

ANNUAL REPORT 2018/19



ACKNOWLEDGMENT

Yarra City Council acknowledges the Wurundjeri Woi Wurrung people as the Traditional Owners and true sovereigns of the land now known as Yarra. We also acknowledge the significant contributions made by other Aboriginal and Torres Strait Islander people to life in Yarra. We pay our respects to Elders from all nations and to their Elders past, present and future.

Large print

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Translations

العربية 9280 1930

中文 9280 1937

Ελληνικά 9280 1934

Italiano 9280 1931

Español 9280 1935

Tiếng Việt 9280 1939

Other 9280 1940

REF 18484

Cover image: Rapper RaceRage is among a new generation of artists challenging male-dominance of live music spaces. They performed in the Girls Rock! event as part of Yarra's Leaps and Bounds Music Festival.

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WELCOME

Introduction

Welcome to our annual report for 2018/19.

We prepared it in accordance with the Local Government Act 1989, and submitted it to the Minister for Local Government by 30 September 2019.

The City of Yarra Annual Report 2018/19 covers year two of our 2017–2021 Council Plan, which incorporates the Community Health and Wellbeing Plan.

In this report, we share information on:

- Progress made on our seven objectives in the Council Plan 2017–2021.
- Delivery on programs agreed with our communities in the 2018/19 Council budget.
- Some achievements and challenges for the year.
- Our finances, performance and governance.

You can view this annual report on our website yarracity.vic.gov.au or by picking up a hard copy at one of our offices – see below.

Working for You

The theme of this year's annual report is Working for You. This reflects our aim to deliver the high quality services and facilities that our community needs and values.

Working for You includes vital services like immunisation, childcare and delivered meals, and cherished community assets like parks, libraries and leisure centres. It includes our work to improve our roads and footpaths, expand local bicycle infrastructure, revolutionise waste and recycling, and much more.

Our most recent community satisfaction survey results show that our commitment to Working for You is paying off. You can read more about these results in the CEO's Message on page 12. And we have also placed special Working for You feature photographs throughout this year's annual report.

Your feedback

You can provide feedback on this report, or suggest what you would like to see in future reports, on **9205 5555** or via email info@yarracity.vic.gov.au

Printed copy

Printed copies of this report are available at:

- Collingwood Town Hall
- Richmond Town Hall
- Connie Benn Centre
- Bargoonga Nganjin – North Fitzroy Library
- Carlton Library
- Collingwood Library
- Fitzroy Library
- Richmond Library

Yarra Science Play is a fun after school activity that gives children the tools they need to thrive in our increasingly technology-driven city. We developed this innovative program as part of our 'smart cities' approach. Parent volunteer Bruce Maton delivers the program at Richmond West Primary.



ABOUT YARRA

Our community

In Yarra, we have a unique demographic make-up.

While nearly a quarter of households earn over \$3,500 per week, more than one quarter earn less than \$1,000 per week and many face economic hardship and social disadvantage. Around 10% of our community lives in public housing.

Our population is relatively young, with half aged between 25 and 49 years. The average age is 33.

Nearly one-fifth of our community was born in a non-English speaking country, and just under a quarter speak a language other than English at home. Top languages spoken at home, other than English, are Vietnamese, Greek and Mandarin.

Yarra has fewer families and more group houses than greater Melbourne, and one-third of our residents live alone.

Many of our community members champion social justice, lead the way on environmental initiatives, strive to protect our unique heritage and culture, and enthusiastically support our vibrant arts and live music scene.

Our community by numbers

- Nearly-one third of our community is aged between 25 and 36.
- Our estimated population of 98,521 (ABS 2018) is expected to exceed 130,000 by 2031.
- About 10% of our community live in public housing.
- 58% of workers are in managerial and professional occupations.
- More than one in five residents aged 15 years and older did some voluntary work in the year leading up to the last census.
- Half of our households rent their homes.
- 37% of our community live in apartments, 22% in terraces or semi-detached houses or town houses.
- About one in five households do not own a car.
- Nearly half of all journeys our residents make to and from work use sustainable transport.

Data presented here was sourced from the Australian Bureau of Statistics.

YARRA HAS FEWER FAMILIES
AND MORE GROUP HOUSES
THAN GREATER MELBOURNE

Our city

Yarra is one of the most sought-after areas in metropolitan Melbourne to live, work, play and visit. This is due to our natural beauty, heritage qualities, abundance of sustainable public transport options, shopping and entertainment precincts, and our vibrant arts and cultural attractions.

We have some quite distinct neighbourhoods, each offering something a little different for residents and visitors.

Some of Melbourne's best shopping and dining strips are in Yarra. These include Richmond's Swan and Victoria streets and Bridge Road, Fitzroy's Brunswick and Gertrude streets and Collingwood's Smith Street.

We have many beautiful parks and open spaces, such as the Yarra River corridor, Dights Falls, Yarra Bend Park, Alphington Park, Fitzroy's Edinburgh Gardens and Clifton Hill's Darling Gardens.

Our employment precincts provide employment for about 85,000 people in hospitality across the city and in traditional industrial uses, commercial offices and creative industries, in Cremorne, Church Street, Richmond, and Gipps Street, Collingwood.

We have strong housing development, particularly in Richmond and Cremorne, and Alphington, the latter the site of the former Amcor paper mills where 2,500 homes are being built for an expected 5,000 new residents. In each of these areas, we are ensuring a good mix of housing, community infrastructure and communal areas, and attracting young, professional and highly educated people.

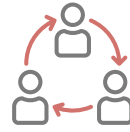
Heritage overlays protect about 28,000 of our 35,000 properties, particularly in Melbourne's earliest established suburbs of Collingwood, Abbotsford, Richmond and Fitzroy.

Fitzroy is also of particular significance to our Aboriginal community, as a long-time meeting place and the location of many of Victoria's first Aboriginal services, including the Victorian Aboriginal Health Service.

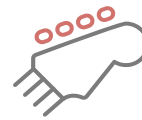
Our city embraces its diversity. North Richmond is home to many Vietnamese businesses and community organisations. Over the past seven decades, migrants from Italy and Greece, and refugees and migrants from China, East Timor and, most recently, East Africa, have made Yarra home.

Our city by numbers

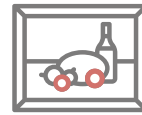
- Five libraries, 10 neighbourhood houses, three leisure centres.
- 235 hectares of open space and parkland.
- 53 art galleries, about 75 live music venues, three community radio stations.
- 96% of the local economy consists of small to medium businesses.
- Nearly 85,000 people employed in the local economy.
- Yarra's Gross Regional Product is estimated at \$12b (about 10% of Inner Metro Melbourne's GRP).



NEARLY 85,000
EMPLOYED IN THE
LOCAL ECONOMY



75 LIVE MUSIC
VENUES



53 ART
GALLERIES



\$12B ESTIMATED
GROSS REGIONAL
PRODUCT



3 LEISURE
CENTRES



10 NEIGHBOURHOOD
HOUSES



5 LIBRARIES



96% OF THE LOCAL
ECONOMY IS SMALL
TO MEDIUM BUSINESSES



235 HECTARES
OF OPEN SPACE
AND PARKLAND

Our grants to the community

More than \$2.2m was provided this year across the following programs:

- Annual Grants 2019 - Community Grants Program
- Aboriginal and Torres Strait Islander Arts Development Initiative
- Celebrate Yarra
- Community Partnerships
- Creative Yarra and Engage Yarra
- Discounted Use program
- Investing in Community
- Richmond and Collingwood Youth Project Grants
- Room to Create Artist in Residency
- Room to Create Charitable Fund Strategic Grant 2019
- Room to Create Responsive Grant
- Small Project Grants

Circus Oz, Sidesault, 2018, BossSquad, Madhouse Circus and Point & Flex Circus, Lisa Goldsworthy, Amy Stuart, Brig Bee Photography.



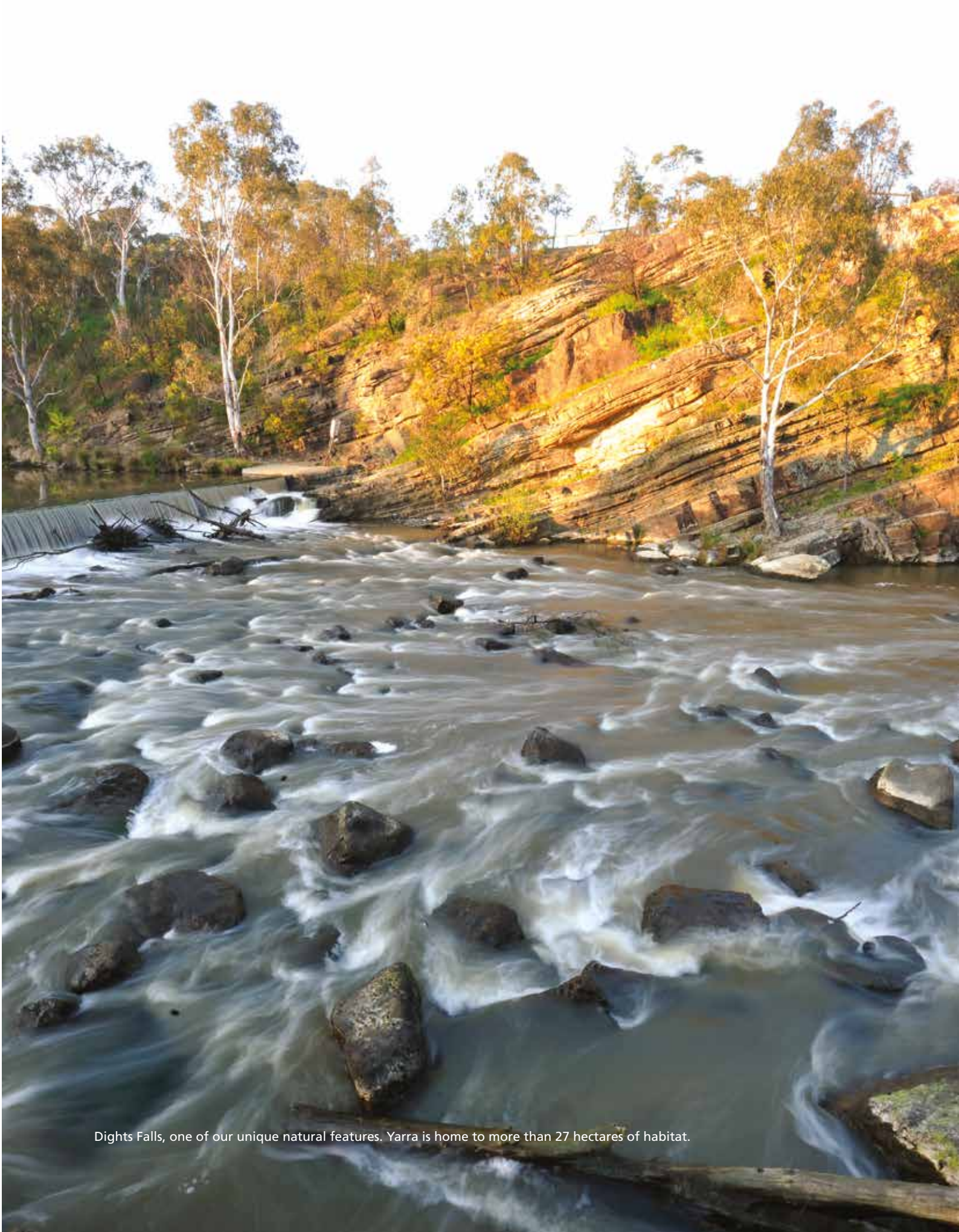
Map of Yarra

1 Nicholls Ward

2 Langridge Ward

3 Melba Ward





Dights Falls, one of our unique natural features. Yarra is home to more than 27 hectares of habitat.

YEAR IN REVIEW

Highlights, challenges and looking ahead

Strategic Objective One A healthy Yarra

Achievements

- Almost 2,000 community members helped us plan for the future of our parks and gardens as part of our Open Space Strategy consultation.
- We trialled expanded childcare options for local families, offering casual care sessions of up to 10 hours.
- We secured \$185,000 in matching funding from the Department of Health and Human Services to continue planning for a dedicated youth space in Richmond.

An ongoing challenge

- We are working with local agencies to respond to an increase in local retailers selling alcohol to customers aged under 18.

Looking ahead to 2019/20

- Ryans Reserve and Kevin Bartlett Reserve in Richmond will receive major upgrades.

Strategic Objective Two An inclusive Yarra

Achievements

- Sensitive Storytime came to our five public libraries, helping children on the autism spectrum feel comfortable and involved.
- We advised local shops, pubs and eateries on how to become more accessible to people with disability through our Good Access is Good Business program.
- We worked together with our local Aboriginal and Torres Strait Islander community to hold a moving event acknowledging Sorry Day at the Stolen Generations Marker in Fitzroy.

An ongoing challenge

- The Federal Government has cut funding to services vital to asylum seekers. We stand with 17 other councils calling for the decision to be reversed.

Looking ahead to 2019/20

- We will continue to diversify our workforce, with two new positions for Aboriginal people.

Strategic Objective Three A sustainable Yarra

Highlights

- We began sourcing 100% of our electricity needs from wind power and other renewable sources.
- Our food and green waste trial expanded to 1,300 households and we added a separate glass collection.
- We provided funding and endorsed plans for a new community garden to be overseen by the North Carlton Railway Neighbourhood House.
- Our new Zero Waste Map made it easy to find places in Yarra to reduce, reuse, repair and recycle.

An ongoing challenge

- The local recycling industry cannot meet the current levels of demand, making it vital that we continue to lead and innovate in this space.

Looking ahead to 2019/20

- Our Climate Emergency Plan will empower our community to reduce their carbon emissions.

Strategic Objective Four

A liveable Yarra

Highlights

- We proposed that 10% of major residential developments be affordable housing as part of a new policy guidance note for developers.
- We endorsed a Development Contributions Plan requiring developers to help fund community facilities and infrastructure. This is awaiting Ministerial approval.
- We successfully sought interim planning controls to guide development in some of our major activity centres, including Queens Parade, Clifton Hill.

An ongoing challenge

- Housing affordability is a major issue in Yarra with low to middle income households being priced out of the market.

Looking ahead to 2019/20

- We will complete our draft update of the Yarra Planning Scheme and invite community feedback.

Strategic Objective Six

A connected Yarra

Highlights

- We invested in the safety of our local streets by trialling 30 km/h speed limits in parts of Fitzroy and Collingwood.
- Our support for healthy and sustainable transport continued with work beginning on stage 2 of the Wellington Street separated bike lane.
- We trialled cheaper parking on Bridge Road, Richmond, to help identify the best mix of prices and conditions to support our local traders.

An ongoing challenge

- City-wide congestion due to high volumes of traffic and disruptive works has made our call for public and active transport investment even more urgent.

Looking ahead to 2019/20

- We will assign more than \$900,000 to new and improved bicycle infrastructure across the city.

Strategic Objective Five

A prosperous Yarra

Highlights

- Our renewal of Richmond's Victoria Street continued with shopfront upgrades and roller door murals, new street furniture, plantings and bicycle hoops.
- We provided training, resources and support to 18 young people as part of our Young Entrepreneurs collaboration with Moreland City Council.
- Yarra's Neighbourhood Houses hosted cultural events, such as the Sustainable Living Festival, Taste of Harmony and Alphington Community Show.

An ongoing challenge

- We are advocating to the Victorian Government to minimise disruptions for local traders caused by public transport and utility works.

Looking ahead to 2019/20

- We will launch a new Economic Development Strategy to encourage local investment and jobs growth.

Strategic Objective Seven

A leading Yarra

Highlights

- Rollout of our independent wireless network began, laying the groundwork for real time reporting on when assets such as bins and lights need to be serviced.
- About 100 people took part in Fitzroy Sports Day activities organised by participants in our Youth Ambassadors program.
- Community satisfaction with our services reached a 10-year high, according to an independent survey by Metropolis Research.

An ongoing challenge

- The formula for setting individual property rates is not widely understood, showing we need to do more to explain it in simple terms in 2019/20.

Looking ahead to 2019/20

- Live streaming our Council Meetings will make our decision-making more transparent and accessible.

MAYOR'S MESSAGE

Sustainability

Yarra residents told us to deliver big and bold action on the sustainability challenges facing our city, and we heard you loud and clear.

From 1 January this year, Yarra Council began purchasing 100% of our electricity from renewable sources. This was made possible through the Melbourne Renewable Energy Project (MREP). Together with our 13 MREP project partners (including the cities of Melbourne, Moreland and Port Phillip), we built a major wind farm in rural Victoria, and the new site is already generating enough clean energy to meet our needs.

If you've been watching the news, you will know all about the recycling crisis facing Victoria. I'm proud to lead a council which is driving innovation in this space: this year we launched the Yarra Waste Revolution, a trailblazing trial involving 1,300 properties in Abbotsford.

Participating households received a glass collection, a food and green waste collection, and a standard recycling collection. This helped reduce the amount of waste going to landfill, and boosted the quality of our regular recycling, which is often contaminated by glass fragments. Data from the trial will inform waste and recycling improvements across our city.

Medically supervised injecting trial

Yarra has always been a compassionate and inclusive community. Over the past year we embodied these values with our support of the medically supervised injecting facility trial.

The supervised injecting trial is already saving lives, with the safe management of more than 1,130 overdoses. We're also encouraged by the hundreds of clients asking for advice on testing and treatment options.

However, we are also listening carefully to community concerns about the facility. We recently announced an extra \$300,000 for a new street sweeper and extra cleaning patrols to improve cleanliness of streets around North Richmond. We are working with North Richmond Community Health, the Department of Health and Human Services, Victoria Police, and other agencies to ensure a coordinated response to these concerns.

We have advocated for a harm-reduction approach to drugs of addiction for a number of years, and we are certain that many valuable learnings will emerge from this trial.

Meeting our commitments to you

This has been another strong year for our Council, with 83% of our annual plan commitments complete or on track and 95% of our strategic indicators met. We had exciting highlights across all seven of the strategic objectives outlined in our Council Plan 2017–2021. I invite you to turn to page 12 for an overview of our achievements and challenges in 2018/19, along with a glimpse of our plans for the year ahead.

Giving thanks

I can't finish without acknowledging the tireless efforts of my fellow councillors, including Cr Daniel Nguyen, who served as Mayor during the first part of this financial year, and Cr Misha Coleman, who served as Deputy Mayor. I must also acknowledge our Chief Executive Officer, Vijaya Vaidyanath, her Executive Team, and the hundreds of staff members who embody our Working for You ethos. But above all, I'd like to thank our residents and wider community for helping to shape our vision and for driving us to do better every day.

Cr Danae Bosler
Mayor – Yarra City Council



CHIEF EXECUTIVE OFFICER'S MESSAGE

At Yarra we have long been known for our bold and progressive leadership on the big issues facing our community and society as a whole. Our commitment to equity and social justice doesn't stop us from delivering in an exemplary manner the essential services of local government. And feedback from our community confirms that we are on the right track.

According to an independent survey by Metropolis Research, community satisfaction with our performance is at a 10-year high. Our community rated our overall performance as "very good" (7.3 out of 10) and our services and facilities as "excellent" (7.93). Our top rated services were our weekly rubbish collection (8.74 out of 10) and our local libraries (8.67), both rated "excellent". All of these scores are well above the average for metropolitan Melbourne.

Towards the end of the year we began to roll out a new private wireless network that will allow us to track Council assets in real time. At first, we will use the network to tell us when a public bin needs to be emptied. Other uses might include telling us when to replace a street light or service a public toilet. Innovation and technology are driving our 'smart city' push to deliver more targeted, timely and cost-effective services for our community.

We continued to seek out new sources of revenue to reduce our reliance on your rates. Our advocacy helped secure significant funding in State Government commitments, including \$6.5 million for Edinburgh Gardens upgrades, \$2 million for clubrooms at Citizens Park and \$430,000 for the Malcolm Graham Pavilion at Kevin Bartlett Reserve. We were also active in our pursuit of competitive grants, securing more than \$1.8 million in funding. Significant projects include a further \$200,000 from Sustainability Victoria to undertake a holistic waste trial, \$50,000 from the Victorian Planning Authority for planning in Cremorne, and \$72,000 from the State Government's youth development program.

COMMUNITY SATISFACTION
WITH OUR PERFORMANCE
IS AT A 10-YEAR HIGH

Awards

I'm also pleased to report that our efforts throughout the year were recognised with a range of honours and certifications.

- We received Life Saving Victoria's Platinum Pool status for providing outstanding levels of safety at our public pools in Collingwood, Fitzroy and Richmond.
- Following the launch of our new mental health model, Mental Health First Aid Australia recognised Yarra as a gold-status workplace.
- We achieved gold standard carbon neutral certification under the Federal Government's National Carbon Offset Standard for the seventh consecutive year.
- We received an Australian Institute of Landscape Architects Award in the Parks and Open Space category for our upgrade of Williams Reserve in Richmond.
- We received an award from the Johnston Street Fiesta in recognition of the "outstanding service and support" we have provided over the last 40 years.
- We received Video of the Year, a global award, at the A corto di libri awards for our film on our Sensitive Santa program for kids on the autism spectrum.
- We shared a Premier's Sustainability Award with the cities of Melbourne, Port Phillip and Moreland for our role in delivering the Melbourne Renewable Energy Project.
- Yarra was named the healthiest council area in Melbourne in the Domain Healthy Melbourne study, authored by Deloitte Access Economics and Tract Consultants, which measured the specific attributes that contribute to healthy lifestyles.

Appreciation

I would like to thank our Mayor, Deputy Mayor and Councillors for their vision and guidance throughout the year. Also, I would like to celebrate the creativity, energy and expertise displayed by my hardworking Executive Team. My thanks also to the hundreds of staff members who give so much of themselves to the job. We remain passionate about the value of local government and the importance of providing outstanding service to Yarra's wonderfully diverse community.

Vijaya Vaidyanath
Chief Executive Officer



CHIEF FINANCIAL OFFICER'S REPORT

The following pages provide a summary of Council's financial activities over the past year, from 1 July 2018 to 30 June 2019.

Council's financial performance for the year focused on achieving the objectives of the Council Plan 2017–21. Financial performance into the future is guided by both the current Council Plan 2017–21 and the Long Term Financial Strategy. Ensuring financial sustainability and the maintenance and improvement of infrastructure assets, enhancing quality services and outcomes to the community, along with the achievement of future operating surpluses, are key considerations. Full financials are available in the Financial Statements section.

Financial snapshot

- \$207.4 million income in 2018/19 compared to \$191.4 million in 2017/18.
- \$25.9 million operating surplus in 2018/19 compared to \$20.9 million in 2017/18.
- \$26.3 million capital works program in 2018/19 compared to \$27.1 million in 2017/18.
- \$2.08 billion in assets in 2018/19 compared to \$1.97 billion in 2017/18.
- \$108 million in rates and charges (52% of income) in 2018/19 compared to \$105 million (55% in 2017/18). More information on rates is included in the Income section further on in this report.
- \$87.6 million in cash holdings in 2018/19 compared to \$51 million in 2017/18.
- Interest bearing debt of \$43.7 million in 2018/19 compared to \$44.9 million in 2017/18.

Operating result

Net results 2014/15 to 2018/19

The net result is Council's operating result comprising operating income less operating expenditure. It includes non-cash items, such as depreciation, and accrual accounting items, and is therefore not a cash surplus.

	2014/15	2015/16	2016/17	2017/18	2018/19
	\$'000s	\$'000s	\$'000s	\$'000s	\$'000s
Income	164,462	170,910	180,679	191,451	207,354
Expenses	154,527	160,901	163,173	170,582	181,432
Surplus/(Deficit)	9,935	10,009	17,506	20,869	25,922

Equity

Year-end balance 2018/19

	\$'000s
Balance at the beginning of the financial year	1,895,287
Surplus for the year	25,922
Net reserves movement (incl. revaluation)	82,665
Balance at the end of the financial year	2,003,874

Cash

Year-end cash position 2018/19

	\$'000s
Net cash provided by operating activities	65,690
Net cash used in investing activities	(25,766)
Net cash provided by financing activities	(3,357)
Net increase in cash held	36,567
Cash at the beginning of the financial year	51,086
Cash at the end of the financial year	87,653

Balance Sheet

Summary Balance Sheet 2018/19

	\$'000s
Current assets (incl. cash assets \$51.1m)	103,199
Non-current assets	1,984,296
Total assets	2,087,495
Current liabilities	36,563
Non-current liabilities	47,058
Total liabilities	83,621
Net assets	2,003,874
Accumulated surplus	666,456
Reserves	1,337,418
Equity	2,003,874



Once an unassuming and unnamed laneway in Collingwood, Tavares Lane is now popping with colour thanks to the work of Joshua Tavares, the son of the laneway's namesake, and artist Robert Young.

Capital Works Program

Council delivered a \$26.3 million capital works program, including: \$6.2 million on buildings, \$15.3 million on infrastructure such as roads, footpaths, drainage, and open space/recreational facilities, and \$4.7 million on plant, technology and equipment. Refer to the Financial Statements section 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 five major financial statements: the Comprehensive Income Statement, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows, and the Capital Works Statement. Refer to the Financial Statements section for full details.

Comprehensive Income Statement

Major categories of both income and expenditure to determine the surplus (or deficit) for the year are included in the Comprehensive Income Statement. The operating surplus for 2018/19 (income less expenditure) is \$25.9 million. Total operating income of \$207.3 million was recognised and total operating expenditure of \$181.4 million was incurred. Major income categories include rates and charges, statutory fees and fines, user fees, government grants, contributions and reimbursements. The following table details the composition of Council's \$207.3 million total operating income for 2018/19.

INCOME BY CATEGORY 2018/19

Income by category	Income (\$'000s)	%
Rates and charges	108,491	52
Statutory fees and fines	31,420	15
User fees	30,346	14
Government grants	34,471	16
Contributions	9,401	4
Net gain/(loss) on disposal of non-current assets	(10,996)	(3)
Other income	4,221	2
Total	207,354	100

Rate Cap Compliance

We complied with the Victorian Government's cap on rates, as we have each year since the introduction of the rate capping system.

Expenditure by category

The majority of Council's operating expenditure relates to direct service delivery. Major expenditure categories include employee costs, materials and services, bad/doubtful debts, depreciation, and borrowing costs. The following table details the allocation of Council's \$181.4 million total operating expenditure for 2018/19.

EXPENDITURE BY CATEGORY 2018/19

Expenditure by category	\$'000s	%
Employee costs	83,810	46
Materials and services	66,908	37
Bad and doubtful debts	5,709	3
Depreciation	22,309	12
Borrowing costs	2,181	1.5
Other expenses (e.g. auditors' fees, Councillors' allowances)	515	0.5
Total	181,432	100

Balance Sheet

Council's Balance Sheet (see the Financial Statements section) 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 2019, Council held \$2,087.5 million in assets, an increase on the previous year of \$112 million.

COUNCIL ASSETS 2014/15 TO 2018/19

	2014/15 \$'000s	2015/16 \$'000s	2016/17 \$'000s	2017/18 \$'000s	2018/19 \$'000s
Assets	1,605,856	1,708,562	1,734,122	1,975,180	2,087,495

Liabilities

Council's liabilities include amounts owed to suppliers, employee leave entitlements and debt. As at 30 June 2019, Council's liabilities total \$83.6 million, which is an increase of \$3.7 million on the previous year.

