

The 22nd Golden Plains Shire Council 2015-16

ANNUAL REPORT



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INTRODUCTION

Welcome to the Report of Operations 2015-16

This Annual Report provides you with Council's review of the past financial year, including the highlights, achievements and financial reporting as required by law. With 20,809 people in 2,705 square kilometres, Golden Plains is a thriving hub of close communities, gorgeous landscapes and bustling industry – all supported by a caring, diligent Council. Residents can continue to look forward to a bright future, underpinned by sound financial management by Council.

8 planning
42 permit applications
4 processed


60 Council volunteers
provided \$294,840 total value and 9,828 hours of services to the community

820 responded to the Community Engagement residents Survey

478 Families supported through the provision of quality childcare

\$38.7 million
total income of Council

64% increase in recycling received as part of Council's kerbside recycling collection



650 PEOPLE received home and community care services to help them remain at home.



670 young people attended events supported by Council



30,000+ calls answered



71 participated in the 2016 Golden Plains Arts Trail

752 social media posts



14.2km of ROAD UPGRADES across the Shire



18km of water pipeline was installed in the Golden Plains Food Production Precinct



Our Vision - Our Mission - Our Values

Our Vision

Golden Plains Shire offers a lifestyle with opportunities that foster social, economic and environmental wellbeing.

In partnership with the community we will provide strong leadership, encourage sustainable development and ensure quality services, to continue to improve the quality of life of residents.



Our Mission

- We encourage, welcome and recognise the need to respond to the significant forecast population growth and the challenges it creates.
- We maintain and enhance the diversity and uniqueness of our communities, while encouraging and managing population growth and economic development.
- We maintain and develop a quality road system and secure adequate resources for the future.
- We aim for citizens to have fair access to recreation facilities, education, employment and human services, particularly youth and the aged.
- We accept individual diversity and we welcome and encourage participation in civic and community affairs.
- We market our municipality through open and effective communication.
- We respect the environment, our cultural significance and our heritage.
- We support and pursue the orderly and proper planning of land use and development based on strategic considerations as identified in the Municipal Strategic Statement.
- We support agricultural industry, sustainable practices and the right to farm.
- We provide municipal leadership that reflects local needs within a competitive and changing environment while considering government priorities.
- We foster successful relationships with other levels of government, agencies, non government organisations and the private sector.

Our Values

- **Integrity in Leadership**
We will strive to lead the community with integrity, reason and accountability whilst acknowledging Council's statutory obligations.
- **Equity and Access**
We will treat our community, residents and ratepayers equitably by being fair in our decision making and ensure that we are approachable by the community.
- **Commitment**
We are committed to excellence in management and teamwork, comprising the community, Council and staff.
- **Community**
We recognise the uniqueness of our individual communities and will seek to work in partnership with them to enhance their sense of community spirit. We recognise the efforts and value the contributions of our volunteers.
- **Innovation**
We are open to new ideas and will grasp opportunities with a vision to succeed.

Highlights and achievements

There are some activities and projects delivered by Council that really demonstrate the great work done for our communities throughout the year. Here you can see some of the major achievements and overleaf you can find a brief timeline. Council delivers a huge program of work each year – these are just some highlights.

COMMUNITY GRANTS

In 2015-16 Council funded 44 Community Grants to deliver \$340k worth of projects to benefit the Golden Plains community. For every \$1 Council invested, a return of \$2.30 resulted.

PLANNING

428 planning permit applications were processed, with 64% of new planning permit applications issued within a 60 day statutory timeframe.

BUDGET

The Council Plan, Strategic Resource Plan and Annual Budget were adopted by Council at the June Council Meeting.

UPGRADES TO CHILDCARE FACILITIES

Four important early years projects have taken shape across the Shire – a multi-million dollar suite delivering state-of-the-art facilities in Meredith, Bannockburn, Teesdale and Rokewood.

FOOTPATH NETWORK

2,025 metres of new footpath network was constructed across 4 townships.

KERBSIDE COLLECTION

The changes to the kerbside collection service allowed Council to reduce the 2015-16 annual garbage charge by \$12, from \$250 to \$238. It was estimated that the charge would have increased to \$289 had the service not been altered.

ADVOCACY

Council represented the interests of Golden Plains residents, ratepayers and businesses in over 35 meetings with Federal and State politicians.

ENVIRONMENT

All roadsides within the identified settlement areas of Golden Plains Shire were inspected for fire hazards during the fire danger period.

TRANSFORMING DEREEL

Dereel has been transformed with construction of a new men's shed, upgrade to the hall and a new skate park, significantly reinvigorating the area.

FOOD FOR THOUGHT PROJECT

This project aims to consider how food is available at the local level. Food sharing fosters good social connections.

ENGAGING WITH YOUNG PEOPLE

22 young volunteers were part of committees which delivered projects such as Battle of the Bands, People of Golden Plains and the Barwon South West Skate Competition.

RATE REVALUATION

The revaluation was completed during 2015 with new valuations set on 1 January 2016. These valuations will be used to calculate the rates due for each property in the 2016-17 financial year.

Highlights and achievements

Councillors, Council managers and staff work hard throughout the year to achieve great results for residents and deliver programs and services included in the Council Plan. Below you can find some highlights that show some of our best moments throughout the year.

JULY 2015

Council kicked off the Volunteer Training Calendar: 16 Volunteer Training workshops supporting the development of 46 groups throughout the year.

AUGUST 2015

Completed gravel resheeting projects on Donald McLeans Road and Gumely Road.

SEPTEMBER 2015

Started work on Council's Roads to Recovery program, including 13 priority road projects spanning more than 13km of roads.

OCTOBER 2015

The Generation Gap project connected older adults and students from Bannockburn Primary School, bridging generation gaps across the Shire and personalising the Shire's diverse stories.

NOVEMBER 2015

Council conducted Community Focus Groups to determine community priorities for the 2016-17 Council Budget.

DECEMBER 2015

Biodiversity mapping of 688 roadsides was completed.

Minister for Local Government announced a rate cap of 2.5% to be applied for the 2016-17 financial year.

JANUARY 2016

Secured \$225k in funding from Round Two of the Federal Government's National Stronger Region's Fund to install fuel infrastructure at the Lethbridge Airport.

