletter was also designed with the CALD community in mind. Six stories from each edition were broadcast on community radio stations 3ZZZ and 3CR in Vietnamese, Turkish, Greek and Arabic. In addition to this, the back page of every edition offered translations in Council's key CALD languages.

People in high-rise housing

Yarra used a combination of social media and hand-delivered material to reach audiences in private and public housing high-rise apartments.

Almost 30% of Yarra's residents are aged 25–34, with many living in private high-rise apartments. This year Council has embraced social media as many of these residents are statistically shown to be users of social media.

Throughout 2015/16 Council reached more than 1.3 million people via social media, and also targeted Yarra residents on Facebook on key messages. Overall 5,186 comments or requests were received via social media.

Council also frequently hand delivered information letters and flyers on consultations or services to high-rise apartment blocks throughout the year.

People with a disability

An Accessible Communications Framework was developed this year – guiding staff on how to support and empower people living with a disability to participate in Council and community life.

Communication Accessibility Boards were also installed in Yarra's customer service centres, with the assistance of Scope Pty Ltd.

Council's Yarra News community newsletter was sent to Vision Australia for audio recording and distribution to their database of Yarra residents and to Yarra Libraries.





Customer satisfaction



Satisfaction with the overall performance of Council improved strongly in 2015 according to the results of a community satisfaction survey undertaken by Metropolis Research, an independent company.

Council has commissioned the survey annually since 2009 in order to measure community satisfaction with its services and the relative importance of services to different people.

The latest study (in September and October 2015) considered the views of more than 800 randomly selected households from 10 local neighbourhoods.

The overall result of 7.15 represents Council's best ever outcome and a 5.5% improvement over the preceding year.

Average satisfaction with the 27 listed Council services and facilities was 7.70 in 2015, which falls into the 'very good' category.

Highlights include improved satisfaction with Yarra's governance and leadership (up 3.6%), environmental responsibilities (up 2.3%) and planning and housing development (up 10%).

Examples of high-scoring services include Council's weekly waste and recycling collection, pet registration services, arts and cultural activities, and operation of leisure centres in Collingwood, Fitzroy and Richmond.

Survey respondents also nominated areas for improvement and the top five are listed in the table below. While parking remained the most nominated issue to address at 18%, this figure has declined from 25.7% over the past 12 months.



For further detail on Council's results, visit our yarracity.vic.gov.au and search for Annual Customer Satisfaction Survey.

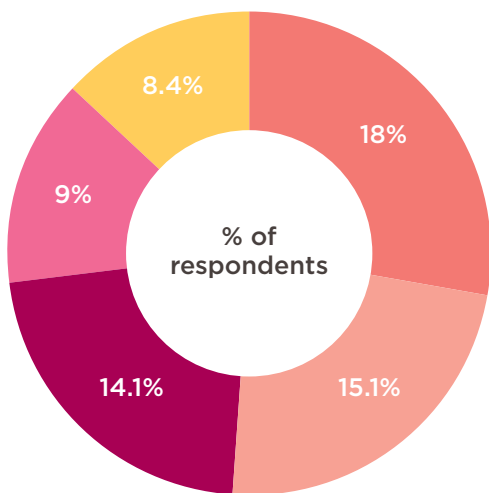


Shopping on
Bridge Road,
Richmond

Yarra City Council Customer Satisfaction Survey 2011–2015

Category	Year				
	2011	2012	2013	2014	2015
Meeting responsibility towards the environment	7.07	7.06	7.34	7.42	7.6
Community consultation and engagement	6.6	6.58	6.96	6.99	7.00
Responsiveness to local community needs	6.51	6.54	6.98	6.66	7.00
Maintaining trust and confidence of local community	6.46	6.52	6.94	6.59	7.00
Representation, lobbying and advocacy	6.57	6.48	6.83	6.70	7.00
Making Decisions in the interests of the community	NA	NA	NA	6.60	6.90
Overall performance	6.63	6.79	7.10	6.78	7.20

Top five issues for Council to address
(issues identified by survey respondents)



- | Ranked | Issue nominated |
|--------|-------------------------------------------------------|
| 1 | ● Car parking |
| 2 | ● Building, planning, housing and development |
| 3 | ● Traffic management |
| 4 | ● Parks, gardens and open space |
| 5 | ● Provision and maintenance of cycling/walking tracks |



A sustainable city



Council chooses to take a leadership role on sustainability in all of its forms: environmental, social and financial. It does so not only to overcome the challenges facing inner-city municipalities in the short-term, but also because it embraces its responsibility to the next generation of Yarra citizens.





Environmental sustainability

Council is working in partnership with its passionate and environmentally aware community to protect and enhance the local environment.

Leading the way

Council's sustainability endeavours were celebrated with three wins at the 2016 Keep Victoria Beautiful Awards, including the overall Sustainable City of the Year category. Other category wins came in Community Action and Leadership, for Council's ongoing efforts to transform paved areas into green open space, and Cultural Heritage for its restoration of Collingwood Town Hall.

Australia's low carbon capital

This year Council maintained its carbon neutral certification, which it has held since 2012. This has been achieved not only by purchasing offsets against carbon emissions, but also by dramatically reducing emissions in real terms. Yarra is leading the sector with 25% of its energy being produced from localised low carbon sources, and an overall 36% reduction in carbon emissions since 2001.

Empowering local action

Council expanded its grants program with a new category, Partnering for Sustainability. This enabled the support of larger, more complex projects. This year's grant recipients included the Merri Creek Management Committee, which is working to preserve the environmental integrity of the river, and FareShare Australia which is providing horticulture training to disadvantaged young people. Overall, Council provided a total of \$53,000 in sustainability grants funding to the community.

Boosting sustainable travel

Council enlisted at least 2,300 students from local schools to participate in initiatives like VicHealth's Walk to School program, Bicycle Network's Ride2School Day and Yarra's own Walk or Wheel Once a Week program. About 46% of Yarra residents walk, cycle or catch public transport to work (more than double the Greater Melbourne average) and these programs are designed to encourage a new generation to adopt travel practices beneficial to the city and its inhabitants.



A sustainable city



Creating a waste wise community

Council secured funding from other tiers of government to help deliver multiple waste wise innovations. For example, the Food Know How program advises households and businesses on shopping, storage, preparation and composting, all with the aim of diverting food waste from landfill. Council's new Resource Recovery Hubs have received more than 50 tonnes of e-waste and household textiles, while direct engagement with tenants has led to a 27.5% reduction in recyclables being mistakenly placed in rubbish bins associated with public apartments.

Social sustainability

Yarra is a diverse community in which people from all walks of life enrich the vibrancy of the city.

Over the next 15 years, Yarra's population is expected to grow by a third, and Council is working hard to preserve the cultural and economic diversity of its population, while supporting positive health and wellbeing outcomes for all. This is being achieved via an innovative mix of respectful engagement, community infrastructure, and targeted service provision.

Community infrastructure planning

Council is developing a Strategic Community Infrastructure Plan to better understand community infrastructure needs in response to population growth and change. This year Council prepared a comprehensive Direction Paper as a part of the overall plan. Examples of community infrastructure

included in the plan are early years services, libraries, community meeting rooms and leisure facilities. The final plan will enable Council to deliver (and advocate for) services and facilities that respond to the community's emerging needs.

A policy of respect

Council works in partnership with the Traditional Owners of our land to ensure that the Aboriginal history of Yarra is acknowledged and respected. Council's Aboriginal Partnerships Plan 2015-18 guides the organisation's efforts to support and celebrate Aboriginal projects and to assist Aboriginal people facing adversity. Council funds a range of programs addressing Aboriginal health and wellbeing, connection to culture, and opportunities for recreational activities.

Celebrating and supporting diversity

The Multicultural Partnerships Strategy 2015-18 informs programs that enable people from culturally and linguistically diverse backgrounds to connect with one another, celebrate their cultural identities and access important Council services. Recent highlights include a Refugee Week Q&A Panel at the Richmond Town Hall, and cultural awareness training for Yarra staff members.

A healthy community

The Health Plan 2013-17 supports Council's efforts to enhance the mental and physical health of its diverse community. Benefits flowing from this strategic approach include promotion of healthy lifestyles (e.g. an improved walking and cycling pathway for Rushall Reserve), support for vulnerable community



Solar panels at Richmond West Primary School



members (gym memberships for people experiencing homelessness), reducing the harmful impacts of drugs (advocacy for supervised injection facilities), and much more.

Bringing people together

Parks and gardens are a great way to bring people together to relax and socialise. This year Council continued to consult with its community on potential locations to expand its award-winning parks program in Collingwood and Richmond neighbourhoods, both traditionally lacking in green open space. The new parks program is an important part of Council's commitment to supporting the mental and physical wellbeing of its community.

Financial sustainability

Sound financial planning is the foundation of Council's capacity to deliver vital community services and maintain important public assets.

Council is looking well beyond its annual budgeting cycle to consider emerging trends and challenges and adopt long-term financial strategies supported by rigorous oversight.

Planning ahead

Council maintains a comprehensive Long Term Financial Strategy (LTFS). Underpinned by a series of carefully researched projections and assumptions, this key strategic document ensures that Council is well positioned to fund essential services and infrastructure over the next decade. The LTFS informs Council's annual budgeting and

planning processes, and assists Council to maintain a healthy financial position.

Asset renewal

Council is responsible for important public assets that require ongoing funding and regular renewal, including roads and drains, parks and gardens, leisure centres and libraries, and three historic town halls. Council monitors the condition of these assets via detailed Asset Management Plans and schedules renewal works well in advance to ensure that unanticipated spending does not impact future Council budgets.

Risk management

Council's Risk, Audit and Procurement Unit works closely with the Executive Team, as well as the internal Audit Committee and Risk Management Panel, to identify, assess, mitigate and

continuously review Council's exposure to financial, strategic and operational risks. It promotes policies and procedures that ensure that Council operates in a financially responsible and sustainable manner. For further information on Council's auditing and risk management practices during 2015/16, refer to page 68.

Preparing for rate-capping

The State Government's decision to introduce a cap on property rates from 2016/17 prompted Council to re-examine its financial position during 2015/16. As a result, Council has reprioritised its capital works program, identified a range of operational savings, and actively explored opportunities to collaborate with other agencies and tiers of government to provide value-for-money outcomes for the community.



Abbotsford Convent



Yarra's achievers



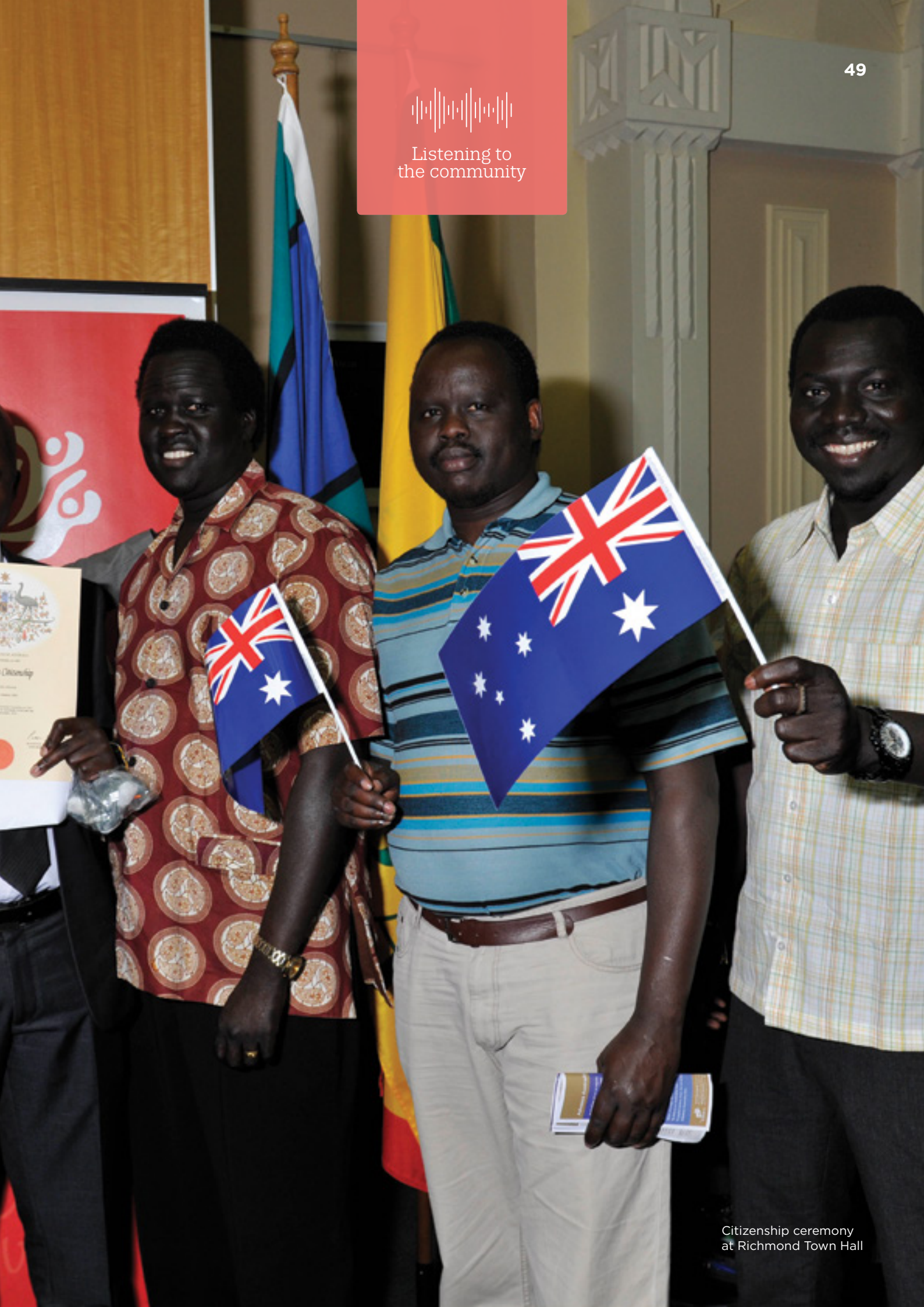
Council has annual awards to recognise and celebrate the enormous contributions that local people and organisations make to enrich and strengthen the Yarra community. These awards allow Council to share some inspiring stories.



Regular and meaningful engagement strengthens the relationship between Council and the community it serves.



Listening to
the community



Citizenship ceremony
at Richmond Town Hall



Yarra's achievers



Australia Day Award winners



Citizen of the Year: Sophie Daws

Sophie Daws has worked tirelessly in the Yarra community for many years, giving her time to a multitude of organisations to help those in need.

For example, Sophie runs (and trains volunteers for) a community lunch program aimed at isolated and disadvantaged people in Collingwood. In addition to her extensive community work, Sophie is also a mother of two and cares for a son with special needs.



Young Citizen of the Year: Rebecca Chapman

A volunteer with Eating Disorders Victoria, 25-year-old Rebecca Chapman strives to improve quality of life for people living with eating disorders.

The Collingwood local gives her time as a helpline and support group volunteer and seeks to destigmatise mental illness. Rebecca has also set up a project to provide eating disorder-related education and information to education professionals, school-aged children and their parents.



Community Service of the Year: FareShare

Abbotsford-based charity FareShare cooks more than one million free nutritious meals a year for charities across the state.

The organisation rescues quality surplus food from businesses, saving it from landfill and turning it into meals for thousands of Victorians who are doing it tough. This year more than 7,000 volunteers were involved in cooking in the FareShare kitchen, including local secondary school students and local business workers. FareShare aims to cook two million meals in 2016.



International Women's Day Award 2016

Inspirational Women of Yarra Award:



Anne Crehan (joint winner)

Alphington-resident Anne Crehan contributed to the success of the local kindergarten, the bowls club and the local netball club.

She was President of the Alphington Primary School Council Parents' Association and was recently on the committee for the 2015 Wetlands Festival. Anne is also Chairperson of Alphington Community Centre. Anne gives her time tirelessly, proving to be a strong role model within the community.



Xiao Yue Wang (joint winner)

Xiao arrived in Melbourne in April 2000 and began volunteering straight away.

She is dedicated to inclusiveness and diversity, and has been President of the Chinese Tenants Association since 2010. Xiao is also the inaugural President of the U3A Chinese in Yarra group, where she makes accessible learning an enjoyable and inclusive experience for all.



Yarra's achievers



Yarra Sustainability Awards

The seventh annual Yarra Sustainability Awards celebrated innovative community efforts towards environmental sustainability. This year's winners included:

Business:

Computershare and Jordan (joint winners)

Sustainable Building Design and Development:

Green Edge Apartments (winner), Christopher Walsh (highly commended)

Frank Fisher Award:

Jan Deans (winner), Ian Penrose (highly commended)

Educational Services:

Richmond West Primary School (winner)

Community Action:

FareShare (winner), Solar Neighbourhoods (highly commended)

Local Hero:

Marcus Godinho (winner), Carole Wilkinson (highly commended)

People's Choice Award:

Fitzroy High School (winner)





Yarra Sustainability Awards 2016

Educational Services
Winner
Richmond West Primary School
for Richmond West Primary School Learning Unit

Ruiz

Yarra Sustainability Awards 2016

Local Hero
Winner
Chris Godwin

Ruiz

Yarra Sustainability Awards 2016

Community Action
Highly Commended
Solar Neighbourhoods
for Solar Neighbourhoods Community Solar Program

Ruiz

Yarra Sustainability Awards 2016

Community Action
Winner
Parkmore

Ruiz

Yarra Sustainability Awards 2016

Community Action
Winner
15-16

Ruiz

Yarra Sustainability Awards 2016

Community Action
Winner
Murray High School

Ruiz

Yarra Sustainability Awards 2016

Community Action
Winner
Murray High School

Ruiz



Awards



Councillors and staff are committed to achieving positive outcomes for the community. Although award recognition is not a priority, Council is pleased to have our programs and individuals formally acknowledged.

Community HART Awards

Council received a prestigious Community HART Award - for the second year in a row - in the Local Government category for its teachers' resource, Connecting with the Aboriginal History of Yarra. The Victorian Local Government Association delivers these awards, in partnership with Reconciliation Victoria and Bank Australia, to recognise Victorian initiatives that contribute to local reconciliation outcomes.

National Awards for Excellence in Local Government

Council's Yarra Young Entrepreneur program was the winner of the Youth Economic Participation category in this year's Department of Infrastructure and Regional Development National Awards for Excellence in Local Government. The Yarra program is a joint initiative in partnership with many external organisations to support young people from a CALD background.

Leadership in the Public Sector Award

Improvements driven by Council's Occupational Health and Safety Strategic Plan were recognised in the category of 'Leading the Way in Health, Safety and Wellbeing' in the Leadership in Public Sector Awards.

WorkSafe Victoria Awards

Council received the Employer Excellence Award in the Return to Work category of the WorkSafe Victoria Awards. In just one year, Council achieved a 46% improvement in our injury frequency rate, a 55% reduction in days lost due to injury, and a 40% reduction in standard WorkCover claims. Yarra was the only local government winner in this year's awards.

2015 Garage Sale Trail Awards

Yarra was successful in the Outstanding Growth category of the 2015 Garage Sale Trail Awards. The number of Yarra-based stalls increased from about 30 in 2014 to more than 130 in 2015.

SACS Leadership Awards

Council's Group Manager, Advocacy and Engagement, received the SACS Leadership Award in the Local Government Executive category for her inspirational leadership of Yarra's Advocacy and Engagement Group. Yarra's Communications Coordinator, Digital and Brand, was celebrated in the Local Government Non-Executive category.

Keep Victoria Beautiful Awards

The City of Yarra won the Sustainable City of the Year in the 2016 Keep Victoria Beautiful Awards. Yarra was also shortlisted for 11 projects across eight categories, with the following three winning their categories:

- › Yarra City Council's Restoration of Collingwood Town Hall won the Cultural Heritage Award
- › Council's Roads to Parks Program won the Community Action and Leadership Award
- › Melbourne Girls' College won the Active Schools Award

This year marked the second time Yarra has taken out the overall award, having been named Sustainable City of the Year in 2011. Yarra will go on to represent Victoria in the national awards later in 2016.



Listening to
the community



Consultation
helps Council
plan for a
vibrant and
diverse city.

Brunswick Street,
Fitzroy



Community grants



In 2015/16 Council committed \$2.12 million in grants to 250 projects. This covers all grants, including annual grants, community partnerships, small project grants and Creative Yarra grants.

In addition to the annual grants, Council provided \$90,000 in subsidies to 69 not-for-profit organisations to use Yarra's town halls.

Grants highlights 2015/16

Grants program	Total funds allocated to the program	Total number of projects approved
Art and Culture (annual grant)	\$209,000	21
Community Development (annual grant)	\$309,000	68
Family, Children and Youth (annual grant)	\$162,000	19
Environment (annual grant)	\$53,000	10
Sport and Recreation (annual grant)	\$55,500	19
Community Housing (annual grant)	\$50,000	1
Community Partnerships	\$561,000	12
Creative Yarra	\$170,000	9
Investing in Community	\$280,000	11
Richmond and Collingwood Youth Project grants	\$180,000	1
Small Project grants	\$68,000	72
Live Music Venue grants	\$25,000	7
Total	\$2,122,500	250



An example of a successful applicant from each program

Circus Oz received \$10,000 for Deadly Elders Circus – a project in partnership with the Victorian Aboriginal Health Service for Aboriginal and Torres Strait Islander Elders living in inner-city Melbourne.

Project Respect received \$10,000 to foster community connectedness for women in the sex industry – particularly those trafficked into the industry within the City of Yarra – through outreach and individual support.

The African Communities Foundation received \$10,000 to run the African Kids Reading Club which provides after school learning sessions for CALD primary school children. Volunteer tutors support children with literacy and numeracy development and provide mentoring to improve the children's confidence and self-esteem.

Laneway Garden 3068 received \$3,000 to develop an educational space and build a water tank in a community garden.

The Collingwood City Football Club received \$3,135 for the Junior Eagles program, a soccer skills training program for children aged 8 to 18 years and with an intellectual or physical disability.

Launch Housing received \$50,000 for its Community Tenants Support Program which provides advocacy and support for tenants in the City of Yarra. The program aims to prevent homelessness by supporting people, whose tenancies are at risk, to maintain safe, appropriate and sustainable housing.

The Yarra Drug and Health Forum received \$23,000 to support its operating costs. This Forum was established 15 years ago as a broad-based advocacy group to engage the community and provide a conduit for community action on alcohol and drug issues impacting the City of Yarra.

Multicultural Arts Victoria received \$20,000 for the Black Harmony Gathering, an annual event that connects and showcases the arts and cultures of local Aboriginal, refugee and newly-arrived communities. This event has been held at Fairfield Amphitheatre since 2004.

The Victorian Association for the Care and Resettlement of Offenders received \$25,000 for the Second Chance Cycles project that takes discarded and unclaimed stolen bicycles and restores them for community use. The project provides people from marginalised backgrounds with hands-on training in a workshop environment where they learn new skills.

The Victorian YMCA received \$174,000 to run Project Y, which is designed to connect with disengaged children at the Richmond and Collingwood housing estates. The program provides activities, leadership and mentoring support.

I Am a Boat Person received \$1,000 for their 'I Came By Boat' project featuring a poster campaign and an art exhibition in Yarra highlighting the humanity of asylum seekers and their great contribution to Australian society.

The Old Bar received \$5,000 to help build a new stage with insulation and a sound limiter to minimise external noise to neighbouring properties.



Governance



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

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 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 (Mayor).

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 and Sam Gaylard.



- NICHOLLS WARD
- LANGRIDGE WARD
- MELBA WARD





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. This group of Councillors was elected on Saturday 27 October 2012 for a four-year term.

Langridge Ward Councillors



Cr Geoff Barbour



Served on Council since February 2008.

Internal memberships

Cr Barbour was a member of Council's Australia Day Awards Committee, East West Link Working Group, Heritage Advisory Committee, Performance Review Sub Committee, Yarra Arts Advisory Committee, Yarra Libraries Advisory Committee and Yarra Sustainability Awards Panel.

Delegations

Cr Barbour was Council's delegate to Metropolitan (Local Government) Waste Management Forum and Victorian Local Governance Association.

Cr Amanda Stone



Served on Council since November 2008.

Internal memberships

Cr Stone was a member of Council's Aboriginal Advisory Group, Active Ageing Advisory Committee, Disability Advisory Committee, Early Years Reference Group, East West Link Working Group, Environment Advisory Committee, Performance Review Sub Committee, Yarra Sustainability Awards Panel and Youth Advisory Committee.

Delegations

Cr Stone was Council's delegate to Friends of Baucau.

Cr Stephen Jolly



Served on Council since November 2004.

Internal memberships

Cr Jolly was a member of Council's Community Advisory Committee and Performance Review Sub Committee.

Delegations

Cr Jolly was Council's delegate to Doncaster Rail Local Government Group and Road Safety Action Group Inner Melbourne. Cr Jolly was also a substitute for the Collingwood Children's Farm Management Committee.



Melba Ward Councillors



Cr Misha Coleman



Served on Council since
October 2012.

Internal memberships

Cr Coleman was a member of Council's Australia Day Awards Committee, Performance Review Sub Committee and Yarra Sustainability Awards Panel.

Delegations

Cr Coleman was Council's delegate to Australian Local Government Women's Association and Collingwood Children's Farm Management Committee.

Cr Simon Huggins



Served on Council since
October 2012.

Internal memberships

Cr Huggins was a member of Council's Business Advisory Group, Municipal Health Plan Advisory Committee, Yarra Arts Advisory Committee and Yarra Sustainability Awards Panel.

Delegations

NA.

Cr Phillip Vlahogiannis



Served on Council since
October 2012. Term as Mayor
concluded in November 2015.