Other liabilities and debt 2014/15 to 2018/19

Increased debt in 2017/18 reflects a loan taken to support the building of Bargoonga Nganjin, North Fitzroy Library.

	2014/15 \$'000s	2015/16 \$'000s	2016/17 \$'000s	2017/18 \$'000s	2018/19 \$'000s
Other liabilities	35,279	38,501	33,010	35,026	39,930
Debt	32,500	32,500	46,000	44,867	43,691

Statement of Changes in Equity

The Statement of Changes in Equity (see the Financial Statements section) details the changes in Council's retained earnings, including reserves movement, over the reporting period. Council's equity as at 30 June 2019 is \$2,003.8 billion, which is an increase of \$109 million during the year due to the surplus on operations and a significant asset revaluation.

COUNCIL EQUITY 2014/15 TO 2018/19

	2014/15 \$'000s	2015/16 \$'000s	2016/17 \$'000s	2017/18 \$'000s	2018/19 \$'000s
Council Equity	1,538,077	1,637,561	1,655,112	1,895,287	2,003,874

Statement of Cash Flows

The cash flow statement (see the Financial Statements section) details Council's cash inflows and outflows for the year. Council's cash balance as at 30 June 2019 is \$87.6 million, which will be used to fund Council's operations during the 2019/20 financial year.

CASH BALANCE 2014/15 TO 2018/19

	2014/15 \$'000s	2015/16 \$'000s	2016/17 \$'000s	2017/18 \$'000s	2018/19 \$'000s
Cash balance	22,435	22,544	34,152	51,086	87,653

Audit opinion

Council has received an unqualified (clear) audit opinion from the Victorian Auditor-General's Office (VAGO).

Future directions

Council's 10 year Long Term Financial Strategy (LTFS) outlines its future financial direction. The LTFS is available on Council's website.



CAPITAL WORKS

This financial year, we completed 298 capital works projects at a total cost of \$26.32 million or 92% of the adjusted 2018/19 budget.

Our capital works program represents a major investment in our city and community. It provides new community infrastructure and renewal or upgrade of existing infrastructure.

The adopted 2018/19 capital works budget was \$25.48 million across 331 projects. This budget was adjusted throughout the year to \$28.48 million to reflect changes in the program.

At the end of June, the 298 projects completed represented 90% of the number of budgeted projects, with the actual expenditure of \$26.32 million representing 103% of adopted budgeted. Compared to the adjusted budget, the result is 92%.

Capital works summary 2018/19

	\$'000s
Buildings	6,263
Roads, footpaths, kerb and channel constructions, drains, cycleways	11,807
Open space improvements	3,517
Information systems	1,752
Plant and equipment and other	2,369
Library resources	611
Total	26,319

Our parks and open spaces are for everyone to enjoy.

Capital works highlights 2018/19

Buildings and facilities	\$'000s
Ryan's Reserve – stage 1 works – courts and pavilion works	698
Malcolm Graham Pavilion renovation works – stage 1	149
Richmond Recreation Centre – change rooms works	652
North Carlton Railway Station Neighbourhood House	162
Collingwood Leisure Centre – pool and associated works	850
Carlton Library – toilet area renovations	150
Fairfield Park – public toilet works	259
Richmond Town Hall – disability access works	158
Open space	\$'000s
Kevin Bartlett Reserve - Loughnan Oval turf and drainage works	283
Darling Gardens pathways	243
George Knott Athletics track	378
Kevin Bartlett Reserve - Bastow Soccer Oval sports lights	125
Barkly Gardens pathways	194
Edinburgh Gardens playground	183
Civic and culture	\$'000s
Victoria Street activity centre works	369
Library resources	611
Molly Meldrum statue	68
Roads and drains	\$'000s
52 road pavement renewal projects	3,087
Various local area traffic management and transport projects, including Wellington Street protected bike lane works	1,840
19 footpath renewal projects	1,154
13 drainage renewal/upgrade projects	2,037
18 right-of-way (lanes) renewal projects	743
20 kerb and channel renewal projects	1,642
6 tree root barrier treatments	347

CAPITAL WORKS SPOTLIGHT

Wellington Street Bicycle Lanes – Stage 2

2018/19 expenditure: \$500,000

We have almost completed the extension of the protected bike lanes on Wellington Street from Gipps Street to Johnston Street, doubling the length of the existing lanes which go from Victoria Parade to Gipps Street.

Construction began in May on stage 2 of the Wellington Street protected bike lanes and is expected to be finished in September.

We have carried out the works in a staged approach so as not to impact on the whole area at the same time.

The extension of the fully separated bike lanes is being delivered in partnership with VicRoads and the TAC and aligns with our vision to create a city that is connected, sustainable and safe. The lanes will provide improved safety and comfort for cyclists, encourage new cyclists and calm traffic on Wellington Street.

Collingwood Leisure Centre

2018/19 expenditure: \$850,000

We completed a three-month upgrade of the pools, spa and sauna at the Collingwood Leisure Centre, a little ahead of schedule.

The works were required to improve community safety and included retiling all walls and floors in the 25 metre pool, leisure pool, associated ramp, toddler's pool and sauna, and installing a new entry point with stairs and a handrail in the leisure pool.

Traffic Management Projects

2018/19 expenditure: Rose Street precinct, \$313,600

We introduced street treatments in the Rose Street precinct, bounded by Alexandra Parade and Nicholson, Johnston and Smith streets, following extensive community consultation.

These treatments are aimed at improving safety, particularly for pedestrians, and traffic flow, and creating better spaces for the local community. Treatments included:

- A 10 km/h speed limit.
- Replacing six parking spaces with pedestrian pause points, containing planter boxes, trees and shrubs, bike racks, public seating and street litter bins.
- Two dedicated loading zones outside Rose Street Market.
- Pram ramps and street painting at the intersection of Rose and Fitzroy streets.

Reimagining Victoria Street

2018/19 expenditure: \$340,000

We completed significant works in the Victoria Street precinct in Richmond and Abbotsford following in-depth discussion with the local community on ways to improve public safety.

This area is a popular dining, shopping and cultural destination, but had also faced challenges on public safety, liveability, community connectedness and economic prosperity, often as a result of drug-related activity.

The Reimagining Victoria Street project focused on the public space at the intersection of Victoria, Nicholson and Lennox streets, Richmond, where we installed new street furniture, new pavement treatments, tree planting and lighting.

Other work included graffiti and street cleaning, roller shutter artwork and support for nine shopfront renovations. Each participating shopfront business was provided with a cleaning/maintenance kit.

We will evaluate the impact of this work on the number and diversity of people accessing and using the spaces, and on community perceptions of safety.

YOUR INVESTMENT IN YARRA

Roads and drains	\$'000s	% of Council spending
Infrastructure and asset management	\$16m	9%
Waste and recycling	\$17.4m	10%
Strategic and statutory planning	\$8.3m	4%
Construction management	\$2.7m	1%
Customer service	\$3.2m	2%
Family, youth and children's services	\$17.5m	10%
Aged and disability services	\$6.3m	3%
Library services	\$5.6m	3%
Leisure, arts, culture and venues	\$13.7m	8%
Parks and recreation	\$7.3m	4%
Compliance, parking and traffic	\$21.5m	12%
Strategic transport and sustainability	\$3.4m	2%
Advocacy, engagement and communications	\$5.9m	3%
Finance, performance, systems and people	\$21.1m	12%
Governance	\$7.2m	4%
Interest, depreciation, amortisation	\$24.3m	13%
Total	\$181.4m	100%

Our five libraries are much loved by our community, and dedicated to learning needs at all stages of life.



A Child's
Treasury
of
Nursery
Rhymes

Katie MacDonald

YOUR COUNCIL

The Yarra community is represented by nine elected councillors.

Individual councillors can consult with their constituents and advocate on their behalf, but they can only make decisions as a collective. Each November, councillors elect a mayor from within their ranks to chair formal meetings and speak on behalf of Council.

Cr Danae Bosler was elected Mayor in November 2018, replacing Cr Daniel Nguyen who was elected Mayor in November 2017.

This Council was elected on 22 October 2016.

Its term will conclude on 24 October 2020.

Langridge Ward Councillors



Cr Danae Bosler

Elected 2016.

Elected Mayor, November 2018 to November 2019.



Cr Stephen Jolly

First elected 2004 and re-elected 2008, 2012 and 2016.



Cr Amanda Stone

First elected in 2008 and re-elected 2012 and 2016.

Melba Ward Councillors



Cr Mi-Lin Chen Yi Mei
Elected 2016.



Cr Daniel Nguyen
Elected 2016.
Elected Mayor, November 2017
to November 2018.



Cr James Searle
Elected 2016.

Nicholls Ward Councillors



Cr Misha Coleman
First elected 2012 and
re-elected 2016.
Elected Deputy Mayor for
12 months in November 2017
and November 2018.



Cr Jackie Fristacky
First elected 2002 and
re-elected in 2004, 2008,
2012 and 2016.



Cr Bridgid O'Brien
Elected May 2019 after a
countback by the Victorian
Electoral Commission following
resignation of Cr Mike McEvoy.



Cr Mike McEvoy
Elected 2016.
Resigned April 2019.

COUNCIL STAFF

Organisational structure as at 30 June 2019

*Member of Executive

**Not a senior officer

Chief Executive Officer

Vijaya Vaidyanath*



Director Planning
and Place Making
Bruce Phillips*

Group Manager
CEO Office
Ivan Gilbert*

Group Manager
People, Culture and
Community
Gracie Karabinis*

Manager City Strategy

Manager Advocacy
and Engagement

Unit Manager
Occupational Health
and Safety**

Manager Statutory
Planning

Unit Manager
Property Services**

Unit Manager
Community
Partnerships**

Municipal Building
Surveyor

Coordinator Office
of Mayor and
Councillors**

Senior Coordinator
Human Resource
Services**

Unit Manager
Sustainability**

Senior Advisor City
Heritage**

Senior Coordinator
Organisational
Development**

Coordinator Strategic
Transport**

Senior Governance
Advisor**

Coordinator Workforce
Diversity and
Inclusion**

EXECUTIVE MANAGEMENT TEAM

Vijaya Vaidyanath

Chief Executive Officer

The Chief Executive Officer is responsible for the implementation and maintenance of Council's policies. She is ultimately responsible for all policies, decisions and services provided by the Council.

As the conduit between Yarra's elected Council and the organisation's workforce, Vijaya ensures that the organisation's day-to-day activities are aligned 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.

Diarmuid McAlary

Director Corporate, Business and Finance

Diarmuid, as head of the Corporate, Business and Finance Division, is responsible for managing Council's financial performance and long-term financial sustainability. He is also responsible for key corporate planning processes, information systems and procurement. Externally, the division manages customer service, local laws compliance, and parking enforcement and administration services.

Ivan Gilbert

Group Manager CEO's Office

Ivan is responsible for governance, property and heritage services, advocacy, communications and engagement, and providing support to the mayor and councillors. He is responsible for council meetings, legal advice, issues management, consultation and media relations. Ivan is responsible for processing protected disclosures, Freedom of Information and State Ombudsman inquiries, maintenance of Council's public register, and instruments of delegation. He also serves as Internal Ombudsman.

Lucas Gosling

Director Community Wellbeing

Lucas is responsible for community wellbeing through policy development, service delivery, community planning and partnerships. He oversees activities focused on community participation, through services and activities related to libraries, leisure services, senior citizens, children, young people and families, arts, culture, venues, access and inclusion. Lucas also serves as project sponsor for major community infrastructure initiatives.

Bruce Phillips

Director Planning and Place Making

Bruce is responsible for Yarra's physical, social and economic environment. Bruce oversees activities related to economic development, environmental management and advocacy, urban design, parks and gardens, recreation and open space, statutory and strategic planning, and sustainable transport. He also leads a number of activities in major projects.

Chris Leivers

Director City Works and Assets

Chris is responsible for the provision, maintenance and amenity of public infrastructure. He oversees traffic and civil engineering, construction and maintenance of civil infrastructure such as roads, drains and footpaths, maintenance of open space and trees, asset management, construction management and asset protection, and recycling and waste, along with a range of other activities related to the management of buildings and assets. He is responsible for recreation and leisure services, as well as developing and implementing Council's capital works program.

Gracie Karabinis

Group Manager People, Culture and Community

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

Workforce positions at 30 June 2019

At 30 June 2019, Council had a total of 851.91 equivalent full-time positions (which includes temporary and casual positions).

Equivalent full time positions (excludes temporary and casual)

Equivalent Full time positions (excluding temporary and casual positions)	
2015/16	742.19
2016/17	755.07
2017/18	757.51
2018/19	780.11

Workforce data by seniority and gender 2018/19 (including casual and temporary positions)

Workforce data										
Structure	Band 1 FTE	Band 2 FTE	Band 3 FTE	Band 4 FTE	Band 5 FTE	Band 6 FTE	Band 7 FTE	Band 8 FTE	All other	Total FTE
Permanent Full Time – Female	0	1	31	61.72	66.66	60.8	35	29	27.5	312.68
Permanent Full Time – Male	0	0	33	29	43	52.6	46	32	30	265.6
Permanent Part Time – Female	2.3	1.96	24.89	19.66	10.85	8.61	5.59	3.47	10.7	88.03
Permanent Part Time – Male	1.82	1.91	14.56	7.86	4.62	1.23	2	0	0	34
Temporary – Female	1.82	1.91	14.56	7.86	4.62	1.23	2	0	0	34
Temporary – Male	0	0.21	0	0	0	2	1	0	0	3.21
Casual	9.58	0.87	30.16	14.95	0.41	0	0	0.2	2.67	58.84
Total	13.7	5.95	133.61	133.19	127.17	127.84	89.59	64.67	70.87	766.59

Workforce data by division and gender 2018/19 (includes casuals and temporary positions)

Employment type/gender	CEO's Office	City Works & Assets	Community Wellbeing	Corporate, Business & Finance	Executive	People, Culture & Community	Planning & Place Making	Total
Permanent FT – F	14	48	140.88	52	7	12	38.8	312.68
Permanent FT – M	5	115	35.6	71	5	7	27	265.6
Permanent PT – F	2.22	8.26	58.05	10.06	0	4.65	4.79	88.03
Permanent PT – M	0.79	11.67	11.49	8.25	0	0.6	1.2	34
Temporary – F	0	0.6	0.63	0	1	1	1	4.23
Temporary – M	0	1	0.21	0	0	2	0	3.21
Casual	0.05	26.54	19.61	11.32	0	1.12	0.2	58.84
Total	22.06	211.07	266.47	152.63	13	28.37	72.99	766.59

Workforce data – vacancies

Employment type	CEO's Office	City Works & Assets	Community Wellbeing	Corporate, Business & Finance	Executive	People, Culture & Community	Planning & Place Making	Total
Permanent Full Time – Vacant	1	25.34	4.89	11	0	0	9	51.23
Permanent Part Time – Vacant	0	13.24	11.62	1.9	0	0.8	1	28.56
Temporary	0.8	0	3.29	0	0.6	0	0.84	5.53
Total	1.8	38.58	19.8	12.9	0.6	0.8	10.84	85.32

PERFORMANCE REPORT

We are required, under the Local Government Act 1989, to adopt and report against a four-year Council Plan, which sets out the medium-term direction of Council and the outcomes sought by councillors for their term.

The Council Plan must include strategic objectives, strategies, strategic indicators and a strategic resource plan. The following report reflects year two (2018/19) of the Council Plan 2017–2021.

Each year, we also produce an annual plan, based on the four-year Council Plan, alongside the yearly budget, setting out projects and activities that Council will undertake towards achieving the strategic objectives.

Strategic Objectives

The Council Plan 2017–2021 is divided into seven directions known as strategic objectives:

1. A healthy Yarra
2. An inclusive Yarra
3. A sustainable Yarra
4. A liveable Yarra
5. A prosperous Yarra
6. A connected Yarra
7. A leading Yarra

Strategies

Each strategic objective is supported by strategies, which identify the focus for the following four-year period.

Activities

Activities represent the work undertaken by Council in pursuit of Strategic Objectives and Strategies. Drawn from initiatives in the Council Plan 2017–2021 and actions in the Annual Plan 2018/19, activities provide a framework for measuring Council's progress towards each strategic objective.

Strategic Indicators

Strategic indicators provide a second framework for measuring Council's progress towards each strategic objective.

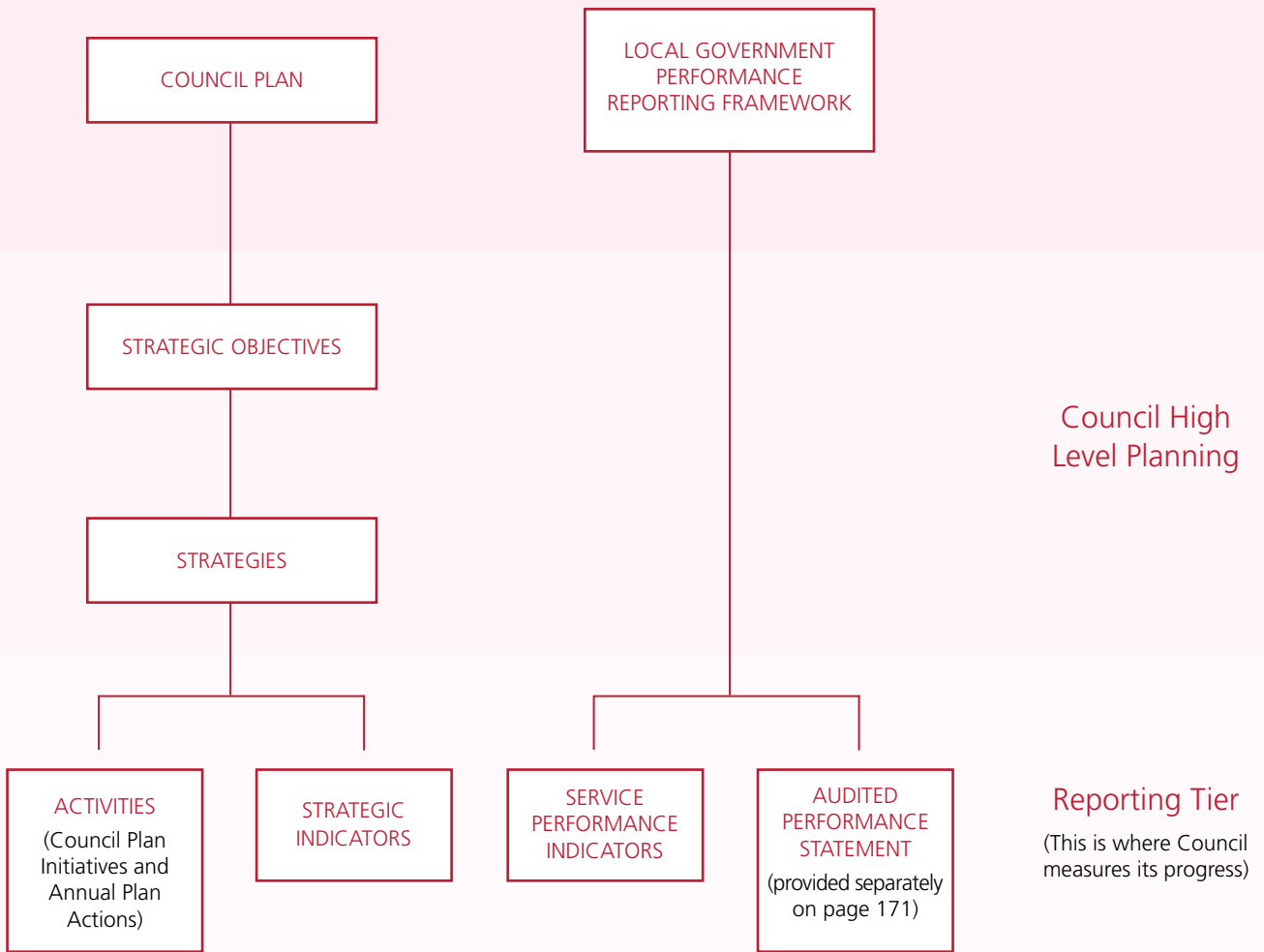
Service Performance Indicators

Local Government (Planning and Reporting) Regulations require Councils to report on Service Performance Indicators, which align to Strategic Objectives. Results of these indicators, including comparisons with other councils and sector averages, will be published on the Victorian Government's Know Your Council website later this year.

Performance Statement

We are required to publish an audited performance statement as part of our 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 in the performance statement section.



PERFORMANCE SUMMARY

Of the 47 Annual Plan Activities, 39 (83%) were completed or on track.

Performance against Activities for each Strategic Objective 2018/19

Strategic Objective	Activities		
	#	# complete or on track	% complete or on track
1. A healthy Yarra	7	6	86%
2. An inclusive Yarra	4	4	100%
3. A sustainable Yarra	8	7	88%
4. A liveable Yarra	13	8	62%
5. A prosperous Yarra	5	4	80%
6. A connected Yarra	6	6	100%
6. A leading Yarra	4	4	100%
Total	47	39	83%

Annual Plan completion rates 2016–19 (% Activities complete or on track)


Year	% Activities complete or on track
2018/19	83%
2017/18	86%
2016/17	83%

Performance against Strategic Indicators for each Strategic Objective 2018/19

Strategic Objective	Achieved	Not achieved	Result*	In progress (due for completion by 30 June 2021)	No target
1. A healthy Yarra	12	0	100%	1	12
2. An inclusive Yarra	7	0	100%	1	-
3. A sustainable Yarra	7	0	100%	1	-
4. A liveable Yarra	7	2	78%	3	-
5. A prosperous Yarra	6	0	100%	3	-
6. A connected Yarra	7	0	100%	1	2
7. A leading Yarra**	12	2	86%	1	1
Total	58	4	94%	11	15

* The result is expressed as the percentage of indicators with a target for 2019/20 that were achieved (exceeded or within 10%).

**Includes financial sustainability data due to be confirmed by VAGO later in 2019/20.



STRATEGIC OBJECTIVE ONE A HEALTHY YARRA

A PLACE WHERE COMMUNITY
HEALTH, SAFETY AND
WELLBEING ARE A FOCUS
IN EVERYTHING WE DO.

The Collingwood-based Bent Twig Alliance brings LGBTI elders together to talk about issues unique to their lived experience and to give something back to their communities.



Strategies

The following strategies guide Council's work in this area:

1. Maintain and enhance Yarra's open space network to meet the diverse range of community uses.
2. Promote a community that is inclusive, resilient, connected and enjoys strong mental and physical health and wellbeing.
3. Provide health-promoting environments that encourage healthy eating and active living.
4. Assist to reduce the harms from alcohol and drugs on individuals and the community in partnership with state agencies and key service providers.
5. Promote environments that support safe and respectful sexual practices, and reproductive choices.
6. Promote a gender equitable, safe and respectful community.
7. Promote an effective and compassionate approach to rough sleeping and advocate for affordable, appropriate housing.
8. Provide opportunities for people to be involved in and connect with their community.

Services

The following services have primary responsibility for delivering Strategic Objective 1:

Aged and Disability Services

Services to assist older adults and people with disabilities to live independently in their homes in partnership with the State and Federal Governments.

City Strategy

Strategic research, planning and open space policy and urban design advice on sustainable land use and development through development of policy, strategic plans and appropriate planning controls through the Yarra Planning Scheme.

Construction Management

Ensures that development and works being undertaken in the municipality meet agreed statutory and/or permit requirements, and that developments have minimum impact on the amenity of residents, businesses and Council infrastructure.

Compliance Services

Statutory enforcement services, including animal management, local laws enforcement, food safety and school crossing management.

Family, Youth and Children's Services

Services for children, young people and their families, and municipal-wide planning for children and young people.

Recreation and Leisure Services

Operates three major leisure and aquatic facilities, a public golf course and a community gymnasium and provides a range of high quality facilities and programs that encourage participation from a broad cross section of the community.

Social Policy and Research

Manages Council's response to community safety; health planning, including alcohol and other drug issues; policy and research; and the night-time economy.

ACTIVITIES

Of the seven activities within this strategic objective, six (86%) are complete or on track.

90% + On track

75-89% Monitor

74% - Off track

Activity	Summary	Percentage of target met
1.01 Support prevention of family violence initiatives and respectful relationships	We were active on Building Respectful Communities, and other regional networks, and took part in programs for young people and children, including 16 days of Activism Against Gender Based Violence, Free to be Me, and Respectful Relationships.	On track 100%
1.02 Reduce primary and secondary supply of alcohol to under age adolescents	In partnership with Deakin University, we visited 93% of our packaged licenced outlets during an alcohol supply study. We found 61% sold alcohol to people who appear to be aged under 18, an increase on the 2017 result of 53%. We are working with local agencies on ways to turn this around.	On track 100%
1.03 Develop new Open Space Strategy	We consulted 2,000 community members on their open space needs and began drafting an Open Space Strategy. We are running about six months behind schedule due to the scale and complexity of the project, but a completed draft is expected to go to Council early in 2019/20, followed by more community engagement.	Off track 52%
1.04 Implement National Aged Care and Disability Reforms	We are helping our aged care clients to prepare for possible changes to the Commonwealth Home Support Program initially planned to be done by 30 June 2020. The Commonwealth has extended block funding for two years, also delaying our decision on what our future role will be.	On track 92%
1.05 Advocate for an indoor sports stadium	Our long-term advocacy was successful in gaining the State Government's commitment to build a six-court indoor sports stadium, a gymnasium and car park, all to be managed by us, at the 433 Smith Street redevelopment in Fitzroy.	On track 100%
1.06 Youth space in Richmond	We have secured matched funding from the Department of Health and Human Services for a Youth Hub at the Richmond Housing Estate. Our Chief Executive Officer signed a Deed with the department allowing the Hub to progress to detailed design.	On track 96%
1.07 Develop Leisure Centres Master Plan	We completed a plan to guide future investment in our highly valued leisure facilities in Richmond, Collingwood and Fitzroy. A report is to go to Council early in 2019/20.	On track 100%

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Twelve strategic indicators had targets for 2018/19, and 12 were achieved for a result of 100%.

One further strategic indicator is due for completion by 30 June 2021, and 12 strategic indicators do not have targets.

Council monitors and reports on a further 10 indicators of overall community health and wellbeing. Targets are not set for these measures as Council cannot directly affect the result.

Achieved = Exceeded or within 10% of target.

In Progress = To be completed by 30 June 2021

Not achieved = Did not meet target.

Strategy: 1.1

Maintain and enhance Yarra's open space network to meet the diverse range of community uses.

Strategic indicator	Comment	Result
Number of new open space projects planned or completed	The following open space projects were completed in 2018/19: <ul style="list-style-type: none"> • Barkly Gardens Path lighting • Darling Gardens Path lighting • Edinburgh Gardens North Playground upgrade • Condell Street Reserve playground upgrade • Peel Street Park upgrade works 	Various open space projects delivered Achieved
Community satisfaction with parks, gardens and open space	Yarra residents' rating (0-10) of satisfaction with the provision of parks, gardens and reserves as measured by the Annual Customer Satisfaction Survey, 2019. The result of 8.31 is categorised as 'excellent' according to the survey's satisfaction rating. Last year's result, and target, of 8.28 is also categorised as 'excellent'.	8.31 Achieved

Strategy: 1.2

Promote a community that is inclusive, resilient, connected and enjoys strong mental and physical health and wellbeing.