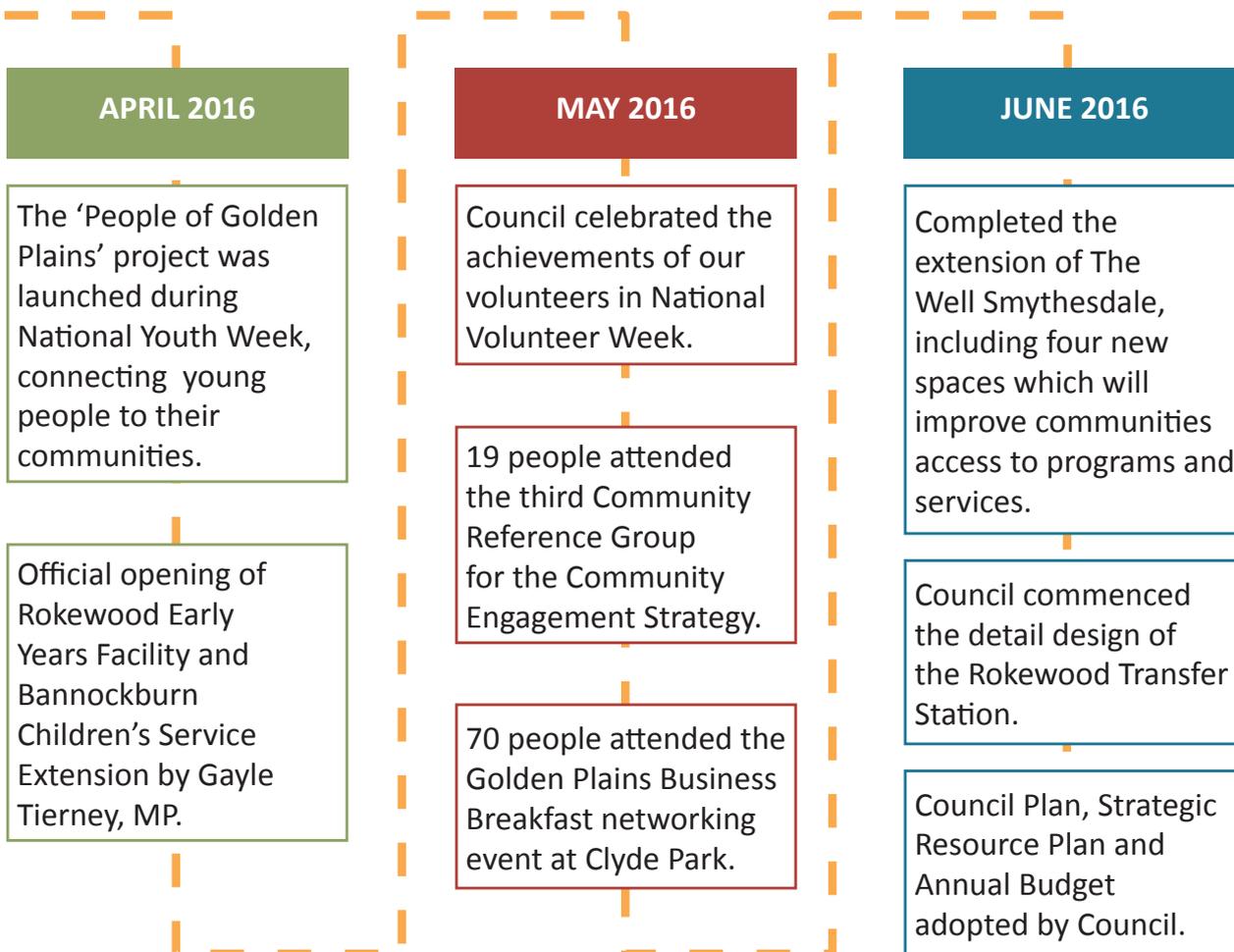
FEBRUARY 2016

820 residents responded to the Community Engagement Survey

The refurbished and expanded Teesdale Kindergarten opened its doors at the new Teesdale Children's Centre.

MARCH 2016

71 artists participated in the 2016 Golden Plains Arts Trail, in 25 venues across the Shire over two days.



Challenges and future outlook

Golden Plains Shire is in a special position and as such, faces many challenges:

- High population growth
- Substantial challenges associated with provision and renewal of roads, paths and community and recreation facilities
- Increased demand for new services and the introduction of rate capping
- Managing the competing interests of rural and urban communities
- Managing the expectations of new residents who have relocated from highly urbanised Councils to a semi-rural Council
- Maintaining the extensive road network of over 1,800km.

To maintain a healthy outlook, Council must remain focused on its adopted strategies to provide the foundations on which to plan positively for the future. Such strategies include Council's investment in activities and initiatives such as:

- Strategic investment in economic development to facilitate the growth of the local economy, particularly in township development and rural based industries
- Delivery of a range of human support services that maintain or enhance the wellbeing and quality of life of Golden Plains' residents
- Implementation of Council's Municipal Early Years Plan, which focuses on all areas that impact on the health and wellbeing of children from the ages of birth to ten years.

Sustainability



Golden Plains Shire Council is committed to ensuring the long-term economic, social and environmental sustainability of the Shire. This commitment is framed within Council's vision of offering a lifestyle and opportunities that foster economic, social and environmental wellbeing.

This sustainability report provides an overview of how Council is responding to the interwoven areas of economic, social and environmental sustainability. It outlines Council's major economic, environmental and social strategies, provides an overview of Council's own sustainable performance and highlights key initiatives that put sustainability into practice.

Annual Plan Key Result Areas	Sustainability Dimensions		
	Economic	Social	Environmental
Citizens and Customer Service		✓	
Civic Leadership	✓	✓	✓
Economic Development	✓	✓	✓
Environment and Land Use Planning	✓	✓	✓
Financial Management	✓		
Human Support Services		✓	
Recreation and Community Development		✓	
Roads and Streets Infrastructure	✓	✓	
Waste Management			✓

Economic Sustainability

Golden Plains Shire Council has a range of strategies and plans that support and promote economic sustainability including:

- The Strategic Resource Plan which outlines the financial and non-financial resources needed to achieve the strategic objectives of the Council Plan.
- The Ten Year Financial Plan, a high level plan which informs Council about the trends in financial sustainability over the longer term.
- Asset management strategies which provide direction for managing Council's asset portfolio. These include the Road Strategy and Asset Management Improvement Strategy.

Other important economic strategies and plans include:

- The Economic Development Strategy which guides Council's efforts to support local business, attract investment and grow the local economy.
- Regional Growth Plans (G21 Region Growth Plan and Central Highlands Regional Growth Plan) which provide regional approaches to sustainability planning and support coordinated responses across municipal borders.

Sustainability

Challenges

- Providing community access to infrastructure, including transport and telecommunications infrastructure.
- Providing business support programs across all the communities in the Shire.
- Coordinating responses to the growth issues which occur across municipal boundaries.

Achievements

- Provided an 18 km potable water pipeline for the Golden Plains Food Production Precinct; a \$11.78m investment by Federal and State Governments, Golden Plains Shire Council and Barwon Water.
- Secured \$225k from the Federal Government for upgrades to the Lethbridge Airport Fuel infrastructure.
- Coordinated the Golden Plains Arts Trail 2016, generating an estimated \$250k of economic activity over the two day event.

Social Sustainability

Golden Plains Shire Council has a range of strategies and plans that support and promote social sustainability including:

- Accessing seed funding which encourages community leadership when designing and developing facility upgrades and new facilities.
- The Community Development Strategy which encourages and assists groups to be actively involved in their community for the benefit of the community.
- The Recreation Strategy which aims to improve the overall health and wellbeing of residents, by encouraging participation in recreation and strengthening communities.

- Healthy People, Healthy Places; Health and Wellbeing Plan which commits Council to work with its communities to enhance health and wellbeing outcomes across the Shire.

Challenges

- Providing communities and residents with equitable access to social support services and community facilities.
- Developing opportunities for recreation across a geographic area with a dispersed population.
- Providing access to transport to enable eligible residents to travel to medical, social and work related appointments.