Internal memberships

Cr Vlahogiannis was a member of Council's Aboriginal Advisory Group, Audit Committee, Australia Day Awards Committee, Business Advisory Group, Performance Review Sub Committee, Yarra Libraries Advisory Committee, Yarra Sustainability Awards Panel and Youth Advisory Committee.

Delegations

Cr Vlahogiannis was Council's delegate to Inner Melbourne Action Plan Implementation Committee, Inner South Metropolitan Mayors' Forum, Mayors for Peace and Melbourne Northern Metropolitan Mayors and CEOs Forum.



Your representatives



Nicholls Ward Councillors



Cr Roberto Colanzi



Served on Council since October 2012. Elected as Mayor in November 2015.

Internal memberships

Cr Colanzi was a member of Council's Audit Committee, Australia Day Awards Committee, Business Advisory Group, Metropolitan (Local Government) Waste Management Forum, North Fitzroy Community Hub Community Design Reference Group, Performance Review Sub Committee, Yarra Environment Advisory Committee, Yarra Libraries Advisory Committee and Yarra Sustainability Awards Panel.

Delegations

Cr Colanzi was Council's delegate to Inner Melbourne Action Plan Implementation Committee, Inner South Metropolitan Mayors' Forum, Mayors for Peace and Melbourne Northern Metropolitan Mayors, Metropolitan Transport Committee and CEOs Forum, Municipal Association of Victoria and Yarra Energy Foundation.

Cr Jackie Fristacky



Served on Council since March 2002.

Internal memberships

Cr Fristacky was a member of Council's Active Ageing Advisory Committee, Bicycle Advisory Committee, Disability Advisory Committee, East West Link Working Group, Municipal Health Plan Advisory Committee, North Fitzroy Community Hub Community Design Reference Group, Performance Review Sub Committee, Yarra Arts Advisory Committee, and Yarra Sustainability Awards Panel.

Delegations

Cr Fristacky was Council's delegate to the Doncaster Rail Local Government Group, Friends of Bacau (substitute), Metropolitan Transport Forum, Municipal Association of Victoria and Victorian Local Governance Association.

Cr Sam Gaylard



Served on Council since November 2008.

Internal memberships

Cr Gaylard was a member of Council's Bicycle Advisory Committee, Community Gardens Advisory Committee, Municipal Health Plan Advisory Committee, Heritage Advisory Committee, North Fitzroy Community Hub Community Design Reference Group, Performance Review Sub Committee and Yarra Sustainability Awards Panel.

Delegations

Cr Gaylard was Council's delegate to Doncaster Rail Local Government Group, Northern Alliance for Greenhouse Action, Road Safety Action Group Inner Melbourne and Yarra Energy Foundation.

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.

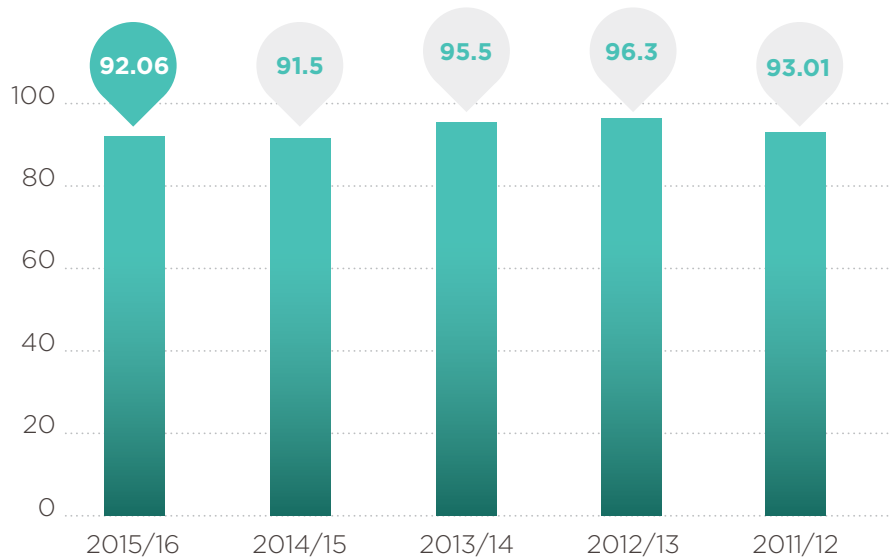
Special Council Meetings are scheduled as required to tackle more urgent matters.

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

Councillor meeting attendance

On average, each Yarra Councillor participated in 92% of the Ordinary Council Meetings held in 2015/16, a continuation of the strong attendance statistics recorded in previous years.

Councillor attendance % for Ordinary Council Meetings 2011-16



Your representatives



Councillor meeting attendance



Councillor Meeting Attendance in 2015/16

Councillor	Ordinary Council Meetings	Special Council Meetings	Internal Development Approvals Committee
	22	6	23 ¹
Cr Barbour	22	6	8 rostered 8 attended
Cr Colanzi	22	6	7 rostered 6 attended
Cr Coleman	18	5	9 rostered 6 attended
Cr Fristacky	21	6	8 rostered 10 attended ²
Cr Gaylard	21	5	7 rostered 7 attended
Cr Huggins	18	4	7 rostered 7 attended
Cr Jolly	20	5	7 rostered 6 attended
Cr Stone	21	5	8 rostered 8 attended
Cr Vlahogiannis	21	6	8 rostered 8 attended

¹ Three Councillors at a time are rostered onto the Internal Development Approvals Committee

² Councillors occasionally serve as substitutes on the Internal Development Approvals Committee

Councillor allowances

In accordance with 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 \$74,655 plus 9.5% (being the equivalent of the Superannuation Guarantee Levy) for a total of \$81,747 per annum. Other Councillors receive \$24,123 plus 9.5% (being the equivalent of the Superannuation Guarantee Levy) for a total of \$26,415 per annum.

Councillor expenses

The *Local Government Act 1989* provides that the Mayor and Councillors are offered appropriate tools and support to enable them to properly undertake their statutory obligations. The extent of support is generally recommended by Local Government Victoria.

There are very substantial time commitments required of Councillors in order for them to properly represent their constituents and perform their significant legal responsibilities, often requiring travel and late hours. Therefore the provision of efficient communications equipment, reimbursement of official travel and telephone

expenses and, if applicable, childcare expenses are generally provided by municipalities across Victoria in order to assist Councillors to maximise their responsibilities.

Councillor expenses in 2015/2016 amounted to \$353,573 (this figure includes Councillor allowances).

Councillor expenses 2015/16 (incorporates Councillor allowances)	Barbour	Colanzi	Coleman	Fristacky	Gaylard	Huggins	Jolly	Stone	Vlahogiannis
	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)	(\$)
Travel	833	0	512	125	402	0	68	182	784
Car mileage	155	0	0	0	0	0	0	0	0
Childcare	0	0	5,064	0	0	0	0	0	0
Information and communication technology	819	1,424	2,504	2,580	2,491	1,442	12,688	1,653	1,002
Conference and training	856	2,771	923	12,081	2,370	0	0	1,110	2,094
Sub-total	2,663	4,195	9,003	14,786	5,263	1,442	12,756	1,835	3,880
Unclassified (includes allowance)	26,797	61,714	26,975	26,383	26,151	26,151	26,205	26,342	49,920
TOTAL	29,461	65,909	35,978	41,169	31,414	27,593	38,961	29,287	53,800



Your representatives



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. There were 1,487 requests in 2015/16, a slight decrease on the 1,583 in 2014/15.

Freedom of Information

Council is committed to making a wide range of policy, reports, data, research and other documents available to residents without the need to lodge a formal request under the *Freedom of Information Act 1982*.

Where legal restrictions on Council mean that applications are required, Council strives to

provide all information to which applicants are entitled, while preserving the privacy of third parties. During 2015/16, Council received 73 Freedom of Information applications, a small decrease on the previous year. While the *Freedom of Information Act 1982* provides Council with 45 days to respond, we were able to respond to most requests within 14 to 21 days.

Freedom of Information requests 2011-16

Year	Number of requests
2015/16	73
2014/15	82
2013/14	75
2012/13	77
2011/12	71

Freedom of Information - application outcomes 2015/16

Outcome	% of requests
Access fully granted	37
Access partially granted	46
Access denied	3
Withdrawn or not proceeded with	6
No documents to provide	4
Proceeded to FOI Commissioner	4
TOTAL	100



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.

Council's Register of Public Documents includes the following information:

- › Details of overseas or interstate travel
- › Agendas and minutes of Council Meetings
- › Minutes of Committee Meetings
- › Register of delegations
- › Details of property leases
- › Register of authorised officers
- › List of donations and grants

Inquiries regarding the Register of Public Documents should be made to Council's Governance Support Unit, 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.

Reports of this kind are treated in accordance with Council's Protected Disclosures Policy, which is available from Council's website or the Governance Support Unit at Richmond Town Hall.

There were no disclosures notified to the Independent Broad Based Anti-corruption Commission under section 21(2) of the *Protected Disclosures Act 2012* during 2015/16.

For further details, please contact Council's Protected Disclosure Coordinator, Ivan Gilbert, on **9205 5110** or at **Ivan.Gilbert@yarracity.vic.gov.au**

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 state legislation.

Council is required to, and does maintain, an Information Privacy Policy, which can be found on 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**



Your representatives



Local Laws

Council has four Local Laws in place under 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.

During 2015/16 Council commenced a review of two of its Local Laws to make them easier to understand and more user-friendly for the wider community. As a result, 2016/17 will see the introduction of the General Local Law, a unified document intended to replace both the Environment Local Law No.3 and Roads and Council Land Local Law No.2.

A summary of these Local Laws follows.

Local Laws – Current as at 30 June 2016

Local Law	Purpose	Reviewed/ Adopted
Meeting Procedures Local Law No. 1 of 2011	To determine the structure and conduct of formal Council meetings and the use of Council's common seal.	2011
Roads and Council Land Local Law No. 2 of 2012	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
Environment Local Law No. 3 of 2012	To address compliance issues related to building works, parks and gardens, certain commercial activities, public behaviour and more.	2012
Consumption of Liquor in Public Places Local Law No. 8 of 2009	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

Governance and Management Checklist

Council is required to publish an audited Governance and Management Checklist in accordance with the Local Government (Planning and Reporting) Regulations 2014. Please refer to page 191 for details.

Audit Committee

During 2015/16 Council's Audit Committee was comprised of three independent experts and two Councillors (including the Mayor).

The Audit Committee provided independent assurance and assistance to Council and its Chief Executive Officer.

The Committee independently reviewed and assessed the effectiveness of key aspects of Council's operations, including:

- › Risk management – the identification and treatment of our risks
- › Financial reporting – including the end of year financial accounts and performance statement



- › Internal controls – legislative and policy compliance, ethical and lawful conduct and business continuity management
 - › Compliance requirements – laws, policies and regulations requiring compliance by Council
 - › Internal Audit – reviews on the resilience and sustainability of our operations, services and finances
 - › Implementation of management actions in response to internal and external audit recommendations to ensure they are addressed
- The work of the Audit Committee provided the organisation with the highest standards of good governance with its independent and objective source of advice.
- The Committee met on five occasions throughout the year and reviewed a range of issues, including:
- › Privacy management
 - › Procurement and supplier management
 - › Tendering and contract management
- › Depot management
 - › Councillor expenditure
 - › External audits and reports conducted by the Victorian Auditor-General’s Office
 - › Council’s Annual Financial Statements and Performance Statements
 - › IT contracts

Audit Committee members

Name	Role	Qualification	Member since	2015/16 attendance
David Ashmore	Independent member (Chairperson)	CA, FCA	2015	5 rostered 5 attended
Vince Philpott	Independent member	CMIIA, CIA CCSA	2012	5 rostered 5 attended
Mr Michael Said	Independent member	CPA, RCA	2009	5 rostered 5 attended
Cr Roberto Colanzi	Internal member	Councillor	2013	5 rostered 5 attended
Cr Phillip Vlahogiannis	Internal member	Councillor	2014	5 rostered 3 attended

Executive Risk Management Panel

Yarra’s Director of Corporate, Business and Finance ensures that Council’s Executive meets, as required, on specific risk management issues.

During 2015/2016 Council’s Executive engaged with senior officers on a range of risk management issues including but not limited to:

- › Disaster Recovery Plan for ICT
 - › Victoria’s new Child Safe Standards
 - › New Fraud and Corruption Policy for Council
 - › Operational Risk Profile and Risk Register for all Branches
 - › New Contract Management System for Council
 - › Procurement Project Implementation Plan 2016–2018
 - › Review of Council’s Purchasing Card Pilot
 - › Emergency Management in conjunction with Emergency Management Victoria and Department of Health and Human Services
- In addition, the Executive initiated changes to Council’s risk-based insurance portfolio for financial year 2016/17. The review of Council’s insurance portfolio was completed in conjunction with Procurement Australia.



Your representatives



Non-competitive contracts

Service contracts:

During 2015/16 Council did not enter into any contracts valued at \$150,000 or more for services without first engaging in a competitive process.

Works contracts:

Council entered into one contract (Q1260) valued at \$193,897 (inclusive of GST) for works. While initially below the threshold for a competitive process, the total value of the contract ultimately reached \$220,957 (inclusive of GST). The contract related to reconfiguration of the Richmond Town Hall work space.

Other disclosures

Disability Action Plan

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.

Council's Access and Inclusion Plan 2014-17 has been evaluated on implementation of actions allocated for 2015/16. Out of 42 actions, 30 have achieved 100% completion rate, and the overall completion rate reached 83%. The evaluation led to further consultations with the Disability Advisory Committee and Council's leadership team, and a new set of 19 actions has been established for implementation in 2016/17. The evaluation report and the new set of actions have both been verified and were adopted by Council in February 2016.

Highlights this year included:

- › The recruitment and selection policy and guidelines have been reviewed and they clearly outline the equitable processes for employment of people with disability.
- › Two paid professional internships were successfully completed by tertiary students with disability.
- › A series of free community events were organised throughout the municipality over a 10-day period to celebrate International Day of People with Disability.

Council's Meetings, Events and Festivals Disability Access Guidelines have been reviewed, and this publication promoted to external organisations through the booking process.

Carer support

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.

Yarra has continued to develop its services and policies to support carer relationships. During 2015/16 this included:

- › Reviewing its role in the National Disability Insurance Scheme (NDIS) and undertaking consultations with Home and Community Care clients to identify issues in transitioning to the new service model.

Supporting the National Disability Insurance Authority to engage with residents and carers to understand the new Scheme, including holding forums, mailing out information and working with specialist providers.

Domestic Animal Management Plan

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.

During 2015/16, Council continued to fulfil its commitments as outlined in the Domestic Animal Management Plan by:

- › Publishing regular information on Council's website on responsible pet ownership and owner responsibilities.
- › Completing all relevant staff training programs as per the Plan.
- › Conducting one-on-one officer training on best practice and process improvement.



- › Offering and promoting discounted registration fees as per the *Domestic Animals Act 1994*.
- › Conducting regular proactive park patrols to encourage educated responsible pet ownership.
- › Collecting and reuniting stray domestic animals with their owners and achieving a high reclaim rate compared to similar inner city Councils.
- › Reviewing the Domestic Animal Management Plan and submitting it to the Department of Economic Development, Jobs, Transport and Resources.
- › Continuing to promote and educate on animal welfare and responsible pet ownership issues.
- › Undertaking annual audits of registered domestic animal businesses.
- › Investigating animal-related complaints, including those related to barking dogs and dog attacks.
- › Auditing and updating the Victorian Declared Dog Registry.
- › Updating the standard operating procedures for officers and reviewing the overall process.
- › Raising awareness of animal over-population and providing information to reduce stray animals.
- › Carrying out annual inspections of declared dangerous, menacing and restricted breed dogs as required.

Ministerial Directions – Food Act 1984

Under section 7E of the Food Act 1984, Council is required to detail any Ministerial Directions it has received in relation to its administration of this Act.

Council did not receive any Ministerial Directions during the reporting period.

Ministerial Directions – Road Management Act 2004

Under section 22(4) of the Road Management Act 1984, Council is required to detail any Ministerial Directions it has received in relation to its administration of this Act.

Council did not receive any Ministerial Directions during the reporting period.

Inner Melbourne Action Plan Implementation Committee

This committee has delegated powers, duties and functions relating to implementation of the Inner Melbourne Action Plan (IMAP). The Special Committee is established under section 86 of the *Local Government Act 1989* and is made up of representatives from the Cities of Maribyrnong, Melbourne, Port Phillip, Stonnington and Yarra. The Committee meets quarterly with governance and administration support provided by the IMAP Executive Officer.



Your representatives



Council's Advisory Committees and Working Groups

Committee	Councillor delegates	
	Jul 2015 – Nov 2015	Nov 2015 – Jun 2016
The Aboriginal Advisory Group facilitates consultation with the local Aboriginal community on issues such as culture, health, housing, employment and social justice.	Cr Stone Cr Vlahogiannis	Cr Stone Cr Vlahogiannis
The Active Ageing Advisory Committee promotes consideration of senior citizens' needs in Council's core planning.	Cr Fristacky Cr Stone	Cr Stone
The Yarra Arts Advisory Committee provides input on the development of art policies, the allocation of community grants and the management of Council's collection.	Cr Barbour Cr Huggins	Cr Barbour Cr Fristacky Cr Huggins
The Audit Committee provides independent assurance and assistance to Council in relation to its risk, control and compliance framework, financial management and reporting responsibilities.	Cr Barbour Cr Coleman Cr Vlahogiannis	Cr Colanzi Cr Vlahogiannis
The Australia Day Awards Committee facilitates selection of Australia Day Citizens of the Year.	Cr Barbour Cr Colanzi Cr Coleman	Cr Barbour Cr Colanzi Cr Coleman
The Bicycle Advisory Committee encourages bicycle use and provides feedback on cycling programs and proposals.	Cr Fristacky Cr Gaylard	Cr Fristacky Cr Gaylard
The Business Advisory Group works to boost the profile of Council's business community and provides advice on the creation of related policies and programs.	Cr Colanzi Cr Huggins Cr Vlahogiannis	Cr Colanzi Cr Huggins Cr Vlahogiannis
The Community Gardens Advisory Committee advises Council on the development of community gardens.	Cr Gaylard Cr Jolly	Cr Gaylard
The Disability Advisory Committee promotes integration of principles supporting people with disabilities into Council's core business.	Cr Fristacky Cr Stone	Cr Fristacky Cr Stone
The Environment Advisory Committee assists Council in its pursuit of sustainability outcomes in its own operations as well as in the broader community.	Cr Stone	Cr Colanzi Cr Stone
The Early Years Reference Group comments on the development and delivery of policies and services relating to children and families.	Cr Barbour Cr Fristacky Cr Stone	Cr Stone
The East West Link Working Group (Consolidated) was responsible for reviewing matters relating to the proposed East West Link. This group is no longer active.	Cr Stone	NA



Committee	Councillor delegates	
	Jul 2015 – Nov 2015	Nov 2015 – Jun 2016
The Heritage Advisory Committee provides feedback on strategic heritage issues and promotes awareness of heritage resources and services.	Cr Barbour Cr Gaylard	Cr Barbour Cr Gaylard
The Municipal Health Plan Advisory Committee oversees delivery of mental, physical and Aboriginal health strategies.	Cr Gaylard Cr Huggins	Cr Fristacky Cr Gaylard
The Multicultural Advisory Committee was established on 10 November 2015 to fulfil the action in the Multicultural Partnerships Plan concerning the Priority Area: Relationships.	NA	Cr Vlahogiannis
The North Fitzroy Community Hub Design Reference Group informed the design of a facility incorporating a public library, maternal and child health centre and multicultural meeting place.	Cr Colanzi Cr Fristacky Cr Gaylard	NA
The Performance Review Sub-Committee conducts the annual remuneration and performance review of Council's Chief Executive Officer.	Cr Barbour Cr Colanzi Cr Coleman Cr Fristacky Cr Gaylard Cr Huggins Cr Jolly Cr Stone Cr Vlahogiannis	Cr Barbour Cr Colanzi Cr Coleman Cr Fristacky Cr Gaylard Cr Huggins Cr Jolly Cr Stone Cr Vlahogiannis
The Yarra Libraries Advisory Committee issues feedback on library issues and contributes to the development of related programs, policies and service plans.	Cr Jolly Cr Vlahogiannis	Cr Colanzi Cr Gaylard
The Yarra Sustainability Awards Panel assesses nominations for awards to celebrate and promote innovative community responses to environmental challenges.	Cr Barbour Cr Colanzi Cr Coleman Cr Fristacky Cr Gaylard Cr Huggins Cr Stone Cr Vlahogiannis	Cr Barbour Cr Colanzi Cr Coleman Cr Fristacky Cr Gaylard Cr Huggins Cr Stone Cr Vlahogiannis
The Youth Advisory Committee provides specialist advice on programs for young people and facilitates engagement with third party agencies.	Cr Stone Cr Vlahogiannis	Cr Stone Cr Vlahogiannis



Your representatives



Representation on external bodies

Committee	Councillor delegates	
	Jul 2015 - Nov 2015	Nov 2015 - Jun 2016
The Australian Local Government Women's Association promotes participation of women in the local government sector.	Cr Coleman	Cr Coleman
The Collingwood Children's Farm Management Committee oversees the operation and development of one of Yarra's most cherished attractions.	Cr Coleman Cr Jolly (substitute)	Cr Barbour
The Doncaster Rail Local Government Group comprises six eastern councils working together to advocate for planning and construction of Doncaster Rail.	Cr Gaylard Cr Jolly	Cr Fristacky Cr Gaylard
The Friends of Bacau group promotes friendship and governance support with the district of Bacau in Timor-Leste.	Cr Stone Cr Fristacky (substitute)	Cr Stone Cr Coleman (substitute)
The Inner Melbourne Action Plan Implementation Committee considers transport planning, residential growth and business development issues in the inner city region.	Cr Vlahogiannis	Cr Colanzi
The Inner South Metropolitan Mayors Forum is a partnership between Bayside, Glen Eira, Stonnington, Boroondara, Kingston, Port Phillip and Yarra councils.	Cr Vlahogiannis	Cr Colanzi
The Melbourne Northern Metropolitan Mayors and CEOs Forum studies and responds to matters of shared importance to its member councils. Council was a member of the forum until 8 March 2016.	Cr Vlahogiannis	Cr Colanzi
The Metropolitan (Local Government) Waste Management Forum facilitates environmental initiatives such as waste reduction and recycling across Metropolitan Melbourne.	Cr Barbour Cr Coleman	Cr Barbour Cr Colanzi (substitute)
The Metropolitan Transport Forum , comprising 23 local councils, facilitates discussion and develops recommendations for socially and environmentally responsible transport initiatives.	Cr Fristacky Cr Colanzi (substitute)	Cr Fristacky Cr Colanzi (substitute)
The Municipal Association of Victoria provides advice to, and advocates for, the local government sector.	Cr Fristacky Cr Colanzi (substitute)	Cr Colanzi Cr Fristacky (substitute)
The Northern Alliance for Greenhouse Action collaborates with governments, businesses and communities to respond to climate change.	Cr Gaylard	Cr Gaylard
The Victorian Local Governance Association provides leadership and advice to its member councils and promotes democratic governance principles.	Cr Barbour Cr Fristacky	Cr Fristacky Cr Coleman (substitute)
The Yarra Energy Foundation devises and implements strategies, programs and partnerships in pursuit of a carbon neutral municipality.	Cr Colanzi Cr Gaylard	Cr Colanzi Cr Gaylard

Community participation

The community can participate in Council business by attending and speaking at Ordinary Council Meetings, Internal Development Approval Committee Meetings and Ward Meetings.

Ordinary Council 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. 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.

People who would like to receive an email alert once the agenda is published can send an email to governancesupport@yarracity.vic.gov.au with the subject line 'Agenda Alert List'. 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.

Internal Development Approvals Committee

The Internal Development Approvals Committee (IDAC) hears extensive submissions from planning applicants and objectors before reaching its decisions. IDAC Agendas are published on Council's website at least five days prior to the meeting in question.

Ward Meetings

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 2015/16, two for each of Yarra's three electoral wards.

Curtin Square,
North Carlton





Our People



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

Repositioning for 2015/16

In the lead up to the end of the financial year, Council repositioned the following areas to better reflect adjusted focuses and responsibilities:

- › City Development became Planning and Place Making
- › Infrastructure Services became City Works and Assets
- › Community Programs became Community Wellbeing
- › Communications and Customer Service became Advocacy and Engagement
- › Corporate Services became Corporate, Business and Finance

Organisational Structure



Chief Executive Officer

Vijaya Vaidyanath

Director Corporate, Business & Financial Services

Andrew Day

Director Community Wellbeing

Chris Leivers

Director City Works And Assets

Guy Wilson-Browne

Chief Financial Officer

Philip Mason

Manager Aged & Disability Services

Adrian Murphy

Manager Building Assets

Mark Johannsen

Manager Corporate Planning & Performance

Julie Wyndham

Unit Manager Arts, Culture & Venues

Siu Chan

Manager City Works

Dennis Cheng

Manager Compliance & Parking

Stewart Martin

Manager Family, Youth & Children's Services

Lucas Gosling

Manager Construction

Steven McMurray

Manager Leisure Services

Peter Watson

Manager Library Services

Margherita Barbante

Manager Engineering & Asset Management

Kim O'Connor

Manager Innovation

Rick Bottiglieri

Manager Traffic & Special Projects

Richard Young

Unit Manager Risk, Audit & Procurement

Kathy Duffy



**Director Planning
& Place Making**

Bruce Phillips

**Assistant
Director Planning
& Place Making**

Jane Waldock

**Group Manager
Advocacy &
Engagement**

Joanne Murdoch
(Mulcahy)

**Group
Manager
CEO Office**

Ivan Gilbert

**Group Manager
People, Culture
& Community**

Fred Warner

**Manager
Recreation
& Open Space**

Justin Hanrahan

**Unit Manager
Sustainability**

Michael Oke

**Manager
Customer Service**

Rose Barletta

**Coordinator
Corporate
Records**

Stephen Hyde

**Unit Manager
Community
Partnerships**

Aldo Malavisi

**Manager
City Strategy**

David Walmsley

**Coordinator
Strategic
Transport**

Simon Exon

**Unit Manager
Advocacy,
Engagement
& Media**

Brooke Colbert

**Senior
Governance
Advisor**

Rhys Thomas

**Coordinator
Engagement
& Inclusion**

Kerrie Loveless

**Manager
Statutory
Planning**

Mary Osman

**Coordinator
Waste
Minimisation**

Lisa Coffa

**Coordinator
Communications -
Digital & Brand**

Cameron Gray

**Coordinator
Office Of Mayor
& Councillors**

Barbara Higgins

**Coordinator
Human Resource
Services**

Elise Des Landes

**Unit Manager
Property Services**

Karen Hayes

**Unit Manager
Occupational
Health & Safety**

Stuart Cross

**Coordinator
Organisational
Development**

Stephanie Tramontin

**Unit Manager
People & Strategy**

Brenton Otte



Our People



Executive Management Team



**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, Destination Melbourne and is also an active member of several advisory panels and working groups.