Strategic indicator	Comment	Result
Key National Aged and Disability Care Reform milestones implemented	In the May 2019 Commonwealth budget, it was announced that the Commonwealth Home Support Program would be further extended to 30 June 2022, meaning transition has been delayed up to two years. Council continues to work with the Commonwealth on a range of transition actions.	No 2018/19 target
Community participation in Maternal and Child Health service	Percentage of infants residing in Yarra who visited Council's Maternal and Child Health Service. Source: Department of Health and Human Services report on Maternal and Child Health Services.	82.75% Achieved

Strategy: 1.3

Provide health promoting environments that encourage healthy eating and active living

Strategic indicator	Comment	Result
Community satisfaction with Council's Leisure facilities	Yarra residents' rating (0-10) of satisfaction with Council's leisure facilities as measured by the Annual Customer Satisfaction Survey, 2019. The result of 7.96 is categorised as 'excellent' according to the survey's satisfaction rating. Last year's result, and target, of 8.15 is also categorised as 'excellent'.	7.96 Achieved
Proportion of registered premises that are inspected annually in accordance with the Food Act 1984	Council assessed 1,161 food premises in accordance with relevant legislation. This indicator is measured by the number of registered class 1 and class 2 food premises that receive an annual food safety assessment. This indicator is reported on a calendar year to align to Department of Health and Human Services reporting requirements.	100% Achieved
Number of community garden initiatives implemented	Council is working with the North Carlton Railway Neighbourhood House and associated gardening subcommittee to develop a new community growing space on the bocce courts in Hardy Gallagher Reserve. This is expected to be completed in 2019/20.	Achieved

Strategy: 1.4

Assist to reduce the harms from alcohol and drugs on individuals and the community in partnership with state agencies and key service providers.

Strategic indicator	Comment	Result
Report on alcohol and drug harm minimisation initiatives delivered	The following alcohol and drug harm minimisation initiatives were delivered in 2018/19 including: <ul style="list-style-type: none">• Council facilitated four quarterly liquor forums in partnership with Victoria Police and partners to promote the public health, safety and amenity of the Victoria Street Precinct.• Council undertook a study to identify liquor outlets selling alcohol to underage people and reported back to proprietors.	100% Achieved

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Strategy: 1.5

Promote environments that support safe and respectful sexual practices, and reproductive choices.

Strategic indicator	Comment	Result
Report on delivered advocacy and health and wellbeing activities	<p>Several advocacy and health and wellbeing initiatives were delivered through 2018/19.</p> <p>Highlights include:</p> <ul style="list-style-type: none"> • Advocacy to the Royal Commission into Mental Health (compiled a submission). • Participation in quarterly North Western Primary Care Partnership including work on the development of social inclusion indicators for the partnership. • Advocacy to the Government to Raise the Rate of New Start allowance. • Advocacy to Government for the requirement for more effective and enforceable minimum standard for responsible gambling. 	<p>100%</p> <p>Achieved</p>
Number of programs and initiatives focused on improving sexual and reproductive health outcomes	<p>Several programs and initiatives focused on improving sexual and reproductive health outcomes were delivered through 2018/19.</p> <p>Highlights include:</p> <ul style="list-style-type: none"> • Yarra Youth Services provide free condoms and sexual health information for young people in each of our three bathrooms at the Yarra Youth Centre. • Yarra Youth Services staff piloted a project with Fitzroy High School and Collingwood College to complement their DET Respectful Relationships program. This included delivery of a series of workshops to Year 8, 9, 10 and 11 students in August 2018. The program content was based largely on material developed by Maree Crabb ('Reality, Risk and Pornography'), which aims to educate students on the differences of the real world and 'porn world'. Sexual Health was also covered. • Yarra Liquor Forum has included a range of agenda topics relating to responding to sexual assaults and eradicating bystander behaviour. 	<p>100%</p> <p>Achieved</p>

Strategy: 1.6

Promote a gender equitable, safe and respectful community.

Strategic indicator	Comment	Result
Number of community activities and programs supported and developed	<p>Council undertook a number of initiatives to support gender equity and respectful communities including:</p> <ul style="list-style-type: none"> • 16 Days of activism was marked at Yarra with a lunchtime panel event on gender based violence in the workplace attended by 50 staff, as well as a range of internal and external communiques. • Yarra partnered with VHREOC to participate in 'Raise It', a pilot to trial tools which support conversation around parental leave, sexual harassment and flexible work and address associated discrimination. • Youth Services facilitated a weekly DJ skills program for women and non-binary young people including multiple public performances, and partnered with Drummond St on Queerspace. • Children's Services Free To Be Me program focused on challenging gender stereotypes and creating gender inclusive spaces with 200 children and 25 educators, also educating staff on Family Violence service providers and referrals pathways. • Maternal and Child Health provided over 600 flyers on healthy relationships to families, which promote conversation around gender equity and family violence. • Yarra Libraries hosted a range of events and activities promoting gender equity, such as a number of author talks with women writers, or on books celebrating women. • Yarra Youth Services continued to support The Drum's Queerspace Youth program, with a zine making session held at the Youth Centre in March. 	100% Achieved

Strategy: 1.7

Promote an effective and compassionate approach to rough sleeping and advocate for affordable, appropriate housing.

Strategic indicator	Comment	Result
Number of requests for homelessness assistance responded to by Council	Council referred 95 cases for homelessness assistance to Launch Housing. Referrals are made to Launch Housing on a regular basis and Council is currently monitoring over 30 rough sleeping sites.	95 requests Achieved
Deliver the Social and Affordable Housing Strategy	The draft Social and Affordable Housing Strategy was endorsed by Council for public exhibition and consultation in June 2019. Submissions will be open until Friday 9 August and the proposed final Strategy will go to Council in 2019/20 for consideration and adoption.	90% In progress

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Strategy: 1.8

Provide opportunities for people to be involved in and connect with their community.

Strategic indicator	Comment	Result
Number and breadth of community activities / programs supported	<p>Council connects with its community through a range of programs and activities. Highlights this year include:</p> <ul style="list-style-type: none">• Promotion of volunteering opportunities through Council’s website, key external networks and events, various forms of media and direct contact with customers.• Neighbourhood Houses and Learning Centres provide a wide range of lifelong learning activities such as English classes, volunteer opportunities, sustainability programs and community activities/events. Open Door Hub to support migrants and refugees, community garden compost program for residents and cooking for healthy eating.	100% Achieved

Indicators of overall community health and wellbeing

Council monitors and reports on a further 10 indicators of overall community health and wellbeing. Targets are not set for these measures as Council cannot directly affect the result.

Indicators of overall community health and wellbeing

Indicator	Comment	Result
Yarra residents feel a part of their community	<p>Yarra 71.5%</p> <p>Source: VicHealth Indicators Survey, 2011</p> <p>This indicator is no longer reported on by Vic Health, it has been replaced by:</p> <p>Perceptions of neighbourhood:</p> <ul style="list-style-type: none"> • people are willing to help each other • this is a close knit neighbourhood • people can be trusted <p>Source: Vic Health indicator survey 2015</p>	<p>64.2%</p> <p>46.5%</p> <p>59.2%</p>
Percentage of adults who feel valued by society	<p>Yarra 61.10% (Victoria 52.90% LGA Rank 9)</p> <p>Source: Victorian Population Health Survey, 2014</p>	61.1%
Percentage of adults who report high or very high psychological distress	<p>Yarra 12% (Victoria 15%, LGA Rank 44)</p> <p>Source: Victorian Population Health Survey, 2014</p>	12%
Percentage of children who are developmentally on track	<p>Physical - 80.4% (72.4% 2015)</p> <p>Social - 79.9% (72.9% 2015)</p> <p>Emotional - 81.1% (74.2% 2015)</p> <p>Language - 86.5% (82.2% 2015)</p> <p>Communication - 83.5% (71.3% 2015)</p> <p>Source: Australian Early Development Census Community Profile 2018 aedc.gov.au/resources/communityprofiles</p>	Various

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Indicators of overall community health and wellbeing (cont.)

Indicator	Comment	Result
Perceptions of safety, day and night	<p>Rating 0-10</p> <p>Yarra residents' rating of perceptions of safety as measured by the Annual Customer Satisfaction Survey, 2019. The result of 8.44 (Day), according to the survey's satisfaction rating is categorised as 'excellent'. Last year's result, and target, of 8.75 is also categorised as 'excellent'.</p> <p>The result of 6.95 (Night), according to the survey's satisfaction rating is categorised as 'good'. Last year's result, and target, of 7.24 is also categorised as 'good'.</p>	<p>Day 8.44</p> <p>Night 6.95</p>
Gaming machine losses per adult	<p>Gaming machine losses per adult 2018/19 \$405 (2017/18 \$379) LGA Rank 44, Victorian average \$553.</p> <p>Source: Victorian Commission for Gambling and Liquor Regulation</p>	\$405
Percentage of adults consuming recommended intake of vegetables	<p>Yarra 48.20% (Victoria 46%)</p> <p>Source: Victorian Population Health Survey, 2016</p>	48.20%
Percentage of adults with increased risk of short term alcohol-related harm	<p>Yarra 51.6% (Victoria estimate 29.4%)</p> <p>Source: VicHealth Indicators Survey, 2015</p>	51.6%
A reduction in rates of chlamydia and teenage pregnancy	<p>96.5 notifications of chlamydia per 10,000 population, 7 Aug 2018 to 7 Aug 2019, represents a 7% reduction compared to the previous survey.</p> <p>Source: Surveillance of Notifiable Conditions in Victoria, Department of Health & Human Services, 7 Aug 2018 to 7 Aug 2019.</p> <p>2 per 1,000 – Rate of 15-19 year old women who gave birth per 1,000 population, 2017</p> <p>Source: Department of Education and Early Childhood Development. VCAMS Indicator</p>	

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Animal management				
Timeliness Time taken to action animal management requests (Number of days between receipt and first response action for all animal management requests / Number of animal management requests)	2.46	1.89	1.63 days	Time taken to action animal management requests remains under two days. Council has improved systems and processes enabling officers to respond within Council's target of less than three days.
Service standard Animals reclaimed (Number of animals reclaimed / Number of animals collected) x100	55.49%	52.25%	53.63%	The result for the number of animals reclaimed has remained consistent for the last three years.
Service cost Cost of animal management service (Direct cost of the animal management service / Number of registered animals)	\$51.98	\$55.04	\$54.95	Service costs have remained steady over the last three years. There was an overall increase in cost in 2016/17 relating to a service increase in patrol and prosecution activity.
Health and safety Animal management prosecutions (Number of successful animal management prosecutions)	11.00	13.00	14.00	The number of prosecutions has increased as Council continues to improve on its response and follow-up of alleged dog attacks. Improved systems and technology have enabled officers to respond faster and identify alleged offenders.

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Aquatic facilities				
Satisfaction User satisfaction with aquatic facilities (User satisfaction with how Council has performed on provision of aquatic facilities)	84.20	82.10	80.60	Council's satisfaction score of 80.60 from the 2019 Annual Customer Satisfaction Survey is categorised as 'excellent'. Previous years' results are also categorised as 'excellent' using the same survey instrument.
Service standard Health inspections of aquatic facilities (Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities)	4.33 inspections	4.00 inspections	4.00 inspections	Council's pool inspection results are consistent with previous years and in accordance with its Pool Management Program.
Health and Safety Reportable safety incidents at aquatic facilities (Number of WorkSafe reportable aquatic facility safety incidents)	0 incidents	1.00 incident	1.00 incident	Council has had a consistently low number of reportable safety incidents due in part to its services safety accreditation program. In December 2018, Yarra pools were accredited with Life Saving Victoria's Platinum Pool Award.
Service cost Cost of indoor aquatic facilities (Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities)	\$0.49	\$1.23	\$1.57	Service costs in 2018/19 increased due to a significant change in requirements for an increased number of Life Guards and training requirements. The apparent increase in 2017/18 relates to expenses carried forward from the previous year.
Service cost Cost of outdoor aquatic facilities (Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities)	\$0.00	\$0.00	\$0.00	All City of Yarra pools are defined as indoor pools under the LGPRF guidelines.

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Aquatic facilities (cont.)				
Utilisation Utilisation of aquatic facilities (Number of visits to aquatic facilities / Municipal population)	11.96 visits	9.14 visits	9.23 visits	Utilisation of Council's aquatic facilities is consistent with last year's result, in spite of Collingwood swimming pool being closed for 12 weeks for major refurbishment and maintenance.
Food safety				
Timeliness Time taken to action food complaints (Number of days between receipt and first response action for all food complaints / Number of food complaints)	1.88 days	1.82 days	2.24 days	An increase in the time taken to action food complaints was identified during the implementation of a new customer contact service system that resulted in delays providing information to field officers. However, when the issue was recognised, immediate measures were implemented to bring the response time back to under two days. Therefore, in the last quarter of the financial year the response time reduced significantly to 1.57 days. Our Health Department continues to take all necessary steps to ensure public safety and all food complaints are monitored and actioned as a priority.
Service standard Food safety assessments (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	99.83%	100.43%	100.00%	Council's food safety assessment result is consistent with previous years. Council continues to undertake food safety assessments in accordance with the Food Act 1984 that requires registered class 1 and 2 food premises to receive an annual food safety assessment.

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Food safety (cont.)				
Service cost Cost of food safety service (Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984)	\$356.34	\$358.13	\$351.92	The reduction in cost since 2015/16 reflects operational efficiencies.
Health and safety Critical and major non-compliance notifications (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	100.00%	99.56%	99.54%	Council responds to 100% of critical and major non-compliance outcome notifications. Results less than 100% occur where follow-up inspections are delayed due to closures and re-inspections fall in the next period.

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Home and Community Care (HACC)				
Timeliness Time taken to commence the HACC service (Number of days between the referral of a new client and the commencement of HACC NAservice / Number of new clients who have received a HACC service)	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's National Disability Insurance Scheme (NDIS) and Commonwealth Health Support Program (CHSP).
Service standard Compliance with community care common standards (Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards) x100	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Australian Government's NDIS and CHSP programs.
Service cost Cost of domestic care service (Cost of the domestic care service / Hours of domestic care service provided)	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Australian Government's NDIS and CHSP programs.
Service cost Cost of personal care service (Cost of the domestic care service / Hours of personal care service provided)	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Australian Government's NDIS and CHSP programs.
Service cost Cost of respite care service (Cost of the domestic care service / Hours of respite care service provided)	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Australian Government's NDIS and CHSP programs.

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Home and Community Care (HACC) (cont.)				
Participation Participation in HACC service (Number of people that received a HACC service / Municipal target population for HACC services) x100	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Australian Government's NDIS and CHSP programs.
Participation Participation in HACC service by Culturally and Linguistically Diverse (CALD) people (Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services) x100	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Australian Government's NDIS and CHSP programs.

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Maternal and Child Health Care (MCH)				
Satisfaction Participation in first MCH home visit (Number of first MCH home visits / Number of birth notifications received) x100	93.20%	98.81%	96.00%	As required, Council contacts and offers a first home visit to every family whose details are provided as part of the birth notification process. In a small number of cases a first home visit is not possible where the family has relocated to a different municipality.
Service standard Infant enrolments in the MCH service (Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received) x100	101.85%	109.18%	101.77%	Infants are enrolled in the Maternal and Child Health Service by Council as part of the birth notification process. A result of >100% can occur where the birth and first home visit occur in different financial years.
Service cost Cost of MCH service (Cost of the MCH service / Hours worked by MCH nurses)	\$84.55	\$97.56	\$77.97	The cost of the service decreased in 2018/19 compared to previous years due to service improvements which increased the service hours provided to the community.
Participation Participation in the MCH service. (Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service) x100	79.38%	80.41%	82.75%	Participation in the Maternal and Child Health Service has had modest increases over the last four years. There are no significant service changes driving this result.
Participation Participation in the MCH service by Aboriginal children (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	63.41%	79.37%	78.43%	There was a significant increase in participation in the Maternal and Child Health service by Aboriginal and Torres Strait Islander people between 2017 and 2018. This increase has been maintained in 2019.

STRATEGIC OBJECTIVE TWO AN INCLUSIVE YARRA

A PLACE WHERE INCLUSION, DIVERSITY
AND UNIQUENESS ARE WELCOMED,
RESPECTED AND CELEBRATED.



The Café Meals program helps people who are experiencing homelessness or unable to prepare food at home to visit local cafés and buy themselves healthy meals. The program is a collaboration between cohealth, local agencies and participating cafés, with the support of Yarra Council.



Strategies

The following strategies guide Council's work in this area:

1. Build resilience by providing opportunities and places for people to meet, be involved in and connect with their community.
2. Remain a highly inclusive municipality, proactive in advancing and advocating for the rights and interests of specific groups in the community and community issues.
3. Continue to be a local government leader and innovator in acknowledging and celebrating Aboriginal history and culture in partnership with Traditional Owners.
4. Acknowledge and celebrate our diversity and people from all cultural backgrounds.
5. Support community initiatives that promote diversity and inclusion.

Services

The following services have primary responsibility for delivering Strategic Objective 2:

Aged and Disability Services

Provides a range of services to assist older adults and people with disabilities to live independently in their homes in partnership with the state and federal governments.

Community partnerships

Leads community development in Yarra to support Council's strategic objectives through strengthening civic participation, championing social inclusion and cohesion, and supporting community groups and organisations.

ACTIVITIES

Of the four activities within this strategic objective, all four (100%) are complete or on track.

90% + On track 75-89% Monitor 74% - Off track

Activity	Summary	Percentage of target met
2.01 Implement Aboriginal Partnerships Plan	We consulted our Aboriginal and Torres Strait Islander community to help develop our Aboriginal Partnerships Plan 2019-2022. It was endorsed by Council in June for public exhibition until 26 July, and should be finalised in September.	On track 96%
2.02 Develop Volunteer Strategy	We considered more than 350 community submissions in drafting our Volunteer Strategy, which was endorsed by Council in June for public exhibition. The strategy should be finalised early in 2019/20.	On track 100%
2.03 Renew Active and Healthy Ageing Strategy and Action Plan	We launched our Active and Healthy Ageing Strategy and Action Plan 2018-2022 in December at the Seniors Christmas Party attended by more than 450 residents, following Council endorsement of the strategy in October.	Off track 100%
2.04 Renew Access and Inclusion Strategy and Action Plan	Council endorsed the Access and Inclusion Strategy and Action Plan 2018-2022 in October and it was launched at our celebrations for International Day for People with Disability.	On track 100%

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Seven strategic indicators had targets for 2018/19, and seven were achieved for a result of 100%.

One further strategic indicator is due for completion by 30 June 2021, and 12 strategic indicators do not have targets.

Achieved = Exceeded or within 10% of target.

In Progress = To be completed by 30 June 2021

Not achieved = Did not meet target.

Strategy: 2.1

Build resilience by providing opportunities and places for people to meet, be involved in and connect with their community

Strategic indicator	Comment	Result
Adopt a Volunteer Strategy	The draft Volunteer Strategy was endorsed by Council to go on public exhibition in June 2019. After consideration of community feedback, the Volunteer Strategy will be presented to Council for adoption in the first quarter of 2019/20.	90% In progress
Number and diversity of community events held	Council has supported 60 festivals and events through the 2019 Annual Grants Program including the Yarra Gala Ball, Collingwood Harvest Festival, Melbourne Irish Festival, Rock A Bye Baby Music Sessions, NAIDOC Family Day at The Farm and Emerge in Yarra 2019. There were about 10 festivals and events supported through the Small Project Grants including Dogapalooza 2018, the Peel Street Festival and the Mark Street Feast.	100% Achieved

Strategy: 2.2

Remain a highly inclusive municipality, proactive in advancing and advocating for the rights and interests of specific groups in the community and community issues

Strategic indicator	Comment	Result
Adopt the Access and Inclusion Strategy and Action Plan	The Access and Inclusion Strategy and Action Plan were adopted by Council in August 2018.	100% Achieved
Annual report on Council's performance against the Victorian Charter of Human Rights and Responsibilities	All reports to Council, and Council Policy development, contain a statement on the implications of the report and recommendation against the Charter of Human Rights.	100% Achieved

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Strategy: 2.3

Continue to be a local government leader and innovator in acknowledging and celebrating Aboriginal history and culture in partnership with Traditional Owners

Strategic indicator	Comment	Result
Complete the Stolen Generations Marker project	The Stolen Generations Marker was launched in the Atherton Gardens Housing Estate on Saturday 26 May, the 20th anniversary of National Sorry Day with more than 500 people in attendance.	100% Achieved
Number of Aboriginal cultural activities and events delivered	Council runs a number of initiatives and programs through its Aboriginal Partnership Action Plan. Major events supported this year include: <ul style="list-style-type: none">• NAIDOC• Reconciliation week activities including Black Wiz (internal and external events), and Reconciliation on the Rooftop at Bargoonga Nganjin• National Sorry Day• Smith Street Dreaming Festival	100% Achieved

Strategy: 2.4

Acknowledge and celebrate our diversity and people from all cultural backgrounds

Strategic indicator	Comment	Result
Number of cultural festivals and events delivered by Council	Council supported and/or facilitated a range of cultural festival and events including: <ul style="list-style-type: none">• Leaps and Bounds Music Festival• Gertrude Mini• Harvest Festivals• LGBTI Elders Dance Club• Exhibition program at Bargoonga Nganjin North Fitzroy Library• Voiceless Journeys exhibition at Richmond Town Hall• Boite Turns 40 Anniversary Celebration concert at Abbotsford Convent• Johnston Street Fiesta• Fairfield Summer Concert series	100% Achieved

Strategy: 2.5

Support community initiatives that promote diversity and inclusion

Strategic indicator	Comment	Result
Number of initiatives supported to promote diversity	Council supported a number of activities to promote diversity. Highlights this year include: <ul style="list-style-type: none">• Celebrating Cultural Diversity Week.• Celebrating Refugee Week.• Forums such as: English for newly arrived, advocacy against family violence, Children Services for newly arrived and refugee families and health services for newly arrived, all run by the Yarra Settlement Forum.	100% Achieved

STRATEGIC OBJECTIVE THREE A SUSTAINABLE YARRA

A PLACE WHERE COUNCIL LEADS
ON SUSTAINABILITY AND PROTECTS
AND ENHANCES ITS NATURAL
ENVIRONMENT.



The trailblazing Yarra Waste Revolution trials a four stream recycling service for 1,300 households in Abbotsford. In the first two months of the year-long trial, we collected 28.46 tonnes of food and organic waste, 19.40 tonnes of recycling and 11.26 tonnes of glass.



Strategies

The following strategies guide Council's work in this area:

1. Investigate strategies and initiatives to better manage the long-term effects of climate change.
2. Support and empower a more sustainable council and community.
3. Lead in sustainable energy policy and deliver programs to promote carbon neutral initiatives for the municipality and maintain Council as a carbon neutral organisation.
4. Reduce the amount of waste-to-landfill with a focus on improved recycling and organic waste disposal.
5. Promote responsible water usage and practices.
6. Promote and facilitate urban agriculture with a focus on increasing scale and uptake in the community.
7. Investigate strategies and initiatives to improve biodiversity.

Services

The following services have primary responsibility for delivering Strategic Objective 3:

Sustainability Services

Focuses on the advocacy and policy areas of environment.

Waste Services

Oversees the delivery of all waste services and waste minimisation.

Water Management Services

Plans for Council to be an active participant in whole-of-water-cycle management and seek all available opportunities to reduce the reliance on potable water by working with water corporations to achieve cost efficient access to alternative water, including treated, and reusing stormwater, recycled water and rainwater.

ACTIVITIES

Of the eight activities within this strategic objective, seven (88%) are complete or on track.

90% + On track 75-89% Monitor 74% - Off track

Activity	Summary	Percentage of target met
3.01 Develop Biodiversity Strategy	Our first four-year Biodiversity Strategy has been drafted following internal and external expert consultations. We plan to launch the draft for community consultation in July.	Monitor 85%
3.02 Reduce energy use and emissions	We began meeting all our energy needs from renewable energy from 1 January. Our Carbon Neutral certification for National Carbon Off-sets Standards was retained, for the seventh year in a row. A Carbon Neutral Action Plan we developed this year has been incorporated into our new Climate Emergency Plan.	On track 100%
3.03 Re-use, Reduce, Recycle, Recover	We developed a trial education program on the 4Rs (Re-use, Reduce, Recycle, Recover) to be delivered to 500 households in July 2019. It includes a Zero Waste map, an online directory of business and community programs.	On track 100%
3.04 Trial Food and Green Organics Waste service	We extended the successful trial of 500 Abbotsford households diverting food and organic green waste from landfill to compost to include a further 800 households. The trial now includes a glass recycling mini bin and a community education and engagement campaign.	On track 100%
3.05 Embedding Green Infrastructure project	The City of Yarra, with other councils and partners, developed a tool to embed green principles across local government. The tool encourages water sensitive urban design and improved irrigation design.	On track 100%
3.06 Develop Climate Emergency Plan	In December, Council passed a resolution deferring the Community Greenhouse Action Plan in favour of developing a wider Climate Emergency Plan to reflect the urgent, collaborative action required on climate change. We are working towards community consultation on this plan early in 2019/20.	On track 93%

Activity	Summary	Percentage of target met
3.07 Investigate urban agriculture and community garden opportunities	We worked closely with North Carlton Railway Neighbourhood House and its gardening group on licence arrangements to develop a community gardening space on the bocce courts in Hardy Gallagher Reserve.	On track 100%
3.08 Integrate climate adaptation principles and environmental and sustainability policies and strategies.	We converted our innovative climate adaptation training to an online system, established a new process for reviewing our strategies and policies, and embedded training for senior staff. A report is scheduled to go to councillors in August for discussion on alignment with the Climate Emergency Plan.	On track 90%



The Fair Share kitchen in Abbotsford.

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Seven strategic indicators had targets for 2018/19, and seven were achieved for a result of 100%.

One further strategic indicator is due for completion by 30 June 2021.

Achieved = Exceeded or within 10% of target.

In Progress = To be completed by 30 June 2021

Not achieved = Did not meet target.

Strategy: 3.1

Investigate strategies and initiatives to better manage the long-term effects of climate change.

Strategic indicator	Comment	Result
Increase in the number and scale of Urban Forest Strategy initiatives implemented	The Urban Forest Strategy was adopted by Council in September 2017. The Strategy guides Council's long-term work to manage Yarra's urban forest, taking into consideration the current context, and the environmental, social and economic benefits trees provide. Council planted over 1,100 trees (306 capital planting program and 867 infill planting) following the urban forest principles to promote greening of the city and reduce the urban heat island effect.	100% Achieved
Reduce the urban heat island effect by further greening of the city	This indicator is measured by the number of trees planted each year. Council planted over 1,100 trees (306 capital planting program and 867 infill planting) following the urban forest principles to promote greening of the city and reduce the urban heat island effect.	100% Achieved

Strategy: 3.2

Support and empower a more sustainable Council and community

Strategic indicator	Comment	Result
Complete review of the Environment Strategy	Review of the Environmental Strategy has been completed and development of a new strategy has commenced	100% Achieved

Strategy: 3.3

Lead in sustainable energy policy and deliver programs to promote carbon neutral initiatives for the municipality and maintain Council as a carbon neutral organisation.