Achievements

- Provided more than 44 grants to support communities as they build infrastructure, deliver activities and events that enhance social connection and cohesion.
- Delivered 16 training sessions which equipped 135 community members with skills to enable them to facilitate development in their own communities.
- Offered ratepayers access to faster delivery of rates notices and better information about their rates accounts by offering access through FormsPort and BPay View.

Environmental Sustainability

Golden Plains Shire Council has a range of strategies and plans that support and promote environmental sustainability including:

- The Environment Strategy which focuses on addressing local actions which will contribute to addressing environmental sustainability issues on a broader scale.

- The Waste Strategy which establishes a framework for the coordinated management of waste services to meet Council's present and future needs as identified by State Government policy, regional waste management groups and the community.

Challenges

- Managing the expanse of registered municipal roadsides to ensure that biodiversity is maintained and improved.
- Increasing community understanding of best practice waste reduction and waste management.

Achievements

- Reduced average per household waste sent to landfill by 0.29 tonnes p.a. and increased average recyclables collected by 0.06 tonnes p.a.
- Developed Roadside Environmental Management Plan and Code of Practice to ensure environmental considerations are met when planning for roadside works.
- Incorporated environmentally sustainable design principles into the redesign and extension of Bannockburn, Meredith and Rokewood early years centres.

THE YEAR IN REVIEW



Cr Des Phelan
Mayor

Mayor's Message

On behalf of my fellow Councillors, I am delighted to present the 2015-16 Golden Plains Shire Council Annual Report.

As well as being an important document required by the State Government, this report provides an overview of the work undertaken by Council on behalf of the community and demonstrates some of the key highlights and achievements through the year.

Creating community connection with Council

Council has been developing a draft Community Engagement Strategy and Action Plan 2016-2020 as part of its commitment to improve its community consultation and engagement practices.

In the development of the draft Strategy, consultations have been carried out with the community, Councillors and Council staff. Feedback gathered along the way was used to guide the setting of actions within the Strategy, which was released for community feedback in early July 2016.

Building a better Budget process

Last year, Council committed to keeping the community involved in the process leading up to the release of the draft Budget in the legislated formal consultation period. This included focus group sessions, providing some of the key assumptions that informed the Budget calculations for community review and the formal consultation period. Council was also committed to meeting the State Government's new Fair Go Rates System (FGRS) which has capped average rate per assessment increases at 2.5 per cent.

Council adopted its Budget for the 2016-17 financial year and 2013-2017 Council Plan (which also includes the Strategic Resource Plan) at its ordinary Council meeting in June.

Celebrating our volunteers

Thank you to all those who donate their time and effort - volunteering has such a big impact on both the person and the community as a whole, that it is hard to imagine a community without them.

In conclusion, as we approach the next Council elections, I would like to thank all those who have been a part of the 2012-2016 Council – it has been a fruitful and busy Council term and I am proud to have worked with such a great group and achieved so much for the community.

I would also like to thank Rod Nicholls, CEO, as well as the Golden Plains Shire Council staff – all of whom work tirelessly for the people of Golden Plains and I'm proud to have such an active and committed community across the Shire.

"We have the most passionate residents in the world and many of them are volunteers and this year has continued the proud tradition of volunteering in Golden Plains Shire. Volunteering has such a big impact on both the person and the community as a whole, that it is hard to imagine a community without them."



Rod Nicholls
Chief Executive Officer

CEO's Message

As the Mayor has noted, 2015-16 proved to be a year which will shape many Council actions in the coming years, which provides some great opportunities and challenges for a modern Council.

Over the last year, our expenditure of \$36 million has delivered a range of benefits and services to our community, including residents, rate payers and businesses.

On pages 5 to 7 you can see a synopsis of our key achievements and highlights from the year and that is only a small snapshot of what has been delivered through passion, good planning and hard work.

Delivering key benefits and services

Every day our staff works for the benefit of our community in a huge number of ways and in 2015-16 Council successfully delivered a number of key benefits and services to the community.

This ranges from our Planning team processing 428 planning permit applications to a 64% increase in recycling. Local Government isn't one industry, it is many, and Golden Plains Shire Councillors and staff are dedicated to ensuring that residents and rate payers receive 'best value'.

Fostering community linkages

Golden Plains is a geographically large Shire, but has some of the most passionate communities I have ever seen and Council works hard to link people together even further. The Golden Plains Arts Trail drew people from all over the state to experience the creativity of local artists and enjoy our beautiful Shire. Planned Activity Groups enhance people's independence, by promoting physical activity, emotional wellbeing and social inclusion.

Our volunteers provide many valuable services to the community (and brings its own rewards to the volunteer!), while Council also supports 22 communities in developing Community Plans – these are just some of the ways Council helps support community connection.

Advocating for Golden Plains

Advocating for and representing our residents, communities and businesses in State and Federal Government is a key function of Local Government and one Golden Plains Shire Council takes seriously. As such, throughout the year, a schedule of lobbying and advocacy was undertaken, comprising over 30 meetings with local, State and Federal politicians.

These meetings allow us to share the key projects and priorities for Golden Plains, which in turn can lead to funding and other important opportunities to have our voices heard.

Looking to the future

Council focussed on being able to meet the State Government's rate cap in the 2015-16 Budget, however, it is clear that balancing community priorities with extremely limited budgets will only get more difficult for Councils as we get further into the rate capping environment. Council is determined to maintain a 'Community First' attitude and this will form the basis of service reviews in the near future.

I would like to take this opportunity to thank our Mayor and Councillors for their hard work and dedication over the last four years. I also would like to thank all Golden Plains Shire Council staff and volunteers – they put a huge amount of work into achieving all that we did in the last year and I'm confident that we will continue to get even better in the years to come.

"Advocating for and representing our residents, communities and businesses in State and Federal government is a key function of Local Government, and one Golden Plains Shire Council takes seriously."

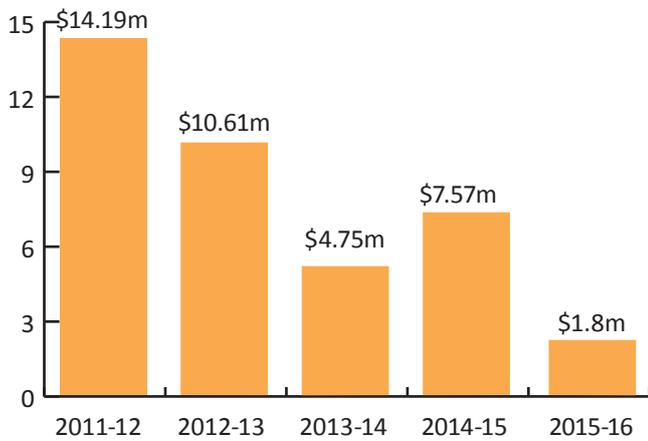
Financial Summary

The purpose of the Annual Report is to convey the performance of Council for the 2015-16 financial year. It is important to consider this Annual Report in conjunction with the Council Plan, incorporating Council's Strategic Resource Plan, which focuses on the longer term objectives of Council. This document can be found on Council's website at

www.goldenplains.vic.gov.au.