Areas of responsibility during 2015/16

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, Vijaya 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.

**Andrew
Day**



DIRECTOR CORPORATE,
BUSINESS AND FINANCE

Background

Andrew Day commenced his role as Yarra's Director of Corporate, Business and Finance in mid-2015 having held senior roles in the local government, health and not-for-profit sectors. His qualifications include a Master of Business Degree and he is a graduate of the Institute of Company Directors.

Areas of responsibility during 2015/16

The Corporate, Business and Finance Division is responsible for managing Council's financial performance and long-term financial sustainability. It is also responsible for key corporate planning processes and information systems, along with providing innovation, strategic procurement and risk management support to the organisation, as well as business continuity and emergency management coordination. Externally the Division manages local laws compliance, parking enforcement and administration services as well as Council's three Leisure Centres and the Burnley Golf Course.



**Ivan
Gilbert**



GROUP MANAGER
CEO'S OFFICE

Background

Ivan was appointed Manager Governance in June 2005, a role that has since been expanded to Group Manager Chief Executive's Office. He has also acted as Yarra's Chief Executive Officer and Manager, Organisational Development and Communications. 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 for a period.

Areas of responsibility during 2015/16

Ivan oversees the Governance Support Unit, the Mayor and Councillors Office, the Records Branch and Property Services, and also assists the Chief Executive Officer. Areas of responsibility include organising Council Meetings business, facilitating legal advice, and maintaining the Policy Management Framework. Ivan is also responsible for processing Protected Disclosure matters in association with IBAC, Freedom of Information and State Ombudsman inquiries, maintenance of Council's Public Register and Instruments of Delegation. The Group Manager Chief Executive's Office also fills the role of Internal Ombudsman.

**Chris
Leivers**



DIRECTOR COMMUNITY
WELLBEING

Background

Chris Leivers arrived at Yarra in June 2015 with 15 years of experience in the local government and community services sectors. He has held senior management roles within local government, with a background in community services and community planning. His qualifications include a Bachelor of Arts and a Graduate Diploma in International and Community Development. He is a graduate of the Institute of Company Directors.

Areas of responsibility during 2015/16

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

**Jo Murdoch
(Mulcahy)**



GROUP MANAGER ADVOCACY
AND ENGAGEMENT

Background

Jo joined Yarra as an executive leader in 2011 following on from senior roles at two Melbourne councils and a major media outlet. She completed a three-year journalism cadetship early on in her career and now has post-graduate qualifications in Business Administration and International and Community Development. She is also IAP2 certified and a former LGPro Victoria Board Member and a National Director with Local Governance Managers Association (LGMA).

Areas of responsibility during 2015/16

Jo is responsible for customer service, internal and external communications, stakeholder engagement, 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.



Executive Management Team (cont.)



**Bruce
Phillips**



DIRECTOR PLANNING
AND PLACE MAKING

Background

Bruce was appointed as Director Planning and Place Making, previously known as City Development, in 2006. He has worked in local government since 1979, across four Melbourne metropolitan councils. 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 years of experience on development approvals. Bruce holds a Diploma of Applied Science in Town Planning and a Postgraduate Diploma in Environmental Science.

Areas of responsibility during 2015/16

The services provided by the Planning and Place Making 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, gardens and recreation, statutory and strategic planning and sustainable transport. Bruce also has responsibility in implementing the Inner Melbourne Action Plan.

**Guy Wilson-
Browne**



DIRECTOR CITY WORKS
AND ASSETS

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 during 2015/16

Guy is responsible for the provision and maintenance of public infrastructure in the City of Yarra. As Director City Works and Assets, he oversees roads and footpaths, asset management, construction management, 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.

**Jane
Waldock**



ASSISTANT DIRECTOR
PLANNING AND
PLACE MAKING

Background

Jane was appointed as Assistant Director City Development in 2016. Jane has worked at Yarra since 2008. Her previous work in local government was at two councils, each located within metropolitan Melbourne. Jane has worked extensively in the areas of transport, traffic, and environmental management, in public, private and consulting sectors. She holds a Bachelor of Engineering (Civil) Degree and also has a Postgraduate Diploma in Management (Organisational Change).

Areas of responsibility during 2015/16

Jane's primary area of responsibility is the Sustainability and Strategic Transport branch, which includes the environment, waste minimisation, urban agriculture and strategic transport units. These teams undertake advocacy and engagement projects as well as initiating and delivering transport and environmental capital works programs. Jane also manages Council's relationship with the Yarra Energy Foundation.



Fred Warner



GROUP MANAGER
PEOPLE, CULTURE
AND COMMUNITY

Background

Fred was appointed to the position of Executive Manager People and Culture in 2014. He 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.

Areas of responsibility during 2015/16

Fred is responsible for organisational development, recruitment and diversity, culture and leadership, employee and industrial relations, occupational health and safety, and management of WorkCover. Fred is also responsible for community partnerships, Aboriginal and multicultural affairs, community grants, housing and homelessness, and community safety.



A Portugese Water Dog enjoys one of Yarra's off-leash areas



Our People



Organisational values

Council's work is guided by agreed values and behaviours. These principles underpin 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
Respect	<ul style="list-style-type: none"> › Understanding › Empathy › Courtesy 	We celebrate diversity and value different opinions, views and working styles. We seek to understand expectations and differing needs, then respond appropriately.
Integrity	<ul style="list-style-type: none"> › Honesty › Fairness › Transparency 	We communicate clearly and apply policies and procedures with discretion, judgement and sensitivity for equitable outcomes.
Accountability	<ul style="list-style-type: none"> › Ownership › Leadership › Initiative 	We take responsibility for our actions and welcome feedback. We follow through on obligations and commitments promptly, and willingly achieve agreed goals and standards.
Teamwork	<ul style="list-style-type: none"> › Support › Collaboration › Encouragement 	We acknowledge we are one organisation in which every person plays an important role. We build positive working relationships across all teams and groups and in our interactions with the wider community. We engage our colleagues, value their experiences and share our resources.
Innovation	<ul style="list-style-type: none"> › Lead › Learn › Improve 	We tackle challenges and try new things. We strive for a learning culture. We embrace change and are not hampered by fear. We learn from our actions and experiences. We seek and provide feedback. We further develop our knowledge and skills.
Sustainability	<ul style="list-style-type: none"> › Environmental › Economic › Social › Cultural 	Our long-term vision guides our investment in the future to promote the health and resilience of our organisation and our community.



Culture change and organisational development

Yarra continued to foster a constructive organisational culture through its leaders, who were encouraged and equipped to engage with their teams on business improvement opportunities and efficiencies.

This involved regular planning sessions and trusting team members to decide the best ways to identify service needs and how to deliver them.

This was supported by Council's Organisational Strategic Plan, which continued to provide a strategic and effective approach to developing the organisation's people and providing the culture for continuous improvement. During 2015/16 the third-year actions of the Organisation Strategic Plan were implemented.

Internal communications

Council commenced the second year of actions in its award winning Internal Communications Strategy in 2015/16. Council's innovative and best-practice approach to internal communications ensures that its employees are continuously kept informed, engaged and connected as one team.

Yarra provides an in-house internal communications service that delivers key messages to staff across a variety of engaging and innovative channels including face-to-face channels like forums, briefings and meetings as well as

other channels and mediums including video, online engagement, posters, bulletins and an intranet.

Strong and effective internal communications at Yarra transforms the way Council staff connects with one another and enhanced the workplace culture of Yarra, resulting in positive service delivery to our community.

Emergency management

Yarra's emergency preparedness and planning activities in 2015/16 have positioned the municipality as a leader in the area.

This year Council established an emergency management team – with close to 100 Council officers – assigned and trained to perform additional specific emergency management roles in the event of an emergency, municipal or regional.

In August 2015, Yarra hosted a regional emergency management exercise (Jewell) to test the collaboration and sharing of services between municipalities in the North West Metropolitan Region. This exercise involved hundreds of Yarra residents and staff from Yarra, local service providers and government agencies.

In June 2016, Council developed and executed a multi-regional emergency management and business continuity exercise (Pandemex). This activity brought Yarra's neighbouring municipalities together, to practise emergency management and business continuity arrangements relating to a pandemic scenario.

Council provides information on emergency management to residents and visitors through a variety of channels: local newspapers; events and workshops; emergency exercises, as outlined above; community meetings; and via the Yarra City Council website. Council led a major community engagement and education campaign over the 2015/16 summer – raising awareness of heatwave risks and promoting safe behaviour in heatwaves among the city's CALD residents living in social and public housing. The campaign was nominated for the 2016 Attorney General's Resilient Australia Award.

Council continued through the year to monitor the reforms occurring in emergency management legislation and advocated in the best interests of the Yarra community. We participated in the State Government's Emergency Management Planning Legislation Advisory Committee and regularly provided input into submissions and position papers from the Municipal Association of Victoria.

The City of Yarra *Municipal Emergency Management Plan* was audited on 27 November 2015, by the State Emergency Service, Victoria Police and the Department of Health and Human Services, receiving an outstanding result of 24 out of 24 'Best Practice' compliance.



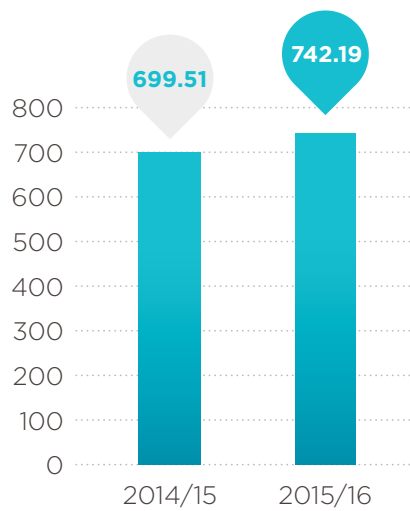
Our People



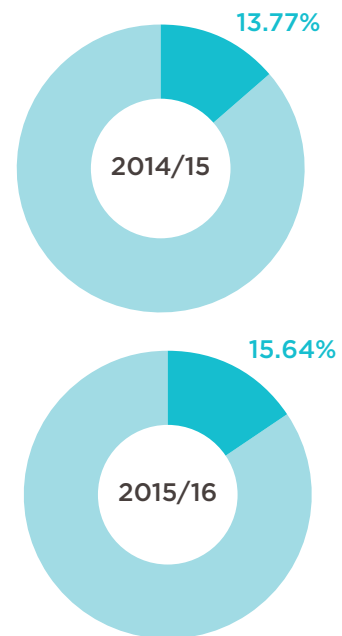
Staff profile at 30 June 2016

Yarra expanded its workforce from 1,066 to 1,129 during 2015/16, an increase of 5.9%. The staff turnover rate was 16.43%. At 30 June 2016, Council had 742 equivalent full-time positions for a year-over-year increase of 6.1%.

Equivalent full time staff numbers (excludes temporary)



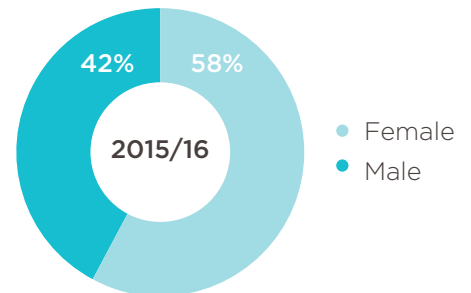
Staff turnover (excludes casuals and temporary)



Total staff numbers (excludes temporary)

	2014/15	2015/16
Full time	488	522
Part time	260	302
Casual	318	315
TOTAL	1,066	1,139

Staff gender profile 2015/16 (excludes casuals and temporary)





Listening to
the community

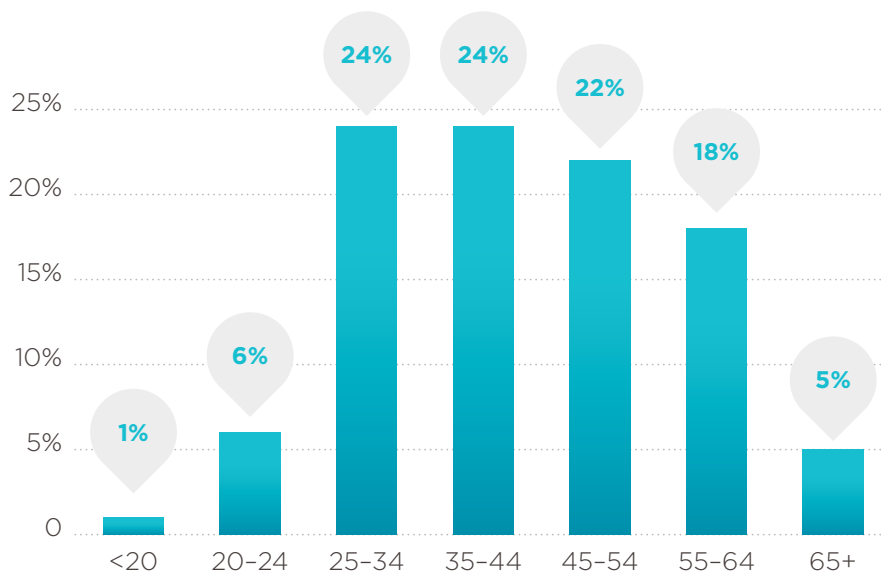
Council projects benefit from the local knowledge and creativity of community members.



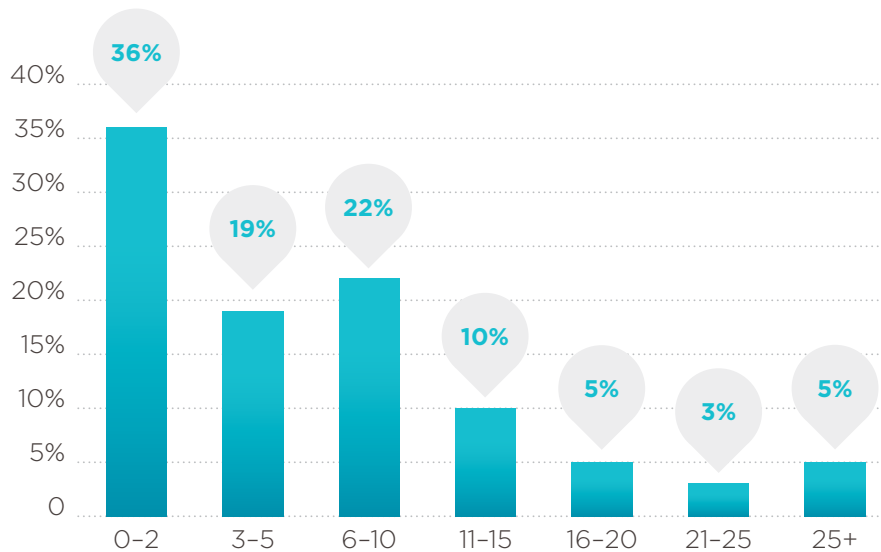
Our People



Staff age profile 2015/16 (excludes casuals and temporary)



Staff tenure 2015/16 (excludes casuals and temporary)



Recruitment goes green

This year Yarra transitioned to sending out all employment contracts electronically, significantly reducing the use of paper in the recruitment process. This new sustainable process also makes it easier for candidates to receive and return their employment documentation.

Gender equity

Council began developing a new gender equity strategy, building on the success of its widely celebrated Gender Equity Strategy 2013-16. Yarra continues to be innovative and proactive in this space, providing a respectful and equitable workplace for everyone.

Council also provided leadership on projects that both support and champion women, including White Ribbon Day, the International Women's Day Event and Awards. Yarra partnered with Women's Health in the North, the Municipal Association of Victoria, the Yarra Family Violence Network and the Northern Region Preventing Violence Against Women Advisory Group.

Some of the significant actions for this year included:

- › Appointment of a dedicated Gender Equity Policy Advisor.
- › Endorsement of a 40% target for women in leadership roles at Yarra by 2020.
- › Development of a parental leave policy and toolkit.
- › Increased organisational awareness and understanding of family violence through the family violence organisational policy and contact officer program.



Employment type by seniority and gender 2015/16 (excludes casuals and temporary)

Band	Female	Male	Total
Band 1	5	3	8
Band 2	11	5	16
Band 3	92	79	171
Band 4	93	40	133
Band 5	89	47	136
Band 6	81	62	143
Band 7	46	39	85
Band 8	26	30	56
Non-banded (e.g. contract)	39	37	76
TOTAL	482	342	824

- › Key HR initiatives and policies which continue to promote, enhance and encourage a more inclusive workforce, through recruitment, advertising, panel selection and appointment considerations.

Employee diversity

Council rolled out its Employee Diversity and Inclusion Strategy 2015-17. It is a strategy that complements the Gender Equity Strategy 2013-16. Both strategies assist Council in drawing pride and strength from its diversity – remaining open to new approaches while actively fostering an inclusive workplace.

Council continued to strongly promote the inclusion and diversity of its workforce throughout 2015/16 – actively ensuring that diversity and

inclusion is incorporated in all of its business and workforce planning. This proudly reflects Yarra's diverse community.

Highlights for the 2015/16 included:

- › Development of LGBTIQ training, in partnership with Transgender Victoria, for roll out in 2016/17.
- › Completion of a three-month internship for two university students living with a disability.
- › Development of a pilot work experience program 'Experience Yarra' for young people, scheduled for implementation across Council in September 2017.
- › Hosted internal events to celebrate Council's diverse workforce including IDAHOBIT day and International Women's Day.



Our People



Employment type by division and gender 2015/16 (excludes casuals and temporary)

Employment type/ gender	CEO's Office	Planning & Place Making	City Works & Assets	Community Wellbeing	Corporate, Business & Financial Services	Advocacy & Engagement	People, Culture & Community	Executive	Total
Permanent FT - F	8	41	23	126	47	13	7	2	267
Permanent FT - M	4	35	90	26	83	9	8	0	255
Permanent PT - F	3	13	4	122	53	11	9	0	215
Permanent PT - M	2	5	2	22	48	6	2	0	87
TOTAL	17	94	119	296	231	39	26	2	824

*As at 30 June 2016

Health and wellbeing

Council's commitment to a safe, healthy and happy workforce is underpinned by four key principles: healthy eating; physical activity; health awareness; and emotional wellbeing.

Council's 2015/16 schedule included a diverse range of engaging activities aimed at encouraging financial, social, emotional and physical health, providing the basis for employees to contribute to the organisation at their highest capacity.

Health and wellbeing highlights 2015/16:

- › Mindful May, which provided mindfulness activities including art therapy, mindful eating, stress management and meditation.
- › Table Tennis tournament held to encourage team building and physical activity.
- › Vision Super sessions to help employees plan for a secure retirement and to recover lost super.
- › Hearing Checks for all employees.
- › Club Red - Red Cross Blood Drive donation program.
- › Fruit Box program.
- › Health Checks.
- › Skin Checks for outdoor staff.
- › Smart Start Breakfast on Ride2Work Day.
- › Nutrition Seminars.
- › Pedometer Challenge to try and see who took the most steps.
- › Four-week training Boot Camp

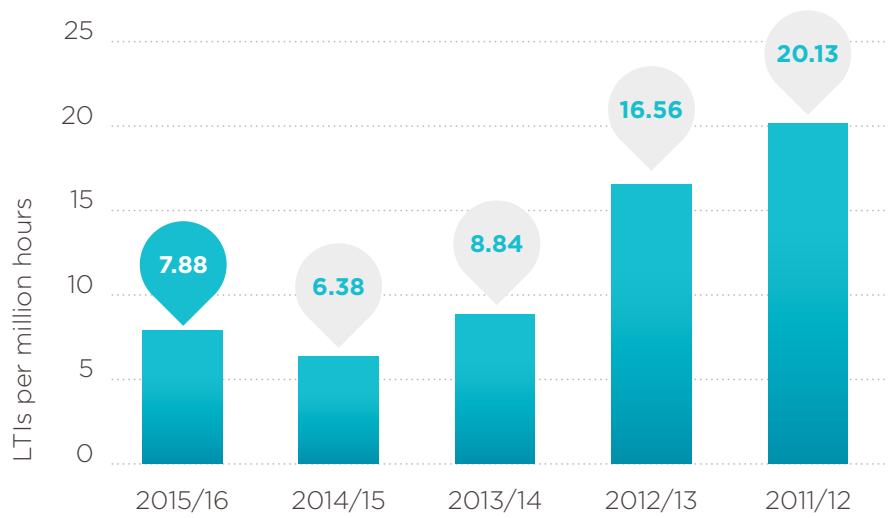
Workplace safety

Council's ongoing proactive approach to workplace safety reaped rewards again in 2015/16, with an incidence frequency rate of 7.88 injuries per million work hours. A slight increase from the 2014/15 rate of 6.38, this nevertheless represents our second best result in five years.

Staff members were encouraged to provide early notification of injuries, which ensured they were able to access the support they needed to continue working while recovering from injury. During the year, 427 days were lost due to injury, an increase from 282 days in 2014/15.

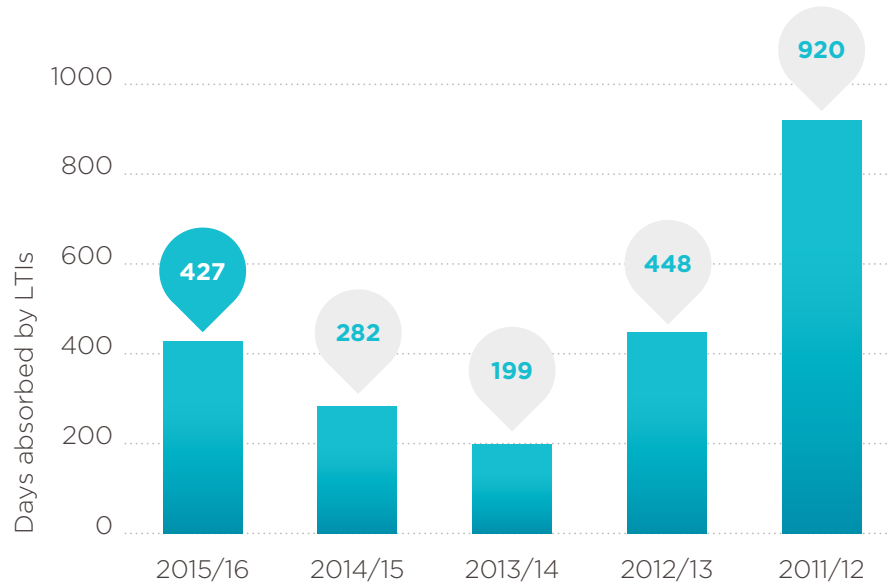
Incident frequency rate 2012-16

(number of Lost Time Injuries per million hours worked)



Days lost 2011-16

(number of days absorbed by Lost Time Injuries)





Performance report



The *Local Government Act 1989* requires each council to adopt and report against a four-year Council Plan. Yarra's activities during 2015/16 were guided by its Council Plan 2013-17. This major plan was adopted on 4 June 2013. It 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 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 Initiatives in the Council Plan 2013-17 and Actions in and the Annual Plan 2015/16.

Strategic indicators

Completion of Council Plan Activities is 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.

This year, the calculation of the status of Strategic Indicators has been brought into line with the thresholds used to calculate the status of Activities. This provides consistency in how Council measures and reports progress on its commitments. Where a result falls within 10% of the target the indicator is deemed to be on track.

Service Performance Indicators

Following recent revisions to the *Local Government Act 1989* and the introduction of the *Local Government (Planning and Reporting) Regulations 2014*, Council is for the second time reporting against a range of Service Performance Indicators aligned to its Strategic Objectives.

More information on Council's 2015/16 performance, including comparisons with other councils and sector averages, will be available from the State Government's Know Your Council website at knowyourcouncil.vic.gov.au from 1 November 2016.

Performance Statement

Council is also required to publish an audited Performance Statement as part of its Annual Report.

The Performance Statement contains a selection of the Service Performance Indicators as well as a number of Financial Performance Indicators and Sustainable Capacity Indicators. This is provided on page 178.