Strategic indicator	Comment	Result
Reduce Council's carbon emissions (before offsets) and retain carbon neutral status for Council operations	<p>For the seventh consecutive year, Yarra has been awarded with gold standard carbon neutral certification.</p> <p>Yarra is one of just six Australian councils to achieve carbon neutral status through the Federal Government's National Carbon Offset Standard.</p> <p>To be considered carbon neutral Council was assessed on carbon (or greenhouse gas) emissions from all operations and resources, including electricity, fuel, gas and even paper usage. Emissions from contractors – such as garbage collectors – were also assessed.</p> <p>Council also reduced its carbon emissions through our use of 100% renewable electricity.</p>	100% Achieved

Strategy: 3.4

Reduce the amount of waste-to-landfill with a focus on improved recycling and organic disposal.

Strategic indicator	Comment	Result
Reduction in waste to landfill	<p>The trend shows a consistent level of waste diversion from landfill. Council continues to promote environmental sustainability and the benefits of recycling including trialling a food organics waste service during 2018/19.</p> <p>This trial then evolved into a holistic waste trial to look at further source separation options (including separate food and green waste and glass streams) for the Council kerbside collection service in order to increase local resource recovery and stimulate local reuse markets. A diversion rate of 60% from the participating 1300 households has been achieved from the first three months of the trial. Trial results will be used to influence Yarra's waste management practices moving forward.</p> <p>Yarra has developed and implemented several waste minimisation projects and campaigns since January 2019 aimed at creating behaviour change around waste reduction and avoidance. These have included:</p> <ul style="list-style-type: none">• The Proudly Plastic Free Campaign to reduce single use plastic in food traders in North Fitzroy.• Plastic Free July social media campaign.• Launching Yarra's Zero Waste Map – an online tool that enables the community to take action to reduce their waste.	37.72% Achieved

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Strategy: 3.5

Promote responsible water usage and practices

Strategic indicator	Comment	Result
Review the Environmental Strategy to include responsible water usage practices	A new Yarra Environmental Strategy is currently being developed and includes responsible water usage practices. The new strategy will be presented to Council in late 2019.	100% Achieved

Strategy: 3.6

Promote and facilitate urban agriculture with a focus on increasing scale and uptake in the community

Strategic indicator	Comment	Result
Increase the number of urban agriculture community initiatives supported and promoted	<p>Council has promoted and supported urban agriculture uptake and scale in the community through the development of a new Urban Agriculture Strategy and four year action plan for 2019-2023 (focused on promoting a local sustainable food system in Yarra) adopted in June 2019.</p> <p>Other initiatives to be highlighted include:</p> <ul style="list-style-type: none"> • Facilitation of a new community garden in Hardy Gallagher Reserve through a design consultation process and preparation for construction phase. • Facilitated discussions on potential improvements to Condell Growers and Sharers Community Garden. • Two intakes to the community growing spaces program (planter boxes, laneway gardens and fruit trees). • Talks and demonstrations at Fareshare Garden Open Day. 	Achieved

Strategy: 3.7

Investigate strategies and initiatives to improve biodiversity

Strategic indicator	Comment	Result
Adopt a Biodiversity Strategy	A Draft Nature Strategy (Biodiversity) has been prepared and will be placed on exhibition for community consultation in quarter 2 of 2019/20. A final draft Strategy is expected to be presented for Council consideration in October 2019.	85% In progress



A male Red-rumped Parrot (*Psephotus haematonotus*) in the Fairfield area along the Yarra River.

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Waste collection				
Satisfaction Kerbside bin collection requests (Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households) x1000	62.19 requests	66.26 requests	97.41 requests	During 2018/19 there was a transition of the current recycling collection contract to a new contract provider which generated increased calls due to changes in bin collection rounds and times. Council also introduced a holistic waste trial during 2018/19, distributing additional bins to trial households which generated increased calls.
Service standard Kerbside collection bins missed (Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts) x10,000	3.68 calls	0.18 calls	0.69 calls	During 2018/19 there was a transition of the current recycling collection contract to a new contract provider which generated increased calls due to changes in bin collection rounds and time.
Service cost Cost of kerbside garbage bin collection service (Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins)	\$115.95	\$85.84	\$77.26	The number of collection bins reported last year was 44,362 which was calculated as an extrapolation of Multi Use Developments shared bins. Reviewing this methodology this year, Council chose to use the rates database as the number of collection bins from this point moving forward. This is the standard used by other Councils to report. The number reported this year, that is based on the rates database, is 49,739. This will be the methodology for future reporting. This number is higher than last year which lowers the per household cost. NOTE: If the 2018/19 reference point (rates database) is applied to the 2017/18 period the cost would be \$76.62.

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Waste collection (cont.)				
Service cost Cost of kerbside recyclables collection service (Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins)	\$71.09	\$50.25	\$48.05	<p>The number of collection bins reported last year was 43,100 which was calculated as an extrapolation of Multi Use Developments shared bins. Reviewing this methodology this year, Council chose to use the rates database as the number of collection bins. This is the standard used by other Councils to report. The number reported this year, based on the rates database, is 49,697. This number is higher than last year which lowers the per household cost. Costs have also been impacted by the introduction of a recycle depot gate fee as part of the new contract.</p> <p>NOTE: If the 2018/19 reference point (rates database) is applied to the 2017/18 period, the cost would be \$48.06.</p>
Waste diversion Kerbside collection waste diverted from landfill (Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins) x100	37.36%	37.73%	37.72%	<p>The trend shows a consistent level of waste diversion from landfill. Council continues to promote environmental sustainability and the benefits of recycling, including trialling a food organics waste service during 2018/19.</p>

STRATEGIC OBJECTIVE FOUR A LIVEABLE YARRA

A PLACE WHERE DEVELOPMENT AND GROWTH ARE MANAGED TO MAINTAIN AND ENHANCE THE CHARACTER AND HERITAGE OF THE CITY.





Fitzroy North's Edinburgh Gardens is one of Yarra's most cherished parks.

Strategies

The following strategies guide Council's work in this area:

1. Protect Yarra's heritage and neighbourhood character.
2. Actively plan for Yarra's projected growth and development and advocate for an increase in social and affordable housing.
3. Plan, promote and provide built form and open space that are accessible to all ages and abilities.
4. Protect Council assets through effective proactive construction management.
5. Encourage and promote environmentally sustainable building, urban design, place-making and public realm outcomes.
6. Provide direction and improve decision making on infrastructure projects through the application of the Strategic Community Infrastructure Framework.
7. Encourage engagement with the community when developments are proposed.

Services

The following services have primary responsibility for delivering Strategic Objective 4:

City Strategy

Strategic research, planning and open space policy and urban design advice on sustainable land use and development through development of policy, strategic plans and appropriate planning controls through the Yarra Planning Scheme.

Construction Management

Is responsible for ensuring that development and works being undertaken in the municipality meet agreed statutory and/or permit requirements, and that developments have minimum impact on the amenity of residents, businesses and Council infrastructure.

Statutory Planning

Is responsible for analysing, processing and assessing planning applications to ensure that the use and development of land, which gives effect to state and local planning policies, is based on clear procedures, appropriate public participation and coordination with other branches of Council.

ACTIVITIES

Of the 13 activities within this strategic objective, eight (62%) are complete or on track.

90% + On track 75-89% Monitor 74% - Off track

Activity	Summary	Percentage of target met
4.01 Develop and implement Development Contributions Plan	We drafted and exhibited a planning scheme amendment requiring developers to help fund community facilities and infrastructure. Council endorsed the amendment which was submitted to the Minister for Planning for approval.	On track 100%
4.02 Negotiate joint use agreement with Richmond High School	We negotiated with Richmond High School for in-principle support on a joint use agreement for school use of Council facilities and community use of school facilities. The agreement will be formalised in 2019/20.	On track 100%
4.03 Review and develop new Heritage Strategy	We completed a draft Heritage Strategy for 2019-23 and it is scheduled to go to Council for endorsement for public exhibition in the first quarter of 2019/20.	Monitor 80%
4.04 Develop Social and Affordable Housing Strategy	In June, Council endorsed the draft Social and Affordable Housing Strategy for public exhibition. We expect the final strategy to go to Council in September for adoption. It brings together all Council's commitments, including advocacy for 10% of public housing in significant developments.	On track 90%
4.05 Yarra Planning Scheme	We translated our local planning policies to comply with the State Government's new Planning Policy Framework, a State Government requirement to ensure integration of state, regional and local policy. In 2019/20, we will seek authorisation from the Minister for Planning to exhibit our proposed changes.	On track 100%
4.06 Queens Parade Design and Development Overlay	We drafted and exhibited a Planning Scheme amendment on permanent development and design overlay controls for Queens Parade, Fitzroy North. We received 397 submissions. Council endorsed the amendment and a Planning Panel hearing is set for 12 August. The Minister for Planning approved interim controls.	On track 90%

ACTIVITIES

Activity	Summary	Percentage of target met
4.07 Heidelberg Road, Nicholson Street Bus Depot, Wellington Street built form analysis	We developed planning controls for Heidelberg Road, Alphington (in consultation with Darebin Council), Nicholson Street Bus Depot, North Fitzroy, and Wellington Street, Collingwood. A draft local area plan and potential built form controls will be presented to the August Alphington Community Reference Groups meeting.	Monitor 81%
4.08 Major Activity Centres built form analysis	<p>We have prepared built form frameworks for the Swan Street, Bridge Road and Victoria Street major activity centres, along with South Collingwood. This culminated in interim planning controls for these areas.</p> <p>We are preparing built form framework plans to inform amendments for Brunswick and Smith streets. Due to the scale and complexity of this action, and other organisational priorities, completion is now expected in 2019/20.</p>	Off track 72%
4.09 Major Activity Centres structure planning	We completed project plans for Victoria Street and Bridge Road, Richmond, building on the unique character of each precinct. Consultation will occur in the final quarter of 2019 to inform the preparation of the structure plans. Due to other project priorities, including planning amendments for Johnston Street and Queens Parade, this action is now expected in 2019/20.	Off track 45%
4.10 Strategies for the hospital and education precincts	Council met with the Victorian Planning Authority to gain clarity on the Plan Melbourne directions for the hospital and education precincts, including the Australian Catholic University and St Vincent's and Epworth hospitals, but we were advised that no strategic work had been undertaken. This action requires the involvement of the State Government to deal with wider policy issues. Until this occurs, Council will continue to liaise with the VPA and DELWP.	Off track 52%
4.11 Strategies for the hospital and education precincts	We called for expressions of interest to refurbish the Sailors and Soldiers Building near the Collingwood Town Hall for use by returned services veterans, as part of our plan to maximise community benefit of Council facilities. No responses were received. We continued to maximise the occupancy at Fitzroy Town Hall via tenancies and casual bookings, and allocated funding in 2019/20 to a Collingwood Town Hall precinct Social and Affordable Housing feasibility study.	On track 99%

Activity	Summary	Percentage of target met
4.12 Planning for projected growth and housing	Following public exhibition, Council adopted a Housing Strategy to allow planning and management of a projected increase of 39,000 people in Yarra by 2034. The strategy includes social and affordable housing.	On track 100%
4.13 Alphington Paper Mill site development	We continued to assess works and development application proposals on the former Alphington Paper Mill site against the approved Development Plan. Works included 46 townhouses, a supermarket, shops, a primary school and the community centre.	On track 100%



Quarries Park in Clifton Hill.

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Nine strategic indicators had targets for 2018/19, and seven were achieved for a result of 78%.

Three further strategic indicators are due for completion by 30 June 2021.

Achieved = Exceeded or within 10% of target.

In Progress = To be completed by 30 June 2021

Not achieved = Did not meet target.

Strategy: 4.1

Protect Yarra's heritage and neighbourhood character

Strategic indicator	Comment	Result
Complete actions within the Heritage Strategy 2015–2018	80% of action plan items in the Heritage Strategy have been completed. The remaining actions have been considered in the preparation of the new 2018-21 Heritage Strategy.	80% Not achieved
Develop a new or continuing Heritage Strategy 2018–2021	The draft Heritage Strategy 2018-2021 has been developed and will be placed on public exhibition early in 2019/20.	80% In progress

Strategy: 4.2

Actively plan for Yarra's projected growth and development and advocate for an increase in social and affordable housing

Strategic indicator	Comment	Result
Prepare a planning scheme amendment to introduce new Municipal Strategic Statement and local planning policies	The Department of Environment, Land, Water and Planning translation project is complete and the new Yarra Planning Policy Framework (PPF) which includes amendments based on the Municipal Strategic Statement and local policies is under legal review. Councillors will participate in a workshop on the draft PPF in August, following that Council will seek authorisation from the Minister for Planning to put the proposed changes to the PPF on public exhibition.	90% In progress
Satisfaction with aspects of planning and housing development.	Yarra residents' rating of satisfaction with aspects of planning and development as measured by the Annual Customer Satisfaction Survey, 2019. According to the survey the result of 7.00 is categorised as 'good'. Last year's result, and target, of 6.37 is categorised as 'solid'.	7.00 Achieved
Deliver the Housing Strategy	Council adopted the Housing Strategy in September 2018.	100% Achieved
Deliver the Social and Affordable Housing Strategy	The draft Social and Affordable Housing Strategy was endorsed by Council for public exhibition and consultation in June 2019. Submissions will be open until Friday 9 August and the proposed final Strategy will go to Council in 2019/20 for consideration and adoption.	90% In progress

Strategy: 4.3

Plan, promote and provide built form and open space that is accessible to all ages and abilities

Strategic indicator	Comment	Result
Number of new open space and urban design projects that are accessible to all ages and abilities	<p>All open space projects consider access for all abilities as part of their brief and Council completed five new projects:</p> <ul style="list-style-type: none">• Barkly Gardens path lighting upgrade -Improvements to path lighting promoting increased accessibility.• Darling Gardens pathway upgrades -Path lighting and surface upgrades. Improvements to path lighting and replacement of existing gravel path with asphalt.• Peel Street Park Upgrade - new pathway along northern edge improving accessibility for pedestrians.• Edinburgh Gardens North Playground - includes accessible playground equipment.• Condell Street Playground Upgrade - ramp up to multi-play unit improving accessibility for younger children.	Five Projects Achieved

Strategy: 4.4

Protect Council assets through effective proactive construction management

Strategic indicator	Comment	Result
Percentage of projects in adopted capital works program completed	Council completed 296 capital works projects compared to 331 budgeted capital works projects. This is a result of 89% compared to an organisational target of 85%.	89% Achieved
Percentage of capital works program budget expended	The adopted capital works budget was \$28.439 million and an actual spend of \$25.881 million. This is a result of 91% compared to an organisational target of 85%.	91% Achieved

Strategy: 4.5

Encourage and promote environmentally sustainable building, urban design, place-making and public realm outcomes

Strategic indicator	Comment	Result
Number of Council planning decisions upheld at VCAT	Council successfully negotiated outcomes on 20 applications lodged with VCAT without the need for a VCAT decision. These are not included in this indicator which measures applications that went to a full VCAT hearing where Council's decision was upheld as a percentage of all applications lodged with VCAT.	61.04% Not achieved

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Strategy: 4.6

Provide direction and improve decision making on infrastructure projects through the application of the Strategic Community Infrastructure Framework

Strategic indicator	Comment	Result
Number of major projects that demonstrate consideration of the Community Infrastructure Planning Framework	<p>Three major projects, reported on as part of the Executive Major Projects portfolio, demonstrated consideration of the Strategic Community Infrastructure Framework.</p> <p>These were the Development Contributions Plan, former Amcor site and Richmond Youth Space – Business Case preparation.</p>	<p>100%</p> <p>Achieved</p>

Strategy: 4.7

Encourage engagement with the community when developments are proposed

Strategic indicator	Comment	Result
Number of community education initiatives delivered explaining Council's role and limitations in delivering planning and development outcomes	<p>A new fact sheet about consultation meetings, Yarra's Internal Development Advisory Committee and public information sessions was prepared and promoted on Council's website.</p> <p>A number of public information sessions were held on the more complex applications Council has received over the last financial year.</p>	<p>One initiative</p> <p>Achieved</p>

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Statutory planning				
<p>Timeliness Time taken to decide planning applications (The median number of days between receipt of a planning application and a decision on the application)</p>	118.00	117.00	127.00	<p>Planning applications can range from minor to complex. In 2019, Yarra experienced a 20% increase in the number of complex applications which inherently require a high degree of analysis due to the complexity of Yarra's Planning Scheme and impacts on the 'time taken to decide' result.</p> <p>Processing times were also impacted on by reduced capacity in the Statutory Planning Branch due to staff turnover and delays in sourcing suitably qualified staff.</p> <p>The 2019 Annual Customer Satisfaction Survey measures satisfaction with eight aspects of planning and housing development. Across the aspects measured, Council received an average score of 7 out of 10, a statistically significant increase of 9.9% on the previous year's average score of 6.37. A score of 7 is categorised as 'good'. Satisfaction with the timeliness of planning decisions increased from 5.77 (2018) to 6.63 (2019). This is a 14.9% increase and is categorised as 'good'.</p>

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Statutory planning (cont.)				
<p>Service standard Planning applications decided within required timeframes (Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made with 10 days) / Number of planning application decisions made) x100</p>	54.44%	57.67	46.88%	<p>Planning applications can range from minor to complex. Yarra experienced a 20% increase in the number of complex applications which require a high degree of analysis due to the complexity of Yarra's Planning Scheme. During the period a number of new Built Form Controls were introduced requiring applications being processed to be re-considered against the new controls. This impacted on the number of applications decided within the required timeframe.</p> <p>The 2019 Annual Customer Satisfaction Survey measures satisfaction with eight aspects of planning and housing development. Across the aspects measured, Council received an average score of 7 out of 10 which is a statistically significant increase of 9.9% on the previous year's average score of 6.37. A score of 7 is categorised as 'good' (6.5<7.25). Satisfaction with the timeliness of planning decisions increased from 5.77 (2018) to 6.63 (2019). This is a 14.9% increase and is also categorised as "good".</p>
<p>Service cost Cost of statutory planning service (Direct cost of the statutory planning service / Number of planning applications received)</p>	\$3332.87	\$3989.54	\$3,810.36	<p>The decrease in the cost of delivering planning services in 2019 was due to the decrease in the number of applications received, coupled with reduced legal fees. Yarra's success at VCAT compulsory conference negotiations increased, which reduced legal fees and negated the need to go to a full VCAT hearing on a number of applications. Reduced staff numbers due to turnover and delays in sourcing qualified staff also reduced costs.</p>

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Statutory planning (cont.)				
Decision-making Council planning decisions upheld at VCAT (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	74.07%	75.45%	61.04%	Council successfully negotiated outcomes on 20 applications lodged with VCAT without the need for a VCAT decision. These are not included in this indicator which measures applications that went to a full VCAT hearing where Council's decision was upheld as a percentage of all applications lodged with VCAT. As a result of the compulsory conference process, Council negotiated positive outcomes in three overturned decisions and 17 varied decisions, which are not reflected in the result.



Finn enjoys Collingwood Toy Library.

STRATEGIC OBJECTIVE FIVE A PROSPEROUS YARRA

A PLACE WHERE LOCAL BUSINESSES
PROSPER AND CREATIVE AND
KNOWLEDGE INDUSTRIES THRIVE.



Strategies

The following strategies guide Council's work in this area:

1. Maintain and strengthen the vibrancy and local identity of retail and commercial precincts.
2. Strengthen and monitor land use change and economic growth including new and emerging economic clusters.
3. Create local employment opportunities by providing targeted and relevant assistance to facilitate business growth, especially for small and medium size enterprises and entrepreneurs through the attraction and retention of businesses.
4. Develop Innovative Smart City solutions in collaboration with government, industry and community that use technology to embrace a connected, informed and sustainable future.
5. Facilitate and promote creative endeavour and opportunities for the community to participate in a broad range of arts and cultural activities.
6. Attract and retain creative and knowledge industries in Yarra.
7. Ensure libraries and neighbourhood houses, support lifelong learning, wellbeing and social inclusion.

Services

The following services have primary responsibility for delivering Strategic Objective 5:

Economic Development

Responsible for developing programs to support Yarra's economy and promoting local businesses and key retail precincts. Also responsible for urban design, providing designs for improving the quality of the public domain in Yarra's activity centres, and undertaking design projects for key public spaces in the municipality.

Library Services

Develops and maintains integrated, coordinated library services comprising accessible and responsive practices that are connected to, and informed by, our community and are delivered by professional staff working with in a supportive learning culture.

Arts, Culture and Venues

Responsible for producing and commissioning works, facilitating projects between external stakeholders, managing the art and heritage collection, and managing the use of Council's civic and community buildings, as well as parks and open space.

Billy Van Creamy in Fitzroy North Village was one of the first local businesses to join our Proudly Plastic Free program, making the switch from single-use plastic.

ACTIVITIES

Of the five activities within this strategic objective, four (80%) are complete or on track.

90% + On track 75-89% Monitor 74% - Off track

Activity	Summary	Percentage of target met
5.01 Partnerships Program	We developed arts partnerships including: working with a design group on including arts organisations in a private development; commissioning a census on Yarra's live music venues showing this industry as significant for employment (75 venues); and representing Yarra on a Place Making in Melbourne Design Week event panel.	On track 100%
5.02 Develop shopping strip masterplans	We prepared the background report, and commenced investigations for the Swan Street and Brunswick Street streetscape master plans. Due to the scale and complexity of this action, and other organisational priorities, some of this work has been deferred to 2019/20.	Off track 30%
5.03 Shop improvement project	We helped traders on Victoria Street, Richmond, improve the appearance of their shopfronts, with year two of this project now complete. We also contacted Bridge Road shop owners to discuss ways to activate underused spaces. This portion of the project has been deferred until we can secure the shop owners' commitment to proceed.	On track 95%
5.04 Young Entrepreneurs program	Yarra and Moreland councils worked together on this program, aimed at 17-25 year olds. It produced strong outcomes for participants, and the graduation ceremony will occur in July.	On track 100%
5.05 Neighbourhood Houses Partnership Strategy and Action Plan 2018-2021	Our Neighbourhood Houses ran many programs to build community capacity. These included: an urban field day, partnering with North Carlton Railway House and VCAL students on growing food, composting and tree planting; a number of community festivals celebrating diversity; and an Open Door Hub to support migrants and refugees on employment; the Stories of Food Project with people learning English via sharing food recipes and cooking.	On track 100%

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Six strategic indicators had targets for 2018/19, and six were achieved for a result of 100%.

Two further strategic indicators are due for completion by 30 June 2021.

Achieved = Exceeded or within 10% of target.

In Progress = To be completed by 30 June 2021

Not achieved = Did not meet target.

Strategy: 5.1

Maintain and strengthen the vibrancy and local identity of retail and commercial precincts

Strategic indicator	Comment	Result
Prepare master plans for retail shopping strips	Preparation of the background report and investigations for the Swan Street and Brunswick Street Streetscape master plans are in progress.	30% In progress

Strategy: 5.2

Strengthen and monitor land use change and economic growth including new and emerging economic clusters

Strategic indicator	Comment	Result
Complete the review of the Yarra Economic Development Strategy	Background work has been completed. The review of the current Strategy and preparation of a revised Strategy will take place in 2019/20.	10% In progress

Strategy: 5.3

Create local employment opportunities by providing targeted and relevant assistance to facilitate business growth, especially for small and medium size enterprises and entrepreneurs through the attraction and retention of businesses

Strategic indicator	Comment	Result
Complete the review of the Yarra Economic Development Strategy	Background work has been completed. The review of the current Strategy and preparation of a revised Strategy will take place in 2019/20.	10% In progress

Strategy: 5.4

Develop Innovative Smart City solutions in collaboration with government, industry and community that use technology to embrace a connected, informed and sustainable future

Strategic indicator	Comment	Result
Adopt an Open Data Policy	Open Data Policy was adopted by Council in May 2018.	100% Achieved

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Strategy: 5.5

Facilitate and promote creative endeavour and opportunities for the community to participate in a broad range of arts and cultural activities

Strategic indicator	Comment	Result
Increase participation in arts and cultural activities in Yarra	<p>Council in partnership with Music Victoria and the Push developed and presented the Changes Music Summit which attracted 2,134 gig attendees.</p> <p>The Johnston Street Fiesta was well organised and supported and the Victoria Street Lunar Festival took place in January.</p> <p>New contractors delivered the Fairfield Summer Concert series in February which was well supported.</p>	100% Achieved
Deliver the Arts and Culture annual grants program	<p>Arts and Culture grant awarded:</p> <ul style="list-style-type: none"> • 2017-2019 Annual Grants Program – Arts and Culture streams - 20 grants awarded • 2017-2019 Creative Yarra Grants Program – 12 grants awarded (triennial cycle) • Room to Create Responsive Grant – 8 awarded • Small Project Grants – 54 awarded 	100% Achieved

Strategy: 5.6

Attract and retain creative and knowledge industries in Yarra

Strategic indicator	Comment	Result
Number of grants provided by the Room to Create fund	The Room to Create fund awarded nine grants during the year including a major grant for \$30,000.	Nine grants Achieved

Strategy: 5.7

Ensure libraries and neighbourhood houses support lifelong learning, wellbeing and social inclusion

Strategic indicator	Comment	Result
Active library members	Percentage of Yarra population who used Library services. Source Local Government Performance Reporting Framework 2019. Target based on previous year's result.	19.72% Achieved
Standard of library collection	Percentage of the Library collection that is less than five years old. Source Local Government Performance Reporting Framework 2019. Target based on previous year's result.	70.28% Achieved

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Libraries				
Utilisation Library collection usage (Number of library collection item loans / Number of library collection items)	4.30 loans	4.96 loans	4.79 loans	Library collection usage has remained stable over the last four years. The temporary closure of Collingwood Library had a marginal impact on the number of loans this year which underpin this measure.
Resource standard Standard of library collection (Number of library collection items purchased in the last 5 years / Number of library collection items) x100	67.67%	69.37%	70.28%	The standard of the library collection has remained steady over the last three years, reflecting Council's continued commitment to refreshing the library collection.
Service cost Cost of library service (Direct cost of the library service / Number of visits)	\$8.70	\$6.73	\$6.83	Council operates five libraries and the cost has remained stable for the last two years since the opening of the new Library and multipurpose community hub in North Fitzroy (Bargoonga Nganjin) in April 2017. The significant increase in visitations resulted in a decrease in the cost per visit.
Participation Active library members (Number of active library members / Municipal population) x100	17.82%	20.72%	19.72%	This year's result reflects the community's continued utilisation of library services since the opening of the new Library and multi-purpose community hub in North Fitzroy (Bargoonga Nganjin) in April 2017 which resulted in an increase in active memberships and visits.

STRATEGIC OBJECTIVE SIX A CONNECTED YARRA

A PLACE WHERE CONNECTIVITY AND TRAVEL
OPTIONS ARE ENVIRONMENTALLY SUSTAINABLE,
INTEGRATED AND WELL-DESIGNED.