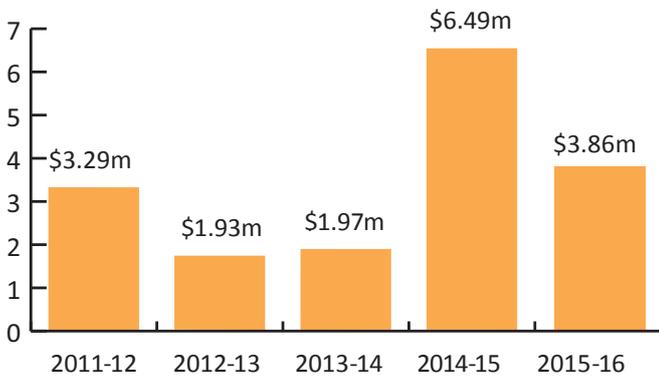
The following key indicators provide a brief overview of Council's financial performance for the year, including graphs which visually demonstrate the recent trend of each. These key indicators are common tools used to measure financial performance and are consistently applied by Council.

For more detailed information on Council's 2015-16 financial performance please refer to the Financial Statement beginning on page 57 and Performance Statement beginning on page 105.



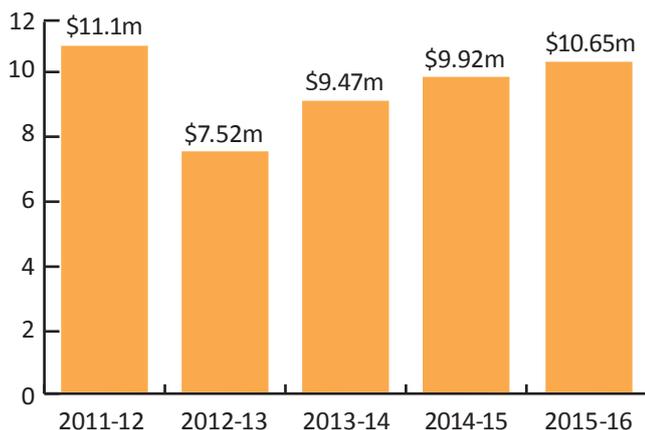
Operating Result

The operating result shows Council's overall performance for the year. The surplus for 2015-16 totalled \$1.8 million, which is \$415 thousand less than budget. However, this 'headline' figure can be misleading. The 'Adjusted Underlying Result', which removes any non-recurrent grants used to fund capital expenditure, non-monetary asset contributions and other contributions to fund capital expenditure from the result, is actually a deficit of \$1.2 million. Both the operating and adjusted underlying result for 2015-16 were negatively impacted by the Federal Government's decision to re-implement the practice of making 50% of the 2015-16 Financial Assistance Grant available in the June prior (decreasing income for the year by \$2.6m) without this timing issue, the underlying result would have been a \$1.4m surplus.



Discretionary Retained Earnings

Discretionary Retained Earnings is the surplus funds that Council has available to take advantage of unexpected opportunities. These are primarily utilised to match grants offered by third party funding. Council has been able to maintain a healthy balance for the past five years. It should be noted that the 2015-16 balance of \$3.86 million includes \$1.5 million in profits held from the sale of Bakers Lane. It is planned that the profits from Bakers Lane will be utilised to fund the capital investment required for the fourth, and final, stage of the same development.



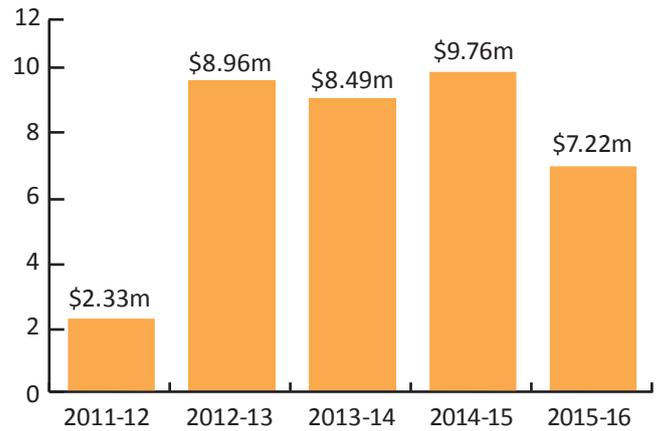
Capital Expenditure

The capital program for 2015-16 of \$10.65 million, takes Council's total capital expenditure over the last three years to \$30.04 million. These programs have been consistent with Council's Strategic Resource Plan and have been funded by a combination of government grants, borrowings and discretionary retained earnings (as outlined above).

Financial Summary

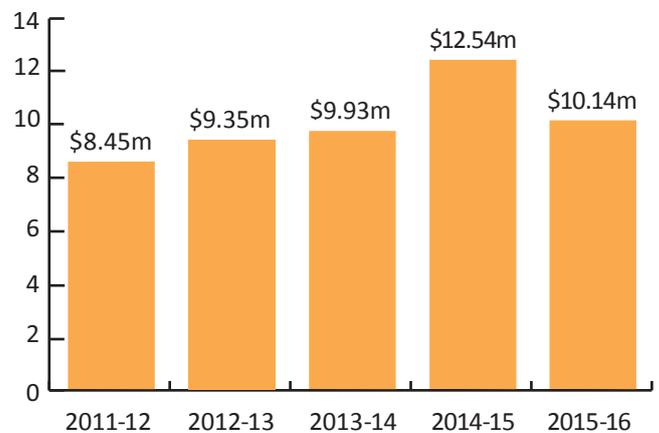
Working Capital

Working Capital is the amount by which current assets exceed current liabilities. This is a measure of Council's ability to meet its short term obligations. At 30 June 2016 the surplus is \$7.2 million compared to a budget of \$2.2 million. This large working capital surplus is primarily a result of a higher than anticipated cash balance, which is explained below.



Cash Balance

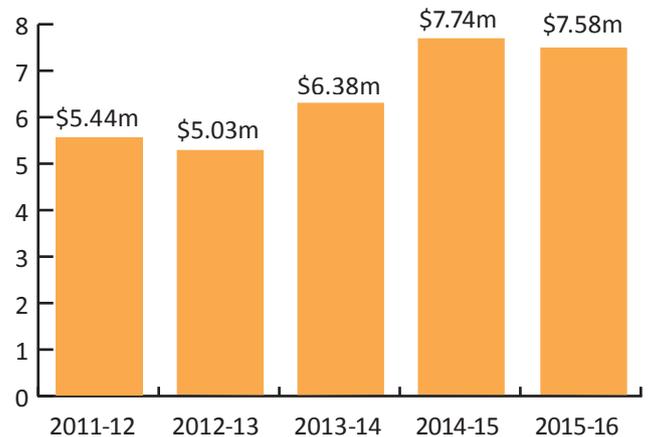
Council's cash balance at 30 June 2016 totalled \$10.14 million, which is \$7.01 million favourable to budget but is a decrease of \$2.4 million from the previous year. The balance is greater than anticipated primarily due to \$2.9 million being held to complete funded and capital works projects from prior years and recent operating surpluses.



Borrowings

Borrowings have decreased by \$159 thousand from the previous year to a total of \$7.58 million. New borrowings of \$150 thousand were undertaken to fund Council's capital program. These amounts are in accordance with Council's Strategic Resource Plan.

Council has structured borrowings to ensure costs are spread fairly over current and future generations. Council has also availed itself of the benefits from the Municipal Association of Victoria's Local Government Funding Vehicle which has seen the cost of borrowing reduce for Victorian Councils.