Performance report

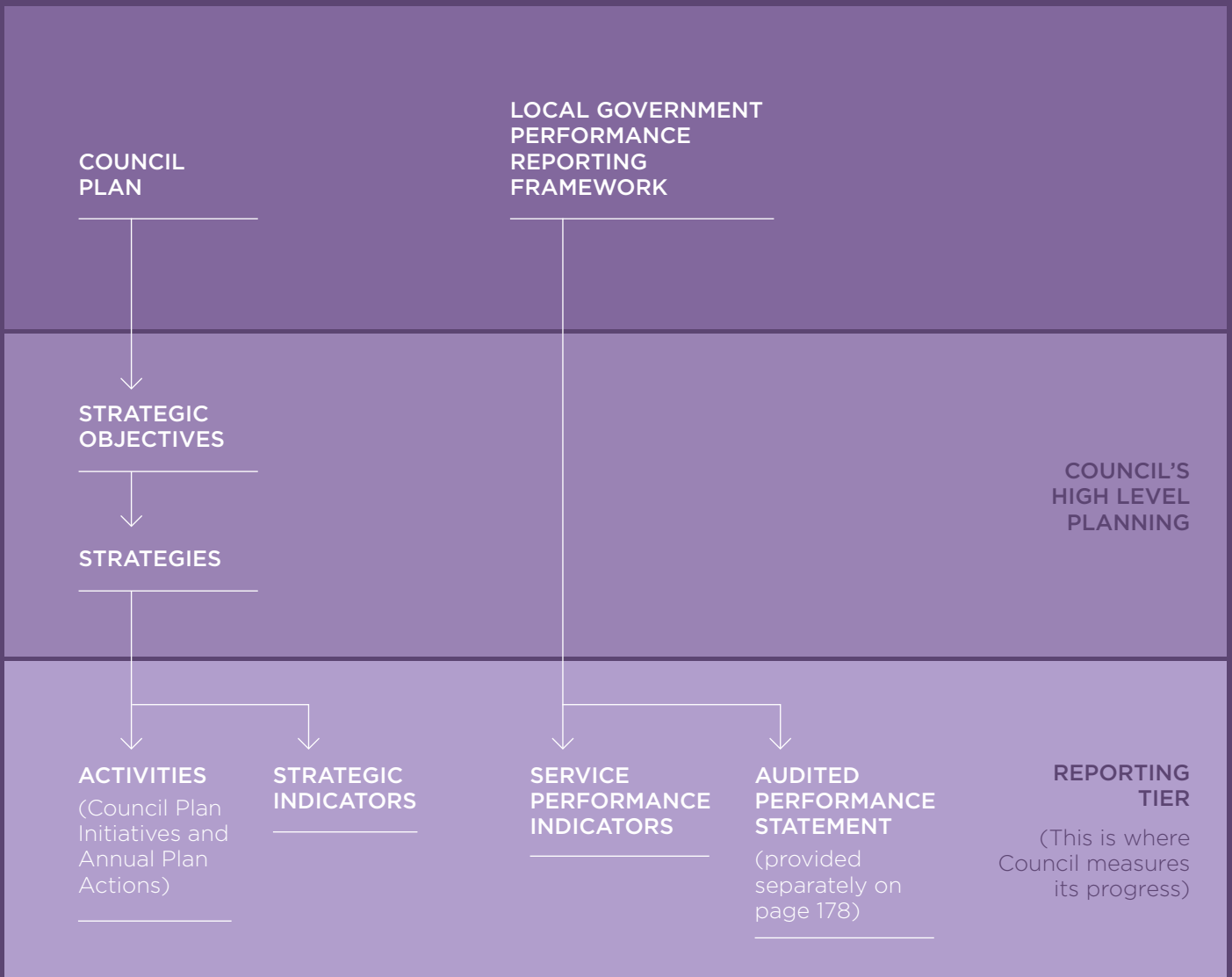


Overall performance summary

Council has continued to deliver on its commitments, with 44 of the 48 Activities outlined in its Annual Plan considered to be complete or on-track by the end of 2015/16 for an achievement rate of 92%.

This outcome is much higher than last year's figure of 81% and is Council's best result in six years. In a local government atmosphere characterised by challenges, such as rate capping and competing priorities, the result is extremely encouraging for the future performance of Yarra Council.

Of the 47 measures outlined in the Strategic Indicators, two were effectively deferred by resolution of Council on Tuesday 7 June 2016 and have therefore not been considered in these figures. Of the remaining 45 Strategic Indicators, targets for 38 were exceeded (or were within 10% of target) for an achievement rate of 84%.



**Performance against
Activities for each Strategic
Objective 2015/16**

Strategic Objective	Activities		
	#	# complete or on track	% complete or on track
Celebrating Yarra's Uniqueness	9	9	100%
Supporting Yarra's Community	12	12	100%
Making Yarra More Liveable	14	12	86%
Ensuing a Sustainable Yarra	5	4	80%
Leading Local Government	8	7	87%
TOTAL	48	45	92%

**Performance against Strategic
Indicators for each Strategic
Objective 2015/16**

Strategic Objective	#	Strategic Indicators	
		# exceeded or within 10%	% exceeded or within 10%
Celebrating Yarra's Uniqueness	13	13	100%
Supporting Yarra's Community	5 ¹	4	80%
Making Yarra More Liveable	11	8	73%
Ensuing a Sustainable Yarra	7	6	86%
Leading Local Government	9	7	78%
TOTAL	45¹	38	84%

**Annual Plan completion
rates 2012-16**

(% Activities complete or on track)

Year	% Activities complete or on track
2015/16	92%
2014/15	81%
2013/14	68%
2012/13	48%
2011/12	66%

¹ A resolution of Council on Tuesday 7 June 2016 had the effect of deferring two indicators, which have therefore not been considered in these figures

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, and 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

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

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.

Performance summary

Of the nine Activities sitting within this Strategic Objective, all nine (100%) were complete or on-track by the end of 2015/16. Refer to page 95 for more detail.

Of the 13 measures outlined in the associated Strategic Indicators, Council met or exceeded all 13 (100%). Refer to page 98 for more detail.

Services

The following are the primary Council services responsible for delivery of Strategic Objective 1:

Arts, Culture and Venues works with communities, artists, organisations, businesses and governments to achieve community wellbeing, economic strength and cultural vitality within Yarra. It achieves this through involving local people, investing in local practice; and supporting a shared sense of place.

City Strategy supports land use planning that achieves more sustainable development outcomes, encourages a growing local economy and promotes high quality public spaces. Through social policy initiatives, it promotes the health, safety and wellbeing of Yarra residents.

Service Performance Indicators

There are no Service Performance Indicators for this Strategic Objective.



Activities

	Activity	Derived from	Summary	% of 2015/16 target met
1.01	Heritage Gaps Study	Council Plan Initiative	As part of a study to ensure all buildings in Yarra of heritage significance have heritage protection, Council completed assessments of areas in northern and central Richmond, along with some smaller areas elsewhere in Yarra. Planning panels were held for C173(2), C198 and C183, with all three panel reports to be submitted to Council for consideration early in 2016/17.	100%
1.02	Yarra River planning controls	Council Plan Initiative	In July, Yarra Council lodged Amendment C194 with the Minister for Planning to introduce stronger planning controls along the Yarra River corridor. Yarra has long advocated for these controls. In January, the state government announced a study into a group amendment for the six municipalities along the river between Warrandyte and Punt Road, Cremorne. Council was pleased when the Minister endorsed interim provisions into the Yarra Planning Scheme on 14 January while the group provisions are being prepared.	100%
1.03	Mixed use development of buildings in the Collingwood Town Hall Precinct	Council Plan Initiative	Under this activity, Council is to consider options for refurbishing the Sailors and Soldiers Memorial Hall in Hoddle Street, Collingwood. Officers held discussions with potential project partners and created a strategy for the development. A Council Meeting on 7 June passed a resolution to defer the milestones for this activity to spread it over two years. A brief for development partners and a plan for engagement with partners will be presented to Council for consideration in 2016/17.	100%
1.04	GTV 9 Community Centre	Council Plan Initiative	The shell of a former GTV9 studio, given to Yarra during the site's redevelopment, was rebuilt as a community hub at a cost of \$1.8 million. Council transformed the building at 15 Barnet Way, Richmond, known as Studio 1. Local residents were asked to have their say on how the building should be used. Studio 1 was opened on 10 October and offers programs and activities for the community. It also features function rooms, co-worker space and small meeting rooms, available for hire. Richmond Community Learning Centre is supporting Council and local community providers in managing Studio 1 which has been warmly welcomed by local residents.	100%

STRATEGIC
OBJECTIVE 1

Celebrating Yarra's Uniqueness



Activities (cont.)

	Activity	Derived from	Summary	% of 2015/16 target met
1.05	Accessible communications and language services policy	Annual Plan Action	This activity focused on promoting the Accessible Communications Framework and Language Services Policy across Council. An Accessible Communications and Engagement Group was established and held its first meeting in December. The meeting was jointly led by senior officers from Communications and Community Partnerships, with 15 officers from across Council attending. Both the framework and the policy continued to be promoted throughout the year.	100%
1.06	Accessible communication and engagement	Council Plan Initiative	Much work was done during the year to increase the participation of Yarra's CALD communities and people with a disability, including: <ul style="list-style-type: none"> › A CALD reference panel, with a unique reference number and language-relevant telephone numbers, was placed on all Yarra collateral and temporary signage. › Accessible communications boards were installed at each customer service centre, in partnership with Scope Disability Support Services Victoria. › Speaking Your Language info packs, in nine languages, each containing cards on 11 Council services, were distributed via customer service centres, libraries and CALD networks. 	100%
1.07	Aboriginal Partnerships Plan 2015-18	Annual Plan Action	Year 1 actions were completed in 2015, with highlights being the Lunch and Learn event at Charcoal Lane in partnership with the Inner North Youth Employment Strategy, and three events under the Indigenous Therapeutic Recreation Program. Year 2 actions were commenced in 2016, with highlights being the launch of a teachers' resource on Aboriginal history and culture to mark Close the Gap Day, and screening of Stan Grant's speech on racism to Yarra staff, followed by discussion, to mark National Apology Day.	100%
1.08	Multicultural Partnerships Strategy 2015-18	Annual Plan Action	Year 1 actions were completed in 2015. Year 2 actions commenced in 2016, with highlights being: the inaugural meeting of the Multicultural Advisory Group on 7 April; Cultural Diversity Week celebration, with 250 people attending; and development of a desktop guide to language services for use by all staff.	100%

Activity	Derived from	Summary	% of 2015/16 target met
1.09 New Year's Eve and Major Events MAJOR INITIATIVE	Annual Plan Action	An action plan for a family-friendly event on New Year's Eve in Edinburgh Gardens, Fitzroy was successfully implemented. This included on-site staff presence, liaising with Victoria police, and installation of event lighting. Alcohol and amplified music were prohibited and park users were encouraged to leave glass at home on the night. Similar plans were adopted successfully for Australia Day celebrations in the gardens, the Johnston Street Fiesta and Village Festival.	100%



STRATEGIC
OBJECTIVE 1

Celebrating Yarra's Uniqueness



Strategic Indicators (measures of success)

Condition of Council-owned heritage assets

All Council heritage buildings were considered fit-for-purpose during 2015/16 and each maintained a condition rating of three or lower, beating Council's target of four or lower. (On this five-point scale, lower numbers are better.)

Increased participation in arts and cultural activities in Yarra

- › **Number of attendees at Council sponsored festivals and events:** Council exceeded its target of 115,000 visitors to Council-sponsored festivals, with an estimated 170,000 people attending events such as the Lunar Festival, Leaps and Bounds Music Festival, Gertrude Street Projection Festival, and the Johnston Street Fiesta.
- › **Number of projects funded:** Council aimed to provide funding for 30 arts projects and comfortably exceeded this goal. Council funded 62 projects during 2015/16.
- › **Number of participation focus projects funded:** Although Council has not established a target for this category, it continues to seek opportunities to support participatory community art projects. Eighteen such initiatives were funded during 2015/16, including the Collingwood Harvest Festival, Smith Street Dreaming – Leaps and Bounds, and the Circus of Life.

- › **Number of public art projects funded or produced:** Council exceeded its benchmark of three new works by funding a total of six, including One Hundred Number Tens at Atherton Gardens, lightbox installations at Carlton Library and Out There Billboard Art at Smith Street.

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

- › **Number of attendees at Library programs and events:** This year 35,471 people attended library programs and events. This was about 400 down on 2014/15 (mainly due to five weeks of capital works-related branch closures). However this is still an outstanding result and well above the target of 25,000.
- › **Conduct an annual review of cultural events and programs delivered by Yarra Libraries:** Council met its goal by reviewing all plans and programs on a quarterly basis.
- › **Develop an annual program of learning and reader focused activities:** Council continued to deliver a broad range of literacy and reader-centric programs. Digital Literacy and Outreach were also given greater priority in 2015/16.

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

- › **Develop a Richmond Theatre Program:** A performance investigation program provided space and funding to assist select groups in developing of new works

during 2015/16. This included the recording of Bakersfield Glee Club's new album, the showing of Disability Unleashed by Quippings and development work for Strive by Two Mortals.

- › **Number of facilities maintained for medium-term accommodation for creative organisations:** Council met its target of maintaining five creative spaces throughout 2015/16. Current venues include the Dancehouse in North Carlton, Visionary Images in Richmond, The Print Council of Australia in Fitzroy, the Women's Art Register in Richmond and the Yarra Sculpture Gallery in Collingwood.
- › **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.
- › **Develop a corpus for the Room to Create Fund of \$200,000 in the first four years:** The Room to Create Fund was established in 2013/14 as a perpetual fund for creative spaces in Yarra. During 2015/16, the fund reached \$289,000, which is above the target set of \$265,000.

Number of new MOUs established with key community partners

Council has reached its target of two Memoranda of Understanding, entering into mutually beneficial arrangements with the Australian Catholic University and the Melbourne Olympic Park Trust.



Listening to
the community

Council staff
received training
in the most
effective ways
to engage with
the community.

STRATEGIC
OBJECTIVE 2

Supporting Yarra's Community



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

Council provides many services and facilities important to the community's health and wellbeing. Focus areas include early childhood health, education and development; support for younger adults; access and inclusion for people with disabilities; and support for older residents and people with disabilities. Sports and recreation facilities encouraging active lifestyles are also important to local wellbeing, as are thriving local businesses offering jobs and services.

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

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.

Performance summary

Of the 12 Activities sitting within this Strategic Objective, 12 (100%) were complete or on-track by the end of 2015/16. Refer to page 101 for more detail.

Of the five measures outlined in the associated Strategic Indicators, Council met or exceeded four (80%). Refer to page 104 for more detail.

Services

The following are the primary Council services responsible for delivery of Strategic Objective 2:

Aged and Disability Services works towards a cohesive, inclusive and supportive community, where older people and people living with a disability are leading healthy and meaningful lives; and are respected and valued members of the community. Staff are committed to working with residents, community groups, agencies, other areas of Council and other stakeholders to strengthen local neighbourhoods and communities; plan and deliver services to enhance independence; and resource and support advocacy at all levels.

City Strategy promotes the health, safety and wellbeing of Yarra residents through social policy initiatives. It also supports land use planning that achieves more sustainable development

outcomes, encourages a growing local economy and promotes high quality public spaces.

Family, Youth and Children's Services strives to be a respected leader, planner and innovative provider of services, which are developed in cooperation with the community to respond to the needs of children, young people and families within the municipality.

Leisure Services provide a range of high quality facilities and programs to encourage participation from a broad cross-section of the community. The service aims to meet the community's health, leisure, and sporting and social needs with emphasis on age, ethnic background, social isolation, low incomes and physical/mental disability.

Library Services ensure that the current and future information, recreation, educational and cultural needs of the diverse communities of Yarra are met.

People, Culture and Community guides community development in Yarra to support Council's strategic objectives. It also promotes accountability and enhances competency, effectiveness and wellbeing as a shared responsibility of the organisation and its people.

Service Performance Indicators

The Service Performance Indicators for this Strategic Objective are provided on page 106.

Activities

Activity	Derived from	Summary	% of 2015/16 target met
2.01 Community infrastructure planning	Council Plan Initiative	The milestones for this activity, originally to deliver 10 Neighbourhood Plans, were amended by resolution at the 7 June Council meeting. This was due to the significant amount of work required by the Community Infrastructure Planning team on the Alphington Paper Mill (Amcor) development. This work informed the negotiation process for developer contributions and, ultimately, contributed to the approval of the revised Development Plan. The new milestones for 2015/16, all achieved, included supporting the Amcor development, a Neighbourhood Plan background paper, a draft Richmond South Community Infrastructure Neighbourhood Plan, developing Infrastructure Planning Principles, and Service-Based Infrastructure Assessments for eight service areas.	96%
2.02 Service Reviews	Council Plan Initiative	The activity was to complete four service reviews this year. Three were completed - Leisure Services, Councillor Support Unit, and City Works - with a further three commenced and one of these, Statutory Planning, presented to Executive in June. The reviews resulted in improvements to systems, processes and staff skills, as well as saving money. For example, the Leisure Centre Service Review across three centres and the Burnley Golf Course will result in an improved operating surplus of more than \$0.5 million over two years.	94%

STRATEGIC OBJECTIVE 2

Supporting Yarra's Community



Activities (cont.)

Activity	Derived from	Summary	% of 2015/16 target met
2.03 North Fitzroy Community Hub	Council Plan Initiative	Construction of the Bargoonga Nganjin, North Fitzroy Library was substantially completed by the end of June. The building houses a library, a Maternal Child Health Centre, customer service counter, community spaces and meeting rooms, as well as a rooftop garden. It will be ready for occupation in early 2017.	100%
2.04 Regional sports facility	Council Plan Initiative	Council continued to advocate for a regional indoor sports facility in Yarra. Places Victoria, the developer for the state government-owned site at 433 Smith Street, Fitzroy (the former Gas and Fuel site) agreed to a feasibility study for an indoor sports facility, and Council has assisted with this. Council also approved, and supported, the first phase of community consultation by Places Victoria on the site, proposed to be a mix of residential, commercial, retail and community spaces.	100%
2.05 Community Youth Centre MAJOR INITIATIVE	Annual Plan Action	The redevelopment of the Yarra Community Youth Centre, in Napier Street, Fitzroy, into a hub for young people commenced in December. The completion date has been extended to August due to various structural and permit issues. Once complete, it will be a welcoming place that suits the needs of young people and their families.	92%
2.06 Access and Inclusion Plan	Council Plan Initiative	This plan aims to improve access to employment, buildings and community and social activities for Yarra's older residents and those with a disability. Activities completed include an Events and Festivals Disability Guide and internships for two tertiary students with disability to work on a project to assess and assist vulnerable residents during heatwaves.	100%
2.07 Positive Ageing Action Plan	Annual Plan Action	The River of Life: Positive Ageing Action Plan aims to help older residents remain active and independent. Activities included: a second Audit of Aged and Disability Services' LGBTIQ inclusive practice; an evaluation of the Ambassadors Project for the CALD community; successful introduction of the Mobile Library to three Greek and Italian older residents' social clubs; and development of a website for residents aged 50 and over to register and search for employment in Yarra.	94%

	Activity	Derived from	Summary	% of 2015/16 target met
2.08	National Home Care and Disability Care reforms	Annual Plan Action	Council worked with the National Disability Insurance Agency and the Department of Health and Human Services on a transition plan to the National Disability Insurance Scheme for Yarra's eligible residents, following the Federal Government's unexpected announcement in September that Yarra would be one of the first municipalities to roll out the NDIS on 1 July. Several information sessions and workshops with service providers were arranged by Council for residents, including those from CALD and Aboriginal communities. A transition plan was also completed for the implementation from 1 August 2016 of the Federal Government's My Aged Care system, with Council staff completing training in use of the web-based system.	100%
2.09	Response to primary homelessness	Annual Plan Action	The City of Yarra has five to six times the state average of homelessness. Council responds to this, particularly for people sleeping rough, through funding outreach services. This year, Council reviewed last year's trial with Hanover, now Launch Housing, which was deemed successful and to be continued this year. A new referral data collection process was developed for incorporation into Council's proposed new information management system. Several training sessions were delivered to frontline staff on responding to homelessness, the rights of people in public places and available resources for the homeless. Yarra met with Melbourne and Port Phillip councils on homelessness issues and also had input into the Justice Access Advisory Group review of Victorian Homeless People in Public Places Protocol.	90%
2.10	Volunteering strategy	Annual Plan Action	This strategy is aimed at gaining an understanding of volunteering across the City of Yarra to determine how Council can support it. An environmental scan and a community survey have been done, and the results and recommendations presented to Council. Consultation and finalisation of the Volunteer Strategy was deferred by Council resolution on Tuesday 7 June.	100%

STRATEGIC OBJECTIVE 2

Supporting Yarra's Community



Activities (cont.)

	Activity	Derived from	Summary	% of 2015/16 target met
2.11	Communities that care MAJOR INITIATIVE	Annual Plan Action	This project comes under the Middle Years Strategy and brings together schools, local agencies and organisations, and the State Government to improve the healthy development of children and young people. During the year, a Key Leaders Group met regularly and considered research findings on 'high risk' young people, mapped existing program delivery and developed strategies to secure 2016/17 funding.	100%
2.12	Socio-economic and social justice strategic advocacy plan	Council Plan Initiative	About 8% of Yarra's residents live in public housing. This plan incorporates some strategies already reported on, such as the Aboriginal Partnerships Plan, the Multicultural Partnerships Strategy, and the Responses to Primary Homeless and Access and Inclusion Plan. It also incorporates advocacy on harm minimisation, which this year included attending monthly meetings of the Drug and Health Forum, quarterly reviews of Council's syringe management services and ongoing liaison with residents on managing issues arising from illicit drug use in their areas.	100%

Strategic indicators (measures of success)

Number of submissions made to the State Government and the Federal Government on Yarra's diverse socio-economic profile

The Strategic Advocacy Framework guides the advocacy efforts of Yarra City Council and is a key priority of the 2013-17 Council Plan. This Framework, a first for Yarra, outlines Council's strategic advocacy priorities in a planned, coordinated and resourced approach to facilitate action and results. These priorities have been identified through a process of evidence-based

research and benchmarking, consultation with the community and the Council Plan 2013-17.

While Council didn't target a specific number of submissions during 2015/16, the following submissions (and related activities) were made during this period:

- › Submission to Electronic Gaming Machines Entitlement Review.
- › Submission to Federal Financial Relations Affordable Housing Working Group.
- › Submission to the Plan Melbourne Refresh Discussion Paper.
- › Letter to the Premier of Victoria advocating for supervised injecting facilities in the City of Yarra.

- › Staging of the IMAP multi-sector Forum, Future of Social Housing in the Inner City at the Fitzroy Town Hall, including an educational video published to YouTube.
- › Letter to the Minister for Housing expressing concern about the safety of residents on the North Richmond Housing Estate.
- › Letter to the Minister for Housing requesting a meeting about the future usage of the vacant houses purchased for the scrapped East West Link project.

Blakwiz event at Fitzroy Town Hall featuring Jason Tamiru, Uncle Herb Patten and Black Elvis



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

Two strategies and plans were identified in this year's Annual Plan (Employee Diversity and Inclusion Strategy 2015-17 and Arts and Culture Strategy 2016-20) and both considered disability access and inclusion. This was achieved through consultation with Council's Disability Advisory Committee.

Community infrastructure plans developed for all neighbourhoods

Council approved deferral of the Neighbourhood Community Infrastructure Plans to 2016-17 to reflect the significant amount of work that underpins them, along with the work required to inform community infrastructure planning for the Amcor/Alphington Paper Mill development project in 2015/16.

Progress has been made towards the delivery of the Community Infrastructure Plans, with

preparation of service-based infrastructure assessments and development of Community Infrastructure Planning principles that were endorsed by Council.

Volunteering Strategy adopted by Council

This Strategic Indicator was effectively deferred by Council resolution on Tuesday 7 June 2016.

Service review framework adopted by Council

The service review framework was completed and adopted by Council during 2014/15.

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

Three of four planned Service Reviews were completed this year (Leisure Services; Councillor Support Unit; and City Works). A further three Service Reviews are in progress (Statutory

Planning; Family, Youth and Children's Services; and Aged and Disability Services).

Achievement against actions and targets in Asset Management Plans

Council exceeded its target of 85% for 2015/16 actions and targets in Asset Management Plans and recorded a result of 88%. Highlights included: completion of five improvement tasks in the Buildings Asset Management Plan and identification of four ongoing risk, systems or data-related items; revision of Open Space and Drainage Maintenance Plans, including completion and endorsement by Council of the Water Sensitive Urban Design Strategy; and revision of the fleet management policy in line with a plan to trial lease arrangements for passenger vehicles.

STRATEGIC OBJECTIVE 2

Supporting Yarra's Community



Service Performance Indicators

Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
Libraries			
Utilisation <i>Library collection usage</i> (Number of library collection item loans/ Number of library collection items)	4.00	4.46	A significant amount of work has been undertaken to improve the age and quality of Yarra Libraries collections resulting in improvements to collection turn-over rates.
Resource standard <i>Standard of library collection</i> (Number of library collection items purchased in the last 5 years/Number of library collection items) x100	90%	99.14%	Result of significant collection maintenance work undertaken over a period of two years.
Service cost <i>Cost of library service</i> (Direct cost to Council of the library service/Number of visits)	\$8.25	\$9.53	Yarra operates five library branches in an area 19.5 square kilometres and with a population of 89,151. This results in high services levels (one library per 17,301 people, or one library per 3.9 square kilometres). Combined with a collection which is maintained with most items under five years of age, this leads to a slightly higher cost of library service. In 2015/16 the City of Yarra invested significantly in library infrastructure including implementation of RFID Technology and the commencement of construction of the North Fitzroy Library.
Participation <i>Active library members</i> (Number of active library members/ Municipal population) x100	18.94%	17.39%	Last year Council reported a higher utilisation which has subsequently been adjusted. The adjustment is a direct result of changes made to the method by which LGPRF parameters were applied via the library management system. When the new parameters were applied, the 2014/15 result was 18.94% not 30% as previously reported. This result excludes e-books downloads.

Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
Aquatic facilities			
Satisfaction <i>User satisfaction with aquatic facilities</i> (User satisfaction with how council has performed on provision of aquatic facilities)	80.7	81.80	
Service standard <i>Health inspections of aquatic facilities</i> (Number of authorised officer inspections of Council aquatic facilities/Number of Council aquatic facilities)	2.00	3.00	
Health and Safety <i>Reportable safety incidents at aquatic facilities</i> (Number of WorkSafe reportable aquatic facility safety incidents)	0	1.00	
Service cost <i>Cost of indoor aquatic facilities</i> (Direct cost of indoor aquatic facilities less income received/Number of visits to indoor aquatic facilities)	\$1.14	\$1.18	
Service cost <i>Cost of outdoor aquatic facilities</i> (Direct cost of outdoor aquatic facilities less income received/Number of visits to outdoor aquatic facilities)	\$0.00	\$0.00	Service not provided.
Utilisation <i>Utilisation of aquatic facilities</i> (Number of visits to aquatic facilities/Municipal population)	11.8	11.63	Utilisation of aquatic centres over past two years remains steady and just above the expected range for the sector.

STRATEGIC
OBJECTIVE 2Supporting Yarra's
Community

Service Performance Indicators (cont.)

Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
Home and Community Care (HACC)			
Timeliness <i>Time taken to commence the HACC service</i> (Number of days between the referral of a new client and the commencement of HACC service/Number of new clients who have received a HACC service)	27.32	33.72	The 2015/16 result has been obtained using a new specific report developed in house for this purpose. The result is likely to reflect the disruption that has occurred across the year through national aged and disability care reforms.
Service standard <i>Compliance with community care common standards</i> (Number of Community Care Common Standards expected outcomes met/ Number of expected outcomes under the Community Care Common Standards) x100	83.33%	83.33%	Councils are audited every three years via an external agency. This result was attained several years ago and Council has completed the three improvement actions identified in the audit.
Service cost <i>Cost of <u>domestic</u> care service</i> (Cost of the domestic care service/ Hours of domestic care service delivered)	\$0.00	\$65.34	
Service cost <i>Cost of <u>personal</u> care service</i> (Cost of the domestic care service/ Hours of personal care service delivered)	\$0.00	\$65.34	
Service cost <i>Cost of <u>respite</u> care service</i> (Cost of the domestic care service/ Hours of respite care service delivered)	\$0.00	\$65.34	
Participation <i>Participation in HACC service</i> (Number of people that received a HACC service/Municipal target population for HACC services) x100	16.00%	13.44%	The 2015/16 result has been obtained using a new specific report developed in house for this purpose. The lower rate is likely to reflect the range of providers available in Yarra that offer similar services and improving health across the aged community.

Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
<p>Participation</p> <p><i>Participation in HACC service by CALD people</i></p> <p>(Number of CALD people who receive a HACC service/Municipal target population in relation to CALD people for HACC services) x100</p>	13.00%	10.24%	The 2015/16 result has been obtained using a new specific report developed in house for this purpose. The lower rate is likely to reflect the range of providers available in Yarra that offer similar services such as Home Care Packages for CALD community.
Maternal and Child Health (MCH)			
<p>Satisfaction</p> <p><i>Participation in first MCH home visit</i></p> <p>(Number of first MCH home visits/Number of birth notifications received) x100</p>	102.00%	0.00%	Note that the required information was not available at the time of reporting. Councils will be required to report on this measure as per circular 31/2016 distributed to councils from LGV. This issue affects the sector.
<p>Service standard</p> <p><i>Infant enrolments in the MCH service</i></p> <p>(Number of infants enrolled in the MCH service (from birth notifications received)/ Number of birth notifications received) x100</p>	100.00%	0.00%	Note that the required information was not available at the time of reporting. Councils will be required to report on this measure as per circular 31/2016 distributed to councils from LGV. This issue affects the sector.
<p>Service cost</p> <p><i>Cost of MCH service</i></p> <p>(Cost of the MCH service/ Hours worked by MCH nurses)</p>	\$0.00	\$90.71	Yarra has included all costs relating to MCH including all program and service costs, the enhanced MCH program costs and building maintenance.
<p>Participation</p> <p><i>Participation in the MCH service</i></p> <p>(Number of children who attend the MCH service at least once (in the year)/ Number of children enrolled in the MCH service) x100</p>	83.00%	0.00%	Note that the required information was not available at the time of reporting. Councils will be required to report on this measure as per circular 31/2016 distributed to councils from LGV. This issue affects the sector.
<p>Participation</p> <p><i>Participation in the MCH service by Aboriginal children</i></p> <p>(Number of Aboriginal children who attend the MCH service at least once (in the year)/Number of Aboriginal children enrolled in the MCH service) x100</p>	74.00%	0.00%	Note that the required information was not available at the time of reporting. Councils will be required to report on this measure as per circular 31/2016 distributed to councils from LGV. This issue affects the sector.

¹ Commentary only required where a result falls outside a certain range or material variation threshold.

STRATEGIC
OBJECTIVE 3

Making Yarra More Liveable



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

Highlights

For an overview of the successes and challenges associated with Strategic Objective 3, please refer to page 7.

Strategies

Council's commitment to Making Yarra More Liveable is guided by the following 14 Strategies. Council measures its performance against the Activities and Strategic Indicators that flow from the Strategies, not against the Strategies themselves.

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 meet 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.

Performance summary

Of the 14 Activities sitting within this Strategic Objective, 12 (86%) were considered to be complete or on-track by the end of 2015/16. Refer to page 112 for more detail on Activities connected to this Strategic Objective.

Of the 11 measures outlined in the associated Strategic Indicators, Council met or exceeded eight (73%). Refer to page 115 for more detail.

Services

The following are the primary Council services responsible for delivery of this Strategic Objective:

Compliance implements a range of statutory health protection and compliance services to maximise safety, compliance and harmony in the city.

Parking Services ensures responsible management of the limited parking resources available within the city to ensure safety of all road users, optimising residents' access to homes while seeking to accommodate the parking needs of visitors, businesses and community facilities in a fair and equitable manner, and promoting sustainable solutions.

Statutory Planning makes sound judgements about the use and development of land which gives effect to state and local planning policies. Decisions are based on clear procedures, appropriate public participation and coordination with other branches of Council.

Construction Management ensures that developments have minimum impact on the amenity of residents, businesses and Council infrastructure.

Recreation and Open Space manages and enhances publicly owned open spaces within Yarra, including parks, gardens, facilities, trees and streetscapes. The service also manages and provides accessible recreation opportunities.

Service Performance Indicators

The Service Performance Indicators for this Strategic Objective are provided on page 117.



Lennox Street Park
in Richmond

STRATEGIC
OBJECTIVE 3

Making Yarra More Liveable



Activities

Activity	Derived from	Summary	% of 2015/16 target met
3.01 New parks	Annual Plan Action	Following a trial last year, Council consulted the community on the design of a permanent 'pocket park' in Mollison Street (at the corner of Charles Street) in Abbotsford to enhance the liveability of a neighbourhood traditionally lacking in open space. The community survey indicated general support for the park, although some people had concerns. A report will go to Council in 2016/17.	100%
3.02 New open space land agreement with schools MAJOR INITIATIVE	Annual Plan Action	This activity was to negotiate a joint use agreement for community use (out of school hours) of open space at Yarra Primary School in Richmond in exchange for Council upgrading the open space. The draft joint use agreement is with the Department of Education and Training for review, and the budget for this activity has been carried forward to 2016/17.	100%
3.03 Bicycle advocacy	Council Plan Initiative	The Melbourne Bike Share scheme was extended into Yarra, with three new locations established at the Australian Catholic University in Victoria Parade, near the Fitzroy Town Hall and at the Yorkshire Brewery development in Collingwood. The scheme is now being managed by Public Transport Victoria. Council has been working closely with VicRoads on bicycling infrastructure as part of the Chandler Highway and Hoddle Street proposals, and a report will go to Council in July.	100%
3.04 Rushall Crescent shared path bypass	Annual Plan Action	Council held multiple phases of community engagement over 18 months on a proposal to build a path through Rushall reserve to link the existing Merri Creek Trail between Rushall Station and Koonda Lat Bridge in North Fitzroy. The proposed path and associated concept design drew great interest and the community expressed a variety of views. Council made the decision to proceed with the proposal in August 2016, taking into consideration concerns and suggestions expressed throughout the consultation process.	100%

Activity	Derived from	Summary	% of 2015/16 target met
3.05 Shared pathway at Coulson Reserve MAJOR INITIATIVE	Annual Plan Action	This project was tendered in March and tenders have been evaluated. However, works have been delayed due to latent soil conditions with the funding approved as a carryover to 2016/17.	41%
3.06 Public transport advocacy	Council Plan Initiative	<p>Disability Discrimination Act (DDA) compliant tram stops were installed in Victoria Street, Abbotsford/Richmond in March, and work is progressing on DDA tram stops in Brunswick Street, Fitzroy, with a Yarra staff member seconded to Public Transport Victoria (PTV) to work on this project. Yarra has set up the internal governance to manage this project from Council's perspective, and await PTV's final delivery schedule.</p> <p>The State Government has allocated \$60 million to the Streamlining Hoddle Street Project in 2016/17 and Council will be briefed by VicRoads on this in July 2016.</p> <p>The State Government has funded the Melbourne Metro project for 2016/17, and Council has been briefed on the enabling works it is required to do for this project.</p>	96%
3.07 Traffic management initiatives	Annual Plan Action	<p>Construction was completed on several Local Area Traffic Management Studies (LATMS) as follows: stage 1 works in LATMS 10 (Gold), stage one works in LATMS 9 (Rose), stage 2 works in LATMS 16 (Victoria) and stage 2 works in LATMS 12 (Collingwood).</p> <p>Community consultation was completed for LATMS 1 (Princess Hill), with the study and traffic management plan adopted by Council on 2 February.</p>	91%
3.08 Abbotsford Convent Precinct traffic and parking plan	Council Plan Initiative	<p>Council sought to improve the safety and accessibility of traffic and parking in the Abbotsford Convent Precinct, as traffic and demand for parking in the area has increased in recent years.</p> <p>A funding application submitted to VicRoads for the new signalised entry to the Abbotsford Convent car park from Johnston Street was refused. Further advocacy has occurred to seek to secure State Government funding.</p>	100%

STRATEGIC
OBJECTIVE 3

Making Yarra More Liveable



Activities (cont.)

	Activity	Derived from	Summary	% of 2015/16 target met
3.09	Parking Strategy Action Plan	Council Plan Initiative	This activity was to introduce technology to help Council on parking management. The plan was to install in-ground sensors in timed parking bays in the sporting precinct bounded by Hoddle, Church and Swan streets and Bridge Road. The tender for installation of in-ground sensors has been completed and the contract is being negotiated with preferred tenderer. It has taken longer than anticipated to finalise the contract, which has resulted in the project being delayed. Once the contract is finalised, the sensor installation process will take between 8-12 months to complete.	40%
3.10	DDA-compliant disabled parking bays	Annual Plan Action	Parking Services, in consultation with the Disability Advisory Committee, proposed to install eight to ten parking bays each year throughout the city. These bays are to be converted and reconstructed to comply with Disability Discrimination Act (DDA) requirements. Parking Services spent the first six months of the year consulting on the locations. Works have been completed on the following bays: Coppin Street, Docker Street, Best Street and Regent Street. Works in Fitzroy Street have been scheduled for 2016-17.	100%
3.11	Yarra Planning Scheme review MAJOR INITIATIVE	Council Plan Initiative	Deliberative forums were undertaken and a report was presented to Council in November (further information on page 14). The planning scheme structure, key directions and governance have been established, and Councillors were briefed. The program for rewriting policies has commenced.	100%
3.12	Master Planning for Town Hall Precincts	Council Plan Initiative	The focus for 2015/16 was Richmond Town Hall and the proposed Richmond secondary school. Council was briefed by the Department of Education and Training. Several planning committee meetings set up by the department have been attended by Council officers and discussions held on constraints and opportunities. Council received an officer report in June and resolved to write to the Minister and the Local Member for Richmond on several questions.	100%



Activity	Derived from	Summary	% of 2015/16 target met
3.13 AMCOR development	Annual Plan Action	The revised Development Plan was considered and approved by Council in December, with conditions. The proponent resubmitted the Plan that complied with the conditions of approval. This was considered and endorsed by Council in May. Planning applications are being lodged for assessment against the Development Plan and the Planning Scheme.	100%
13.14 Strategic land acquisition report	Council Plan Initiative	A report was submitted to Council in June 2015 informing that no further action would be taken on land acquisitions for open space purposes until the Council's Long-term Financial Strategy had been updated. Council adopted an updated Long-term Financial Strategy and supporting financial strategy principles in June 2016, and therefore this activity will be included in the 2016/17 Annual Plan.	100%

Strategic indicators (measures of success)

Number of new parks planned and constructed

While Council did not have a target for new park construction in 2015/16, consultation commenced for a proposed new park at Charles and Mollison streets in Abbotsford.

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

Council completed 100% of bicycle and pedestrian assets works, exceeding its target of 85%. Completion and line-marking of the Richmond Wiggle Route was a major highlight of the program.

The new route enables cyclists (particularly beginners or those less confident on major roads) to travel between the Yarra River and the MCG using local streets.

Number of LATMS precinct plans designed and constructed per annum

Five LATMS plans were completed during 2015/16, against a target of two. Works designed to calm traffic and enhance safety were finalised in Fitzroy, Collingwood and Richmond. Community consultation was completed for Princes Hill, and the study and traffic management plan was adopted by Council on 2 February.

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 assists 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

Draft indicators have been developed and will be further considered as part of the housing data in the future update of the Housing Strategy.

STRATEGIC
OBJECTIVE 3

Making Yarra More Liveable



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

The review of the Yarra Planning Scheme by the 60-member People's Panel and Council was successfully completed. The process for re-writing the planning scheme and all activities in the related 2015/16 Annual Plan action were also finalised, with the re-write of the Yarra Planning Scheme scheduled for next financial year.

Increased use of disability access audits for Council facilities

Set up Council's Panel of Accredited Disability Access Consultants:

Following initial work to establish the panel of accredited access consultants last financial

year, the panel is now scheduled for establishment in December 2017. In the meantime, accredited access consultants have been engaged to meet the spirit of this measure.

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:

During 2015/16, Council's re-developments and capital works projects that involved collaboration with accredited access consultants included: Bargoonga Nganjin, North Fitzroy Library; Yarra Community Youth Centre; and the GTV9 Studio One Hub; the Richmond Recreation Centre change rooms; Richmond Multicultural Children's Centre; and the Fitzroy Swimming Pool change rooms.

Monitor and improve turnaround times of planning applications and appeal rates

Fast track:

Council received and determined 42 VicSmart applications within the 10-day requirement.

Simple:

Of the 220 'simple' planning applications received by Council in 2015/16, 143 or 65% were determined within 60 days, ensuring that Council met its target of 60% for the year.

Failure to determine appeals:

Yarra aimed to ensure that no more than 10% of applications for review to the Victorian Civil and Administrative Tribunal related to 'failure to determine' on the part of Council. Due to the volume and complexity of applications during 2015/16, Council fell slightly short of its target, recording a result of 16%.



Street Trees in
Gipps Street
Abbotsford

Service Performance Indicators

Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
Statutory planning			
<p>Timeliness</p> <p><i>Time taken to decide planning applications</i></p> <p>(The median number of days between receipt of a planning application and a decision on the application)</p>	106.00	117.00	Council policy requires compulsory consultation meetings and one month advertising for applications related to major projects, which may add at least 14-42 days to processing times.
<p>Service standard</p> <p><i>Planning applications decided within 60 days</i></p> <p>(Number of planning application decisions made within 60 days/ Number of planning application decisions made) x100</p>	51.00%	43.61%	
<p>Service cost</p> <p><i>Cost of statutory planning service</i></p> <p>(Direct cost of the statutory planning service/Number of planning applications received)</p>	\$1,920.34	\$2,496.15	While planning application numbers were slightly lower than last financial year there were additional operational expenses including; significant VCAT and Heritage Victoria matters which increased legal expenditure by 50% from last year.
<p>Decision-making</p> <p><i>Council planning decisions upheld at VCAT</i></p> <p>(Number of VCAT decisions that did not set aside council's decision in relation to a planning application/ Number of VCAT decisions in relation to planning applications) x100</p>	87.00%	78.69%	It should be noted that the reported figure does not capture results where Council negotiates an outcome with the applicant during the appeal process.
Roads			
<p>Satisfaction of use</p> <p><i>Sealed local road requests</i></p> <p>(Number of sealed local road requests/ Kilometres of sealed local roads) x100</p>	81.02	96.75	The increase in sealed local road requests from 254 in 2014/15 to 303 in 2015/16 is likely to be due to improved methods for public engagement through social media platforms and mobile apps such as Snap/Send/Solve, Y-App.

STRATEGIC
OBJECTIVE 3

Making Yarra More Liveable



Service Performance Indicators (cont.)

Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
Condition <i>Sealed local roads below the intervention level</i> (Number of kilometres of sealed local roads below the renewal intervention level set by Council/Kilometres of sealed local roads) x100	98.00%	98.39%	
Service cost <i>Cost of sealed local road reconstruction</i> (Direct cost of sealed local road reconstruction/Square metres of sealed local roads reconstructed)	\$216.07	\$265.71	The vast majority of sealed road reconstructions in Yarra involve reconstruction of bluestone laneways. Councils Road Materials Policy stipulates that all laneways in heritage overlay areas are to be constructed in bluestones, which significantly increases costs.
Service Cost <i>Cost of sealed local road resealing</i> (Direct cost of sealed local road resealing/Square metres of sealed local roads resealed)	\$36.93	\$36.22	
Satisfaction <i>Satisfaction with sealed local roads</i> (Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads)	72.40	73.30	Council is committed to maintaining the heritage aspects of its local roads and improving community satisfaction levels.
Animal management			
Timeliness <i>Time taken to action animal management requests</i> (Number of days between receipt and first response action for all animal management requests/Number of animal management requests)	2.72	2.06	



Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
Service standard <i>Animals reclaimed</i> (Number of animals reclaimed/ Number of animals collected) x100	64.00%	72.85%	Prior to June 2015 all animals impounded were reported, including feral and diseased animals which were not eligible for registration or reclaim. Currently only animals that can be registered are recorded as part of the reclaimed calculation.
Service cost <i>Cost of animal management service</i> (Direct cost of the animal management service/Number of registered animals)	\$44.24	\$40.11	A reduction in the cost of the service is in part due to administrative efficiencies.
Health and safety <i>Animal management prosecutions</i> (Number of successful animal management prosecutions)	4	5.00	
Food safety			
Timeliness <i>Time taken to action food complaints</i> (Number of days between receipt and first response action for all food complaints/Number of food complaints)	1.23	1.42	
Service standard <i>Food safety assessments</i> (Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984/Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984) x100	100.00%	98.15%	

STRATEGIC OBJECTIVE 3

Making Yarra More Liveable



Service Performance Indicators (cont.)

Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
<p>Service cost</p> <p><i>Cost of food safety service</i></p> <p>(Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984)</p>	\$426.06	\$407.79	
<p>Health and safety</p> <p><i>Critical and major non-compliance notifications</i></p> <p>(Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up/Number of critical non-compliance notifications and major non-compliance notifications about a food premises) x100</p>	99.00%	100.00%	

¹ Commentary only required where a result falls outside a certain range or material variation threshold.



Listening to
the community



You're never
too young
to have
your say
on the future
of Yarra

STRATEGIC
OBJECTIVE 4

Ensuring a Sustainable Yarra



Reducing Yarra's environmental footprint is critical. Council has established a goal of a carbon neutral Yarra by 2020. Other aims include reducing waste going to landfill, increasing renewable energy use, improving biodiversity and increasing local food production, as well as greater use of locally collected rainwater to reduce storm water runoff 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 – by reducing its reliance on 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

For an overview of the successes and challenges associated with Strategic Objective 4, please refer to page 7.

Strategies

Council's commitment to Ensuring a Sustainable Yarra is guided by the following eight Strategies. Council measures its performance against the Activities and Strategic Indicators that flow from the Strategies, not against the Strategies themselves.

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 the State Government and the Federal Government on their responsibility to achieve a sustainable Yarra.

Performance summary

Of the five Activities sitting within this Strategic Objective, four (80%) were considered to be complete or on-track and one had not commenced by the end of 2015/16. Refer to page 123 for more detail on Activities connected to this Strategic Objective.

Of the seven measures outlined in the associated Strategic Indicators, Council met or exceeded six (86%). Refer to page 124 for more detail.

Services

The following are the primary Council services responsible for delivery of this Strategic Objective:

Sustainability and Strategic Transport uses cutting edge solutions to maintain Yarra's status as a leader in the field of environmentally responsible practices. This includes support and promotion of cycling and walking, along with management of Council's energy and water use.

Building Assets maintains and manages Council's building assets.

Council Property prepares leases, licences and management agreements in relation to land owned, managed or leased by Council.

Traffic and Special Projects maintains and enhances Yarra's traffic infrastructure to ensure a safe, efficient and sustainable traffic environment.

Engineering and Asset Management provides policy, strategy, processes and procedures and systems that produce an integrated and multidisciplinary approach to asset management.

City Works manages and maintains Council's road and footpath infrastructure, along with its fleet, plant and equipment. It also oversees delivery of all waste services and waste minimisation activities.

Service Performance Indicators

The new Service Performance Indicators for this Strategic Objective are provided on page 125.

Activities

Activity	Derived from	Summary	% of 2015/16 target met
4.01 Energy Performance Contract	Council Plan Initiative	While delays have deferred the completion of some data acquisition and analysis, many energy conservation measures have met or exceeded the savings guarantees as per the Energy Performance Contract.	100%
4.02 Yarra Energy Foundation	Council Plan Initiative	The Yarra Energy Foundation aims to achieve a zero carbon future in Yarra by engaging people who live and do business in the City of Yarra to take practical steps towards this goal. Council continued to monitor the quarterly reports of the Yarra Energy Foundation against Council's funding agreement.	100%
4.03 Waste and Resource Recovery Strategy	Council Plan Initiative	This activity was to implement Year 2 of the Waste and Resource Recovery Strategy. This included: Food Know How which commenced in October, recruiting 1,100 residents into the program, and attracting the interest of other councils; placement of five community Resource Recovery Hubs around Yarra to collect goods for recycling (with 50.3 tonnes collected and recycled in 10 months); and an Improving Shopping Strip Recycling program, involving 1,104 businesses recycling 1,107 tonnes of material; and engaging eight schools and some kindergartens on awareness of recycling and not littering. Yarra took part in and promoted the Garage Sale Trail, winning an award for communication of the campaign, with 280 Yarra households taking part with sales or stalls.	100%
4.04 Urban Forest Strategy	Council Plan Initiative	This activity, to investigate the feasibility of an Urban Forest Strategy, was deferred by Council resolution of 7 June due to the timelines for the tree inventory and data analysis being extended to create efficiencies with a larger 3D modelling project. The 3D modelling project has now produced the tree inventory and the Draft Urban Forest Strategy will be presented to Council in early 2017.	100%
4.05 Urban Wildlife Management Plan	Council Plan Initiative	A biodiversity health survey was completed and is under review. The review of the Urban Wildlife Management Plan will occur in 2016/17.	0%

STRATEGIC
OBJECTIVE 4

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:**
Since the baseline year of 2000/01, Council's organisational greenhouse gas emissions have reduced by 35.9% (an improvement over the 34.9% figure recorded in 2014/15). There was no target set for this year.
- › **Reduction in community emissions:**
Council is working with the Yarra Energy Foundation to assist the community in achieving zero net emissions by 2020. The Foundation is responsible for reporting on progress towards the zero target.
- › **Reduction in Council's potable water use:**
Council set a target of 40% reduction in potable water use over the baseline year of 2000/01. The 2015/16 figure of 17.4% is well under this target and last year's figure of 31.1%.
- › **Council's energy needs generated from renewable and low-carbon local energy sources:**
Council derived 25.8% of its stationary energy requirements from renewable, localised and low-carbon sources during 2015/16, slightly exceeding its target of 25%.



Edinburgh Gardens

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

Council first achieved carbon neutrality in 2011/12 and has maintained that status in each subsequent year, including 2015/16. These outcomes have been realised not only by purchasing offsets against emissions, but also by reducing energy consumption in real terms.

Stormwater and Drainage Asset Management Plans completed

Council updated the draft Drainage Asset Management Plan, which is 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 in 2016/17.

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

The total waste generated for kerbside services in 2015/16 was an estimated 15,776 tonnes, an increase of only 434 tonnes per annum which was mainly due to the expansion of services to multi-unit developments and commercial premises. When compared with the previous year, waste-to-landfill per capita has stabilised. Kerbside recycling was an estimated 8,923 tonnes.

The overall landfill diversion rate for kerbside garbage/recycling collection and at-call green/hard waste service has increased to 38% by weight. When looking at only single dwellings the Waste Audit is extremely positive at a 46% diversion rate.

The reduction in the weight of recyclables collected is a trend occurring in most councils across Melbourne. Analysis suggests this is due to the changing composition of the recycling stream including a reduction of newspapers and the light weight of packaging.

Service Performance Indicators

Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
Waste collection			
Satisfaction <i>Kerbside bin collection requests</i> (Number of kerbside garbage and recycling bin collection requests/Number of kerbside bin collection households) x1000	81.70	57.62	The improvement from 2014/15 to 2015/16 was due to the significant decrease in requests, particularly a decrease of 587 in damaged bins reported and decrease of 261 in stolen bins.
Service standard <i>Kerbside collection bins missed</i> (Number of kerbside garbage and recycling collection bins missed/Number of scheduled kerbside garbage and recycling collection bin lifts) x10,000	1.27	1.05	
Service cost <i>Cost of kerbside <u>garbage bin</u> collection service</i> (Direct cost of the kerbside garbage bin collection service/Number of kerbside garbage collection bins)	\$98.19	\$98.56	
Service cost <i>Cost of kerbside <u>recyclables</u> collection service</i> (Direct cost of the kerbside recyclables bin collection service/Number of kerbside recyclables collection bins)	\$50.43	\$49.81	
Waste diversion <i>Kerbside collection waste diverted from landfill</i> (Weight of recyclables and green organics collected from kerbside bins/Weight of garbage, recyclables and green organics collected from kerbside bins) x100	37.00%	38.52%	

¹ Commentary only required where a result falls outside a certain range or material variation threshold.