Troy and sons Denali and Nico ride in style on our newly extended protected bike lanes in Wellington Street, Collingwood.

Strategies

The following strategies guide Council's work in this area:

1. Manage traffic movement and promote road safety within local roads.
2. Work in partnership with VicRoads and influence traffic management and road safety on main roads.
3. Investigate and implement effective parking management options.
4. Improve accessibility to public transport for people with mobility needs and older people.
5. Develop and promote pedestrian and bicycle infrastructure that encourages alternate modes of transport, and improves safety and connectedness.
6. Advocate for increased infrastructure and performance of public transport across Melbourne.

Services

The following services have primary responsibility for delivering Strategic Objective 6:

Traffic and Civil Engineering

Provides, maintains, improves and manages Yarra's infrastructure with a focus on creating an efficient, effective and safe traffic environment.

Parking Services

Responsible for a range of statutory enforcement services to maximise the safety, compliance and harmony of the city and for the management of limited parking resources.

Road Services and Fleet Management

Manages and maintains Council's road and footpath infrastructure, fleet, plant and equipment.

Strategic Transport

Focuses on advocacy and policy and delivers cycling infrastructure.

ACTIVITIES

Of the six Activities within this strategic objective, six (100%) are complete or on track.

90% + On track 75-89% Monitor 74% - Off track

Activity	Summary	Percentage of target met
6.01 Low speed environments and community education	In September, we began a 12-month 30 km/h trial in Fitzroy and Collingwood in the area bordered by Alexandra Parade and Johnston, Hoddle and Nicholson streets. The trial includes an education component for drivers, passengers and pedestrians.	On track 94%
6.02 Advocate for Disability Discrimination Act compliant tram stops	We continued our advocacy with Public Transport Victoria on Disability Discrimination Act compliant tram stops on Route 96 in Nicholson Street, Carlton. We are awaiting design work on final stops, and believe this will be progressed in 2019/20. Advocacy is ongoing for an upgrade of the remaining Bridge Road tram stops.	On track 90%
6.03 Advocate for improved tram stops near key school sites	We advocated for the upgrade of the Bridge Road Richmond Town Hall tram stop, which resulted in it being widened and made safer for children. We continued working with Yarra Trams for a full Disability Discrimination Act compliant upgrade. We delivered a new pedestrian crossing outside the Richmond High School.	On track 98%
6.04 Advocate for improved public and strategic transport	We attended meetings with the North East Link Authority and advocated for electric buses as part of the North East link bus upgrades. We also commenced a streetscape master plan for tram route 11 to encourage Public Transport Victoria to allocate funding to this corridor for upgrades.	On track 93%
6.05 Undertake Bridge Road parking trial	We began a 12-month trial of variable parking prices on Bridge Road. In-ground sensors are providing data on parking bay occupancy, allowing us to identify the right mix of prices and restrictions to encourage people to park and shop on the strip.	On track 100%
6.06 Progress Wellington Street Bike Lane (Stage 2)	We appointed a tenderer and began construction of stage 2 of the fully separated Wellington Street bike lane. The protected bike lanes are on both sides of the street from Gipps to Johnson streets to link with the stage 1 section from Gipps Street to Victoria Parade. Work should be completed by September, providing a total of one kilometre of fully separated bike lanes.	On track 100%

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Seven strategic indicators had targets for 2018/19, and seven were achieved for a result of 100%.

One further strategic indicator is due for completion by 30 June 2021, and two strategic indicators do not have targets.

Achieved = Exceeded or within 10% of target.

In Progress = To be completed by 30 June 2021

Not achieved = Did not meet target.

Strategy: 6.1

Manage traffic movement and promote road safety within local roads

Strategic indicator	Comment	Result
Number of successful grant applications relating to road safety	Council was successful in two road safety grant applications lodged with the State Government and Traffic Accident Commission receiving a total of \$418,000.	Two grants Achieved
Community satisfaction with sealed local roads	Yarra residents' rating (0-10) of satisfaction with local road safety as measured by the Annual Customer Satisfaction Survey, 2019. The result of 7.41 is categorised as 'very good' according to the survey's satisfaction rating. Last year's result, and target, of 7.59 is also categorised as 'very good'.	7.41 Achieved

Strategy: 6.2

Work in partnership with VicRoads and influence traffic management and road safety on main roads

Strategic indicator	Comment	Result
Reduction in the number of road fatalities and serious accidents	There were 11 road fatalities and accidents requiring extended hospitalisation (>14 days) in 2018/19 compared to 10 in 2017/18 and the baseline of 23 in 2016/17. This indicator is measured using road trauma statistics sourced from the Transport Accident Commission. NB: Target is not set for this indicator as Council has limited control over the result.	100% No target

Strategy: 6.3

Investigate and implement effective parking management options

Strategic indicator	Comment	Result
Endorsement of new parking permit policy/serious accidents	This action is not scheduled to commence this year.	No 2018/19 target

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Strategy: 6.4

Improve accessibility to public transport for people with mobility needs and older people

Strategic indicator	Comment	Result
Monitor progress on improving public transport accessibility and report on any advocacy initiatives	Key advocacy for improved public transport accessibility included: <ul style="list-style-type: none"> • Disability Discrimination Act tram stop upgrades on Brunswick Street • Disability Discrimination Act tram stop upgrades on Bridge Road 	100% Achieved
Community satisfaction with Council's advocacy efforts	Yarra residents' rating (0-10) of satisfaction with Council's advocacy efforts as measured by the Annual Customer Satisfaction Survey, 2019. According to the Survey the result of 7.24 is categorised as 'good'. Last year's result, and target, of 6.75 is also categorised as 'good'.	7.24 Achieved

Strategy: 6.5

Develop and promote pedestrian and bicycle infrastructure that encourages alternate modes of transport, and improves safety and connectedness

Strategic indicator	Comment	Result
Community satisfaction ratings of levels of local road safety	Yarra residents' rating of satisfaction (0-10) with local road safety as measured by the Annual Customer Satisfaction Survey, 2019. According to Survey the result of 7.41 is categorised as 'very good'. Last year's result, and target, of 7.59 is also categorised as 'very good'.	7.41 Achieved
Percentage of bicycle works completed	Council progressed the following capital works bicycle projects in 2018/19: <ul style="list-style-type: none"> • Wellington Street protected bike lanes project commenced construction, \$0.8m. • Bike lane markings signage and hoops, \$40k. 	100% Achieved
Complete Wellington Street Bike Lane construction	The Wellington Street Bike Lane (Stage 2) tender was awarded and construction has commenced. The separated bike lane is expected to be completed by September 2019.	65% In progress

Strategy: 6.6

Advocate for increased infrastructure and performance of public transport across Melbourne

Strategic indicator	Comment	Result
Report on advocacy initiatives related to unsatisfactory public transport services	<p>Key advocacy for improved public transport services included:</p> <ul style="list-style-type: none">• Improvement to public transport between Manningham and the Melbourne CBD via Yarra including a submission and appearance at the north east link public hearing advocating for better public transport outcomes.• An upgraded bus route between Latrobe University and Burnley station via the new Chandler Bridge. <p>Improvement to public transport at Cremorne in line with the Council transport planning study in this area.</p>	<p>100%</p> <p>Achieved</p>

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Roads				
Satisfaction of use Sealed local road requests (Number of sealed local road requests / Kilometres of sealed local roads) x100	107.49 requests	112.01 requests	130.57 requests	During the year a number of major works were undertaken by other authorities including the M41 main drain replacement and upgrade of gas mains across the municipality which resulted in significant road work and ongoing temporary patching of the local road surfaces. This has contributed to an increase in customer requests compared to previous years. Requests are lodged via Council's customer request system introduced in 2017 which improved the capture and categorising of customer requests and allows customers to log their own request online. Request numbers have increased slightly across a range of categories since its implementation.
Condition Sealed local roads maintained to condition standards (Number of kilometres of sealed local roads below the renewal intervention level set by Council/ Kilometres of sealed local roads) x100	98.75%	99.06%	98.59%	Council has consistently demonstrated its commitment to maintaining its local road network over the last four years with nearly 100% of its roads above its renewal intervention level. Community satisfaction with the maintenance and repair of sealed local roads scored 76.50 in the 2019 Annual Customer Satisfaction Survey which is categorised as 'very good'.
Service cost Cost of sealed local road reconstruction (Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed)	\$247.35	\$294.94	\$319.63	The vast majority of sealed road reconstructions in Yarra involve reconstruction of bluestone laneways. Council's Road Materials Policy stipulates that all laneways in heritage overlay areas are to be constructed in bluestones, which significantly increases costs.

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Roads (cont.)				
Service cost Cost of sealed local road resealing (Direct cost of sealed local road resealing / Square metres of sealed local roads resealed)	\$30.87	\$33.16	\$34.43	Council has experienced minor variations in the cost of sealed local road resealing over the last four years. The reduced costs in 2016/17 resulted from economies of scale where a smaller number of large resealing projects were undertaken compared to previous and current years.
Satisfaction Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads)	72.30	72.20	76.50	Council's satisfaction score of 76.50 from the 2019 Annual Customer Satisfaction Survey is categorised as 'very good'. Previous years' results are also categorised as either 'good' (65.00-72.50) or 'very good' (72.50-77.50) using the same survey instrument. This year's increase in satisfaction is statistically significant and a positive result for Council.

STRATEGIC OBJECTIVE SEVEN A LEADING YARRA

A PLACE WHERE TRANSPARENCY,
PERFORMANCE AND COMMUNITY
PARTICIPATION DRIVE THE WAY WE
OPERATE.





Strategies

The following strategies guide Council's work in this area:

1. Ensure Council's assets and financial resources are managed responsibly to deliver financial sustainability.
2. Continue to develop a culture of continuous improvement and innovation.
3. Maintain a culture of transparency, governance, ethical practice and management of risks that instils a high level of community respect and confidence in Council decision-making.
4. Ensure Council services are efficient, well-planned, accessible and meet community needs.
5. Provide the community with meaningful and genuine opportunities to contribute to and participate in Council planning and decision making processes with a focus on young people, hard to reach and traditionally underrepresented communities.
6. Enable greater transparency and access to the conduct of Council Meetings.
7. Continue a 'customer centric' approach to all service planning and delivery.
8. Advocate for the best interests of our community.

We're proud to support Open Table's free lunches at Bargoonga Nganjin North Fitzroy Library. These monthly events aren't just a delicious way for the community to connect, they also help raise awareness of food waste.

Services

The following services have primary responsibility for delivering Strategic Objective 7:

Advocacy and Engagement

Provides communications, issues and media management, consultation and engagement, strategic advocacy, publications, civic events, and digital communications, including website and social media.

Building and Asset Management

Provides policy, strategy, processes, procedures and systems that produce an integrated and multidisciplinary approach to asset management. Council's building and land assets are managed in order to maximise their ability to support delivery of services to the community.

CEO's Office

Responsible for a range of professional services to internal and external clients, with an emphasis on compliance, regulation, transparency and probity. It is also responsible for managing Council's property portfolio including leases, licenses and management agreements.

Corporate Planning and Performance

Ensures services and projects are strategically aligned, deliver value for money, and are accountable to staff, councillors and the community.

Finance

Delivers the financial accounting, management accounting, revenue management, valuations and payroll services to the organisation. Also develops financial strategies that will insure the City of Yarra is a viable organisation able to continue provision of quality services into the future.

Information and Communication Technology

Facilitate the acquisition, maintenance, retirement and usage of all information systems maintained or used by the operations and staff of the City of Yarra.

Internal Audit and Assurance

Ensures the organisation has policies and procedures in place to manage its risks and engender confidence in our corporate governance. Responsible for oversight of the organisation's internal audit program and provide the secretariat function for Council's audit committee.

People and Culture

Promotes accountability and enhances competency, effectiveness and wellbeing as a shared responsibility of the organisation and its people. Strives to generate a positive and productive work and learning environment.

ACTIVITIES

Of the four Activities within this strategic objective, four (100%) are complete or on track.

90% + On track 75-89% Monitor 74% - Off track

Activity	Summary	Percentage of target met
7.01 Engage young people	We continued to provide opportunities for young people to develop leadership skills and influence social change through our Youth Ambassador program. An example is the Fitzroy Summer Festival, where they ran a theatre performance on family conflict related to young refugees and migrants.	On track 100%
7.02 Business improvement	Executive endorsed the Business Improvement Strategy. About 60 staff attended a Lean Training Program that accelerates delivering value on projects to the community. Business improvements were done on programs such as: child safety reporting and complaints, infringements and prosecutions.	On track 100%
7.03 Focus on customer responsiveness	We improved the customer experience at Yarra through developing faster ways to log feedback and complaints, and developing customer group profiles to better understand the diversity of our residents.	On track 92%
7.04 Develop Open Data Project	We completed a data audit program. One of its key recommendations was the release of priority data assets as open data. The final report and recommendations were endorsed by the Executive team.	On track 100%

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Fourteen strategic indicators had targets for 2018/19, and 12 were achieved for a result of 86%.

One further strategic indicator is due for completion by 30 June 2021 and one other strategic indicator does not have a target.

Note: The results for Strategy 7.1 are provisional only. See details below.

Achieved = Exceeded or within 10% of target.

In Progress = To be completed by 30 June 2021

Not achieved = Did not meet target.

Strategy: 7.1

Ensure Council's assets and financial resources are managed responsibly to deliver financial sustainability

Strategic indicator	Comment	
Council remains financially sustainable and receives a 'low risk' rating from the VAGO assessment conducted annually	Council received a low risk rating for 5 out of the 7 indicators for 2018/19	
Category	Comment	Result
Net result	Low risk	12% Achieved
Adjusted underlying result	Medium risk	1.5% No achieved
Liquidity	Low risk	2.8 Achieved
Internal financing	Low risk	255% Achieved
Indebtedness	Low risk	26.9% Achieved
Capital Replacement	Medium risk	1.1 Not achieved
Renewal Gap	Low risk	1.1 Achieved

Strategy: 7.2

Continue to develop a culture of continuous improvement and innovation

Strategic indicator	Comment	Result
Number of staff trained in continuous improvement methodology	<p>A total of 61 staff were trained in continuous improvement methods in 2018/19. This comprised:</p> <ul style="list-style-type: none">• 37 staff who participated in one day workshops Introduction to Lean Thinking• 14 Senior Officers who attended a 2 hour workshop on Lean Thinking• 10 staff who undertook the Lean Practitioner Program with the LeanSigma Institute	<p>61 staff Achieved</p>

Strategy: 7.3

Maintain a culture of transparency, governance, ethical practice and management of risks that instils a high level of community respect and confidence in Council decision-making

Strategic indicator	Comment	Result
Community satisfaction with Council decisions	<p>Yarra residents' rating (0-10) of satisfaction with Council's decisions as measured by the Annual Customer Satisfaction Survey, 2019. According to the Survey the result of 7.2 is categorised as 'good'. Last year's result, and target, of 6.68 is also categorised as 'good'.</p>	<p>7.20 Achieved</p>

Strategy: 7.4

Ensure Council services are efficient, well-planned, accessible and meet community needs

Strategic indicator	Comment	Result
Overall community satisfaction with Council performance	<p>Yarra residents' rating of overall satisfaction with Council's performance as measured by the Annual Customer Satisfaction Survey, 2019. The result of 7.30 is a significant improvement compared to last year and according to the Survey is categorised as 'very good'. Last year's result, and target, is categorised as 'good'.</p>	<p>7.30 Achieved</p>
Adoption of a Services Policy	<p>A process and budget bid to develop a Services Policy was reinstated this year. In adopting the 2019/20 Budget, Council resolved not to fund the deliberative engagement for a Services Policy.</p>	<p>No 2018/19 target</p>

STRATEGIC INDICATORS (MEASURES OF SUCCESS)

Strategy: 7.5

Provide the community with meaningful and genuine opportunities to contribute to and participate in Council planning and decision making processes with a focus on young people, hard to reach and traditionally underrepresented communities

Strategic indicator	Comment	Result
Community satisfaction with community consultation and engagement	Yarra residents' rating (0-10) of satisfaction with community consultation and engagement as measured by the Annual Customer Satisfaction Survey, 2019. According to the Survey the result of 7.21 is categorised as 'good'. Last year's result, and target, of 6.86 is also categorised as 'good'.	7.21 Achieved

Strategy: 7.6

Enable greater transparency and access to the conduct of Council Meetings

Strategic indicator	Comment	Result
Implementation of Council Meeting broadcast system	A Council Meeting podcast system was successfully launched and operational in 2018. A new project to enable live streaming from all Council meeting sites will commence in 2019/20.	100% Achieved

Strategy: 7.7

Develop innovative smart city solutions in collaboration with government, industry and community which will use open data technology

Strategic indicator	Comment	Result
Digital Directions Strategy endorsed by Council	The Digital Directions Strategy has been identified as an important component in Council's larger CX (Customer Experience) Strategy which is currently being developed. A City of Yarra Digital Maturity Assessment has been completed as the initial stage in developing the strategies.	25% In progress

Strategy: 7.8

Continue a 'customer centric' approach to all service planning and delivery

Strategic indicator	Comment	Result
Community satisfaction with responsiveness to community needs	Yarra residents' rating (0-10) of satisfaction with Council's responsiveness to community needs as measured by the Annual Customer Satisfaction Survey, 2019. According to the Survey the result of 7.32 is categorised as 'good' according to the survey's satisfaction rating. Last year's result, and target, of 6.89 is also categorised as 'good'.	7.32 Achieved

Strategy: 7.9

Advocate for the best interests of our community

Strategic indicator	Comment	Result
Community satisfaction with community consultation and engagement	As above Strategy 7.5 Yarra residents' rating (0-10) of satisfaction with community consultation and engagement as measured by the Annual Customer Satisfaction Survey, 2019. According to the Survey the result of 7.21 is categorised as 'good'. Last year's result, and target, of 6.86 is also categorised as 'good'.	7.21 Achieved



Johna Angok, 22, launched her own business creating make-up for darker skin with help from the Young Entrepreneurs in the North program.

SERVICE PERFORMANCE INDICATORS

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Governance				
Transparency Council decisions made at meetings 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, 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	11.29%	11.90%	16.39%	The number of Council decisions made at meetings closed to the public increased this year due to Council embarking on a comprehensive Property Strategy in 2018. This required a number of decisions in relation to the potential sale, lease or other uses of Council properties. These decisions were required to be considered in closed session due to market sensitivity. Accounting for these matters, Council's proportion of decisions made in closed meetings remains consistent with previous years, and can be expected to return to these levels in 2019/20.
Consultation and engagement Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement x100	68.50	68.60	72.10	Council's satisfaction score of 72.10 from the 2019 Annual Customer Satisfaction Survey is categorised as 'good'. Previous years' results are also categorised as 'good' using the same survey instrument. The result reflects Yarra's continued commitment to consult and engage frequently and consistently on statutory and non-statutory matters that affect the community.
Attendance Councillor attendance at council meetings (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	93.00%	92.06%	91.03%	Councillors' attendance at meetings remains consistent.

Service Indicator Measure	2016/17 Result	2017/18 Result	2018/19 Result	Commentary
Governance (cont.)				
Service cost Cost of governance (Direct cost of the governance service / Number of councillors elected at the last Council general election)	\$41,026.22	\$42,312.33	\$42,328.44	The cost of governance has remained consistent over the last three years. A reduction in the telecommunications contract in 2017 delivered significant, ongoing cost savings.
Satisfaction Satisfaction with council decisions (Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community) x100	67.00	66.88	72.00	Council's satisfaction score of 72.00 from the 2019 Annual Customer Satisfaction Survey is categorised as 'good'. Previous years' results are also categorised as 'good' using the same survey instrument. The result is underpinned by Council's ongoing commitment to consultation and engagement.

GOVERNANCE, MANAGEMENT AND STATUTORY INFORMATION

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 \$79,612.00 plus 9.5% (being the equivalent of the Superannuation Guarantee Levy) for a total of \$87,175.14 per annum. Other councillors receive \$25,730.00 plus 9.5% (being the equivalent of the Superannuation Guarantee Levy) for a total of \$28,174.35 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.

There are substantial time commitments required of councillors in order for them to properly represent their constituents and perform their significant legal responsibilities, which often require travel and late hours. To assist councillors to carry out their duties, municipalities across Victoria provide them with efficient communication equipment and reimburse their official travel and telephone expenses and (where applicable) childcare expenses.

Councillor expenses in 2018/19 amounted to \$344,596 (this figure includes councillor allowances).

Councillor expenses 2017/18 (incorporates Councillor allowances)

	Travel	ICT	Conference and training	Not classified	Total
Bosler	\$1,314	\$807	\$1,855	\$62,843	\$66,819
Chen Yi Mei	\$2,358	\$807	\$2,452	\$35,153	\$40,770
Coleman	\$1,944	\$1,222	\$2,190	\$27,944	\$33,300
Fristacky	\$-	\$1,239	\$2,653	\$27,944	\$31,836
Jolly	\$328	\$1,298	\$-	\$27,944	\$29,570
McEvoy	\$385	\$807	\$73	\$23,248	\$24,513
Nguyen	\$1,449	\$1,080	\$538	\$51,564	\$54,631
O'Brien	\$444	\$-	\$-	\$4,200	\$4,645
Searle	\$125	\$807	\$361	\$27,944	\$29,238
Stone	\$182	\$807	\$340	\$27,944	\$29,273

Note: there were no expenses incurred for vehicle mileage or childcare in 2018/19.

Inner Melbourne Action Plan (IMAP) Implementation Committee

The City of Yarra is represented on this Special Committee, established under section 86 of The Local Government Act (1989) and also made up of representatives from the Cities of Port Phillip, Melbourne, Maribyrnong and Stonnington. The Committee held quarterly meetings in August and December 2018, and February and May 2019. The following work was undertaken during this period:

Completed projects

- **Coordination of the 2018 IMAP Street Count** of people sleeping rough in Inner Melbourne: wrote to the State Government and Opposition leaders in October to enhance policies and funding for this issue following 392 people counted sleeping rough on 19 June 2018 across IMAP municipalities. Refinement of the logistics of a joint count is underway for the 2020 count.
- **Implementation of the Census for Land Use and Employment (CLUE):** the City of Melbourne, in conjunction with IMAP councils, has completed redevelopment of the Census for Landuse and Employment (CLUE) database into a cloud-based in-browser operating technology system so it can be extended to the IMAP partners to collect, store and publish city business census data.
- **IMAP Tourism:** the regional tourism map was maintained and the Committee collaborated on Cultural Tourism Victoria's Cultural Guide.

Ongoing projects

- **Wayfinding and Signage:** IMAP Councils, Public Transport Victoria and VicRoads promote consistent visitor signage across inner Melbourne and Victoria. During 2018/19, the website and Wayfinding Signage Standards for Victoria 1.0 manual were reviewed. Version 2.0 amendments are underway and State Government ministers were approached to support consistent signage across major projects.
- **Regional Active Sport and Recreation Facilities Planning Study:** Councils consolidated all data on sporting facilities, infrastructure and use across Inner Melbourne and engaged consultants to assess the future provision of active outdoor and aquatic sport and recreation facilities across the region.
- **Affordable Housing: The Community Land Trust (CLT) Research Project:** Stage 2 of this project involves preparation of a companion document to the Australian Community Land Trust Manual 2013 and investigates a risk management framework for banks, case studies, market research, the applicability of the model and risks involved in CLT housing. The final publication by University of Western Sydney is due.

New projects

- **Affordable Housing:** investigate scalability of a Private Market Affordable Housing Delivery Model for negotiating delivery of Affordable Rental Housing by Developers.
- **Cycling Network modelling Project:** map existing infrastructure, analyse gaps and prioritise future network planning across the IMAP Councils.
- **IMAP Urban Forest Plan:** create joint policy across IMAP councils for the protection of trees on private property; create education tools and landscaping tools/ guidelines for planners and advocate to ensure data is utilised to measure greening that has been achieved.

GOVERNANCE AND MANAGEMENT CHECKLIST

THE FOLLOWING ARE THE RESULTS
OF YARRA'S ASSESSMENT AGAINST
THE PRESCRIBED GOVERNANCE
AND MANAGEMENT CHECKLIST.

GOVERNANCE AND MANAGEMENT CHECKLIST

LG131(3)

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

R12

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 30/05/2018
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 25/06/2019
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 25/06/2019
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 13/09/2013; 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. 25/06/2019
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 29/08/2018
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 18/09/2018

GOVERNANCE AND MANAGEMENT CHECKLIST

LG131(3)

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

R12

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 9/03/2004
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 16/108/2018
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 develops Annual Plans which include the initiatives contained in the Council Plan. Progress of these initiatives against targets is reported on a quarterly basis
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 2018/19 Quarter 1 report 07/08/2018 2018/19 Quarter 2 report 13/11/2018 2018/19 Quarter 3 report 19/02/2019 2018/19 Quarter 4 report 14/05/2019
19 Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports 4/04/2019

GOVERNANCE AND MANAGEMENT CHECKLIST

LG131(3)

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

R12	Governance and Management Items	Assessment
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)	Council develops Annual Plans which include the initiatives contained in the Council Plan. Progress of these initiatives against targets is reported quarterly, this reporting does not include the all Council Plan Strategic Indicators. Financial performance is reported separately on a quarterly basis, refer to indicator GC18. 2018/19 Quarter 1 report 07/08/2018 2018/19 Quarter 2 report 13/11/2018 2018/19 Quarter 3 report 19/02/2019 2018/19 Quarter 4 report 14/05/2019
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 16/10/2018
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 21/02/2017
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 5/09/2017
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 Danae Bosler

Mayor

Dated: 10 September 2019



Vijaya Vaidyanath

Chief Executive Officer

Dated: 10 September 2019

STATUTORY INFORMATION

Carer support

Under section 11 of the Carers Recognition Act 2012, Council is required to provide information on its recognition and support of carers in its Annual Report.

Yarra provides paid carers leave and offers flexible working arrangements for employees with caring responsibilities, guided by our Flexible Working Policy.

We also support community members with carer responsibilities through our Aged and Disability Services.

During 2018/19 this included:

- Supporting carers and people with disability who are eligible to transition to the National Disability Insurance Scheme (NDIS) by providing a direct point of contact, follow-up, and referral pathways to the eligibility process and support for their planning process.
- Implementing a one-off Support for Carers project that included: a Lawns Bowl Day; Children's Week event (including development of a sensory story-board); Libraries Storytime and a youth event (film show).
- Undertaking community transport for 25 people, providing assisted shopping and exercise programs to support carers manage daily living needs (1,827 hours of support provided).
- Members of the Disability Advisory Committee who have direct caring responsibility are provided with opportunities to raise advocacy matters at monthly meetings. One of the matters raised was related to the roll-out of the NDIS. To assist, Council facilitated working group meetings, organised a presentation by Leadership Plus advocacy agency, and provided support with identifying a local action to achieve better outcomes for NDIS participants.

Disability Action Plan

The following information is provided on the work done on the implementation of our Disability Action Plan, as required under section 38(3) of the Disability Discrimination Act 2006:

- The development of the new Access and Inclusion Strategy 2018–24 and Action Plan 2018–20 has been completed, and Council endorsed the strategy on 16 October 2018. Both have been translated into plain English and easy English versions and published in print accessible formats. All versions have been promoted and circulated across Council and the Yarra community.