The above indicators demonstrate that Council remains in a healthy financial position and has been able to balance the use of operating revenue; discretionary retained earnings and borrowings to ensure services and projects are delivered to meet the demand of the Golden Plains community.

The overall financial position remains strong and continues to be consistent with that depicted in Council's Strategic Resource Plan. Given the introduction of the 'Fair Go Rates' system (rate capping), Council will need to review the strategies contained within its future Council Plan, Strategic

Resource Plan and Long term Financial Plan to ensure it continues to deliver the services required by a growing municipality, whilst remaining financially sustainable.

Description of Operations



Golden Plains Shire Council is responsible for delivering a wide range of services, facilities and infrastructure, including family and children's services, youth programs, waste management, as well as support and infrastructure for community and sporting groups; to matters concerning business development, planning for appropriate development and ensuring accountability for Council's Budget.

This broad range of community services and infrastructure for residents support the wellbeing and prosperity of our community. Council's vision, strategic objectives and strategies to further improve services and facilities are described in our Council Plan 2013-2017 and the associated Budget 2015-16 and reported upon in this document. Please see the Our Performance section for more information about Council services.

The delivery of services, facilities, support and advocacy to achieve the Strategic Objectives is measured by a set of service performance indicators and measures. Council also has a wide range of responsibilities under Victorian and Australian legislations.

Economic Factors

Golden Plains Shire's population has continued to grow strongly, creating challenges for Council in delivering services and infrastructure for the growing population.

Major Capital Works

During 2015-16 the major capital works included the following.

Golden Plains Food Production Precinct

Stage One of the Golden Plains Food Production Precinct water infrastructure project was officially opened in May 2016. Stage one of this partnership project has seen Barwon Water construct an 18km water pipeline and pump station to supply the Precinct with a town water supply. This water will be used by the intensive agriculture industry to grow investment and create jobs, particularly in the poultry sector.

Stage Two of the project will triggered by demand.

This \$11.78M project is a partnership project between the Federal Government, State Government, Barwon Water and Golden Plains Shire Council.

Early Learning Facilities

Three important early years projects were completed during 2015-16:

- The Meredith Community Hub, which includes a kindergarten, occasional care, playgroup, maternal and child health, community space and an improved space for the Community House.
- Rokewood Kindergarten, which includes a kindergarten, occasional care, playgroup and maternal and child health.

- Bannockburn Family Services Centre – extension, which includes a kindergarten, playgroup, maternal and child health and a community meeting space.

Smythesdale Business and Wellbeing Hub Upgrade Project

The Smythesdale Business and Wellbeing Hub was extended in 2016 to cater for the growing needs of small businesses in the north of the Shire. The project included:

- Three new professional service rooms.
- A new multi-purpose room.
- Indoor accessible amenities including kitchen facilities.
- A physical link between the new infrastructure and current infrastructure.
- Associated ground and landscaping works.

This was a \$996k project. It was a joint funding effort by Regional Development Victoria, contribution \$500k and Council contributing \$496k.

Description of Operations



Dereel Community Projects

Council supported a number of Council and community led projects in Dereel that will help the community in its fire recovery efforts. These projects include:

- The Dereel Hall Upgrade which included the construction of a new kitchen, dining and storage areas, new accessible toilets and upgrading of the Hall. This \$571k project was also supported by a \$350k grant from the State Government (Regional Development Victoria).
- Dereel Men's Shed included the construction of a new shed. The Dereel Men's Shed was a \$115k, jointly funded project, with support (funding and/or in-kind contributions) from the Department of Infrastructure and Regional Development 'Community Development Grants' programme, the Department of Human Services 'Strengthening Men's Sheds' program, Council, the Dereel Men's Shed and the Dereel Bushfire Relief Fund.
- Dereel Skate Park Upgrade, which included creatively redeveloping the existing skate park to encourage scootering, BMX riding and skating. This \$100k project was also supported by Council and a \$66k grant from the State Government and \$34k from Council.

Major Changes

Council introduced changes to the kerbside waste collection service in 2015-16, resulting in a reduction to the amount of waste going to landfill, as well as the annual garbage charge.

There were no other major changes to Council's operations during 2015-16.

Major Achievements

Council supported 44 community projects through its 2015-16 Community Grants program which will help deliver \$340k worth of projects for the community.

In June 2016, The Council Plan, Strategic Resource Plan and Annual Budget were all adopted by Council which will set the direction for the 2016-2017 financial year.

The Smythesdale Business and Wellbeing Hub was extended in 2016 to cater for the growing needs of small businesses in the north of the Shire.

OUR COUNCIL

Shire Profile

Golden Plains – life, as it should be

Discover the benefits of living in a semi-rural setting with plenty of space to breathe and close to everything you need!

Renowned for goldfield heritage, award-winning food and wine, iconic festivals and passionate communities, Golden Plains Shire is between Victoria's two largest regional cities, Geelong and Ballarat.

A place to grow your business

The region has a vibrant arts and culture scene, including iconic music festivals which are all helping to make Golden Plains an emerging tourism destination.

Golden Plains Shire is a hive of business opportunity and both population and economic growth, which in turn creates attractive investment opportunities and new jobs. While the Shire has a strong tradition of wool and grain production, intensive animal farming, particularly poultry and pigs is increasing. Conveniently located close to export markets, Golden Plains welcomes investment and sustainable development.

A place for family

New residents, including many young families, continue to enjoy a diverse range of lifestyle options available in the Shire's welcoming communities

– from being able to enjoy your own rural utopia, to getting involved in one of the 56 close-knit communities.

The Shire's close proximity to services available in neighbouring cities and convenient commuting distance to Melbourne and the surf coast, adds to its appeal as a place to call home.

A place for fun

As a popular destination for family fun, food and wine connoisseurs and for those seeking adventure in the great outdoors, Golden Plains Shire also has it all for the perfect day trip experience.

The Shire's natural environment (including golden plains!) dominates the landscape and the natural beauty of the region and historic townships and structures from the area's rich gold mining history continue to attract visitors willing to step off the beaten path.

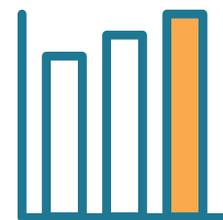
By no means a rural backwater, this thriving municipality is renowned for the produce on offer at local eateries, cellar doors and the monthly Golden Plains Farmers' Market in Bannockburn. The winemakers of the Moorabool Valley have continued the passion of the early settlers, incorporating skills from around the world and nurturing their vineyards to produce some of Australia's finest cool climate wines.



2,705
sq km of land



20,809
people



1.3%
growth rate
per annum



16
townships



56
communities

Council Offices

Bannockburn Customer Service Centre

2 Pope Street, Bannockburn, Victoria, 3331. Local call 1300 36 30 36. Phone 03 5220 7111. Fax 03 5220 7100

Linton Customer Service Centre

68 Sussex Street, Linton, Victoria, 3360. Local call 1300 36 30 36. Phone 03 5220 7111. Fax 03 5220 7100

Postal Address

Golden Plains Shire Council, PO Box 111, Bannockburn, Victoria 3331

Contacting Council After Hours

Residents wishing to contact Council outside normal business hours can phone 03 5220 7111

Councillors



*Back row left to right: Cr Greg Vaughan, Cr Bill McArthur, Cr Helena Kirby and Cr Andrew Cameron.
Front row left to right: Cr Nathan Hansford, Cr Jenny Blake and Cr Des Phelan.*

Cr Greg Vaughan

Re-elected: November 2012

Greg has previous experience as a Councillor with Golden Plains Shire and also having served on Shire of Corio as Shire President.