STRATEGIC
OBJECTIVE 5

Leading Local Government



A changing and divergent community requires an agile and responsive organisation. To ensure that the community receives the right kind of support, Council continuously reviews and enhances its services.

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

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.

Performance summary

Of the eight Activities sitting within this Strategic Objective, seven (87%) were considered to be complete or on-track by the end of 2015/16. Refer to page 127 for more detail.

Of the nine measures outlined in the associated Strategic Indicators, Council met or exceeded seven (78%). Refer to page 129 for more detail.

Services

The following are the primary Council services responsible for delivery of this Strategic Objective:

Governance provides a range of professional services to internal and external clients, with an emphasis on governance-related issues including compliance, regulation, transparency and probity.

People, Culture and Community promotes accountability and enhances competency, effectiveness and wellbeing as a shared responsibility of the organisation and its people. It also guides community development in Yarra to support Council's strategic objectives.

Advocacy and Engagement provides Council with a consistent strategic approach to communications and issues management, as well as advocacy, media relations, publications, digital communications, customer service and civic events. This solution-focused service enhances cross organisational collaboration and responsiveness.

Finance develops strategies to ensure that Council remains financially sustainable and well positioned to deliver quality

services to the Yarra community into the future. The branch also provides financial accounting, management accounting, revenue management, valuations and payroll services to the organisation.

Information Services provides high levels of customer service and technical competence in order to optimise Yarra's business systems, processes and quality of information.

Innovation fosters a culture of creativity and continuous improvement across all Council operations and ensures the adoption of consistent and effective project management practices.

Corporate Performance supports Yarra City Council in being a leading local government, ensuring services and projects are strategically aligned, deliver value for money and are accountable to staff, Councillors and the community.

Risk, Audit and Procurement ensures the organisation has policies and procedures in place to manage its risks and engender confidence in our corporate governance. It is responsible for oversight of the organisation's Internal Audit Program and provides the Secretariat function for Council's Audit Committee.

Contracts and Procurement is responsible for ensuring that procurement processes are compliant with Council policies and procedures that all legislative requirements imposed on Council are met, and that probity is observed in tendering and purchasing systems.

Service Performance Indicators

The new Service Performance Indicators for this Strategic Objective are provided on page 130.

Activities

	Activity	Derived from	Summary	% of 2015/16 target met
5.01	Organisational Development Strategy and Action Plan	Council Plan Initiative	Year 3 actions were implemented. The Reward and Recognition Policy was developed and the corporate-wide program launched, the Employee Competency Framework was developed, and all staff were provided with access to an online Performance Development Review.	100%
5.02	Employment Diversity and Inclusion Strategy	Council Plan Initiative	Year 1 actions implemented included diversity Celebration Calendar and the incorporation of diversity training in Council's staff induction program.	95%
5.03	Project Management Framework	Council Plan Initiative	Council deployed the corporate Project Management Framework, developed last year, to manage projects requesting capital and operating funding in 2016/17. Council also established a Project Management Office to roll out the framework to ensure consistent and high quality project tracking and management, and to assist with larger/high-risk projects.	92%

STRATEGIC
OBJECTIVE 5

Leading Local Government



Activities (cont.)

	Activity	Derived from	Summary	% of 2015/16 target met
5.04	Radio Frequency Identification Stage 2 MAJOR INITIATIVE	Annual Plan Action	Under this activity, information pods and customer self-service kiosks were installed and 185,000 library items were tagged over two years. This year, equipment was purchased, testing was undertaken, and the project was completed by the end of the second quarter.	100%
5.05	Government relations	Council Plan Initiative	Council's advocacy was strong this year, particularly on urban renewal and greater financial investment in the city. In 2015/16, Council received funding commitments of \$1.3 million, making the total amount committed, including carryover, \$2.63 million. Of this, \$1.86 million was received. Projects on which Council advocated included an indoor sports stadium at the proposed redevelopment of the former gasworks site in North Fitzroy; Yarra River planning controls; and community facilities and 30-metre river setback at the Alphington Paper Mill development site. The Chief Executive Officer and executives led more than 100 delegations during the year to governments, employer groups and business leaders on opportunities for Yarra.	100%
5.06	Capital works program	Annual Plan Action	In 2015/16 Council's Capital Works program adopted budget was \$40.53 million across 354 projects. At June, 315 capital works projects were completed with a spend of \$30.64 million, representing a spend of 76% against a target of 85%. Compared to the revised budget of \$32.22 million, the result is 95%.	76%
5.07	Executive and Council strategic planning sessions	Council Plan Initiative	Strategic Planning workshops involving Councillors and Executive were held in November, February and March. The workshops covered topics including key strategic issues, review of the Council Plan and input from community engagement about the next Council budget. The workshops provided a forum for discussion of the 2016/17 budget parameters, Long Term Financial Strategy, 10-year Capital Renewal Plan and funding of discretionary Operating and Capital new projects in 2016/17 and beyond.	100%
5.08	Emergency management response and recovery planning	Council Plan Initiative	Council participated in the North West Regional Collaboration Emergency Management Exercise, held at Collingwood Town Hall and Collingwood Depot. It also developed and adopted a Municipal Recovery Plan and implemented a CALD heat safety campaign in nine languages, in partnership with Housing Estates, Victoria Police, Red Cross and community groups. All Council relief centres were fully audited.	100%

Strategic indicators (measures of success)

Agreed project management principles implemented

The agreed project management principles covered in the Project Management Framework policy have been implemented through: a unified project bidding process; establishment of a Project Management Office function to promote the development of project management capability and culture and a guiding role to high-value/high-risk projects; and modifying and extending existing systems and reports to align with the Project Management Framework.

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. Over the past year, the framework has guided negotiations with a range of external agencies and has helped Council influence decisions impacting the Yarra community.

Achievement of Customer Guarantee targets

Council established a range of customer service guarantees for the 2015/16 reporting period. The organisation met or exceeded eight of 10 guarantees for a result of 80%, which exceeded Council's target of 70%. Highlights included only 241 missed bins for the year (against a target of 1,020) and responding to all 88 reports of potholes and making them safe within 24 hours.

Overall performance (as measured through the Annual Customer Service Survey)

Council achieved a score of 7.2 for overall performance as measured by its Annual Customer Satisfaction Survey. This is an increase of 5.8% from 2015, categorised as 'good' and is higher than averages in metropolitan Melbourne and the IMAP region. The survey measures community satisfaction with a range of Council services and facilities as well as community sentiment on a range of issues of concern in the municipality. It was conducted as a door-to-door interview style survey of 800 households drawn randomly from across the municipality during October 2015. Refer to page 42 for more detail.

Successfully obtain funding as a result of strategic advocacy

A key priority of Yarra's Strategic Advocacy Framework is to successfully obtain funding from other sources including State and Federal government. A centralised grants register monitors the level of funds committed and received. In 2015/16 the total amount committed (including carryover from previous years), was \$3,063,141, with \$1,832,322 of this being received during 2015/16. Examples of grants attracted include the Australian Packaging Covenant Grant of \$82,898 for the installation of thermal densifier for polystyrene at the Clifton Hill Depot, and \$195,000 from the Department of Justice Safety Infrastructure Fund for path lighting in open space.

Implement new/upgraded finance system

The new finance system went live in June 2014. This year the system continued to allow 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 ratio was 1.03, based on current assets of \$37.59 million and current liabilities of \$36.5 million. It is below the target of 1.40.
- › **Underlying Result:**
The Council Plan, when adopted for 2013–2017, included the 'Underlying Result' financial indicator, which was also used by the Victorian Auditor General's Office (VAGO) in reporting the financial results to Parliament for all Victorian local authorities. VAGO now refer to a Net Result – Surplus/Revenue (previously the Underlying Result which required certain adjustments to surplus and revenue). Council's Net Result for 2015/16 (\$10.009 million/\$170.9 million) was 5.9%, comparable to previous years. The Local Government Performance Reporting Framework (LGPRF) requires reporting of an 'Adjusted Underlying Surplus' (instead of a Net Result) which adjusts surplus and revenue for developers' contributions and non-recurrent capital grants. The adjusted underlying surplus for 2015/16 was 1.7%.



STRATEGIC OBJECTIVE 5

Leading Local Government



Completion of Capital Works projects

In 2015/16 Council's Capital Works program adopted budget was \$40.53 million across 354 projects. At June, 315 capital works project were completed with a spend of \$30.64 million, representing a spend of 76% against a target of 85%. Compared to the revised budget of \$32.22 million, the result is 95%.

.....

Service Performance Indicators



Street art in Young Street, Fitzroy

Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
Governance			
Transparency <i>Council decisions made at meetings closed to the public</i> (Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public/ Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors) x100	13.00%	12.67%	The Yarra City Council is committed to transparent governance and decision-making and only considers matters at confidential meetings where absolutely necessary. The small number of confidential decisions reflects a number of legal and contractual matters before Council during the year, as well as regular procurement activity. There has been a slight decline on the previous year.
Consultation and engagement <i>Satisfaction with community consultation and engagement</i> Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	69.90	69.90	Council places great emphasis on community engagement, particularly engaging with hard to reach communities. During the year 21 staff from across the organisation completed the IAP2 Certificate in Engagement, an internationally recognised qualification, aimed at building the community engagement skills and experience of staff.



The historic Pelaco sign in Richmond

Service Indicator Measure	2014/15 Result	2015/16 Result	Commentary ¹
Attendance <i>Councillor attendance at council meetings</i> (The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)) x100	88.00%	92.06%	
Service cost <i>Cost of governance</i> (Direct cost of the governance service / Number of Councillors elected at the last Council general election)	\$52,164.89	\$51,908.85	
Satisfaction <i>Satisfaction with council decisions</i> (Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community)	65.80	68.60	

¹ Commentary only required where a result falls outside a certain range or material variation threshold.



Financial Statements



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 the Chief Financial Officer's report on page 22.

Understanding the financial statements

Council's Financial Statements are 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 Statements consist of two main sections: the Report and the Notes. There are four Statements and 40 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.
- › Statement of Cash Flows.

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 2016. 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.
- › ‘Prepayments’ 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.

Statement of Cash Flows

The Statement of Cash Flows 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 Statement of Cash Flows is the Cash at end of financial year. This shows the capacity of Council to meet its debts and other liabilities.



Financial Statements



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 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.
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.
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.

Term	Definition
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



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Comprehensive Income Statement for the Year Ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Income			
Rates and charges	3	97,912	91,462
Statutory fees and fines	4	26,242	26,995
User fees	5(a)	23,896	22,883
Government grants - operating	6	10,313	11,462
Government grants - capital	6	1,927	1,323
Contributions-monetary	7	7,935	7,630
Reimbursements	8	684	750
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	9	49	(146)
Other income	5(b)	1,952	2,103
Total Income		170,910	164,462
Expenses			
Employee costs	10	75,871	71,232
Materials and services	11	61,881	59,215
Bad and doubtful debts	12	1,486	1,683
Depreciation and amortisation	13	19,614	20,466
Borrowing costs	14	1,508	1,435
Other expenses	15	541	496
Total Expenses		160,901	154,527
Surplus/(deficit) for the year		10,009	9,935
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	28	89,475	59,161
Comprehensive result for the year		99,484	69,096

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



**Balance Sheet
as at 30 June 2016**

	Note	2016 \$'000	2015 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	16	22,544	22,435
Trade and other receivables	17	12,780	11,223
Accrued income	18	280	553
Prepayments	19	1,163	185
Inventories	20	130	135
Non-current assets held for sale	21	696	640
Total current assets		<u>37,593</u>	<u>35,171</u>
Non-current assets			
Investments	21(a)	235	235
Receivables	17	20	20
Property, infrastructure, plant and equipment	22	1,670,714	1,570,430
Total non-current assets		<u>1,670,969</u>	<u>1,570,885</u>
TOTAL ASSETS		<u>1,708,562</u>	<u>1,605,856</u>
LIABILITIES			
Current liabilities			
Trade and other payables	23	17,311	15,886
Trust funds and deposits	24	6,195	5,556
Income in advance	25	223	112
Provisions	26	12,771	11,843
Total current liabilities		<u>36,500</u>	<u>33,397</u>
Non-current liabilities			
Provisions	26	1,416	1,297
Other Liabilities	24	585	585
Interest-bearing loans and borrowings	27	32,500	32,500
Total non-current liabilities		<u>34,501</u>	<u>34,382</u>
TOTAL LIABILITIES		<u>71,001</u>	<u>67,779</u>
NET ASSETS		<u>1,637,561</u>	<u>1,538,077</u>
Represented by:			
Accumulated surplus		581,748	571,739
Asset revaluation reserves	28 (a)	1,035,634	946,159
Other reserves	28 (b)	20,179	20,179
TOTAL EQUITY		<u>1,637,561</u>	<u>1,538,077</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 2016

	Note	Total 2016 \$'000	Accumulated Surplus 2016 \$'000	Asset Revaluation Reserves 2016 \$'000	Other Reserves 2016 \$'000
2016					
Balance at beginning of the financial year		1,538,077	571,739	946,159	20,179
Surplus (deficit) for the year		10,009	10,009	-	-
Asset revaluation	28(a)	89,475	-	89,475	-
Transfers to other reserves	28(b)	-	(5,506)	-	5,506
Transfers from other reserves	28(b)	-	5,506	-	(5,506)
Balance at end of the financial year		1,637,561	581,748	1,035,634	20,179

		Total 2015 \$'000	Accumulated Surplus 2015 \$'000	Asset Revaluation Reserves 2015 \$'000	Other Reserves 2015 \$'000
2015					
Balance at beginning of the financial year		1,468,981	564,646	886,998	17,337
Surplus (deficit) for the year		9,935	9,935	-	-
Asset revaluation	28(a)	59,161	-	59,161	-
Transfers to other reserves	28(b)	-	(5,437)	-	5,437
Transfers from other reserves	28(b)	-	2,595	-	(2,595)
Balance at end of the financial year		1,538,077	571,739	946,159	20,179

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 2016**

	Notes	2016 Inflows/ (Outflows) \$'000	2015 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		99,438	92,466
Statutory fees and fines		24,849	24,629
User fees		23,773	24,412
Government grants - operating		10,424	11,811
Government grants - capital		1,927	1,323
Contributions		7,935	7,630
Reimbursements		1,382	1,112
Fire Services Levy Received		15,232	13,059
Fire Services Levy Paid		(15,291)	(9,402)
Interest received		434	434
Rent		1,518	1,669
Materials and services		(71,000)	(72,027)
Employee costs		(74,361)	(70,185)
Net GST refund		5,788	5,551
Net cash provided by operating activities	29	<u>32,048</u>	<u>32,481</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(30,578)	(30,940)
Proceeds from sale of property, plant and equipment	9	147	610
Net cash (used in) investing activities		<u>(30,431)</u>	<u>(30,330)</u>
Cash flows from financing activities			
Finance costs		(1,508)	(1,435)
Proceeds from borrowings		-	-
Repayment of Borrowings		-	-
Net cash provided financing activities		<u>(1,508)</u>	<u>(1,435)</u>
Change in cash and cash equivalents		109	716
Cash at the beginning of the financial year		22,435	21,719
Cash and cash equivalents at the end of the financial year	16	<u>22,544</u>	<u>22,435</u>
Restrictions on cash assets	16		

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

**Statement of Capital Works
for the Year Ended 30 June 2016**

	2016	2015
	\$'000	\$'000
Property		
Buildings	14,636	7,941
Building improvements	-	939
Total buildings	<u>14,636</u>	<u>8,880</u>
Total property	<u>14,636</u>	<u>8,880</u>
Plant and equipment		
Plant, machinery and equipment	894	1,424
Fixtures, fittings and furniture	157	3,011
Computers and telecommunications	1,990	1,675
Library books	780	718
Total plant and equipment	<u>3,821</u>	<u>6,828</u>
Infrastructure		
Roads	5,181	7,135
Bridges	19	157
Footpaths and cycleways	2,799	1,573
Drainage	1,036	581
Recreational, leisure and community facilities	3,030	2,118
Waste management	18	50
Parks, open space and streetscapes	100	4,856
Total infrastructure	<u>12,183</u>	<u>16,470</u>
Total capital works expenditure	<u>30,640</u>	<u>32,178</u>
Represented by:		
New asset expenditure	10,246	12,831
Asset renewal expenditure	18,809	17,128
Asset upgrade expenditure	1,585	2,219
Total capital works expenditure	<u>30,640</u>	<u>32,178</u>

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



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

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 - Pitcher Partners

Solicitors - Maddocks

Bankers - National Australia Bank

Website address - www.yarracity.vic.gov.au

Statement of Compliance

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, Statement of Capital Works 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 2016

Note 1 Significant Accounting Policies

(a) Basis of Accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid. Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 1 (b))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 1 (d))
- the determination of employee provisions (refer to Note 1 (g))

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

(b) Change in Accounting Policy

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

(c) 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. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

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

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:

Class of Asset	2016 Threshold limit
Land & Buildings	
Land	Nil
Land under roads acquired after 30 June 2008	Nil
Buildings	\$10,000
Land Improvements	\$10,000
Heritage Assets	
Heritage assets	Nil
Plant & Equipment	
Plant & machinery	\$500
Furniture, equipment & computers	\$500
Library books	Nil
Library audio and visual	Nil
Infrastructure	
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
Other	
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

Note 1 Significant Accounting Policies (continued)**(c) Recognition and measurement of assets (continued)****Revaluation**

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 22 Property, infrastructure, plant and equipment.

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

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.

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.

(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:

	Periods
	2016
Land & Buildings	
Buildings	100 years
Heritage Assets	
Heritage Assets	100 years
Plant & Equipment	
Plant & machinery	7-10 years
Furniture, equipment & computers	3-10 years
Infrastructure	
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
Other	
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

(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.

Note 1 Significant Accounting Policies (continued)

(f) Leases

Finance leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Council does not have any finance leases.

Operating leases

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

(g) Employee costs and benefits

Wages and salaries and annual leave

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

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

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

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

The components of this current liability are measured at :

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

Classification of employee costs

Non-current liability - conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non - current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

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

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

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

Rates and charges

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

Statutory fees and fines

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

User fees

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

Grants

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

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



Note 1 Significant Accounting Policies (continued)

Contributions

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

Sale of property, infrastructure, plant and equipment

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

Interest

Interest is recognised as it is earned.

(i) Cash and cash equivalent assets

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

(j) Investments and other financial assets

Initial recognition and measurement

Financial assets are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the Council commits itself to either the purchase or sale of the asset. Financial instruments are initially measured at fair value plus transaction costs.

(k) Classification and subsequent measurement

Investments are classified in the following categories:

The movement in the carrying value of associates is contained in note 15. Upon advice received from the Victorian Auditor-General's Office the carrying value of investment in associates is included under non current assets held for sale.

(l) Borrowings

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. The Council has categorised all its interest-bearing liabilities as financial liabilities at amortised cost.

Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

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

(m) 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.

(n) Agreements equally proportionately unperformed

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

(o) Rounding

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

(p) Trust funds and deposits

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

(q) Inventories

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

Note 1 Significant Accounting Policies (continued)

(r) Impairment of assets

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

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

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

(t) Fair Value Measurement

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

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

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

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

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

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

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

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

(u) Trade and other receivables

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

(v) Goods and Services Tax (GST)

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

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

(w) Contingent assets and contingent liabilities and commitments

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

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

(x) Pending accounting standards

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

**Note 2 Budget comparison**

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

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10% or \$250K where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures are those adopted by Council on 23 June 2015. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

Note 2 Budget comparison (cont)**(a) Income and expenditure**

	Budget 2015/16 \$'000	Actual 2015/16 \$'000	Variance \$'000	Variance %	Note
Revenues from ordinary activities					
Rates and charges	96,740	97,912	1,172	1.21	1.1
Statutory fees and fines	30,201	26,242	(3,959)	(13.11)	1.2
User fees	23,801	23,896	95	0.40	
Other income	1,666	1,518	(148)	(8.86)	
Grants - operating	11,102	10,313	(789)	(7.11)	1.3
Grants - capital	808	1,927	1,119	138.43	1.4
Reimbursements & Contributions	4,992	8,619	3,627	72.66	1.5
Interest on investments	460	434	(26)	(5.68)	
Net gain (loss) on disposal of non current assets	450	49	(401)	(89.13)	1.6
Total revenues	170,220	170,910	690	0.41	
Expenses from ordinary activities					
Employee costs	72,339	75,871	(3,532)	(4.88)	1.7
Materials and services	60,914	61,881	(967)	(1.59)	1.8
Bad and doubtful debts	2,120	1,486	634	29.91	
Depreciation	21,595	19,614	1,981	9.17	1.9
Borrowing costs	1,511	1,508	3	0.17	
Other expenses	541	541	-	-	
Total expenses	159,020	160,901	(1,881)	(1.18)	
Surplus/(Deficit) for the year	11,200	10,009	(1,191)	(10.63)	

Note 2 Budget comparison (cont)

(b) Material Variance Explanation

Note	Item	Explanation
1.1	Rates and charges	Rates and charges are favourable to budget by \$1.172M (1.21%) mainly due to additional supplementary rate income raised for the year.
1.2	Statutory fees and fines	Parking Revenue is unfavourable to budget by \$3.959M (13.1%) mainly due to lower parking infringements than the budget level which is a combination of enforcement and compliance. Meter fees were also unfavourable partly due to the removal of parking bays in Victoria Parade and Wellington Street and the delay of the implementation of new parking technology.
1.3	Grants - operating	Operating Grants unfavourable to budget by \$0.789M (7.1%) mainly due to additional grant income received in advance in 2014/15 from the Victorian Grants Commission for part of the 2015/16 grants program.
1.4	Grants - capital	Capital Grants favourable to budget by \$1.119M (138.4%) mainly due to unbudgeted revenue received for the North Fitzroy Community Hub, as well as additional funds for Roads to Recovery Projects and Library capital grant projects.
1.5	Reimbursements and Contributions	Reimbursements and Contributions favourable compared to budget by \$3.627M (72.7%) mainly due to an increase in resort and recreation fees received from property developers.
1.6	Net gain (loss) on disposal of non current assets	Net gain (loss) on disposal of non current assets is \$0.401M (89.2%) unfavourable compared to budget due to delayed vehicle trade-ins.
1.7	Employee Costs	Employee Costs are unfavourable to budget by \$3.532M (4.88%) partly due to additional agency staff costs, some of which related to additional income, and continuing vacancies across the organisation. Additional costs were incurred for long service leave provision due to lower discount interest rates, additional annual leave liability and superannuation costs.
1.8	Materials and Services	Materials and services costs are unfavourable to budget by \$0.967M (1.59%) mainly due to increased expenditure in legal fees, bank charges and water costs. This was offset by savings in a number of areas, including contributions, insurance premiums and insurance excesses.
1.9	Depreciation	Depreciation was favourable to budget by \$1.981M (9.17%) due to reclassification of some assets.



Note 2 Budget comparison (cont)

(c) Capital Works

	Budget 2015/16 \$'000	Actual 2015/16 \$'000	Variance \$'000	Variance %	Note
Property					
Buildings	20,211	14,636	5,575	27.58	2.1
Total buildings	20,211	14,636	5,575	27.58	
Total property	20,211	14,636	5,575	27.58	
Plant and equipment					
Plant, machinery and equipment	1,855	894	961	51.81	2.2
Fixtures, fittings and furniture	178	157	21	11.80	2.3
Computers and telecommunications	2,820	1,990	830	29.43	2.4
Library books	790	780	10	1.27	
Total plant and equipment	5,643	3,821	1,822	32.29	
Infrastructure					
Roads	5,258	5,181	77	1.46	
Bridges	60	19	41	68.33	2.5
Footpaths and cycleways	3,234	2,799	436	13.47	2.6
Drainage	1,053	1,036	17	1.61	
Recreational, leisure and community facilities	4,942	3,030	1,912	38.69	2.7
Waste management	50	18	32	64.00	
Parks, open space and streetscapes	88	100	(12)	(14.01)	
Total infrastructure	14,685	12,183	2,502	17.04	
Total capital works expenditure	40,539	30,640	9,900	24.42	2.8
Represented by:					
New asset expenditure	15,908	10,246	5,662	35.59	
Asset renewal expenditure	23,235	18,809	4,427	19.05	
Asset upgrade expenditure	1,396	1,585	(189)	(13.54)	
Total capital works expenditure	40,539	30,640	9,900	24.42	



Note 2 Budget comparison (cont)

(d) Explanation of material variations

Material Variance Explanation

Note	Item	Explanation
2.1	Buildings	Buildings are \$5.58M (27.6%) below budget mainly due to delays in construction of the North Fitzroy Community Hub Project.
2.2	Plant, machinery and equipment	Plant, machinery and equipment are \$0.961M (51.8%) below budget due to savings in the purchase of new equipment and lower passenger fleet replacement.
2.3	Fixtures, fittings and furniture	Fixtures, fittings and furniture is \$0.021M (11.8%) below budget mainly due to delays in new fitouts for Richmond Town Hall.
2.4	Computers and Telecommunications	Computers and telecommunications are \$0.83M (29.4%) below budget mainly due to the delay in implementation of the new Parking Technology
2.5	Bridges	Bridges assets are \$0.041M (68.3%) lower than budget due to lower expenditure required on the Coulson Reserve and Knotts Reserve Bridges than originally expected.
2.6	Footpaths and cycleways	Footpaths and cycleways is \$0.436M (13.5%) below budget due to project carry forwards and some project deferrals Brunswick Street bicycle lanes.
2.7	Recreational, leisure and community facilities	Recreational, leisure and community facilities is \$1.92M (38.6%) below budget due to savings identified in revised scope of works for a number of projects and carry forward of key open space projects..
2.8	Total Capital Works	Total Capital program expenditure of \$30.64M represents 76% completion of the 2015/16 capital works program budget. During the year several projects changed in scope and projects were deferred or incurred delays which resulted in budget adjustments and the capital program achieved 95% completion of the adjusted budget.