There are 60 actions in the action plan, and progress on implementation is monitored via the Interplan system. Highlights include:

- Successful completion of the Stepping Into Internship by a tertiary student with a disability. Funding has been allocated for provision of three paid work experience placements for people with disabilities.
- Delivery of face-to-face training - Disability Competent Manager Training.
- Supported the implementation of Easy Access Tram Stop on Swan St, Richmond; and endorsement of upgrades of stops 20, 21, 22 on Tram Route 96.
- Input into the proposed Car Share Policy to include provision for wheelchair accessible in every 40th vehicle provided by the same care share service provider.
- Upgrades of nine disability access parking bays completed in 2018/19 financial year, including ramp construction and line marking.

Council considered advice from the Disability Advisory Committee on issues of access and inclusion in a number of strategic plans and projects including the Volunteering Strategy, Urban Agriculture Strategy, Priority of Access Policy (to Children Services), Urban Agriculture

Strategy, design of the Walmer St Bridge and the Community Transport Proposal. We were also represented on the Municipal Emergency Management Committee.

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 our Domestic Animal Management Plan in our Annual Report.

We continued to fulfil our yearly and ongoing commitments as outlined in the Domestic Animal Management Plan.

- We continued to offer and promote discounted registration fees on our website and on the registration renewal form. In addition, administration staff also advised of the discount over the telephone, in particular during renewal time. From February each year, we also offered three months' free registration for all new registrations, which is given via a 15-month expiry date.
- We raised awareness of animal over-population during authorised officer patrols and when hiring out cat cages by providing information to help reduce stray animals and reduce cats being a nuisance. We also occasionally provided a subsidised de-sexing program in conjunction with the Lost Dogs' Home.
- In relation to collecting and reuniting stray domestic animals with their owners and achieving a relatively high reclaim rate, we ensured all seized and impounded animals were registered to their owner prior to release. Monthly data analysis was recorded in the government reporting system and targets were met quarterly.
- We conducted regular reviews of the pound operation, as well as performance, and conducted meetings with pound operators to address issues that arose.
- We reviewed the Domestic Animal Management Plan, scheduled to be submitted to the Department of Jobs, Precincts and Regions in November. We also internally reviewed the Council Order and its standard operating procedures.
- We completed the annual audit of registered domestic animal businesses as per the yearly schedule.
- We investigated and responded to all animal complaints, including those related to barking dogs and dog attacks, within the internal key performance indicator timeframe, and have provided results for government reporting.
- We completed the annual inspections of declared dangerous, menacing and restricted breed dogs within the municipality as scheduled. We also completed an audit of the Victorian Declared Dog Registry in April.
- We conducted in-house and formal training of officers to ensure the necessary skill sets are maintained, and officers have attended industry-based training throughout the year to ensure they can properly administer and enforce the requirements of the Domestic Animals Act 1994. In addition, further prosecution training was conducted with senior officers.
- We promoted and encouraged the responsible ownership of dogs and cats throughout the year with a direct focus during the registration renewal period. The promotion included media releases, and regular park patrols to encourage the registration and identification of dogs and cats.
- Authorised officers continued to conduct daily park patrols to educate owners on their responsibilities and associated regulations to make sure people comply with the Act and to minimise the risk of dogs attacking other dogs, people or animals. Parks were prioritised for attendance, based on any identified issues or risk; however, all parks within Yarra were patrolled at some stage throughout the year.

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 2018/19, Council received 84 Freedom of Information applications, a small increase on the previous year. While the Freedom of Information Act 1982 provides Council with 30 days to respond, we were able to respond to most requests within 14 to 21 days.

Freedom of information requests 2014–19

Year	Number of requests
2018/19	87
2017/18	84
2016/17	83
2015/16	73
2014/15	82

Freedom of information – application outcomes 2018/19

Outcome	Number of requests
Access fully granted	21
Access partially granted	44
Access refused	10
No documents to provide	7
Withdrawn or not proceeded with	5
Total	87

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.

Non-competitive contracts

Emergency Contracts

Council did not resolve that any contracts must be entered into because of an emergency.

Contract arrangements approved by the Minister

Council entered into the following contracts without a full tender process following the approval of the Minister:

- Contract with Mercy Aged and Community Care Ltd for the provision of Home Care Services from 24 November 2018 to 30 September 2020.
- Contract with Four Seasons Waste Pty Ltd for the Collection of Kerbside Recycling Bins & Public Street Litter Bins from 22 March 2019 to 21 March 2021.
- Contract with Polytrade Pty Ltd for the Processing of Kerbside Recycling Material from 22 March 2019 to 21 March 2021.

Contracts entered into without a tender process

As a result of the failure of tiling at the Collingwood Leisure Centre at the commencement of the busy summer season, it became necessary to award two emergency construction contracts that each just exceeded the tender threshold set out in the Local Government Act 1989. The timing of the failure meant it was not possible to secure a resolution from Council under s186(5)(a) before undertaking the works. As a result, Council entered into the following contracts without engaging in a full tender process and instead relied on a process of multiple quotations:

- Contract with On Time Developments Pty Ltd for the Retiling of Collingwood Leisure Centre Pool
- Contract with LF & JS Pty Ltd for New Stairs to Learn to Swim Pool at Collingwood Leisure Centre

Public register

Council is committed to operating 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 Special 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 the Protected Disclosure Act 2012 and Council's Protected Disclosures Policy, which is available from Council's website or the Governance Support Unit at Richmond Town Hall.

During 2018/19, one Protected Disclosure was notified to the IBAC under section 21(2) of the Protected Disclosure Act 2012.

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

Special Committees

The following Special Committees were in operation during 2018/19:

Internal Development Approvals Committee

All councillors are members of the Internal Development Approvals Committee, with three councillors making up each meeting on a rotational basis. This Special Committee has the authority to make decisions on applications for planning permits that are referred to it by Council officers.

Inner Melbourne Action Plan Implementation Committee

The Inner Melbourne Action Plan (IMAP) is a collaborative partnership between the Cities of Yarra, Melbourne, Port Phillip, Stonnington and Maribyrnong, with these Councils working together to strengthen the liveability, attraction and prosperity of the region. This Special Committee is formed in partnership with each of these councils and has delegated authority to progress the implementation of the action plan.

FINANCIAL STATEMENTS

This section contains comprehensive information about Council's financial position, including Certification of the Financial Report and Standard Statements, and the Independent Auditor's Report.

For a more general summary of Council's finances refer to the Chief Financial Officer's report section.

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 Report consists of two main sections: the statements and the notes. There are five Statements and eight notes, and each note has one or more subnotes. The format has changed slightly this year, with a new template for the statements and the notes being issued by Local Government Victoria (called the model accounts). 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 five 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.
- Statement of Capital Works.

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:

- Income – funding for the delivery of our services.
- Expenses – the cost of delivering our services 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 an accounting entry to record the value of the assets consumed during the year. The key figure is the net result for the reporting period, which is equivalent to the profit or (loss) of Council for the year. A positive result means that revenues were greater than expenses. It is important to note however that this is not Council's cash result for the year. Please refer to the Cash Flow Statement for Council's cash movements.

Balance Sheet

This one-page summary is a snapshot of Council's financial situation as at 30 June 2019. 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' categories. 'Current' means those assets or liabilities that will fall due in the next 12 months. 'Non-current' means those assets or liabilities that will fall due in greater than 12 months' time. The components of the Balance Sheet are described below.

Current and Non-current Assets

- 'Cash and cash equivalents' include cash and investments i.e. cash held in the bank and in petty cash, and the market value of Council's investments with a maturity date of less than three months.
- 'Other financial assets' include the market value of Council's investments with a maturity date of greater than three months.
- 'Trade and other receivables' are monies owed to Council by ratepayers and other debtors.
- 'Inventories' represent Council's stock of inventory and fuels.
- 'Investments in associates and joint ventures' includes Council's investment in local government business enterprises.
- '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

- 'Trade and other payables' are monies owed to creditors by Council as at 30 June.
- 'Trust funds and deposits' represent monies held in trust by Council.
- 'Interest-bearing loans and borrowings' represent the loan borrowings held by Council.
- 'Provisions' are accrued annual leave and long service leave entitlements.

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', which is the value of all of Council's comprehensive results, and movements in reserves, accumulated over time.
- 'Reserves', which are made up of the Asset Revaluation Reserve (the difference between the previously recorded value of assets and their current valuations), and Other Reserves (allocations of the accumulated surplus for either general or 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 assets – this takes place every two years or whenever there is a material change in values (in accordance with Council policy).
- Transfer of monies to or from Council’s general or specific reserves.

Statement of Cash Flows

The Statement of Cash Flows summarises Council’s cash payments and cash receipts for the year. 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 investments. 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 capital works 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 the end of the financial year. This shows the capacity of Council to meet its debts and other liabilities.

Notes to the Financial Report

The notes are a very important and informative section of the report. 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 each Note where they are applicable.

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 key Financial Statements. Where Council wishes to disclose other information that cannot be incorporated into the statements, this is shown in the notes.

The notes include the breakdown of expenses, revenues, assets and liabilities, reserves and other assets, and transactions with persons related to Council. The notes should be read together with the other parts of the Financial Report to form 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 true and fair aspects of the Financial Report.

Financial Glossary

Term	Definition
Annual budget	Council's planned allocation of monetary resources for a specified financial year. The annual budget 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 expenditure that results in (or prolongs the life of) an asset.
Capital renewal	Expenditure on an existing asset that returns the service potential or the life of the asset, up to that which it had originally.
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.
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 (IFRS)	Australian reporting entities currently report according to International Financial Reporting Standards.
Investing activities	Activities that relate to acquisition and disposal of non-current assets, including property, plant and equipment and other productive assets.
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 activities	Operating activities relate to the day to day provision of goods and services.
Operating expenditure	Outflows in the form of reductions in assets or increases in liabilities, which result in a decrease in equity during the reporting period.
Operating revenue	Inflows in the form of increases in assets or reductions in liabilities, which result in an increase in equity during the reporting period.
Statutory reserves	Funds set aside for specified statutory purposes in accordance with legislative and contractual requirements. These reserves are not available for other purposes.
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.

YARRA CITY COUNCIL ANNUAL FINANCIAL REPORT

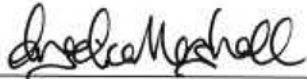
FOR THE YEAR ENDING 30 JUNE 2019

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Certification of the Financial Report

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



Angelica Marshall CPA
CFO and Principal Accounting Officer

10 September 2019
Richmond

In our opinion the accompanying financial statements presents fairly the financial transactions of Yarra City Council for the year ended 30 June 2019 and the financial position of the Council as at that date.

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

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



Cr. Danae Bosler
Mayor

10 September 2019
Richmond



Cr. James Searle
Councillor

10 September 2019
Richmond



Vijaya Vaidyanath
Chief Executive Officer

10 September 2019
Richmond

Independent Auditor’s Report

To the Councillors of Yarra City Council

Opinion I have audited the financial report of Yarra City Council (the council) which comprises the:

- balance sheet as at 30 June 2019
- comprehensive income statement for the year then ended
- statement of changes in equity for the year then ended
- statement of cash flows for the year then ended
- statement of capital works for the year then ended
- notes to the financial statements, including significant accounting policies
- certification of the financial report.

In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2019 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the *Local Government Act 1989* and applicable Australian Accounting Standards.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board’s APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Councillors’ responsibilities for the financial report The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the *Local Government Act 1989*, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Councillors are responsible for assessing the council’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
20 September 2019



Jonathan Kyvelidis
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
Income			
Rates and charges	3.1	108,491	105,008
Statutory fees and fines	3.2	31,420	31,909
User fees	3.3	30,346	30,194
Grants - operating	3.4	12,849	11,489
Grants - capital	3.4	21,622	1,406
Contributions - monetary	3.5	7,151	5,566
Contributions - non monetary	3.5	2,250	-
Net gain or (loss) on disposal of property, infrastructure, plant and equipment	3.6	(10,996)	2,230
Other income	3.7	4,221	3,649
Total Income		207,354	191,451
Expenses			
Employee costs	4.1	83,810	80,695
Materials and services	4.2	66,908	61,995
Depreciation and amortisation	4.3	22,309	21,074
Bad and doubtful debts	4.4	5,709	4,200
Borrowing costs	4.5	2,181	2,007
Other expenses	4.6	515	611
Total Expenses		181,432	170,582
Surplus/(deficit) for the year		25,922	20,869
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	6.2	82,885	211,197
Total Comprehensive Result		108,807	232,066

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

Balance Sheet As at 30 June 2019

	Note	2019 \$'000	2018 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	5.1	87,653	51,086
Trade and other receivables	5.1	14,797	15,857
Inventories	5.2	129	107
Other assets	5.2	620	1,014
Total current assets		103,199	68,064
Non-current assets			
Investments in associates and joint ventures	6.3	235	235
Property, infrastructure, plant and equipment	6.2	1,984,061	1,906,881
Total non-current assets		1,984,296	1,907,116
TOTAL ASSETS		2,087,495	1,975,180
LIABILITIES			
Current liabilities			
Trade and other payables	5.3	9,733	9,283
Trust funds and deposits	5.3	12,454	10,906
Interest-bearing liabilities	5.4	1,218	1,176
Provisions	5.5	13,158	13,209
Total current liabilities		36,563	34,574
Non-current liabilities			
Trade and other payables	5.3	2,955	-
Interest-bearing liabilities	5.4	42,473	43,691
Provisions	5.5	1,393	1,398
Other Liabilities	5.3	237	230
Total non-current liabilities		47,058	45,319
TOTAL LIABILITIES		83,621	79,893
NET ASSETS		2,003,874	1,895,287
EQUITY			
Accumulated surplus		666,456	624,716
Reserves	9.1	1,337,418	1,270,571
TOTAL EQUITY		2,003,874	1,895,287

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

Statement of Changes in Equity For the Year Ended 30 June 2019

2019		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserves \$'000	Other Reserves \$'000
Balance at beginning of the financial year		1,895,287	624,716	1,246,875	23,696
Surplus/(deficit) for the year		25,922	25,922	-	-
Net asset revaluation increment/(decrement)	9.1	82,885	-	82,885	-
Transfers to other reserves	9.1	(20,320)	(6,344)	(220)	(13,756)
Transfers from other reserves	9.1	20,100	22,162	-	(2,062)
Balance at end of the financial year		2,003,874	666,456	1,329,540	7,878

2018		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserves \$'000	Other Reserves \$'000
Balance at beginning of the financial year		1,655,112	598,773	1,035,678	20,661
Adjustment for prior periods (found/lost assets)	6.2	8,109	8,109	-	-
Surplus/(deficit) for the year		20,869	20,869	-	-
Net asset revaluation increment/(decrement)	9.1	211,197	-	211,197	-
Transfers to other reserves	9.1	-	(4,806)	-	4,806
Transfers from other reserves	9.1	-	1,771	-	(1,771)
Balance at end of the financial year		1,895,287	624,716	1,246,875	23,696

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 2019

	Notes	2019 Inflows/ (Outflows) \$'000	2018 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		108,315	104,115
Statutory fees and fines		32,264	32,117
User fees		33,670	32,043
Government grants - operating		12,849	11,562
Government grants - capital		23,373	1,406
Monetary contributions and reimbursements		7,151	7,114
Interest received		1,504	866
Trust funds and deposits received		3,799	14,682
Other receipts		2,993	3,581
Employee costs		(83,866)	(76,188)
Materials and services		(77,751)	(80,606)
Trust funds and deposits repaid		(2,454)	(14,682)
Net GST refund		3,843	5,443
Net cash provided by/(used in) operating activities	9.2	65,690	41,453
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.2	(26,319)	(24,094)
Proceeds from sale of property, plant and equipment		553	2,715
Net cash provided by/(used in) investing activities		(25,766)	(21,379)
Cash flows from financing activities			
Finance costs		(2,181)	(2,007)
Repayment of borrowings		(1,176)	(1,133)
Net cash provided financing activities		(3,357)	(3,140)
Net increase/(decrease) in cash and cash equivalents		36,567	16,934
Cash and cash equivalents at the beginning of the financial year		51,086	34,152
Cash and cash equivalents at the end of the financial year		87,653	51,086
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

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 2019

	2019 \$'000	2018 \$'000
Property		
Buildings	6,263	6,738
Total buildings	6,263	6,738
Total property	6,263	6,738
Plant and equipment		
Plant, machinery and equipment	2,369	1,892
Computers and telecommunications	1,752	1,750
Library books	611	596
Total plant and equipment	4,732	4,238
Infrastructure		
Roads	5,547	6,407
Bridges	27	-
Footpaths and cycleways	2,225	1,282
Drainage	2,310	1,364
Recreational, leisure and community facilities	79	6,768
Waste management	67	108
Parks, open space and streetscapes	3,517	214
Other infrastructure	1,552	12
Total infrastructure	15,324	16,155
Total capital works expenditure	26,319	27,131
Represented by:		
New asset expenditure	1,556	4,323
Asset renewal expenditure	21,446	21,588
Asset upgrade expenditure	3,317	1,220
Total capital works expenditure	26,319	27,131

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

Notes to the Financial Report for the Year Ended 30 June 2019

OVERVIEW

Introduction

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.

Statement of Compliance

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

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 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.5)
- other areas requiring judgements

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.

Notes to the Financial Report for the Year Ended 30 June 2019

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of 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 26 June 2018. 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*.

1.1 Income and expenditure

	Budget	Actual	Variance	Variance	
	2018/19 \$'000	2018/19 \$'000	\$'000	%	Ref
			Fav/(Unfav)	Fav/(Unfav)	
Revenues from ordinary activities					
Rates and charges	108,937	108,491	(446)	-0.4%	1.1
Statutory fees and fines	29,570	31,420	1,850	6.3%	1.2
User fees	28,041	30,346	2,305	8.2%	1.3
Grants - operating	12,337	12,849	512	4.2%	1.4
Grants - capital	1,151	21,622	20,471	1779.1%	1.5
Contributions - monetary	4,369	7,151	2,782	63.7%	1.6
Contributions - non monetary	-	2,250	2,250	100.0%	1.7
Net gain (loss) on disposal of non current assets	205	(10,996)	(11,201)	-5463.9%	1.8
Other income	2,921	4,221	1,300	44.5%	1.9
Total revenues	187,531	207,354	19,823	10.6%	
Expenses from ordinary activities					
Employee costs	82,260	83,810	(1,550)	-1.9%	1.10
Materials and services	68,741	66,908	1,833	2.7%	1.11
Bad and doubtful debts	1,980	5,709	(3,729)	-188.3%	1.12
Depreciation	22,432	22,309	123	0.5%	
Borrowing costs	1,964	2,181	(217)	-11.0%	1.13
Other expenses	-	515	(515)	-100.0%	1.14
Total expenses	177,377	181,432	(4,055)	-2.3%	
Surplus/(Deficit) for the year	10,154	25,922	15,768	155.3%	

Notes to the Financial Report for the Year Ended 30 June 2019

Note 1 Performance against budget (cont'd)

(i) Explanation of material variations

Ref	Item	Explanation
1.1	Rates and charges	Rates and charges are unfavourable to budget by \$0.45M (0.4%), mainly due to pensioner rate discounts being over budget as well as supplementary valuation rate income being below budget for the year.
1.2	Statutory fees and fines	Parking Revenue was favourable to budget by \$1.85M (6.3%) as a result of higher than budgeted parking infringement notices issued for the year, stemming from the ongoing influence of new parking technology. This does not translate to cash until fines are paid.
1.3	User Fees	User Fees are favourable to budget by \$2.3M (8.2%) due to construction management occupancy permits and inspection fee income exceeding budget as a result of high development activity within the municipality.
1.4	Grants - operating	Operating Grants were favourable to budget by \$0.51M (4.2%) mainly in Aged Services - Linkages and Home Care Programs. Some funding will be required to be returned to State/Federal Governments or redirected to fund other services due to the implementation of the NDIS and also lower demand for services.
1.5	Grants - capital	Capital Grants favourable to budget by \$20.5M mainly due to the State Government grant of \$17.5M for the Fitzroy Depot relocation and \$1.95m for Ryan's Reserve. Both amounts are committed to fund future Capital works and will be carried forward in most part to the 2019/20 year.
1.6	Contributions - monetary	Monetary contributions favourable to budget by \$2.8M (63.7%) due to higher than expected open space contributions for development projects received during the year. These funds are committed to be spent on eligible open space projects.
1.7	Contributions - non monetary	Non Monetary contributions favourable to budget due to an open space land contribution that was made during the year in lieu of a cash payment and was unbudgeted.
1.8	Net gain (loss) on disposal of non current assets	Net gain (loss) on disposal of non current assets of (\$11.0M) largely the result of the disposal of the old Fitzroy Depot site which was handed back to the State government during the year. This relates to the \$17.5m grant that Council received from the State Government to relocate its Depot.
1.9	Other Income	Other Income is favourable to budget by \$1.3M (44.5%) due to additional interest on investments that Council hold with banking institutions. Additional income was also received for the kindergarten fees subsidy and land tax objections in relation to property valuations.
1.10	Employee Costs	Employee costs unfavourable to budget by \$1.6M (1.9%) due to higher than budgeted parental leave costs, staff exit costs and long term leave entitlement expenses incurred during the year. Agency and casual labour costs were also above budget but offset partly by savings in ordinary salaries due to vacant EFT positions internally.
1.11	Materials and Services	Materials and services costs were favourable to budget by \$1.8M (2.7%) due in most part to tight cost controls exercised over corporate costs resulting in legal fees and consultancy costs coming in below budget.
1.12	Bad and doubtful debts	Bad and doubtful debts were unfavourable to budget by \$3.73M (188.3%) due to additional parking infringements being raised during the year. As each infringement is raised allowance is made for the debt to become doubtful and ultimately a bad debt. Collection is still pursued through Fines Victoria.
1.13	Borrowing Costs	Borrowing Costs was unfavourable to budget by \$0.22M (11.0%) due an increase in interest expense associated with a long term Council payable.
1.14	Other Expenses	Other expenses variance to budget offsets some of the favourable variance on the material and services line.

**Notes to the Financial Report
For the Year Ended 30 June 2019**

Note 1 Performance against budget (cont'd)**1.2 Capital works**

	Budget 2019 \$'000	Actual 2019 \$'000	Variance 2019 \$'000	Variance 2019 %	Ref
Property					
Land	-	-	-	-	
Land improvements	-	-	-	-	
Total land	-	-	-	-	
Buildings	6,249	6,263	14	0.2%	
Total buildings	6,249	6,263	14	0.2%	
Total property	6,249	6,263	14	0.2%	
Plant and equipment					
Plant, machinery and equipment	1,715	2,369	654	38.1%	1
Computers and telecommunications	2,839	1,752	(1,087)	-38.3%	2
Library books	600	611	11	1.9%	
Total plant and equipment	5,154	4,732	(421)	-8.2%	
Infrastructure					
Roads	6,872	5,547	(1,325)	-19.3%	3
Bridges	100	27	(73)	-73.0%	
Footpaths and cycleways	1,796	2,225	429	23.9%	4
Drainage	1,570	2,310	740	47.1%	5
Recreational, leisure and community facilities	104	79	(25)	-24.0%	
Waste management	70	67	(3)	-4.3%	
Parks, open space and streetscapes	4,381	3,517	(864)	-19.7%	6
Other infrastructure	2,189	1,552	(637)	-29.1%	7
Total infrastructure	17,082	15,324	(1,758)	-10.3%	
Total capital works expenditure	28,485	26,319	(2,165)	-7.6%	
Represented by:					
New asset expenditure	399	1,556	1,157	289.8%	
Asset renewal expenditure	25,376	21,446	(3,930)	-15.5%	
Asset expansion expenditure	-	-	-	0.0%	
Asset upgrade expenditure	2,710	3,317	607	22.4%	
Total capital works expenditure	28,485	26,319	(2,166)	-7.6%	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Plant, machinery and equipment	Plant, machinery and equipment is \$0.6m (12.6%) above budget due to additional capital spend on car park ticketing machines and waste decomposer machinery.
2	Computers and telecommunications	Computers and telecommunications are \$1.1m (38.3%) below budget due to deferred expenditure for several information systems projects carried over to 2019/20.
3	Roads	Roads assets are \$1.3m (19.3%) below budget mainly due to project deferrals of \$0.8m as well as some savings on project costs.
4	Footpaths and cycleways	Footpaths and cycleways are \$0.4m (23.9%) over budget due to unbudgeted work on Wellington Street Bike Lanes being undertaken as a result of Capital Grant income received from the State Government during the year.
5	Drainage	Drainage is \$0.7m (47.1%) over budget due to the approval for urgent drainage works that were carried over from previous years.
6	Parks, open space and streetscapes	Parks, open space and streetscapes are \$0.9m (19.7%) under budget due to a number of projects being carried forward to 2019/20 or deferred to subsequent years.
7	Other infrastructure	Other infrastructure is \$0.6m (29.1%) under budget due to LATM works associated with Victoria Street and Bridge Road Activity Centres being carried over to 2019/20.

Notes to the Financial Report for the Year Ended 30 June 2019

Note 2.1 Analysis of Council results by program (Cont'd)

Council delivers its functions and activities through the following programs.

2 (a) Corporate, Business and Finance

The Corporate, Business and Finance division provides efficient, effective and proactive support services across council to enable the delivery of policy commitments, council vision and mission. The provision of these services includes financial services, digital information and technology, property and procurement, strategy and program delivery and program integration and development.

Planning and Placemaking

The Planning and Placemaking division includes the assessment of city development, health and local laws, planning strategy and urban growth.

Community Wellbeing

The Community Wellbeing division provides high quality community focused programs, service delivery and communication to residents. Community Wellbeing is comprised of community care, connected communities, family services, health communities and social planning and investment.

City Works

The City Works and Assets Division is responsible for asset management, maintenance and provision of a range of assets that contribute to liveability, including buildings, civil infrastructure such as drains, roads and footpaths, sporting facilities, gardens and trees. It also support the local amenity through services such as waste collection, recycling service, and street cleansing. The Division ensures safety and amenity related to development within Yarra, and seeks to manage traffic and the impact of works from external authorities. The Division also support health and wellbeing through the management of Councils Recreation and Leisure services.

Chief Executive Division

The Chief Executive Officer Division supports the provision of a range of professional services to internal and external customers, with an emphasis on Governance related issues. It is also responsible for managing Council's property portfolio including leases, licenses and management agreements. The CEO's division also includes the People & Culture branch, responsible for people management and development across Council, as well as also managing health, safety and risk.