Cr Bill McArthur

First elected: March 1996

Grenville Shire 1991- 1994. Bill was first elected Golden Plains Shire 1996. 23 years experience as a Councillor. Two terms as mayor 2004 and 2005. President of the Municipal Association since 2009. Director and Vice President of the Local Government Association.

Cr Helena Kirby

First elected: December 2008

Helena is a resident and business owner in Rokewood. She is keen to represent the interests of the residents of Rokewood and district and to see that the communities within Golden Plains Shire are maintained and have access to future opportunities.

Cr Andrew Cameron

First elected: November 2012

Andrew lives in Lethbridge on a property that has been in his family for 80 years. He operates a farming business in Lethbridge, Teesdale and Shelford. He also part owns and operates a small business in Golden Plains Shire.

Cr Nathan Hansford

First elected: November 2012

Nathan has a young family that ensures his involvement within the community. His focus is on working together to achieve the best outcome possible for this Shire.

Cr Jenny Blake,

First elected: March 1996

Jenny is a disability advocate and a farmer who understands the financial challenges of primary production. She previously served as Mayor at Golden Plains Shire during 2008-10 and 2012-14.

Cr Des Phelan, (Mayor)

Re-elected: November 2012

Des has lived and worked in Golden Plains Shire all his life. He previously served on the Grenville and Golden Plains Shire Council for 25 years, including six terms as Mayor.

OUR PEOPLE

Senior Management Team

Council is the governing body that appoints a Chief Executive Officer (CEO). The CEO has responsibility for the day to day management of operations in accordance with the strategic directions of the Council Plan. Four Directors and the CEO form the Senior Management Team (SMT) and lead the organisation. Details of the CEO and senior officers reporting directly to the CEO are set out below.



*Back row left to right: Jillian Evans and Richard Trigg.
Front row left to right: Greg Anders, Rod Nicholls and Mike Barrow.*

Rod Nicholls PSM
Chief Executive Officer.

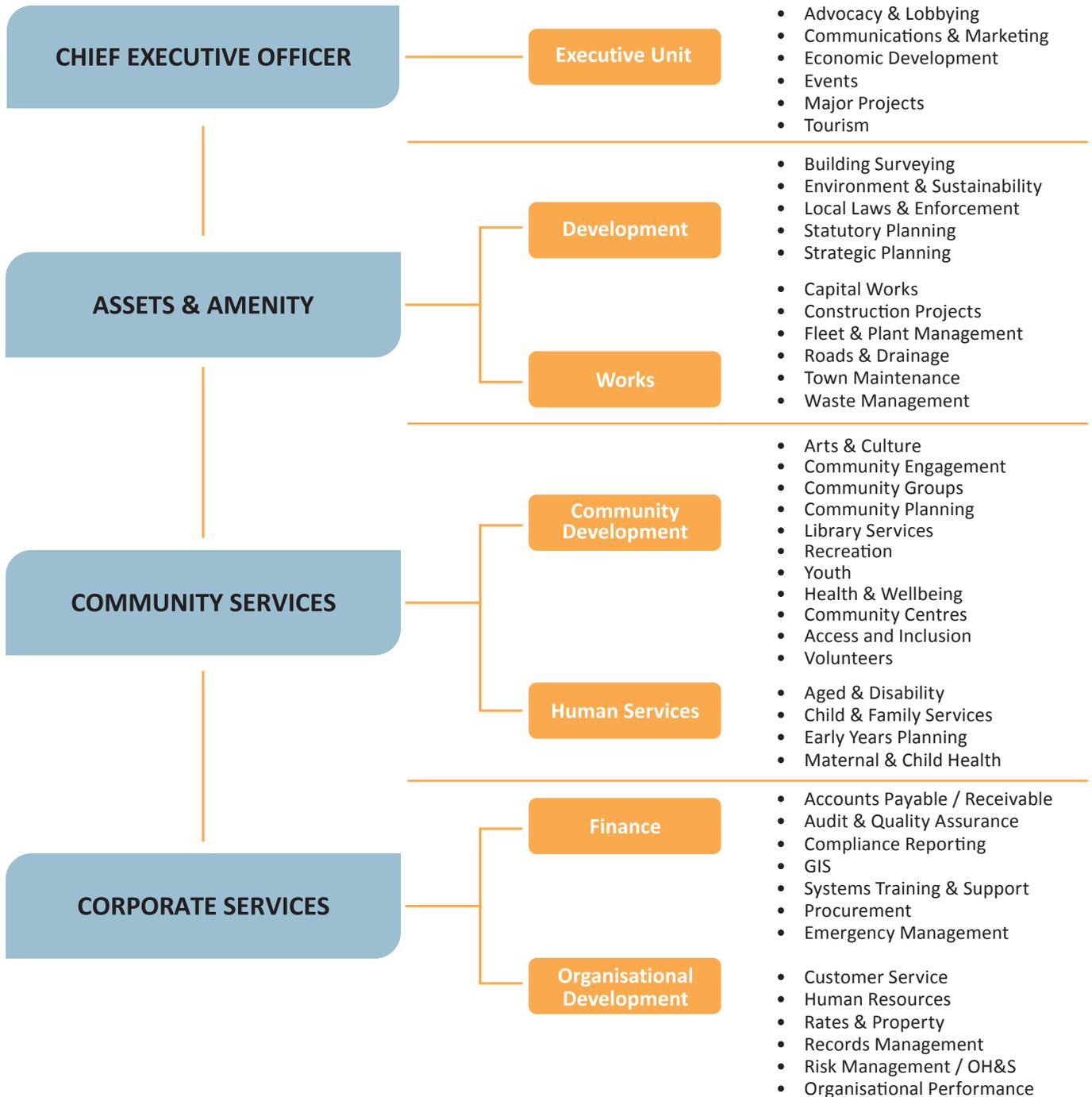
Jillian Evans
Director Community Services.

Richard Trigg
Director Corporate Services.

Greg Anders
Director Assets & Amenity.

Mike Barrow
Manager Executive Unit.