Note 3 Rates and charges	\$'000	\$'000
<p>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.</p> <p>The valuation base used to calculate general rates for 2015/16 was \$2,071.407 million (2014/15 \$2,017.530 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 2014.</p> <p>The 2015/16 rate in the NAV dollar of 4.622 cents generated a 7.1% increase in rate income. The 2014/15 rate in the NAV dollar was 4.423 cents.</p>		
Residential	67,612	62,156
Commercial	21,059	20,139
Industrial	6,772	6,542
Supplementary rates and rate adjustments	2,107	2,260
Garbage bin charge	49	49
Interest on rates	313	316
Total rates and charges	<u>97,912</u>	<u>91,462</u>
<p>A general revaluation of land for rating purposes within the municipal district was undertaken as at 1 January 2014 and was first applied to the rating period commencing 1 July 2014.</p> <p>The date of the next general revaluation of land for rating purposes within the municipal district was 1 January 2016 and the valuation will be first applied in the rating year commencing 1 July 2016.</p>		
Note 4 Statutory fees and fines		
Infringements & costs	15,084	13,764
PERIN court recoveries	1,938	1,900
Fees - parking meters/ticket machines	7,499	9,704
Permits	1,721	1,627
Total statutory fees and fines	<u>26,242</u>	<u>26,995</u>
Note 5(a) User fees		
Leisure centres and golf course fees	9,197	8,809
Child care/children's program fees	2,597	2,385
Town planning fees	1,894	2,125
Insurance refunds	21	10
Registration fees	1,364	1,277
Pre schools	615	560
Aged services fees	302	364
Road occupation permit fees	2,501	2,325
Library fees and fines	60	94
Footpath advertising & display	597	541
Building services fees	221	626
Valuation fees/supplementary charges	303	629
Kerb market fees	220	208
Land information certificates	107	91
Local laws fines	1,253	1,217
Sales Right of Way	1,251	-
Other fees and charges	1,393	1,622
Total user fees	<u>23,896</u>	<u>22,883</u>
Note 5(b) Other income		
Interest	434	434
Rent	1,518	1,669
Total other income	<u>1,952</u>	<u>2,103</u>

Note 6 Government grants	2016	2015
Government grants were received in respect of the following:	\$'000	\$'000
Commonwealth funded grants	7,150	8,182
State funded grants	5,090	4,603
Total grants received	12,240	12,785
Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Victoria Grants Commission - general purpose	890	2,592
Family Services	3,551	3,255
Aged Services - Home Care Services	873	839
<i>Recurrent - State Government</i>		
Aged Services Assessment and Planning	2,728	2,713
School crossing supervisors	229	210
Library	617	538
Maternal and child health	517	466
Recreation	-	4
Community safety	82	83
Other	183	244
Total recurrent operating grants	9,670	10,944
<i>Non-recurrent - Commonwealth Government</i>		
Environmental planning	320	173
<i>Non-recurrent - State Government</i>		
Community health	26	38
Family and children	297	244
Other	-	63
Total non-recurrent operating grants	643	518
Total operating grants	10,313	11,462
Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	201	150
Total recurrent capital grants	201	150
<i>Non-recurrent - Commonwealth Government</i>		
Buildings	1,315	1,173
<i>Non-Recurrent - State Government</i>		
Black Spot Program (TAC)	411	-
Total non-recurrent capital grants	1,726	1,173
Total capital grants	1,927	1,323
Total grants	12,240	12,785
Conditions on grants		
<i>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:</i>		
Community Development	-	305
Aged & Disability	-	419
Victorian Grants Commission	-	1,057
Walk to School	-	10
	-	1,791
<i>Grants recognised as revenue in prior years which were expended during the current year in the manner specified</i>		
Community Development	305	179
Aged & Disability	419	194
Victorian Grants Commission	1,057	-
Walk to School	10	-
	1,791	373
Net increase/(decrease) in restricted assets resulting from grant revenues for the year	(1,791)	1,418



	2016	2015
	\$'000	\$'000
Note 7 Contributions monetary		
Transport planning	68	33
Resort and recreation fees*	5,506	5,437
Road inspection	547	566
Road reinstatements	240	137
Library resources	181	159
Domestic waste	441	551
Environmental sustainability	120	-
Other	832	747
Total contributions	<u>7,935</u>	<u>7,630</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)).

Note 8 Reimbursements		
Road maintenance/works (other)	684	750
Total reimbursements	<u>684</u>	<u>750</u>
Note 9 Net gain/(loss) on disposal of non-current assets		
Plant & Equipment		
Proceeds from sale of assets	147	610
Written down value of assets sold/disposed	(98)	(756)
Profit/(loss) on sale/disposal of property, plant and equipment	<u>49</u>	<u>(146)</u>
Land & Buildings		
Proceeds from sale of assets	-	-
Written down value of assets sold/disposed	-	-
Profit/(loss) on sale/disposal of property, plant and equipment	<u>-</u>	<u>-</u>
Summary		
Proceeds from sale of assets	147	610
Written down value of assets sold/disposed	(98)	(756)
Profit/(loss) on sale/disposal of property, plant and equipment	<u>49</u>	<u>(146)</u>

	2016	2015
	\$'000	\$'000
Note 10		
Employee Costs		
Wages and salaries	55,409	53,149
WorkCover	555	947
Casual staff	3,924	4,027
Superannuation	5,592	3,741
Fringe benefits tax	441	588
Other	9,950	8,780
Total employee costs	<u>75,871</u>	<u>71,232</u>
Note 10 (b)		
Superannuation		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	474	539
Employer contributions - other funds	-	-
	<u>474</u>	<u>539</u>
Employer contributions payable at reporting date.	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,196	2,960
Employer contributions - other funds	2,091	1,677
	<u>5,287</u>	<u>4,637</u>
Employer contributions payable at reporting date.	-	-
Refer to note 33 for further information relating to Council's superannuation obligations.		
Note 11		
Materials and services		
Materials and services	23,047	19,745
Contract payments	20,281	19,799
Building maintenance	4,701	5,409
General maintenance	3,023	1,685
Utilities	3,463	3,026
Information technology	2,642	1,652
Insurance	1,984	1,881
Consultants	2,740	6,018
Total materials and services	<u>61,881</u>	<u>59,215</u>
Note 12		
Bad and doubtful debts		
Parking infringement debtors	1,351	1,683
Other debtors	135	-
Total bad and doubtful debts	<u>1,486</u>	<u>1,683</u>



	2016 \$'000	2015 \$'000
Note 13 Depreciation and amortisation		
Property	2,628	2,464
Plant and equipment	3,074	3,423
Infrastructure	12,154	12,729
Intangible assets	1,758	1,850
Total depreciation	<u>19,614</u>	<u>20,466</u>
Refer to Note 22 for a detailed break down of depreciation and amortisation charges.		
Note 14 Borrowing costs		
Interest - on Borrowings	1,508	1,435
Total borrowing costs	<u>1,508</u>	<u>1,435</u>
Note 15 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	66	66
Auditors' remuneration - Internal	184	145
Councillors' allowances	291	285
Total other expenses	<u>541</u>	<u>496</u>
Note 16 Cash and cash equivalents		
Cash at bank*	2,034	1,724
Cash on hand	10	11
Term deposit investments*	20,500	20,700
Total cash and cash equivalents	<u>22,544</u>	<u>22,435</u>
*Council has assets of \$6.2m (\$19.05m in 2014/15) that are subject to restriction		
Trust funds and deposits (note 24)	6,195	1,915
Public open space reserve (note 28b)	-	17,090
Total restricted funds	<u>6,195</u>	<u>19,005</u>
Total unrestricted cash and cash equivalents	<u>16,349</u>	<u>3,430</u>
Intended allocations		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
- Cash held to fund carried forward capital works	<u>6,325</u>	<u>6,447</u>
Note 17 Trade and other receivables		
Current		
Rates debtors	3,856	3,431
Parking infringement debtors	24,082	21,851
Provision for doubtful debts - parking infringements	(19,638)	(18,150)
Other debtors	4,197	4,422
Provision for doubtful debts - other debtors	(1,211)	(1,203)
Workcover	152	137
GST recoverable from ATO	1,342	735
	<u>12,780</u>	<u>11,223</u>
Non-current		
Park Place Child Care Centre Inc. - Loan	20	20
Total Receivables	<u>12,800</u>	<u>11,243</u>

	2016 \$'000	2015 \$'000
(a) Ageing of Receivables		
At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:		
Current and past due by up to 30 days	1,661	3,246
Past due between 31 and 180 days	2,822	668
Past due between 181 and 365 days	2,093	751
Past due by more than 1 year	2,368	3,147
Total trade & other receivables	<u>8,944</u>	<u>7,812</u>
(b) Movement in provisions for doubtful debts		
Balance at the beginning of the year	19,353	18,705
New Provisions recognised during the year	1,486	1,683
Amounts already provided for and written off as uncollectible	-	(1,035)
Amounts provided for but recovered during the year	-	-
Balance at end of year	<u>20,839</u>	<u>19,353</u>
Note 18 Accrued income		
Government grants and other income	265	509
Interest	15	44
Total accrued income	<u>280</u>	<u>553</u>
Note 19 Prepayments		
Vehicle registrations	141	137
Contributions and insurance	1,022	48
Total prepayments	<u>1,163</u>	<u>185</u>
Note 20 Inventories		
Merchandise	126	131
General	4	4
Total inventories	<u>130</u>	<u>135</u>
Note 21 Non-current assets held for sale		
Motor Vehicles held for sale at cost	696	640
Total non-current assets held for resale	<u>696</u>	<u>640</u>
Note 21 (a) Investments		
Council's carrying value of investment in Regional Kitchens P/L, incorporating RFK P/L (Trading as Community Chef)	230	230
Other Unlisted Investment	5	5
Total investments	<u>235</u>	<u>235</u>



Note 22 Property, infrastructure, plant and equipment
Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2016	Accumulated Depreciation	WDV 30 June 2016	WDV 30 June 2015	At Fair Value 30 June 2015	Accumulated Depreciation	WDV 30 June 2015		
Land	827,253	-	827,253	-	725,657	-	725,657		
Buildings	257,132	78,258	178,875	178,875	253,001	71,446	181,555		
Plant and Equipment	88,739	62,694	26,045	26,045	84,099	58,305	25,794		
Infrastructure	822,259	193,423	628,836	628,836	814,962	181,269	633,693		
Work in progress	9,705	-	9,705	-	3,764	-	3,764		
	2,005,088	334,375	1,670,714	1,670,714	1,881,454	311,021	1,570,433		
Summary of Work in Progress									
Opening WIP	-	9,705	-	-	9,705	-	-		
Buildings	3,764	-	(3,764)	-	-	-	-		
Infrastructure	-	-	(3,764)	-	-	-	-		
Total	3,764	9,705	(3,764)	-	9,705	-	-		
	Land - specialised	Land - non specialised	Land improvements	Total Land	Heritage Buildings	Buildings - specialised	Buildings - non specialised	Work in Progress	Total Property
At fair value 1 July 2015	663,952	55,303	6,402	725,657	-	253,001	-	-	978,658
Accumulated depreciation at 1 July 2015	-	-	-	-	-	(71,446)	-	-	(71,446)
	663,952	55,303	6,402	725,657	-	181,555	-	-	907,212
Movements in fair value									
Acquisition of assets at fair value	-	-	2,783	2,783	-	6,979	-	9,705	19,468
Revaluation increments (decrements)	70,214	28,599	-	98,813	-	(5,108)	-	-	93,705
Fair value of assets disposed	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	2,259	-	-	2,259
	70,214	28,599	2,783	101,596	-	4,131	-	9,705	115,432
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	-	-	-	(2,536)	-	-	(2,536)
Revaluation increments (decrements)	-	-	-	-	-	(4,230)	-	-	(4,230)
Accumulated depreciation of disposals	-	-	-	-	-	(45)	-	-	(45)
Transfers	-	-	-	-	-	(6,811)	-	-	(6,811)
	734,166	83,902	9,185	827,253	-	257,132	-	9,705	1,094,091
At fair value 30 June 2016	-	-	-	-	-	(78,258)	-	-	(78,258)
Accumulated depreciation at 30 June 2016	734,166	83,902	9,185	827,253	-	178,875	-	9,705	1,015,833

Note 22 Property, infrastructure, plant and equipment (continued)

	Heritage plant and equipment	Plant machinery and equipment	Irrigation and sprinkler systems	Street furniture	Parks and gardens furniture and equipment	Playground equipment	Fencing	Mobile garbage bins/recycling crates	Floors, fittings and furniture	Library tools	Total plant and equipment
Plant and Equipment											
At fair value 1 July 2015	4,626	13,122	1,547	15,083	7,199	1,107	1,829	2,571	30,839	6,046	84,069
Accumulated depreciation at 1 July 2015	(149)	(5,827)	(1,466)	(11,060)	(5,934)	(1,095)	(1,705)	(2,259)	(24,615)	(4,205)	(58,305)
	4,477	7,295	81	4,023	1,265	22	124	312	6,324	1,842	25,764
Movements in fair value											
Acquisition of assets at fair value	24	610	32	791	569	152	134	35	2,169	780	5,316
Revaluation increments (decrements)	-	-	-	-	-	-	-	-	-	-	-
Fair value of assets disposed	-	(278)	-	-	-	-	-	-	-	-	(278)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-
Asset held for resale	-	(368)	-	-	-	-	-	-	-	-	(368)
Transfers	-	-	-	-	-	-	-	-	-	-	-
	24	(36)	32	791	569	152	134	35	2,169	780	4,670
Movements in accumulated depreciation											
Depreciation and amortisation	(46)	(1,132)	(44)	(414)	(207)	(6)	(42)	(44)	(2,440)	(504)	(4,879)
Accumulated depreciation of disposals	-	179	-	-	-	-	-	-	-	-	179
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-
Asset held for resale	-	311	-	-	-	-	-	-	-	-	311
Transfers	-	-	-	-	-	-	-	-	-	-	-
	(46)	(642)	(44)	(414)	(207)	(6)	(42)	(44)	(2,440)	(504)	(4,389)
At fair value 30 June 2016	4,650	13,086	1,579	15,674	7,788	1,299	1,963	2,606	33,107	6,827	88,739
Accumulated depreciation at 30 June 2016	(195)	(6,469)	(1,510)	(11,474)	(6,141)	(1,092)	(1,747)	(2,303)	(27,055)	(4,709)	(62,694)
	4,455	6,617	68	4,401	1,647	167	216	303	6,053	2,117	26,045



Note 22 Property, infrastructure, plant and equipment (continued)

Infrastructure

At fair value 1 July 2015

Accumulated depreciation at 1 July 2015

Movements in fair value

Acquisition of assets at fair value
Revaluation increments (decrements)
Fair value of assets disposed
Impairment losses recognised in operating result
Transfers

Movements in accumulated depreciation

Depreciation and amortisation
Accumulated depreciation of disposals
Impairment losses recognised in operating result
Transfers

At fair value 30 June 2016

Accumulated depreciation at 30 June 2016

	Roads	Footpaths and cycloways	Drainage	Kerb and channel	Bridges	Lanes	Trees and Tree Infrastructure	Off street car parks	Other Infrastructure	Work in Progress	Total Infrastructure
At fair value 1 July 2015	358,922	123,374	99,789	131,306	5,127	89,182	7,262	-	-	3,764	818,726
Accumulated depreciation at 1 July 2015	(75,671)	(19,459)	(45,984)	(23,878)	(2,308)	(13,979)	-	-	-	-	(181,269)
	283,251	103,915	53,805	107,428	2,729	75,203	7,262	-	-	3,764	637,457
Movements in fair value											
Acquisition of assets at fair value	2,428	1,078	2,988	2,988	19	-	56	-	-	-	9,555
Revaluation increments (decrements)	-	-	-	-	-	-	-	-	-	-	-
Fair value of assets disposed	-	-	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	(2,259)	-	-	-	-	-	-	-	(3,764)	(6,023)
	2,428	(1,181)	2,988	2,988	19	-	56	-	-	(3,764)	3,532
Movements in accumulated depreciation											
Depreciation and amortisation	(5,259)	(2,488)	(980)	(2,626)	(51)	(1,030)	-	-	-	-	(12,444)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	290	-	-	-	-	-	-	-	-	290
	(5,259)	(2,208)	(980)	(2,626)	(51)	(1,030)	-	-	-	-	(12,154)
At fair value 30 June 2016	361,350	122,193	102,777	134,294	5,146	89,182	7,318	-	-	(0)	822,259
Accumulated depreciation at 30 June 2016	(80,930)	(21,667)	(46,864)	(26,504)	(2,449)	(15,009)	-	-	-	-	(183,423)
	280,420	100,525	55,913	107,790	2,697	74,173	7,318	-	-	(0)	638,836



Note 22 Property, infrastructure, plant and equipment (continued)

Valuation of land and buildings

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 2016. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where building use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land - Non specialised	-	83,902	-
Land - Specialised	-	-	743,351
Buildings - Specialised	-	-	178,875
Total	-	83,902	922,226

Valuation of Heritage assets

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.



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

Valuation of infrastructure assets

Valuation of infrastructure assets was undertaken by Jim Vokolos, B.Eng (Civil), Qualified Engineer. The valuations are at replacement costs less accumulated depreciation and were first applied as at 30 June 2015.

The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

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

	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000
Roads	-	-	280,420
Bridges	-	-	2,697
Footpaths, Lanes and Kerb and channel	-	-	289,606
Drainage	-	-	55,913
Total	-	-	628,836

Valuation of bridges

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

Valuation of Trees

Council valuation of trees was performed by Stewart Campbell, Senior Arborist, Advanced Certificate of Arboriculture, Advanced Certificate of Management and was applied in 2004

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

Description of significant unobservable inputs into level 3 valuations

Specialised land is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 15% and 30%. The market value of land varies significantly depending on the location of the land and the current market conditions.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$185 to \$25,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and are currently at 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 20 years to 120 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

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 2016.



		2016 \$'000	2015 \$'000
Note 23	Trade and other payables		
	Trade creditors	11,864	9,584
	Superannuation	154	141
	Accrued expenses	<u>5,293</u>	<u>6,161</u>
	Total trade and other payables	<u>17,311</u>	<u>15,886</u>
Note 24	Trust funds and deposits		
	Current		
	Refundable deposit	2,331	1,650
	Retention amounts	96	96
	Other refundable deposits	186	170
	Fire services levy	<u>3,582</u>	<u>3,641</u>
		<u>6,195</u>	<u>5,557</u>
	Non-current		
	Other Liabilities	585	585
	Total trust funds and deposits	<u>6,780</u>	<u>6,142</u>
	Refundable deposits - Deposits are taken by council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.		
	Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.		
	Fire Service Levy - Council is the collection agent for the fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.		
Note 25	Income in advance		
	Leisure Centre fees	<u>223</u>	<u>112</u>
	Total income in advance	<u>223</u>	<u>112</u>

	2016 \$'000	2015 \$'000
Note 26 Provisions		
Current		
Current provisions expected to be wholly settled within 12 months		
Annual leave	3,931	3,577
Long service leave (Notes 1(g))	1,027	998
Current provisions expected to be wholly settled after 12 months		
Annual leave	992	866
Long service leave (Notes 1(g))	6,821	6,402
Total current provisions	<u>12,771</u>	<u>11,843</u>
Non-current		
Long service leave (Notes 1(g))	<u>1,416</u>	<u>1,297</u>
	<u>1,416</u>	<u>1,297</u>
LSL representing less than 7 years of continuous service is measured at present value.		
Aggregate carrying amount of employee entitlements		
Current	12,771	11,843
Non-current	1,416	1,297
Total provisions	<u>14,187</u>	<u>13,140</u>
Sum of full-time equivalent staff numbers	752	715
Staff numbers include the full compliment of the YMRL Corporation staff transfer and new staffing positions required for services which were previously contracted.		
<i>The following assumptions were adopted in measuring the present value of long term employee benefits</i>		
Weighted average increase in employee costs (as per Enterprise Bargaining Agreement)	4.0%	4.0%
Weighted average discount rates	1.88%	2.69%
Weighted average settlement period	5.65 years	5.65 years
Note 27 Interest-bearing loans and borrowings		
Non-current		
Loans - secured*	<u>32,500</u>	<u>32,500</u>
Total interest-bearing loans and borrowings	<u>32,500</u>	<u>32,500</u>
The maturity profile for Council's borrowings* and other liabilities is as follows:		
Not later than one year	-	-
Later than one year and not later than five years	32,500	32,500
Later than five years	-	-
	<u>32,500</u>	<u>32,500</u>

* Borrowings are secured by way of mortgages over the general rates of Council.



Note 28 Reserves

	Balance at beginning of Year	Increment (decrement)	Balance at end of Year
(a) Asset revaluation reserves	\$'000	\$'000	\$'000
2016			
Property			
Land	521,925	98,812	620,737
Buildings	55,883	(9,337)	46,546
Heritage buildings	2,860	-	2,860
	<u>580,668</u>	<u>89,475</u>	<u>670,143</u>
Infrastructure			
Road Substructure	119,478	-	119,478
Road Seal	10,693	-	10,693
Footpaths Substructure	40,701	-	40,701
Footpaths Seal	28,770	-	28,770
Drains	3,609	-	3,609
Bridges	1,000	-	1,000
Lane Substructure	16,236	-	16,236
Lane Seal	45,636	-	45,636
Kerb and channel	99,355	-	99,355
Trees	13	-	13
	<u>365,491</u>	<u>-</u>	<u>365,491</u>
Total Asset revaluation reserves	<u>946,159</u>	<u>89,475</u>	<u>1,035,634</u>

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

2015

Property			
Land	521,925	-	521,925
Buildings	55,883	-	55,883
Heritage buildings	2,860	-	2,860
	<u>580,667</u>	<u>-</u>	<u>580,668</u>
Infrastructure			
Road Substructure	96,506	22,972	119,478
Road Seal	8,784	1,909	10,693
Footpaths Substructure	35,974	4,727	40,701
Footpaths Seal	28,782	(12)	28,770
Drains	7,930	(4,321)	3,609
Bridges	1,000	-	1,000
Lane Substructure	11,303	4,933	16,236
Lane Seal	34,448	11,188	45,636
Kerb and channel	81,590	17,765	99,355
Trees	13	-	13
	<u>306,330</u>	<u>59,161</u>	<u>365,491</u>
Total Asset revaluation reserves	<u>888,998</u>	<u>59,161</u>	<u>948,159</u>

Note 28 Reserves (continued)

	Balance at beginning of Year	Transfer to accumulated surplus	Transfer from accumulated surplus	Balance at end of Year
	\$'000	\$'000	\$'000	\$'000
(b) Other reserves				
2016				
Resort and recreation (a)	17,090	(22,596)	5,506	-
General reserve (b)	-	-	20,100	20,100
Parking (c)	79	-	-	79
Community Infrastructure Fund (d)	3,010	(3,010)	-	-
Total Other reserves	20,179	(25,606)	25,606	20,179
2015				
Resort and recreation (a)	14,248	(2,595)	5,437	17,090
General reserve (b)	-	-	-	-
Parking (c)	79	-	-	79
Community Infrastructure Fund (d)	3,010	-	-	3,010
Total Other reserves	17,337	(2,595)	5,437	20,179

(a) 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. Council's capital works program over recent years has allocated substantial funds for open space capital works projects. On review it was determined that the funds held in the reserve have been fully acquitted on eligible open space improvement over this time and the balance can be transferred to General reserve via accumulated surplus.

(b) General reserve relates to unrestricted Council expenditure for a range of possible capital works projects which may include open space projects as assessed with each annual budget process into the future.

(c) 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.

(d) Council originally set up a Community Infrastructure Fund which was intended for an indoor sporting facility some time in the future. Council's Long Term Financial Plan (LTFF) has allocated a general reserve for fund transfers in future years.



Note 29 Reconciliation of operating result to net cash from operations	2016	2015
	\$'000	\$'000
Surplus	10,009	9,934
Depreciation	19,614	20,466
(Net gain)/loss on disposal of non current assets (refer to Note 9)	(49)	146
Change in assets and liabilities:		
(Increase)/decrease in receivables	10	60
(Increase)/decrease in prepayments	(978)	9
(Increase)/decrease in accrued income	273	(311)
Increase/(decrease) in payables	2,293	1,659
Increase/(decrease) in accrued expenses	(868)	(385)
Increase/(decrease) in other liabilities	749	315
(Increase)/decrease in inventories	5	11
Increase/(decrease) in employee benefits	1,047	577
(Increase)/Decrease in non current assets held for sale	(56)	-
(Increase)/Decrease in investment in associates	-	-
Net cash provided by operating activities	<u>32,048</u>	<u>32,481</u>
 Note 30 Reconciliation of cash at year-end to cash and cash equivalents		
Cash and Cash equivalents (refer to Note 16)	22,544	22,435
	<u>22,544</u>	<u>22,435</u>
 Note 31 Financing arrangements		
Bank overdraft*	10,000	10,000
Purchasing cards	500	500
Used purchasing card facilities	(44)	(44)
Unused facilities	<u>10,456</u>	<u>10,456</u>

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

Borrowings are secured by way of mortgages over the general rates of the Council.