Notes to the Financial Report for the Year Ended 30 June 2019

Note 2.1 Analysis of Council results by program (cont'd)

2.1 (b) Summary of revenues, expenses, assets and capital expenses by program

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2019					
Corporate Business and Finance	165,521	71,736	93,785	19,907	178,150
Planning and Placemaking	13,047	14,429	(1,382)	870	1,778
Community Wellbeing	14,771	34,182	(19,411)	10,147	133,751
City Works	23,987	58,476	(34,489)	3,547	1,596,416
Chief Executive Division	1,818	14,399	(12,581)	-	177,400
Unattributed	-	-	-	-	-
	219,144	193,222	25,922	34,471	2,087,495
2018					
Corporate Business and Finance	146,580	53,565	93,014	2,329	144,498
Planning and Placemaking	8,619	15,399	(6,781)	11	2,096
Community Wellbeing	14,330	33,277	(18,947)	9,048	141,731
City Works	20,437	55,957	(35,520)	1,507	1,498,675
Chief Executive Division	1,971	12,867	(10,895)	-	188,180
Unattributed	-	-	-	-	-
	191,936	171,065	20,871	12,895	1,975,180

Notes to the Financial Report for the Year Ended 30 June 2019

Note 3 - Funding for the delivery of our services

Note 3.1 Rates and charges	2019 \$'000	2018 \$'000
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Council uses Net Annual Value (NAV) as the basis of valuation of all properties within the municipal district. The NAV of a property is its imputed rental value.

The valuation base used to calculate general rates for 2018/19 was \$3,042 million (2017/18 \$2,544 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 2018.

The 2018/19 rate in the NAV dollar was 3.530999 cents. The 2017/18 rate in the NAV dollar was 4.091118 cents.

Residential	79,864	74,953
Commercial	20,203	22,206
Industrial	7,092	6,574
Supplementary rates and rate adjustments	824	776
Garbage bin charge	51	52
Interest on rates	457	447
Total rates and charges	108,491	105,008

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

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

Note 3.2 Statutory fees and fines

Infringements and costs	22,522	20,546
Court recoveries	3,328	3,575
Fees - parking meters/ticket machines	3,738	5,902
Permits	1,832	1,886
Total statutory fees and fines	31,420	31,909

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

Note 3.3 User fees

Leisure centres and golf course fees	10,119	10,218
Child care/children's program fees	2,729	3,063
Town planning fees	3,275	3,496
Registration fees	1,478	1,508
Pre schools	176	841
Aged services fees	203	218
Road occupation permit fees	4,793	3,597
Library fees and fines	125	95
Footpath advertising & display	704	739
Building services fees	214	217
Valuation fees/supplementary charges	436	339
Kerb market fees	242	254
Land information certificates	166	143
Local laws fines	966	968
Rent	1,753	1,734
Permits - Bins and Skips	228	172
After School Program	176	157
Vacation Care Program	(51)	115
Report and Consent Fees	186	160
Road Inspection Fees	844	891
Hall hire	437	489
Asset Protection Permits	206	215
Signs and goods permit fees	320	300
Other fees and charges	621	265
Total user fees	30,346	30,194

Notes to the Financial Report for the Year Ended 30 June 2019

Note 3 - Funding for the delivery of our services (Cont'd)

Note 3.4 Funding from other levels of government	2019 \$'000	2018 \$'000
Government grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	8,909	8,943
State funded grants	25,562	3,952
Total Grants Received	34,471	12,895
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants - general purpose	2,070	1,988
Family Services	4,982	4,541
Aged Services - Home Care Services	1,559	1,727
Other	7	67
Recurrent - State Government		
Aged Services Assessment and Planning	1,997	862
School crossing supervisors	308	313
Library	693	696
Maternal and child health	470	611
Community safety	93	92
Other	70	52
Total recurrent operating grants	12,249	10,949
Non-recurrent - Commonwealth Government		
Non-recurrent - State Government		
Environmental planning / Waste	282	185
Community health	80	10
Family and children	240	185
Other	(2)	160
Total non-recurrent operating grants	600	540
Total operating grants	12,849	11,489
(b) Capital grants		
Recurrent - Commonwealth Government		
Roads to recovery	161	382
Recurrent - State Government		
Local Roads	388	386
Road Safety	355	169
Total recurrent capital grants	904	937
Non-recurrent - Commonwealth Government		
Plant, machinery and equipment	-	32
Roads - Black Spot funding	22	77
Other	108	130
Non-recurrent - State Government		
Buildings	19,645	-
Roads	943	230
Total non-recurrent capital grants	20,718	469
Total capital grants	21,622	1,406
Total grants	34,471	12,895
(c) Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	1,236	1,145
Received during the financial year and remained unspent at balance date	21,063	1,236
Received in prior years and spent during the financial year	(1,236)	(1,145)
Balance at year end	21,063	1,236

Notes to the Financial Report for the Year Ended 30 June 2019

Note 3 - Funding for the delivery of our services (Cont'd)	2019	2018
	\$'000	\$'000
Note 3.5 Contributions		
(a) Monetary		
Resort and recreation fees*	6,344	4,806
Road maintenance/works (other)	535	362
Planning development	-	139
Park rental	220	222
Other	52	37
	<u>7,151</u>	<u>5,566</u>
(b) Non-monetary		
Land	2,250	-
Total contributions	<u>9,401</u>	<u>5,566</u>

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

* Resort and recreation fees received during the year and not spent are transferred to reserves pursuant to section 18 of the Subdivision Act 1988, (Resort and Recreation Reserve) (Note 9.1).

Note 3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment**Plant & Equipment**

Proceeds from sale of assets	373	300
Written down value of assets sold/disposed	(11,549)	(82)
Profit/(loss) on sale/disposal of property, plant and equipment	<u>(11,176)</u>	<u>218</u>

Roads - Right of way

Proceeds from sale of assets	180	2,415
Written down value of assets sold/disposed	-	(403)
Profit/(loss) on sale/disposal of property, plant and equipment	<u>180</u>	<u>2,012</u>

Summary

Proceeds from sale of assets	553	2,715
Written down value of assets sold/disposed	(11,549)	(485)
Profit/(loss) on sale/disposal of property, plant and equipment	<u>(10,996)</u>	<u>2,230</u>

Note 3.7 Other income

Interest	1,504	866
Victorian Electoral Commission fines	18	227
Hall Hire	100	98
Waste Management	152	167
Venues and events	127	57
Strategic Planning	51	92
Early Years Unit	420	43
Disadvantaged Accessibility	108	102
Leisure Services	87	84
Financial Accounting	-	95
Valuations	130	193
Reimbursements Road Reinstatements	335	273
Reimbursements Legal Fees	178	127
Reimbursements Recycling	76	434
Reimbursements Open space planning	156	237
Reimbursements Planning development	280	214
Other	499	340
Total other income	<u>4,221</u>	<u>3,649</u>

Notes to the Financial Report for the Year Ended 30 June 2019

Note 4 - The cost of delivering services	2019	2018
	\$'000	\$'000
Note 4.1(a) Employee Costs		
Wages and salaries	59,751	58,732
WorkCover	332	700
Casual staff	5,788	4,489
Superannuation	6,503	5,968
Fringe benefits tax	105	230
Agency staff (external)	5,292	5,143
Other	6,039	5,433
Total employee costs	83,810	80,695
Note 4.1(b) Superannuation		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	428	641
	428	641
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,164	2,417
Employer contributions - other funds	2,910	2,910
	6,074	5,327
Refer to note 9.3 for further information relating to Council's superannuation obligations.		
Note 4.2 Materials and services		
Materials and services	22,371	22,343
Aged services contract payments	1,767	1,777
Waste services contract payments	4,122	4,120
Open space contract payments	2,713	2,398
Recycling contract payments	2,555	2,859
Bushland tree maintenance contract payments	1,477	1,364
Street cleaning services contract payments	2,865	2,828
Other contract payments	5,912	5,571
Legal settlement costs	3,538	-
Building maintenance	4,591	4,049
General maintenance	4,287	3,937
Utilities	3,435	3,461
Information technology	3,131	3,269
Insurance	1,862	1,605
Consultants	2,282	2,414
Total materials and services	66,908	61,995
Note 4.3 Depreciation and amortisation		
Property	2,795	2,794
Plant and equipment	5,401	5,513
Infrastructure	14,113	12,767
Total Depreciation	22,309	21,074

Refer to Note 6.2 for a more detailed break down of depreciation and amortisation charges.

Notes to the Financial Report for the Year Ended 30 June 2019

Note 4 - The cost of delivering services (Cont'd)

	2019 \$'000	2018 \$'000
Note 4.4 Bad and doubtful debts		
Parking infringement debtors	5,709	4,107
Other debtors	-	93
Total bad and doubtful debts	<u>5,709</u>	<u>4,200</u>
Movement in provisions for doubtful debts		
Balance at the beginning of the year	26,965	23,002
New Provisions recognised during the year	5,709	4,200
Amounts already provided for and written off as uncollectible	(33)	(237)
Amounts provided for but recovered during the year	-	-
Balance at end of year	<u>32,641</u>	<u>26,965</u>

Provision for doubtful debt is recognised based on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment.

Note 4.5 Borrowing costs

Interest - on borrowings	2,181	2,007
Total borrowing costs	<u>2,181</u>	<u>2,007</u>

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.

Note 4.6 Other expenses

Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	69	78
Auditors' remuneration - Internal	140	229
Councillors' allowances	306	304
Total other expenses	<u>515</u>	<u>611</u>

Notes to the Financial Report for the Year Ended 30 June 2019

Note 5 - Our financial position	2019	2018
	\$'000	\$'000

Note 5.1 Financial assets**(a) Cash and cash equivalents**

Cash at bank	2,551	2,075
Cash on hand	11	11
Term deposit	85,091	49,000
Total cash and cash equivalents	87,653	51,086

Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

Trust funds and deposits (note 5.3)	12,691	11,136
Public open space / parking reserves (note 9.1b)	7,878	3,596
Total restricted funds	20,569	14,732

Total unrestricted cash and cash equivalents	67,084	36,354
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Intended allocations

Although not statutorily restricted the following amounts have been allocated for specific future purposes by Council:

- Cash held to fund carried forward capital works	6,105	2,954
- Capital Grant Funding	19,200	-
- Other Grant Carry Overs	3,000	-
Total funds subject to intended allocations	28,305	2,954

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.

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

(b) Trade and other receivables**Current****Statutory receivables**

Rates debtors	5,561	5,385
Parking infringement debtors	36,745	31,883
Provision for doubtful debts - parking infringements	(31,881)	(26,172)

Non statutory receivables

Other debtors	3,494	3,615
Provision for doubtful debts - other debtors	(760)	(793)
Workcover	9	171
GST paid	-	-
GST recoverable from ATO	1,629	1,768
Total trade and other receivables	14,797	15,857

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

(c) Ageing of Receivables

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

Current (not yet due)		
Past due by up to 30 days	2,970	3,759
Past due between 31 and 180 days	178	1,145
Past due between 181 and 365 days	11	1,946
Past due by more than 1 year	191	3,622
Total trade & other receivables	3,350	10,472

	2019	2018
	\$'000	\$'000

Note 5 - Our financial position**Note 5.1 Financial assets (Cont'd)****(d) Aging of individually impaired receivables**

At balance date, other debtors representing financial assets with a nominal value of \$32.6m (2018: \$27.0m) were impaired. The amount of the provision raised against these debtors was \$5.7m (2018: \$4.2m). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	435	-
Past due by up to 30 days	529	346
Past due between 31 and 180 days	1,896	1,729
Past due between 181 and 365 days	2,849	2,075
Past due by more than 1 year	26,932	22,815
Amounts already provided for and written off as uncollectible	-	-
Total trade & other receivables	32,641	26,965

Note 5.2 Non-financial assets**(a) Inventories**

Held for Sale	129	107
Total inventories	129	107

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets

Accrued income - Government grants and interest income	58	371
Prepayments - vehicle registrations and software support	562	643
Total other assets	620	1,014

Notes to the Financial Report for the Year Ended 30 June 2019

Note 5 - Our financial position (Cont'd)

	2019 \$'000	2018 \$'000
Note 5.3 (a) Trade and other payables		
Current		
Trade creditors	7,967	5,370
Superannuation	34	40
Accrued expenses	1,732	3,873
	<u>9,733</u>	<u>9,283</u>
Non-current		
Accrued Expenses	2,955	-
Total Trade and other payables	<u>12,688</u>	<u>9,283</u>
(b) Trust funds and deposits		
Current		
Drainage works deposits	30	30
Leased Properties	29	29
Refundable deposit	6,480	5,126
Other refundable deposits	195	205
Income in advance	157	181
	<u>6,891</u>	<u>5,571</u>
Fire services levy	5,563	5,335
	<u>12,454</u>	<u>10,906</u>
Non-current		
Other Liabilities	237	230
Total trust funds and deposits	<u>12,691</u>	<u>11,136</u>

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

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.

Notes to the Financial Report for the Year Ended 30 June 2019

Note 5 - Our financial position (Cont'd)

Note 5.4 Interest-bearing liabilities	2019 \$'000	2018 \$'000
Current		
Loans - secured*	1,218	1,176
Non-current		
Loans - secured*	42,473	43,691
Total interest-bearing loans and borrowings	43,691	44,867

The maturity profile for Council's borrowings* and other liabilities is as follows:

Not later than one year	1,218	1,176
Later than one year and not later than five years	37,674	37,674
Later than five years	4,799	6,017
	43,691	44,867

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

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. Any difference between the initial recognised amount and the redemption value is recognised in net result over the period of the borrowing using the effective interest method.

The classification depends on the nature and purpose of the interest bearing liabilities. The Council determines the classification of its interest bearing liabilities at initial recognition.

Notes to the Financial Report for the Year Ended 30 June 2019

Note 5 - Our financial position (Cont'd)

Note 5.5 Provisions

	Employee Provision \$ '000	
2019		
Balance at beginning of the financial year		14,607
Additional provisions		4,368
Amounts used		(4,774)
Change in the discounted amount arising because of time and the effect of any change in the discount rate		350
Balance at the end of the financial year		14,551
2018		
Balance at beginning of the financial year		14,066
Additional provisions		1,263
Amounts used		(722)
Change in the discounted amount arising because of time and the effect of any change in the discount rate		-
Balance at the end of the financial year		14,607
	2019	2018
	\$'000	\$'000
Current		
Current provisions expected to be wholly settled within 12 months		
Annual leave	3,971	3,864
TOIL	88	84
Long service leave	364	526
Current provisions expected to be wholly settled after 12 months		
Annual leave	1,222	1,222
Long service leave	7,513	7,513
	13,158	13,209
Non-current		
Long service leave	1,393	1,398
	1,393	1,398
LSL representing less than 7 years of continuous service is measured at present value.		
Aggregate carrying amount of employee entitlements		
Current	13,158	13,209
Non-current	1,393	1,398
Total provisions	14,551	14,607

The following assumptions were adopted in measuring the present value of long term employee benefits

Weighted average increase in employee costs	2.0%	2.0%
Weighted average discount rates	1.21%	2.45%
Weighted average settlement period	5 years	5 years

Note 5.6 Financing arrangements

The Council has the following funding arrangements at 30 June 2019

Bank overdraft	10,000	10,000
Purchasing cards	495	343
Total facilities	10,495	10,343
Used purchasing card facilities	(249)	(154)
Unused facilities	10,246	10,189

Notes to the Financial Report for the Year Ended 30 June 2019

Note 5 - Our financial position (Cont'd)

Note 5.7 Commitments

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

2019	Not later than	Later than 1	Later than 2	Later than	Total
	1 year	year and not later than 2 years	year and not later than 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Street cleaning services	2,728	2,791	5,776	-	11,295
Garbage collection and recycling*	7,440	4,179	6,298	-	17,917
Open space management	4,414	3,116	-	-	7,530
Information systems & technology	3,285	-	-	-	3,285
Cleaning contracts for Council buildings	1,414	298	-	-	1,712
Family Services	-	-	-	-	-
Home Care	1,520	639	-	-	2,159
Insurances	1,321	1,321	-	-	2,642
Capital					
Construction works	3,410	-	-	-	3,410
Total*	25,532	12,344	12,074	-	49,950

* Components of the Garbage collection and recycling contract were retendered during 2018/19 which has altered commitment values into the future and contract duration for those components.

2018	Not later than	Later than 1	Later than 2	Later than	Total
	1 year	year and not later than 2 years	year and not later than 5 years		
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Street cleaning services	2,814	3,028	-	-	5,843
Garbage collection and recycling	6,650	6,713	20,571	-	33,934
Open space management	3,171	3,171	4,228	-	10,570
Information systems & technology	3,199	3,285	-	-	6,484
Cleaning contracts for Council buildings	1,466	1,414	298	-	3,178
Family Services	1,283	-	-	-	1,283
Home Care	1,235	750	-	-	1,985
Insurances	1,482	-	-	-	1,482
Capital					
Construction works	-	-	-	-	-
Total	21,300	18,361	25,097	-	64,759

Operating lease commitments	2019	2018
	\$'000	\$'000
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	1,114	1,226
Later than one year and not later than five years	2,741	231
Later than five years	30	-
	3,885	1,457

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.

Note 6 Assets we manage

Note 6.1 Non-current assets classified as held for sale

Motor Vehicles held for sale at cost	-	-
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In 2018/19 and 2017/18 no non-current assets were classified as held for sale.

Notes to the Financial Report for the Year Ended 30 June 2019

Note 6 Assets we manage (Cont'd)

Note 6.2 Property, infrastructure, plant and equipment
Summary of property, infrastructure, plant and equipment

	At Fair Value										WDV	
	30 June 2018	*Found assets	Additions	Contributions	Revaluation	Depreciation	Disposal	*Lost assets	Transfers	WIP	30 June 2019	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	1,005,335	-	26	2,250	-	-	(10,000)	-	-	-	997,612	
Buildings	200,375	-	3,355	-	-	(2,795)	(1,550)	-	24	2,783	202,191	
Plant and Equipment	29,520	-	8,217	-	-	(5,401)	(414)	-	185	671	32,778	
Infrastructure	671,396	-	9,858	-	82,885	(14,113)	-	-	46	1,409	751,481	
	1,906,625	-	21,456	2,250	82,885	(22,309)	(11,964)	-	255	4,863	1,984,062	
Summary of Work in Progress	Opening WIP	Additions	Transfers	Write Offs	Closing WIP							
	\$'000	\$'000	\$'000	\$'000	\$'000							
Buildings	24	2,783	(24)	-	2,783							
Plant and Equipment	185	671	(185)	-	671							
Infrastructure	46	1,409	(46)	-	1,409							
Total	255	4,863	(255)	-	4,863							

Notes to the Financial Report for the Year Ended 30 June 2019

Note 6 - Assets we manage (Cont'd)

Note 6.2

a) Property

	Land - specialised	Land - non specialised	Land improvements	Total Land	Heritage Buildings	Buildings - specialised	Buildings - non specialised	Building Improvements	Leasehold Improvements	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2018	909,279	83,902	12,154	1,005,335	-	283,440	-	-	-	283,440	24	1,288,799
Accumulated depreciation at 1 July 2018	-	-	-	-	-	(83,065)	-	-	-	(83,065)	-	(83,065)
	909,279	83,902	12,154	1,005,335	-	200,375	-	-	-	200,375	24	1,205,734
Movements in fair value												
Additions	-	-	26	26	-	3,355	-	-	-	3,355	2,783	6,164
Contributions	2,250	-	-	2,250	-	-	-	-	-	-	-	2,250
Revaluation increments (decrements)	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	(10,000)	-	-	(10,000)	-	(4,433)	-	-	-	(4,433)	-	(14,433)
Transfers	-	-	-	-	-	24	-	-	-	24	(24)	-
	(7,750)	-	26	(7,724)	-	(1,054)	-	-	-	(1,054)	2,759	(6,019)
Movements in accumulated depreciation												
Depreciation and amortisation	-	-	-	-	-	(2,795)	-	-	-	(2,795)	-	(2,795)
Revaluation increments (decrements)	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation of disposals	-	-	-	-	-	2,883	-	-	-	2,883	-	2,883
	-	-	-	-	-	88	-	-	-	88	-	88
At fair value 30 June 2019	901,529	83,902	12,180	997,611	-	282,386	-	-	-	282,386	2,783	1,282,780
Accumulated depreciation at 30 June 2019	-	-	-	-	-	(82,977)	-	-	-	(82,977)	-	(82,977)
	901,529	83,902	12,180	997,611	-	199,409	-	-	-	199,409	2,783	1,198,803

Notes to the Financial Report for the Year Ended 30 June 2019

Note 6 - Assets we manage (Cont'd)

Note 6.2

(b) Plant and equipment

	Heritage plant and equipment	Motor Vehicles	Plant, machinery and equipment	Irrigation and sprinkler systems	Street furniture	Parks and gardens furniture and equipment	Playground equipment	Fencing bins/recycling crates	Mobile garbage recycling crates	Computers and Mobile Phones	Office furniture and equipment	Library books	Work in Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2018	4,875	7,318	7,754	2,136	17,037	10,917	1,610	2,154	3,007	18,381	11,982	8,085	185	95,441
Accumulated depreciation at 1 July 2018	(288)	(4,810)	(4,603)	(1,553)	(12,287)	(6,582)	(1,069)	(1,849)	(2,422)	(14,500)	(9,948)	(5,824)	-	(65,733)
	4,587	2,508	3,151	583	4,750	4,335	541	305	585	3,881	2,034	2,261	185	29,708
Movements in fair value														
Additions	68	1,188	488	935	835	1,420	339	66	67	1,080	1,119	611	671	8,887
Revaluation increments (decrements)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposals	-	(3,007)	-	-	-	(53)	-	-	-	185	-	-	(185)	(3,007)
Transfers	-	-	-	53	-	-	-	-	-	-	-	-	-	-
	68	(1,819)	488	988	835	1,367	339	66	67	1,265	1,119	611	486	5,880
Movements in accumulated depreciation														
Depreciation and amortisation	(44)	(660)	(714)	(65)	(424)	(337)	(126)	(52)	(87)	(1,998)	(351)	(543)	-	(5,401)
Revaluation increments (decrements)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation of disposals	(44)	2,593	-	-	-	-	(126)	(52)	-	(1,998)	(351)	(543)	-	2,593
	4,943	5,499	8,242	3,124	17,872	12,284	1,949	2,220	3,074	19,646	13,101	8,696	671	101,321
Accumulated depreciation at 30 June 2019	(332)	(2,877)	(5,317)	(1,618)	(12,711)	(6,919)	(1,195)	(1,901)	(2,509)	(16,498)	(10,299)	(6,367)	-	(68,543)
	4,611	2,622	2,925	1,506	5,161	5,365	754	319	565	3,148	2,802	2,329	671	32,778

Notes to the Financial Report for the Year Ended 30 June 2019

Note 6 - Assets we manage (Cont'd)

Note 6.2

(c) Infrastructure

	Roads	Footpaths and cycleways	Drainage	Kerb and channel	Bridges	Lanes	Trees and Tree Infrastructure	Off street car parks	Infrastructure	Other Infrastructure	Work in Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2018	418,438	142,307	107,479	136,347	5,146	88,220	7,318	-	-	-	46	905,302
Accumulated depreciation at 1 July 2018	(104,019)	(30,291)	(48,904)	(31,206)	(2,551)	(16,888)	-	-	-	-	-	(233,859)
	314,419	112,016	58,575	105,141	2,595	71,332	7,318	-	-	-	46	671,442
Movements in fair value												
Additions	4,294	1,713	1,915	1,984	-	-	-	-	-	-	1,409	11,315
Revaluation increments (decrements)	8,202	1,945	20,463	2,664	-	2,551	-	-	-	-	-	35,825
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	(46)	(46)
	12,496	3,658	22,378	4,648	-	2,551	-	-	-	-	1,363	47,094
Movements in accumulated depreciation												
Depreciation and amortisation	(6,385)	(2,889)	(1,044)	(2,727)	(51)	(1,017)	-	-	-	-	-	(14,113)
Revaluation increments (decrements)	30,878	11,334	(4,168)	7,526	-	1,487	-	-	-	-	-	47,057
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
	24,493	8,445	(5,212)	4,799	(51)	470	-	-	-	-	-	32,944
At fair value 30 June 2019	430,934	145,965	129,857	140,995	5,146	90,771	7,318	-	-	-	1,409	952,396
Accumulated depreciation at 30 June 2019	(79,526)	(21,846)	(54,116)	(26,407)	(2,602)	(16,418)	-	-	-	-	-	(200,915)
	351,408	124,119	75,741	114,588	2,544	74,353	7,318	-	-	-	1,409	751,481

Notes to the Financial Report for the Year Ended 30 June 2019

Note 6 - Assets we manage (Cont'd)

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

Acquisition

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

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

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

	Depreciation Period	Threshold Limit \$'000
Asset recognition thresholds and depreciation periods		
Land & land improvements		
land	Nil	Nil
land improvements	Nil	10
Buildings		
buildings	100 years	10
building and leasehold improvements	100 years	10
Plant and Equipment		
heritage plant and equipment	100 years	Nil
plant, machinery and equipment	7 - 10 years	0.5
furniture, equipment & computers	3 - 10 years	0.5
library books	6 - 7 years	0.5
library audio and visual	4 years	Nil
Infrastructure		
roads - substructure	120 years	50
roads - seal	15 years	15
footpaths - substructure	75 years	25
footpaths - seal	30 years	15
kerb & channel	50 years	25
drains	120 years	25
bridges	120 years	25
lanes - substructure	120 years	50
lanes- seal	50 years	15
mobile garbage bins/recycling crates	10 years	500
irrigation & sprinkler systems	10 years	500
street furniture	20 years	500
parks & gardens furniture & equipment	20 years	500
playground equipment	10 years	500

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

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 depreciated. The carrying value of the replaced asset is expensed.

Valuation of land and buildings

Valuations of land and buildings were undertaken by a qualified independent valuer, 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 2018. 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 undeveloped and/or unserviced characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

The date of the current valuation is detailed in the following table.

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

Notes to the Financial Report for the Year Ended 30 June 2019

Note 6 - Assets we manage (Cont'd)

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2019 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Land - Non specialised	-	83,902	-	June 2018
Land - Specialised	-	-	901,529	June 2018
Buildings - Specialised	-	-	199,409	June 2018
Total	-	83,902	1,100,938	

Valuation of infrastructure

Valuation of infrastructure assets - Roads, Footpaths, Lanes, Kerb and Channel - 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 2019.

The date of the current valuation is detailed in the following table.

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 2019 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
	\$'000	\$'000	\$'000	
Roads	-	-	351,408	June 2019
Bridges	-	-	2,544	June 2013
Footpaths, Lanes and Kerb and Channel	-	-	313,061	June 2019
Drainage	-	-	75,741	June 2019
Trees	-	-	7,318	June 2004
Total	-	-	750,072	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 15% and 30%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$600 and \$6,000 per square metre.

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.

	2019	2018
	\$'000	\$'000
6.3 Investments in associates, joint arrangements and subsidiaries		
P/L (Trading as Community Chef)	230	230
Municipal Association Purchasing Scheme (Procurement Australia)	5	5
Total investments	235	235

Notes to the Financial Report for the Year Ended 30 June 2019

Note 7 People and Relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Yarra City Council is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in note 6.3.