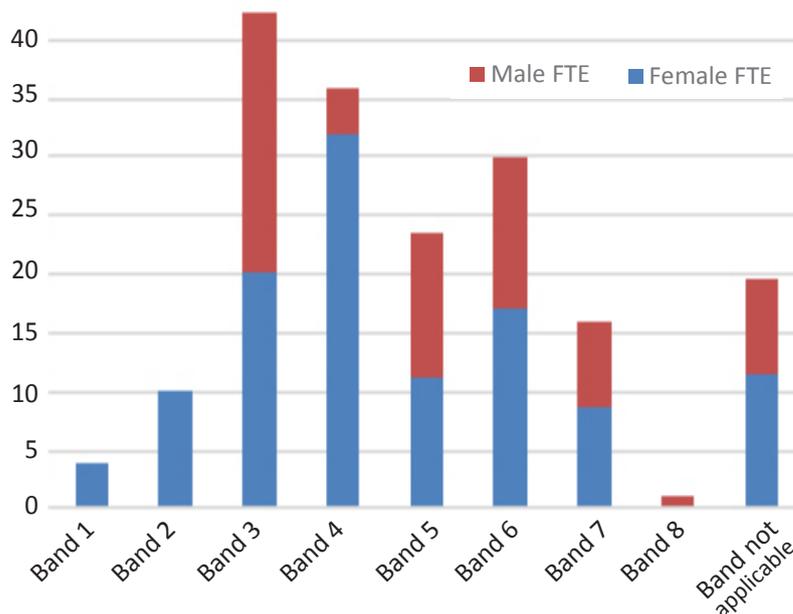
Organisational Structure



Council Staff

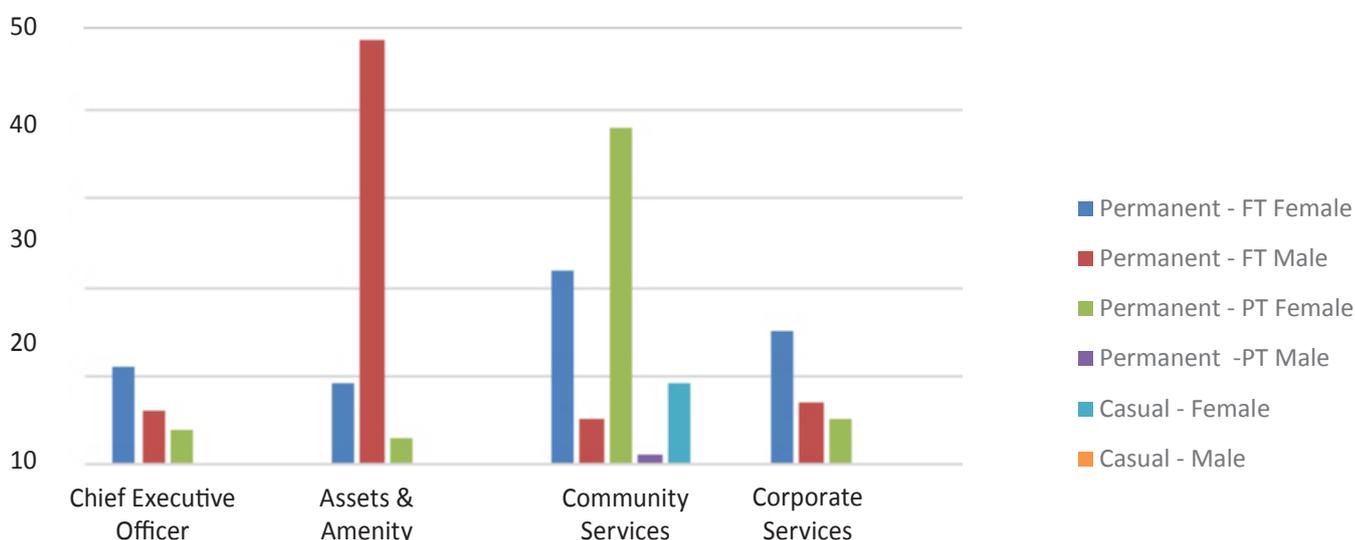
A summary of the number of full time equivalent (FTE) staff categorised by employment classification and gender is set out below.

Employment Classification	Female FTE	Male FTE	Total
Band 1	4	0	4
Band 2	10	0	10
Band 3	20	22	42
Band 4	32	4	36
Band 5	11	13	24
Band 6	17	13	30
Band 7	9	7	16
Band 8	0	1	1
Band not applicable	12	8	20
Total	115	68	183



A summary of the number of full time equivalent (FTE) council staff by organisational structure, employment type and gender is set out below.

Employment Type - Gender	Chief Executive Officer	Assets & Amenity	Community Services	Corporate Services	Total
Permanent - FT Female	11	9	22	15	57
Permanent - FT Male	6	48	5	7	66
Permanent - PT Female	4	3	38	5	50
Permanent - PT Male	0	0	1	0	1
Casual - Female	0	0	9	0	9
Casual - Male	0	0	0	0	0
TOTAL	21	60	75	27	183



Equal Employment Opportunity Program



A council with 40 or more staff must develop and implement an equal employment opportunity (EEO) program. Golden Plains Shire Council has implemented an EEO program which is designed to eliminate discrimination and promote equal opportunity in employment for designated groups.

The objective of Council's EEO program is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010* including race, colour, sex, marital status, carer responsibilities, physical or mental impairment,

age, religion, political affiliation, gender identity and sexual orientation.

Council has appointed and trained an EEO contact officer.

Implementation of the program over the past twelve months included provision of EEO awareness training. Two training sessions focusing on EEO and the prevention of bullying and harassment were provided during the year, a total of 38 staff attended. These sessions made staff aware of their responsibilities. Council's assessment is that there were no breaches of the *Equal Opportunity Act 2010*.

Staff who remain with Council longer term retain valuable local knowledge and bring experience to their specific jobs and to Council operations generally.

Other Staff Matters

Leadership development

During the year, five staff continued their participation in the Golden Plains Shire Council leadership development program. This program provides an opportunity for staff to complete a Graduate Diploma of Management through Swinburne University, in association with the Municipal Association of Victoria. The qualification draws staff and Councillors from across Victoria, bringing them together to complete intensive workshops focused on topical local government issues. In addition, Council continues to support staff who wish to participate in regional

leadership programs. In the 2015-16 year, one staff member continued to participate in the Leadership for Geelong program.

Professional development

Staff are encouraged to continue their professional development by attending conferences, undertaking skill development courses and completing formal qualifications. Study leave is available where an employee wishes to complete a TAFE or university qualification which is relevant to their current position or their future career in local government. In the 2015-16 year, four staff were approved for study leave.

Service recognition

Staff who remain with Council longer term retain valuable local knowledge and bring experience to their specific jobs and to Council operations generally. In December 2015, the Chief Executive Officer formally recognised the contribution made by long term staff.

- 7 staff completed 10 years of service.
- 1 staff member completed 30 years of service.
- 1 staff member completed 40 years of service.

Other Staff Matters



Taking Action on Prevention of Violence Against Women and children. Integral to this commitment has been the continued commitment of the Golden Plains Shire Council White Ribbon Group which aims to raise awareness

White Ribbon Group (within Golden Plains Shire Council) aim is to, in the long term, have a positive influence on attitudes to violence against women and children in the wider Golden Plains community.

The White Ribbon Group delivered or facilitated among other initiatives, the below:

- Mr Jim Phillips, Psychologist delivered a Managers and Team Leaders training session.
- Men's Group Program meet every month facilitated by Mr Andrew Edgar, Community Development Consultant.
- Bystander Training, train the trainer WHG (Womens Health Grampaigns), with a 90min session for all staff.
- Mr Andrew Edgar delivered a Men Against Domestic Violence training session at the Toolbox meeting on 18 August 2015 at the Rokewood Recreation Reserve.
- Mr Phil Cleary, Advocate for the prevention of violence against women, spoke at the White Ribbon Day, evening event on 25 November 2015. The event was aimed at our local business

leaders.