Note 32 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. Obligations for contributions to the Fund are recognised as an expense in Comprehensive Operating Statement when they are made or due.

Accumulation

The Fund's accumulation categories, 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 2016, this was 9.5% as required under Superannuation Guarantee (SG) legislation).

Employer contributions payable to Local Authorities Superannuation Fund (Vision Super) at reporting date was Nil in 2016 (Nil in 2015)

Defined Benefit

Yarra City 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 pooled multi-employer sponsored plan.

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

Funding arrangements

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

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

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

Vision Super has advised that the estimated VBI at 30 June 2016 was 102%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2016 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer Contributions

Regular Contributions

On the basis of the results of the 2015 interim actuarial investigation conducted by the Fund Actuary, Yarra City Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2016, this rate was 9.5% of members' salaries (9.5% in 2014/2015). This rate will increase in line with any increase to the SG contribution rate.

In addition, Yarra City Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a that the shortfall for the purposes of SPS 180 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Yarra City Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre- 1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

2015 interim actuarial investigation surplus amounts

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

- A VBI surplus of \$130.8 million; and
- A total service liability surplus of \$239 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2015.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses.

Yarra City Council was notified of the 30 June 2016 VBI during August 2016.

**Note 32 Superannuation (continued)****Superannuation contributions**

Contributions by Yarra City Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2016 are detailed below:

Scheme	Type of Scheme	Rate	2016 \$'000	2015 \$'000
Vision Super	Defined benefits	9.50%	474	539
Vision Super	Accumulation	9.50%	3,196	2,960
Employer contributions to other Funds*	Accumulation	9.50%	2,091	1,677

In addition to the above contributions, Yarra City Council has paid unfunded liability payments to Vision Super totalling \$0 during the 2015/16 year and \$0 during the 2014/15 year.

There were \$0 contributions outstanding and \$0 loans issued from or to the above scheme as at 30 June 2016. The expected contributions to be paid to the Defined Benefit category of Vision Super for the issued from or to the above schemes as at 30 June 2017 is \$492,811

*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, MTA Super, REST Super, Spectrum Super, Sunsuper, Superannuation Trust Aust., VIC Super, Virgin Super, and YMCA Super Fund.

Note 33 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 2015/16. 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 2015/16. 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.



Note 34 Commitments

The Council has entered into the following commitments:

2016	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)
Operating					
Street cleaning services	3,761	4,596	14,920	-	23,277
Garbage collection and recycling	6,544	6,740	6,942	29,915	50,141
Open space management	1,817	-	-	-	1,817
Consultancies	3,428	3,428	10,284	-	17,140
Information systems & technology	2,342	-	-	-	2,342
Insurances	1,200	-	-	-	1,200
Home Care	1,748	1,800	-	-	3,548
Cleaning contracts for Council buildings	1,620	1,636	1,652	-	4,908
Family Services	114	115	-	-	229
Parking meter maintenance	150	-	-	-	150
Maintenance	2,524	2,549	13,047	2,651	20,771
Animal pound services	65	65	65	-	195
Professional services	4,072	4,072	4,072	-	12,216
Bioremediation	150	150	450	-	750
Community services	2,373	2,397	7,335	-	12,105
Capital					
Construction works	10,596	-	-	-	10,596
Plant and equipment	330	330	330	-	990
Total*	42,834	27,878	59,097	32,566	162,375

2015	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)
Operating					
Street cleaning services	3,761	3,064	9,175	-	16,000
Garbage collection and recycling	5,165	-	-	-	5,165
Open space management	5,991	1,087	-	-	7,078
Consultancies	662	570	1,440	-	2,672
Information systems & technology	1,954	578	-	-	2,532
Insurances	-	-	-	-	-
Home Care	2,692	2,016	866	-	5,573
Cleaning contracts for Council buildings	-	-	-	-	-
Family Services	-	-	-	-	-
Parking meter maintenance	122	-	-	-	122
Maintenance	1,257	455	-	-	1,712
Animal pound services	47	11	-	-	58
Professional services	2,531	2,293	1,741	-	6,565
Bioremediation	-	-	-	-	-
Community services	242	-	-	-	242
Capital					
Construction works	3,225	-	-	-	3,225
Plant and equipment	806	97	-	-	903
Total	28,455	10,171	13,221	-	51,847

* During 2015/16 Council re-tendered the garbage collection and recycling contract which extends into future years. Additional consultancies commitments were also identified which include architectural services and strategic and technical consultants, Heritage advisory services, project management consultancies, open space and civil design services. The capital works commitment mainly refers to construction works at the North Fitzroy Library and Community Hub project.



Note 35 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rate.

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

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

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

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

(c) Credit risk

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

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

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

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

We may also be subject to credit risk for transactions which are not included in the balance sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 34.

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 29.

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

(e) Fair value

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

Fair value hierarchy

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

(f) Sensitivity disclosure analysis

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

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

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

	2016 \$'000	2015 \$'000
Note 36 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	142	334
Later than one year and not later than five years	124	79
Later than five years	-	-
	<u>266</u>	<u>413</u>

Note 37 Related party transactions

(i) Responsible Persons

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:

Councillors	Cr Roberto Colanzi (Mayor)	12 Nov 2015 - 30 Jun 2016
	Cr Roberto Colanzi	01 July 2015 - 12 Nov 2015
	Cr Jackie Fristacky	01 July 2015 - 30 Jun 2016
	Cr Geoff Barbour	-
	Cr Misha Coleman	-
	Cr Sam Gaylard	-
	Cr Simon Huggins	-
	Cr Stephen Jolly	-
	Cr Amanda Stone	-
	Cr Phillip Vlahogiannis	12 Nov 2015 - 30 Jun 2016
	Cr Phillip Vlahogiannis (Mayor)	01 July 2015 - 12 Nov 2015
Chief Executive Officer	Vijaya Vaidyanath	01 July 2015 - 30 Jun 2016

**Note 37 Related party transactions (continued)****(ii) Remuneration of Responsible Persons**

Remuneration of Responsible Persons was within the following bands:	2016 No	2015 No
\$20,000 - \$29,999	7	7
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	-	1
\$60,000 - \$69,999	1	-
\$330,000 - \$339,999	-	1
\$350,000 - \$359,999	1	-
	<u>10</u>	<u>10</u>
	\$'000	\$'000

Total remuneration (including redundancy payments) for the reporting year for Responsible Persons included above amounted to: 663 620

(iii) No retirement benefits have been made by the Council to a Responsible Person (2015-Nil).

(iv) No loans have been made, guaranteed, or secured by the Council to a Responsible Person during the reporting year (2015-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 (2015-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 \$139,000 or greater.

The number of Senior Officers, whose total remuneration exceeded \$139,000 during the reporting year, are shown below in their relevant income bands:

Income range:	2016 No.	2015 No.
\$139,000 - \$139,999	2	3
\$140,000 - \$149,999	13	16
\$150,000 - \$159,999	9	9
\$160,000 - \$169,999	9	5
\$170,000 - \$179,999	4	4
\$180,000 - \$189,999	3	1
\$190,000 - \$199,999	2	1
\$200,000 - \$209,999	-	1
\$210,000 - \$219,999	3	-
\$220,000 - \$229,999	1	-
\$230,000 - \$239,999	-	1
\$240,000 - \$249,999	-	2
\$250,000 - \$259,999	2	-
\$260,000 - \$269,999	1	-
\$270,000 - \$279,999	-	1
	<u>49</u>	<u>44</u>
	\$'000	\$'000

Total remuneration for the reporting year for Senior Officers included above, amounted to: 8,298 7,179

Note 38 Events occurring after balance date

There were no events that occurred after balance date that require disclosure in the financial report.

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

7 September 2016
Richmond

In our opinion, the accompanying financial report presents fairly the financial transactions of Yarra City Council for the year ended 30 June 2016 and the financial position of the Council as at that date.

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

On 6 September 2016, we were authorised by the Council to certify the financial report in its final form on behalf of the Council.



Roberto Colanzi
Mayor
7 September 2016
Richmond



Phillip Vlahogiannis
Councillor

7 September 2016
Richmond



Vijaya Vasudevan
Chief Executive Officer

7 September 2016
Richmond



INDEPENDENT AUDITOR'S REPORT

To the Councillors, Yarra City Council

The Financial Report

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

The Councillors' Responsibility for the Financial Report

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

Auditor's Responsibility

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

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

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

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

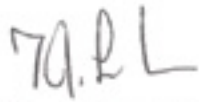
Independence

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

Opinion

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

MELBOURNE
12 September 2016


Dr Peter Frost
Acting Auditor-General



Performance Statement



Council has prepared the following performance statement in accordance with the *Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2014*.

The performance statement was audited by VAGO representatives and forwarded to Local Government Victoria who requested minor changes to some comments to improve the understanding for the general public. These minor amendments

are included in the Service Performance Indicators provided earlier in this document, but are not reflected in the following signed and audited version as it predates the advice from Local Government Victoria.

Performance Statement

For the year ended 30 June 2016

Ref Reg	
17(1)	<p>Description of municipality</p> <p>The City of Yarra is an inner metropolitan municipality which is home to a diverse community of people. Yarra is one of Australia's smallest inner city municipalities at 19.5 square kilometres, and features lively arts and entertainment precincts, vibrant shopping and café strips, and numerous sports and recreational facilities.</p> <p>Created in June 1994, the City of Yarra merged the former municipalities of: Collingwood; Richmond; Fitzroy; (including the annexed part of Carlton North); Northcote (Alphington & Fairfield: South of Heidelberg Road only).</p> <p>Yarra has a population of 89,151 (at 30 June 2016) and a diverse community profile. Over the previous decade, the City's population had been growing at an average rate of 3.6%, almost double the rate of growth for Victoria. It is estimated that Yarra will continue to grow, with the population predicted to reach 110,512 by 2031¹.</p>

Sustainable Capacity Indicators

For the year ended 30 June 2016

Ref Reg	Indicator/measure	Results 2015	Results 2016	Material Variations
	Population			
	<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,786.32	\$1,804.81	No material variations
	<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$18,154.00	\$18,740.27	No material variations
	<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	275.94	283.92	No material variations
15(3) Sch3	Own-source revenue			
16(1) 17(2)	<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,656.50	\$1,683.11	No material variations
	Recurrent grants			
	<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$128.25	\$110.72	An increase in population and decrease in the value of recurrent grants received resulted in a reduction in the recurrent grants per head of population ratio
	Disadvantage			
	<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	8	8	No material variations

Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

"population" means the resident population estimated by council

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

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

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

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



Service Performance Indicators

For the year ended 30 June 2016

Ref Reg	Service / Indicator	Results 2015	Results 2016	Material Variations
15(1) Sch3	Aquatic facilities			
16(1) 17(2)	Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	11.80	11.63	No material variations
	Animal management			
	Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	4	5	No material variations
	Food safety			
	Health and safety <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance outcome notifications and major non- compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non- compliance notifications about a food premises] x100	99%	100%	No material variations
	Governance			
	Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	65.80	68.60	No material variations
	Home and Community Care			
	Participation <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	16%	13.44%	The 2015/2016 result has been obtained using a new specific report developed for this purpose. The lower rate is likely to reflect a number of on-going changes in Yarra including gentrification, a diverse service support system and improving health.
	Participation <i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	13%	10.24%	The 2015/2016 result has been obtained using a new specific report developed in house for this purpose. The lower rate is likely to reflect the range of providers available in Yarra, that offer similar services such as Home Care Packages for CALD community
	Libraries			
	Participation <i>Active library members</i> [Number of active library members / Municipal population] x100	31%	17.39%	The variance in this figure is a direct result of changes made to the method by which LGPRF parameters were applied via the library management system to the 2015/2016 results. When the new parameters are applied to the 2014/2015 (result 18.94%) the variance is not so significant. Result excludes e-books downloads.



Ref Reg	Service/ Indicator	Results 2015	Results 2016	Material Variations
	Maternal and child health			
	Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	83%	-	Note that the required information was not available at the time of reporting. Councils will be required to report on this measure as per circular 31/2016 distributed to councils from LGV. This issue affects the sector
	Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	74%	-	Note that the required information was not available at the time of reporting. Councils will be required to report on this measure as per circular 31/2016 distributed to councils from LGV. This issue affects the sector
	Roads			
	Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	72.4%	73.30	Increase in community satisfaction rating
	Statutory Planning			
	Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	87%	78.69%	It should be noted that the reported figure does not capture results where Council negotiates an outcome with the applicant during the appeal process
	Waste Collection			
	Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	37.00%	38.52%	No material variations



Definitions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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



Financial Performance Indicators For the year ended 30 June 2016

Ref Reg	Dimension / Indicator / Measure	Results		Forecasts			Material Variations	
		2015	2016	2017	2018	2019		2020
15(2) 50(3) 16(1)	Efficiency Revenue level Average residential rate per residential property assessment	\$1,479.90	\$1,543.41	\$1,661.61	\$1,742.68	\$1,814.71	\$1,888.17	Average residential rate increase in accordance with Council's adopted budget for 2015/16.
16(2) 17(2) 17(3)	[Residential rate revenue / Number of residential property assessments] Expenses per property assessment [Total expenses / Number of property assessments]	\$3,153.61	\$3,128.06	\$3,327.17	\$3,359.54	\$3,449.22	\$3,534.03	No material variations
	Workforce turnover Resignations and terminations compared to average staff [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	11.16%	15.64%	0.00%	0.00%	0.00%	0.00%	Turnover for the 2015/16 financial year has increased from 2014/15. Council undertook a process to re-align the organisation to harness efficiency dividends, during the process a number of exit strategies were developed and transitioned to early retirements. Council does not forecast future resignations and terminations
	Liquidity Working capital Current assets compared to current liabilities [Current assets / Current liabilities] x100	105.31%	102.99%	122.85%	123.63%	125.52%	133.17%	No material variations
	Unrestricted cash Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	0.00%	27.46%	49.10%	65.02%	83.84%	94.74%	The 2014/15 result was \$0, in 2015/16 a review of Council's Open Space Reserve allocation and adoption of a policy position allowed for the acquisition of funds resulting in unrestricted cash reserves



Ref Reg	Dimension / indicator / measure	Results		Forecasts				Material Variations
		2015	2016	2017	2018	2019	2020	
	Obligations							
	Loans and borrowings							
	Loans and borrowings compared to rates	35.60%	33.19%	44.04%	40.93%	38.23%	35.66%	No material variations
	[Interest bearing loans and borrowings / Rate revenue] x100							
	Loans and borrowings repayments compared to rates	1.57%	1.54%	3.17%	3.02%	2.90%	2.79%	No material variations
	[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100							
	Indebtedness							
	Non-current liabilities compared to own source revenue	23.99%	22.99%	28.98%	27.26%	25.61%	24.09%	No material variations
	[Non-current liabilities / Own source revenue] x100							
	Asset renewal							
	Asset renewal compared to depreciation	83.69%	95.90%	117.37%	116.40%	96.95%	108.37%	Improvement in capital renewal works completed compared to the previous year.
	[Asset renewal expenses / Asset depreciation] x100							
	Operating position							
	Adjusted underlying result							
	Adjusted underlying surplus (or deficit)	2.11%	1.70%	2.60%	4.80%	5.61%	6.32%	The decrease in the underlying surplus is the result of increases in rates revenue which was greater than the increase in the adjusted surplus
	[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100							
	Stability							
	Rates concentration							
	Rates compared to adjusted underlying revenue	57.84%	59.82%	58.03%	58.92%	59.25%	59.71%	No material variations
	[Rate revenue / Adjusted underlying revenue] x100							

Ref Reg	Dimension / indicator / measure	Results		Forecasts			Material Variations	
		2015	2016	2017	2018	2019		2020
	Rates effort Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.23%	0.20%	0.21%	0.22%	0.23%	0.24%	No material variations

Definitions

"adjusted underlying revenue" means total income other than—
(a) non-recurrent grants used to fund capital expenditure; and
(b) non-monetary asset contributions; and
(c) contributions to fund capital expenditure from sources other than those referred to in paragraphs (a) and (b)

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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



Other Information

For the year ended 30 June 2016

Ref
Reg

1. Basis of preparation


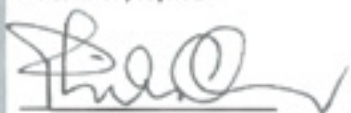
Council is required to prepare and include a performance statement within its annual report. The performance statement includes a description of the municipal district together with the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 require explanation of any material variations in the results contained in the performance statement. As these results have not previously been reported, explanatory comments have been provided where required to explain first year results.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 23 June 2015 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of the performance statement

Ref Reg	
18(1) 18(2)	<p>In my opinion, the accompanying performance statement has been prepared in accordance with the <i>Local Government Act 1989</i> and the <i>Local Government (Planning and Reporting) Regulations 2014</i>.</p>  <hr/> <p>Philip Mason FCPA Principal Accounting Officer Dated: 07/09/2016</p>
18(2)	<p>In our opinion, the accompanying performance statement of the Yarra City Council for the year ended 30 June 2016 presents fairly the results of council's performance in accordance with the <i>Local Government Act 1989</i> and the <i>Local Government (Planning and Reporting) Regulations 2014</i>.</p> <p>The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.</p> <p>At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.</p> <p>We have been authorised by the council and by the <i>Local Government (Planning and Reporting) Regulations 2014</i> to certify this performance statement in its final form.</p>  <hr/> <p>Roberto Corinti Mayor Dated: 07/09/2016</p>  <hr/> <p>Phillip Vlahogiannis Councillor Dated: 07/09/2016</p>  <hr/> <p>Vijaya Vaibyanath Chief Executive Officer Dated: 07/09/2016</p>



INDEPENDENT AUDITOR'S REPORT

To the Councillors, Yarra City Council

The Performance Statement

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

The Councillors' Responsibility for the Performance Statement

The Councillors of the 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.

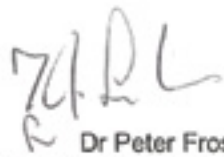
Independence

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, I and my staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

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

MELBOURNE
12 September 2016


Dr Peter Frost
Acting Auditor-General

Governance & Management Checklist



Council is required to publish an audited Governance and Management Checklist as part of its Annual Report.





GOVERNANCE AND MANAGEMENT CHECKLIST

Governance and Management Items		Assessment
1	Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Policy 24/06/2014
2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines 24/06/2014
3	Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Adopted in accordance with section 126 of the Act 07/06/2016
4	Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Adopted in accordance with section 130 of the Act 07/06/2016
5	Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Plans Asset Management Strategy 03/04/2012; Roads Asset Management Plan 13/03/2013; Buildings Asset Management Plan 08/10/2013; Arts Collection Asset Management Plan 19/08/2008
6	Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Council has incorporated its rating and revenue strategic elements in its Long Term financial Strategy which is then reflected in its annual budget document. 7/06/2016
7	Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy 27/11/2012
8	Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy 18/11/2015
9	Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986 08/12/2014
10	Procurement policy (policy under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the Local Government Act 14/07/2015



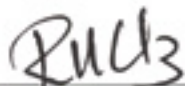
GOVERNANCE AND MANAGEMENT CHECKLIST

Governance and Management Items		Assessment
11	Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Plan 28/05/2015
12	Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Plan 28/02/2014
13	Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework 27/11/2012
14	Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Established in accordance with section 139 of the Act 09/03/2004
15	Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Engaged 15/01/2015
16	Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Framework 01/07/2014
17	Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	No report Council reviews its performance on a quarterly basis against Actions developed annually to deliver initiatives outlined in the Council Plan. Strategic indicators are reviewed once per year as part of this process. Further development of the new Performance Reporting Framework will identify whether more regular reporting of strategic indicators is required.
18	Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Statements presented to Council in accordance with section 138(1) of the Act 2013/14 Quarter 4 report 18/08/2015 2014/15 Quarter 1 report 24/11/2015 2014/15 Quarter 2 report 16/02/2016 2014/15 Quarter 3 report 17/05/2016
19	Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports 02/12/2015 17/03/2016

GOVERNANCE AND MANAGEMENT CHECKLIST

Governance and Management Items	Assessment
	No reports
20 Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Current performance reporting is against key initiatives as outlined in Council's Annual Plan. Indicators referred to in section 131 of the Act will be considered in further development of the new Performance Reporting Framework together with all of Council's performance indicators.
21 Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	Considered at a meeting of Council in accordance with section 134 of the Act 20/10/2015
22 Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Reviewed in accordance with section 76C of the Act 23/05/2016
23 Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Reviewed in accordance with section 98(6) of the Act 17/03/2015
24 Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act 20/12/2011

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



Cr Roberto Colaneri
Mayor

Dated: 20.09.16



Vijaya Vaidyanath
Chief Executive Officer

Dated: 20.09.16



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Glossary



The following table defines some of the key terms used in the Annual Report.

Refer to page 134 for a glossary about terms specifically related to the Financial Report section of this document.

Term	Definition
2015/16	A reference to the financial year beginning 1 July 2015 and ending 30 June 2016.
Act	<i>The Local Government Act 1989.</i>
Advocacy	Publicly supporting or recommending programs or services on behalf of the community to other tiers of government or service providers for community benefit.
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 report of the council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement.
Assets	Everything owned by or owed to Council such as roads, equipment and buildings. Assets are listed in the Financial Report.
Australian Accounting Standards	The accounting standards published by the Australian Accounting Standards Board.
Best Value	The continuous review of all services provided by Council to ensure they meet the required cost standards and needs of the community to deliver value for money.
Budget	A plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the Council Plan.
Committee	A Committee that assists Council within the decision-making process and has a Councillor representative to assist with the consultation process.
Community Grants	Council allocates a sum of money for the Community Grants Program as part of the annual budget process. The funding supports not-for-profit community organisations in Yarra.
Community Satisfaction Survey	A State Government requirement whereby councils conduct a survey once a year to obtain community feedback in order to gauge satisfaction levels with Council services.
Councillors	Elected representatives of Council.
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.
Financial Statements	The financial statements and notes prepared in accordance with the <i>Local Government Model Financial Report</i> , Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and statement of capital works, included in the Annual Report.
Financial Year	The period of 12 months ending on 30 June each year.



Glossary



Term	Definition
Freedom of Information Request	A request for Council to provide access to documents pursuant to the <i>Freedom of Information Act 1982</i> .
Governance	Governance relates to Council's purpose, objectives, role and functions as set out in the <i>Local Government Act 1989</i> .
Greenhouse Gas Emissions	Generated from a large number of processes and from a range of sources. Key sources of greenhouse gases includes energy sector, transport emissions, agricultural, land use change and forestry, industrial processes and waste.
Indicator	What will be measured to assess performance.
Local Area Traffic Management Study	Targeted research and consultation designed to inform safety and traffic flow improvements in residential streets.
Local Law	The laws adopted by Council that prohibit, regulate and control activities, events, practices and behaviours within Yarra.
Master Plan	A high level document outlining Council's plans for a key location within the municipality.
Measure	How an indicator will be measured and takes the form of a computation, typically including a numerator and denominator.
Minister	Refers to Local Government Minister.
Performance Statement	A statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the Annual Report.
Planning and Accountability Framework	The key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act.
Planning Scheme	Planning rules created by Council and endorsed by the state government to guide land use and development.
Regulations	The <i>Local Government (Planning and Reporting) Regulations 2014</i> .
Report of Operations	A report containing a description of the operations of the council during the financial year and included in the Annual Report.
Risk Management	A policy and process for identifying business risks and controlling the likelihood and/or impact of a risk event occurring.
Services	Assistance, support, advice and other actions undertaken by a council for the benefit of the local community.
Service Outcome Indicators	The prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved.
Service Performance Indicators	A prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes.



Term	Definition
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.
Strategic Resource Plan	A plan of the financial and non-financial resources for at least the next four years required to achieve the strategic objectives in the Council Plan.
Strategy	A plan of action intended to accomplish specific objectives.
Sustainable	Meet present day needs without comprising future generations' ability to meet their needs.
Sustainable Capacity Indicators	A prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management.
Values	Values are beliefs that underpin behaviours and processes. The values of an organisation guide its culture.
Victorian Civil and Administrative Tribunal (VCAT)	A body established by the state government to determine the outcome of disputes (e.g. planning appeals).
Vision	A description of the future we aim to achieve for Yarra - our city development and our community.
Ward	Defined electoral area to which a representative is elected as Councillor.
Wellbeing	A general term to encompass health, happiness, welfare, security, comfort, quality of life and a sense of belonging.



Acronyms



The following table defines some of the key acronyms used in the Annual Report.



Term	Definition
AAS	Australian Accounting Standards
ACU	Australian Catholic University
CALD	Culturally and Linguistically Diverse
CEO	Chief Executive Officer
DDA	Disability Discrimination Act
EFT	Equivalent Full-Time – one EFT is equivalent to one person working 38 hours per week
EMT	Executive Management Team
ICLEI	International Council for Local Environmental Initiatives
ISWA	International Solid Waste Association
LATM	Local Area Traffic Management
LGV	Local Government Victoria
M	Million
MAV	Municipal Association of Victoria
MOU	Memorandum of Understanding
NDIS	National Disability Insurance Scheme
TAC	Transport Accident Commission
VAGO	Victorian Auditor-General's Office
VCAT	Victorian Civil Administrative Tribunal
WSUD	Water Sensitive Urban Design



Contact us



Visit one of our customer service locations

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Collingwood Town Hall
140 Hoddle Street, Abbotsford

**Connie Benn Family
and Children's Centre**
160 Brunswick Street, Fitzroy

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For further reading follow Council's activities online

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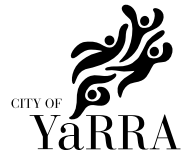


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If you do not have home access to the internet, you can visit Council's website via the computers at your local Yarra Library.



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