(b) Key Management Personnel

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

Councillors		
Cr Danae Bosler (Mayor)		27 November 2018 - 30 June 2019
Cr Danae Bosler		1 July 2018 - 26 November 2018
Cr Daniel Nguyen (Mayor)		1 July 2018 - 26 November 2018
Cr Daniel Nguyen		27 November 2018 - 30 June 2019
Cr Misha Coleman (Deputy Mayor)		1 July 2018 - 30 June 2019
Cr Jackie Fristacky		1 July 2018 - 30 June 2019
Cr Stephen Jolly		1 July 2018 - 30 June 2019
Cr Mi-Lin Chen Yi Mei		1 July 2018 - 30 June 2019
Cr James Searle		1 July 2018 - 30 June 2019
Cr Amanda Stone		1 July 2018 - 30 June 2019
Cr Mike McEvoy		1 July 2018 - 30 April 2019
Cr Brigid O'Brien		8 May 2019 - 30 June 2019

Chief Executive Officer & other Key Management Personnel

Chief Executive Officer	Vijaya Vaidyanath
Director Corporate Business & Finance	Diarmuid McAlary
Director Community Wellbeing	Lucas Gosling
Director City Works & Assets	Chris Leivers
Director Planning & Placemaking	Bruce Phillips
Group Manager CEO's Office	Ivan Gilbert
Group Manager People Culture & Community	Gracie Karabinis
Director Corporate Business & Finance	Andrew Day (01/07/2018-30/09/2018)
Assistant Director Planning and Placemaking	Jane Waldock (01/07/2018-22/12/2018)

	2019	2018
Total number of Councillors	10	9
Chief Executive Officer and other Key Management Personnel	9	8
Total Key Management Personnel	19	17

(c) Remuneration of Key Management Personnel

	2019	2018
	\$,000	\$,000
Total remuneration of key management personnel was as follows:		
Short-term benefits*	2,133	2,211
Long-term benefits**	253	226
Total	2,386	2,437

* Short term benefits for the purpose of this disclosure include base salary, vehicle allowances, movements in short-term accrued leave entitlements and councillor allowances.

** Long term benefits for the purpose of this disclosure include movements in long-term accrued leave entitlements and superannuation.

Notes to the Financial Report for the Year Ended 30 June 2019

Note 7 People and Relationships (Cont'd)

7.1 Council and key management remuneration (continued)

The numbers of key management personnel whose total remuneration** from Council and any related entities, fall within the following bands:

	2019	2018
	No	No
\$1 - \$9,999	1	-
\$20,000 - \$29,999	6	7
\$30,000 - \$39,999	1	-
\$50,000 - \$59,999	1	1
\$60,000 - \$69,999	1	1
\$70,000 - \$79,999	2	-
\$140,000 - \$149,999	1	-
\$190,000 - \$199,999	1	1
\$200,000 - \$209,999	-	3
\$210,000 - \$219,999	1	-
\$220,000 - \$229,999	1	-
\$250,000 - \$259,999	-	1
\$260,000 - \$269,999	1	2
\$270,000 - \$279,999	1	-
\$370,000 - \$379,999	-	1
\$380,000 - \$389,999	1	-
	<u>19</u>	<u>17</u>

Key management personnel (KMP) include the councillors, the CEO and the Executive Management Team.

** Total remuneration for the purpose of this disclosure includes base salary, vehicle allowances, superannuation, and councillor allowances. Non-cash benefits including movements in accrued leave entitlements are excluded.

(d) Senior Officer Remuneration

A Senior officer is an officer of Council, other than Key Management Personnel, who:

- has management responsibilities and reports directly to the Chief Executive; and
- whose total remuneration exceeds \$148,000

The number of Senior Officers are shown below in the relevant income bands:

	2019	2018
	No.	No.
Income range:		
< \$148,000	4	-
\$150,000 - \$159,999	-	4
\$160,000 - \$169,999	4	2
\$170,000 - \$179,999	2	6
\$180,000 - \$189,999	5	3
\$190,000 - \$199,999	-	1
\$200,000 - \$209,999	3	-
\$240,000 - \$249,999	-	1
	<u>18</u>	<u>17</u>
	\$'000	\$'000
Total remuneration for the reporting year for Senior Officers included above, amounted to:	2,869	3,000

(e) Other Officer Remuneration

Other officers whose annual remuneration exceeds \$148,000.

	2019	2018
	No.	No.
Income range:		
< \$148,000	1	-
\$148,000 - \$149,999	2	-
\$150,000 - \$159,999	6	6
\$160,000 - \$169,999	5	3
\$170,000 - \$179,999	2	1
\$190,000 - \$199,999	-	1
\$200,000 - \$209,999	-	1
	<u>16</u>	<u>12</u>
	\$'000	\$'000
Total remuneration for the reporting year for Other Officers included above, amounted to:	2,543	2,007

*Note that the comparative for 2018 has changed, to include all officers with remuneration greater than the threshold for 2017-18 which was \$147,000. Prior year numbers originally only included those officers with managerial responsibilities who exceeded this threshold.

7.2 Related party disclosures

(a) Transactions with related parties

During the period Council did not enter into transactions with related parties.

(b) Outstanding balances with related parties

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

(c) Loans to/from related parties

There were no loans in existence at balance date that have been made, guaranteed or secured by the council to a related party.

(d) Commitments to/from related parties

There were no commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party.

Notes to the Financial Report for the Year Ended 30 June 2019

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

(a) Contingent assets

Operating lease receivables

The Council has entered into commercial property leases on parts of its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2019	2018
	\$'000	\$'000
Not later than one year	934	1,131
Later than one year and not later than five years	1,133	1,759
Later than five years	1,532	1,839
	<u>3,599</u>	<u>4,729</u>

Council had no other Contingent assets at balance date.

(b) Contingent liabilities

(i) arising from Public Liability

As a local authority Council 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 \$600 million of public liability insurance and an excess of \$50,000 on this policy in 2018/19. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is LMI Insurance. There are no claims of which Council is aware which would fall outside the terms of Council's policy.

(ii) 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 \$600 million of professional indemnity insurance and an excess of \$50,000 on this policy in 2018/19. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is LMI Insurance. There are no instances or claims of which Council is aware which would fall outside the terms of Council's policy.

8.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2019 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

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

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

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

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

Leases (AASB 16) (applies 2019/20)

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

Council has elected to adopt the modified retrospective approach to the transition to the new lease standard. This will mean that only existing operating leases for non low value assets, with remaining terms greater than 12 months, will be recognised on transition (1 July 2019). Based on our current lease commitments and an assumption of a continuation of the current leasing arrangements Council expects that the transition to the new standard will see the initial recognition of \$3,258,577 in lease related assets and an equivalent liability.

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

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

Notes to the Financial Report for the Year Ended 30 June 2019

Note 8 Managing uncertainties (Cont'd)

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council 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 rates.

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

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

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

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

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

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

Council 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 8.1(b).

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and is deemed insignificant based on prior periods' data and current assessment of risk.

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

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 5.4.

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 0.50% and -0.25% in market interest rates (AUD) from year-end rate.

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

Notes to the Financial Report for the Year Ended 30 June 2019

Note 8 Managing uncertainties (Cont'd)

8.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than 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. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

Impairment of assets

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

8.5 Events occurring after balance date

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

Notes to the Financial Report for the Year Ended 30 June 2019

Note 9 Other matters

9.1 Reserves	Balance at beginning of Year \$'000	Increment (decrement) \$'000	Balance at end of Year \$'000
(a) Asset revaluation reserves			
2019			
Property			
Land	790,652	139	790,791
Buildings	39,831	(359)	39,472
Heritage buildings	2,860	-	2,860
	833,343	(220)	833,123
Infrastructure			
Road Substructure	156,958	37,271	194,229
Road Seal	10,693	1,810	12,503
Footpaths Substructure	54,316	5,555	59,871
Footpaths Seal	28,770	7,725	36,495
Drains	3,609	16,294	19,903
Bridges	1,000	-	1,000
Lane Substructure	15,608	6,273	21,881
Lane Seal	45,636	(2,233)	43,403
Kerb and channel	96,858	10,190	107,048
Open space	27	-	27
Trees	13	-	13
Art, Heritage and Culture	44	-	44
	413,532	82,885	496,417
Total Asset revaluation reserves	1,246,875	82,665	1,329,540

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

2018**Property**

Land	620,737	169,915	790,652
Buildings	46,546	(6,715)	39,831
Heritage buildings	2,860	-	2,860
	670,143	163,200	833,343

Infrastructure

Road Substructure	119,478	37,480	156,958
Road Seal	10,693	-	10,693
Footpaths Substructure	40,701	13,615	54,316
Footpaths Seal	28,770	-	28,770
Drains	3,609	-	3,609
Bridges	1,000	-	1,000
Lane Substructure	16,236	(628)	15,608
Lane Seal	45,636	-	45,636
Kerb and channel	99,355	(2,497)	96,858
Open space	-	27	27
Trees	13	-	13
Art, Heritage and Culture	44	-	44
	365,535	47,997	413,532

Total Asset revaluation reserves

1,035,678	211,197	1,246,875
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Balance at beginning of Year \$'000	Transfer to accumulated surplus \$'000	Transfer from accumulated surplus \$'000	Balance at end of Year \$'000
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(b) Other reserves**2019****Statutory Reserves**

Resort and recreation (i)	3,517	(2,062)	6,344	7,799
Parking (ii)	79	-	-	79
Total Statutory Reserves	3,596	(2,062)	6,344	7,878

General Reserves

General reserve (iii)	20,100	(20,100)	-	-
Total General Reserves	20,100	(20,100)	-	-
Total Other Reserves	23,696	(22,162)	6,344	7,878

2018**Statutory Reserves**

Resort and recreation (i)	482	(1,771)	4,806	3,517
Parking (ii)	79	-	-	79
Total Statutory Reserves	561	(1,771)	4,806	3,596

General Reserves

General reserve (iii)	20,100	-	-	20,100
Total General Reserves	20,100	-	-	20,100
Total Other reserves	20,661	(1,771)	4,806	23,696

(i) 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. In 2018/19 the following projects and amounts were acquitted from the Public Open Space Reserve:

Kevin Bartlett Reserve	\$410k
Edinburgh Gardens	\$158k
Barkly Gardens	\$183k
Fairfield Park Public Toilets	\$223k
Darling Gardens	\$443k
George Knott Reserve	\$159K
Other eligible open space projects	\$486k
Total	\$2.062M

(ii) 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.

(iii) General reserve relates to unrestricted Council expenditure for a range of possible open space capital works projects. The balance of this reserve has been previously remitted and as such was transferred to retained earnings during the period.

Notes to the Financial Report for the Year Ended 30 June 2019

Note 9 Other matters (Cont'd)

9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	2019 \$'000	2018 \$'000
Surplus/(deficit) for the year	25,922	20,869
Depreciation	22,309	21,074
Finance costs	2,181	2,007
Open space contributed assets (refer Note 3.5)	(2,250)	-
(Profit)/loss on disposal of non current assets (refer to Note 3.6)	10,996	(2,230)
Change in assets and liabilities:		
(Increase)/decrease in receivables	1,370	(1,660)
(Increase)/decrease in other assets	81	(643)
Increase/(decrease) in payables	3,807	(868)
Increase/(decrease) in other liabilities	1,352	2,342
(Increase)/decrease in inventories	(27)	21
Increase/(decrease) in provisions	(51)	541
Net cash provided by/(used in) operating activities	65,690	41,453

9.3 Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently.

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 2019, this was 9.5% as required under Superannuation Guarantee (SG) legislation).

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan. 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. For the year ended 30 June 2019, this rate was 9.5% of members' salaries (9.5% in 2017/2018).

As at 30 June 2018, a full triennial actuarial investigation was completed. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 106.0%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns	6.0% pa
Salary information	3.5% pa
Price inflation (CPI)	2.5% pa.

Vision Super has advised that the VBI at 30 June 2019 was 107.1%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2018 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.

Notes to the Financial Report for the Year Ended 30 June 2019

The 2018 interim actuarial investigation surplus amounts

The Fund's interim triennial investigation as at 30 June 2018 identified the following in the defined benefit category of which Council is a contributing employer:

	2018	2017
	\$m	\$m
1. A VBI Surplus	131.9	69.8
2. A total service liability surplus	218.3	193.5
3. A discounted accrued benefits surplus	249.1	228.8

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

2019 interim actuarial investigation

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2019. It is anticipated that this actuarial investigation will be completed in December 2019.

YARRA CITY COUNCIL PERFORMANCE REPORT

FOR THE YEAR ENDING 30 JUNE 2019

Independent Auditor's Report

To the Councillors of Yarra City Council

<p>Opinion</p>	<p>I have audited the accompanying performance statement of Yarra City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2019 • sustainable capacity indicators for the year ended 30 June 2019 • service performance indicators for the year ended 30 June 2019 • financial performance indicators for the year ended 30 June 2019 • other information for the year ended 30 June 2019 (basis of preparation) • certification of the performance statement. <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2019, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
<p>Basis for Opinion</p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Performance Statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<p>Councillors' responsibilities for the performance statement</p>	<p>The Councillors of the council are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
<p>Auditor's responsibilities for the audit of the performance statement</p>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance</p>


Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit 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 council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether the performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
20 September 2019


Jonathan Kyvelidis
as delegate for the Auditor-General of Victoria

REFERENCES

Regulation R

Better Practice BP

Performance Statement

For the year ended 30 June 2019

R17(1)

Description of municipality

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.

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).

Yarra has a population of 98,521 (at 30 June 2018) 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 exceed 130,000 by 2031.

Sustainable Capacity Indicators

For the year ended 30 June 2019

Indicator/measure	Results				Material Variations
	2016	2017	2018	2019	
R15(3) Sch3					
R16(1) R17(2)					
Population					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,804.81	\$1,787.22	\$1,770.11	\$1,953.17	Council's expenses have increased, primarily due to the accounting result of a number of non-cash impacting items. These have included \$11.4m of land asset write off, an accrued legal settlement and \$1.7m of further bad debt provision resulting from application of AASB9 and reduced collections from Fines Victoria.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$9,461.04	\$9,376.85	\$9,355.26	\$10,012.59	The indicator is trending down due to consistent population increases over the 4 years greater than the increase in infrastructure spend.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	283.92	292.07	308.41	312.88	Council's population continues to increase whereas the length of roads remain the same within the City.
Own-source revenue					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,683.11	\$1,735.51	\$1,780.74	\$1,770.97	Council experienced a slight reduction in the 2018/19 result, compared to the 2015/16 base, there continues to be an overall positive trend on this indicator.
Recurrent grants					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$110.72	\$146.45	\$123.34	\$133.50	
Disadvantage					
<i>Relative socio-economic disadvantage</i>	8.00	8.00	8.00	8.00	Council's Relative Socio-Economic Disadvantage Indicator remains stable.

Sustainable Capacity Indicators

For the year ended 30 June 2019

	Results					Material Variations
	2016	2017	2018	2019		
R15(3)						
Sch3						
R16(1)						
R17(2)						
Indicator/measure	2016	2017	2018	2019		
Population						
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,804.81	\$1,787.22	\$1,770.11	\$1,953.17		Council's expenses have increased, primarily due to the accounting result of a number of non-cash impacting items. These have included \$11.4m of land asset write off, an accrued legal settlement and \$1.7m of further bad debt provision resulting from application of AASB9 and reduced collections from Fines Victoria.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$9,461.04	\$9,376.85	\$9,355.26	\$10,012.59		The indicator is trending down due to consistent population increases over the 4 years greater than the increase in infrastructure spend.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	283.92	292.07	308.41	312.88		Council's population continues to increase whereas the length of roads remain the same within the City.
Own-source revenue						
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,683.11	\$1,735.51	\$1,780.74	\$1,770.97		Council experienced a slight reduction in the 2018/19 result, compared to the 2015/16 base, there continues to be an overall positive trend on this indicator.
Recurrent grants						
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$110.72	\$146.45	\$123.34	\$133.50		
Disadvantage						
<i>Relative socio-economic disadvantage</i>	8.00	8.00	8.00	8.00		Council's Relative Socio-Economic Disadvantage Indicator remains stable.

BP

Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

"population" means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2019

Service/indicator/measure	Results				Material Variations
	2016	2017	2018	2019	
R15(1) Sch3 R16(1)	11.63	11.96	9.14	9.23	Utilisation of Council's aquatic facilities is consistent with last year's result, in spite of Collingwood swimming pool being closed for 12 weeks for major refurbishment and maintenance.
R17(2)					
Animal management					
Health and safety					
Animal management prosecutions [Number of successful animal management prosecutions]	5.00	11.00	13.00	14.00	The number of animal prosecutions has increased as Council continues to improve on its response and follow-up of alleged dog attacks. Improved systems and technology has enabled officers to respond faster and identify alleged offenders.
Food safety					
Health and safety					
Critical and major non-compliance notifications [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	100.00%	100.00%	99.56%	99.54%	Council responds to 100% of critical and major non-compliance outcome notifications. Results less than 100% occur where follow-up inspections are delayed due to closures and re-inspections fall in the next period.

Results

Service/indicator/measure	2016	2017	2018	2019	Material Variations
Governance Satisfaction Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	68.60	67.00	67.00	72.00	Council's satisfaction score of 72.00 is categorised as "good" from the 2019 Annual Customer Satisfaction Survey. Previous years' results are also categorised as "good" using the same survey instrument. The result is underpinned by Council's ongoing commitment to consultation and engagement.
Home and community care Participation Participation in HACC service [Number of people that received a HACC service / Municipal target population for HACC services] x100	13.44%	N/a	N/A	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
Participation Participation in HACC service by CALD people [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	10.24%	N/A	N/A	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
Libraries Participation Active library members [Number of active library members / Municipal population] x100	17.39%	17.82%	20.72%	19.72%	This year's result reflects the community's continued utilisation of library services since the opening of the new Library and multipurpose community hub in North Fitzroy (Bargoonga Nganjin) in April 2017 which caused an increase in active memberships and visits.
Maternal and child health Participation Participation in the MCH service	79.82%	79.38%	80.41%	82.75%	

Results

Material Variations

2016 2017 2018 2019

Service/indicator/measure

[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100

Participation in the Maternal and Child Health Service has had modest increases over the last 4 years. There are no significant service changes driving this result.

Participation

Participation in the MCH service by Aboriginal children
 [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

There was a significant increase in participation in the Maternal and Child Health service by Aboriginal and Torres Strait Islander people between 2017 and 2018. This increased has been maintained in 2019.

59.72% 63.41% 79.37% 78.43%

Roads

Satisfaction

Satisfaction with sealed local roads
 [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]

Council's satisfaction score of 76.50 is categorised as "very good" from the 2019 Annual Customer Satisfaction Survey. Previous years' results are also categorised as either "good" (65.00-72.50) or "very good" (72.50-77.50) using the same survey instrument. This year's increase in satisfaction is statistically significant and a positive result for Council.

73.30 72.30 72.20 76.50

Results

Service/indicator/measure	2016	2017	2018	2019	Material Variations
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Statutory Planning**Decision making**

Council planning decisions upheld at VCAT

[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

Council successfully negotiated outcomes on 20 application lodged with VCAT without the need for a VCAT decision. These are not included in this indicator which measures applications that went to a full VCAT hearing where Council's decision was upheld as a percentage of all applications lodged with VCAT. As a result of the compulsory conference process, Council negotiated positive outcomes in 3 overturned decisions and 17 varied decisions, which are not reflected in the result.

78.69%

74.07%

77.45%

61.04%

Waste Collection**Waste diversion**

Kerbside collection waste diverted from landfill

[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

38.52%

37.36%

37.73%

37.72%

The trend shows a consistent level of waste diversion from landfill, Council continues to promote environmental sustainability and the benefits of recycling including trialling a food organics waste service during 2018/19.

BP

Definitions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

Financial Performance Indicators

For the year ended 30 June 2019

Dimension/indicator/measure	Results					Forecasts					Material Variations	
	2016	2017	2018	2019	2020	2021	2022	2023				
R15(2) Sch3 Revenue level												
R16(1) Average residential rate per residential property assessment	\$1,543.41	\$1,617.29	\$1,674.29	\$1,727.98	\$1,742.79	\$1,801.85	\$1,828.01	\$1,854.65				
R17(2) Number of residential property assessments]												
R17(3) Expenditure level												
Expenses per property assessment [Total expenses / Number of property assessments]	\$3,128.06	\$3,088.70	\$3,196.76	\$3,592.09	\$3,467.51	\$3,489.41	\$3,518.66	\$3,546.00				

The average residential rates per residential property continues to increase due to rates increasing in line with the rate cap, as well as supplementary rate revenue received. The trend reflects that this will continue.

Council's expenses have increased, primarily due to the accounting result of a number of non-cash impacting items. These have included \$11.4m of land asset write off, an accrued legal settlement and \$1.7m of further bad debt provision resulting from application of AASB9 and reduced collections from Fines Victoria.

Results

Forecasts

Dimension/indicator/measure	2016	2017	2018	2019	2020	2021	2022	2023	Material Variations
Workforce turnover <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	15.64%	22.71%	16.05%	14.05%	0.00%	0.00%	0.00%	0.00%	Council has had a decrease in its ratio of terminations compared to previous years.
Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	102.99%	150.61%	196.87%	282.25%	268.39%	125.47%	187.54%	172.38%	Council received \$22M+ in grant income close to the end of the financial year, which it must hold in the bank until it is spent on the projects for which the funding is intended.
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	27.46%	63.57%	96.61%	106.06%	172.44%	77.74%	104.94%	92.93%	Council's unrestricted cash has improved from 2016/17 to 2018/19 due to better than expected revenue receipts. The future trend is for Council's unrestricted cash to slowly increase.

Dimension/indicator/measure	Results						Forecasts				Material Variations	
	2016	2017	2018	2019	2020	2021	2022	2023				
Obligations												
Asset renewal												
Asset renewal compared to depreciation (Asset renewal expenses / Asset depreciation) x100	95.90%	98.77%	102.44%	96.13%	104.54%	120.00%	115.89%	99.36%	Council's year on year result is uneven, as Council continues to find the optimal balance of renewal priorities each year. The reduction in the 2018/19 result is due to depreciation increasing by \$1m year on year due to infrastructure revaluations. Council's year on year result has decreased and Council expects this trend to continue, as its debt profile decreases over time.			
Loans and borrowings												
Loans and borrowings compared to rates (Interest bearing loans and borrowings / Rate revenue) x100	33.19%	45.41%	42.80%	40.27%	37.82%	35.47%	30.98%	26.64%	Council's year on year result has increased as it borrowed an additional 13.5M during 2016/17. Council is required to repay a \$32.5m interest only loan in 2020/21.			
Loans and borrowings												
Loans and borrowings repayments compared to rates (Interest and principal repayments on interest bearing loans and borrowings / Rate revenue) x100	1.54%	1.49%	3.00%	3.09%	2.87%	2.78%	31.76%	4.65%	Council's year on year result has increased as it borrowed an additional 13.5M during 2016/17. Council is required to repay a \$32.5m interest only loan in 2020/21.			

Dimension/indicator/measure	Results					Forecasts					Material Variations	
	2016	2017	2018	2019	2020	2021	2022	2023				
Indebtedness												
Non-current liabilities compared to own source revenue	22.99%	29.39%	26.41%	26.97%	25.36%	6.27%	19.22%	16.26%				
[Non-current liabilities / Own source revenue] x100												
Operating position												
Adjusted underlying result												
Adjusted underlying surplus (or deficit)	1.70%	6.31%	8.38%	1.51%	4.53%	4.82%	5.34%	5.85%				
[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100												
												Council's expenses have increased, primarily due the accounting result of a number of non-cash impacting items. These have included \$11.4m of land asset write off, an accrued legal settlement and \$1.7m of further bad debt provision resulting from application of AASB9 and reduced collections from Fines Victoria. These are more than offset by real cash increases in grant income, however that income is not used in the calculation of Underlying result.
Stability												
Rates concentration												
Rates compared to adjusted underlying revenue	59.82%	58.17%	56.30%	55.53%	56.73%	57.11%	57.34%	57.55%				
[Rate revenue / Adjusted underlying revenue] x100												
Rates effort												

Dimension/indicator/measure	Results						Forecasts				Material Variations
	2016	2017	2018	2019	2020	2021	2022	2023			
Rates compared to property values	4.73%	0.20%	0.21%	0.18%	0.21%	0.21%	0.21%	0.21%	0.21%		
Rate revenue / Capital improved value of rateable properties in the municipality] x100											Council's property values increased by an average of 11.51% from 2017/18 to 2018/19

BP

Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

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

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

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

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

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

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

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

CIV means Capital Improved Value

NAV means Net Annual Value

"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 2019

BP

1. Basis of preparation

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

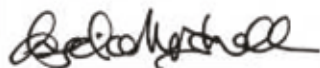
Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

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

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 25 June 2019 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

R18(1) In my opinion, the accompanying performance statement has been prepared in accordance
R18(2) with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.



Angelica Marshall
Principal Accounting Officer
Dated: 10 September 2019

In our opinion, the accompanying performance statement of the Yarra City Council for the year ended 30 June 2018 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

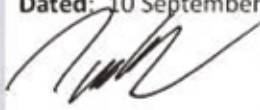
The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

At the date of signing, we are not aware of any circumstances that would render any particulars in the performance statement to be misleading or inaccurate.

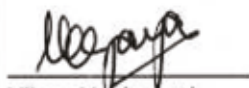
We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.



Danae Bosler
Mayor
Dated: 10 September 2019



James Searle
Councillor
Dated: 10 September 2019



Vijaya Valdyahath
Chief Executive Officer
Dated: 10 September 2019

GLOSSARY





GLOSSARY

The following table defines key terms used in this report

Term	Definition
2018/19	A reference to the financial year beginning 1 July 2018 and ending 30 June 2019.
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.
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.
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.
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 Local Government Model Financial Report, 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.
Freedom of Information Request	A request for Council to provide access to documents pursuant to the <i>Freedom of Information Act 1982</i> .

Term	Definition
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 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 Local Government (Planning and Reporting) Regulations 2014.
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.

Term	Definition
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.
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 compromising 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

Term	Definition
AAS	Australian Accounting Standards
B	Billion
CALD	Culturally and Linguistically Diverse
CEO	Chief Executive Officer
CLT	Community Land Trust
DELWP	Department of Environment, Water, Land and Planning
DDA	<i>Disability Discrimination Act</i>
EFT	Equivalent full-time – one EFT is equivalent to one person working 38 hours per week
IBAC	Independent Broad-based Anti-corruption Commission
IMAP	Inner Melbourne Action Plan
LGBTIQ	Lesbian, gay, bisexual, transgender, intersex, questioning
LGPRF	Local Government Performance Reporting Framework
LGV	Local Government Victoria
M	Million
MAV	Municipal Association of Victoria
MOU	Memorandum of Understanding
MREP	Melbourne Renewable Energy Project
NDIS	National Disability Insurance Scheme
PPF	Policy Planning Framework
TAC	Transport Accident Commission
VAGO	Victorian Auditor-General's Office
VCAT	Victorian Civil Administrative Tribunal
VPA	Victorian Planning Authority

Yarra City Council PO Box 168 Richmond VIC 3121

Bargoonga Nganjin, North Fitzroy Library

182 St Georges Road, Fitzroy North

Collingwood Town Hall 140 Hoddle Street, Abbotsford

Connie Benn Centre 160 Brunswick Street, Fitzroy

Richmond Town Hall 333 Bridge Road, Richmond

T (03) 9205 5555

TTY 133 677 then 9205 5555

F 8417 6666

E info@yarracity.vic.gov.au

W yarracity.vic.gov.au

For a large print version call 9205 5555