- Baby Makes 3 is a primary prevention program to prevent violence against women by promoting equal and respectful relationships between men and women during the transition to parenthood.
- Social media campaign by participating in the #HandsUp campaign. #HandsUp ran over 16 days of activism against gender violence, by sharing important messages daily through the Golden Plains Shire.
- In November, Council showed its support for the White Ribbon movement to end men's violence against women. In aid of spreading the message, Council placed signs on Community Noticeboards around the Shire and placed white ribbons on the Bannockburn Shire Hall and Customer Service Centre.



OUR PERFORMANCE

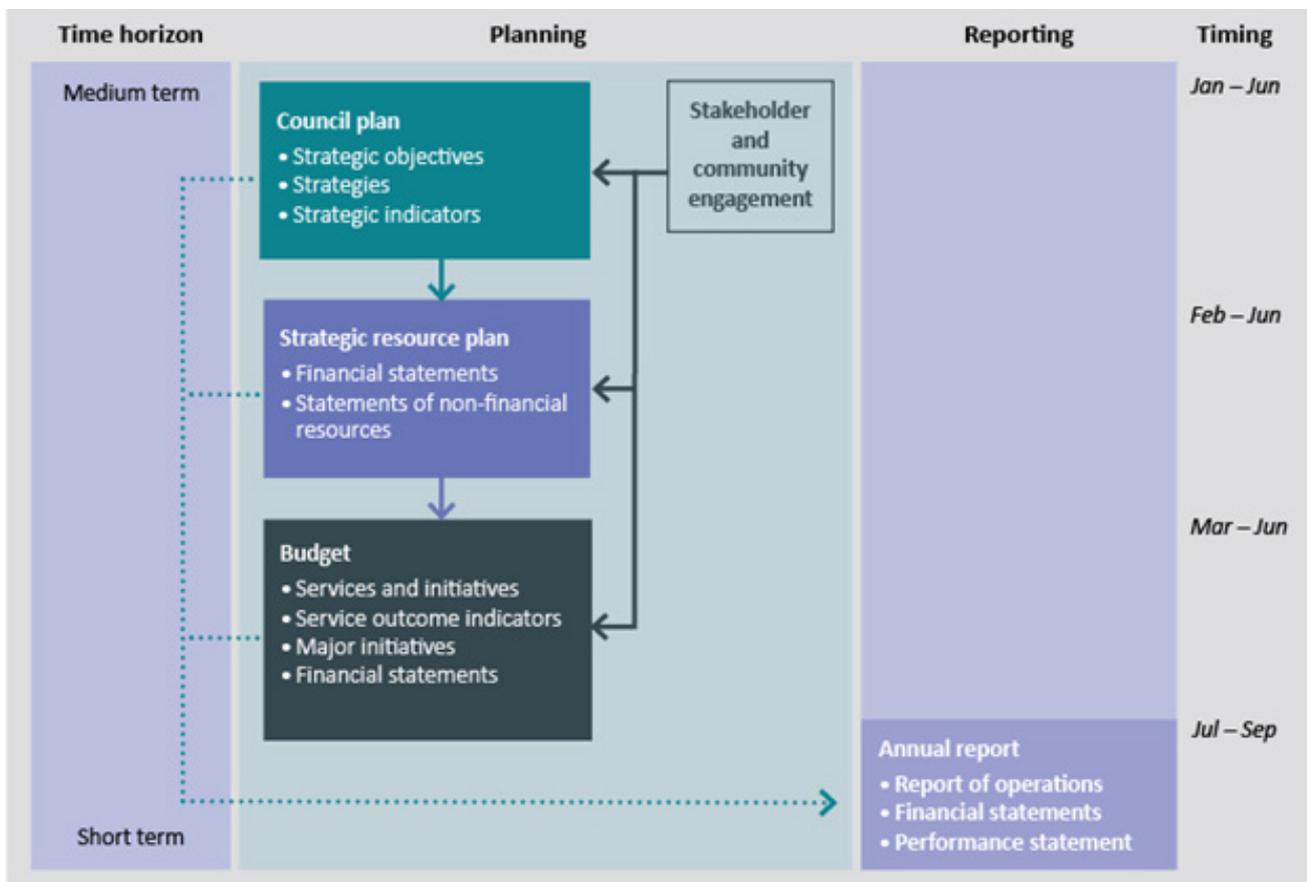


Planning and Accountability Framework

The Planning and Accountability Framework is found in part 6 of the Local Government Act 1989 (the Act). The Act requires councils to prepare the following planning and reporting documents:

- A Council Plan within the six months after each general election or by 30 June, whichever is later
- A Strategic Resource Plan for a period of at least four years and include this in the Council Plan
- A Budget for each financial year
- An Annual Report in respect of each financial year.

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government. It also shows that there are opportunities for community and stakeholder input and feedback at each stage of the planning and reporting cycle.



Council Plan

The Council Plan 2013-2017 includes key result areas, strategic objectives, strategies for achieving these for the four year period, strategic indicators for monitoring achievement of the strategic objectives and a Strategic Resource Plan. The nine key result areas and their strategic objectives are detailed in the Council Plan.

Key Result Area		Strategic Objective
1. Citizen and Customer Service		To foster a culture across the organisation which addresses the needs of the community through communication and the provision of excellent customer service.
2. Civic Leadership		To enhance Council's decision making capacity by strengthening the governance and advocacy of Council.
3. Economic Development		To facilitate the growth of the local economy particularly in township development and rural based industries.
4. Environment and Land Use Planning		Encourage and facilitate sustainable land use and development and protect and enhance the natural environment.
5. Financial Management		To ensure the efficient and effective allocation of resources through sound financial planning and management, that secures the long-term financial viability of the municipality.
6. Human Support Services		To provide a range of sustainable human support services that maintain and enhance the wellbeing and quality of life of Golden Plains Shire residents.
7. Recreation and Community Development		To facilitate the provision of a range of recreation facilities across the Shire and assist the community committees to best service their communities and to continue to enhance townships through Town Place Plans. To identify and respond to community needs and provide opportunities to enable people in the community to be supported and involved.
8. Roads and Street Infrastructure		To maintain and enhance the road network at a level that adequately satisfies transportation needs.
9. Waste Management		Continue to provide the current satisfactory garbage bin and recycling bin collection disposal service.

Performance

Council's performance for the 2015-16 year has been reported against each strategic objective to demonstrate how Council is performing in achieving the 2013-2017 Council Plan. Performance has been measured as follows:

- Results achieved in relation to the strategic indicators in the Council Plan.
- Progress in relation to the major initiatives identified in the Budget.
- Services funded in the Budget and the persons or sections of the community who are provided those services.
- Results against the prescribed service performance indicators and measures.

Citizen and Customer Service

Key result area 1

The following statement reviews the performance of Council against the Council Plan, including results achieved in relation to the strategic indicators included in the Council Plan.



Strategic Indicator/ <i>measure</i>	Result	Comments
Customer Service <i>Improve the Community Satisfaction Survey rating for customer service above 73</i>	65	This indicator has decreased from 68 in 2014-15. Council plans to address this minor variation through the delivery of the new Engagement Strategy and the new Events, Marketing and Communications Strategy.
Customer Service <i>Improve the percentage of Customer Service requests completed within timelines</i>	90%	This has improved from 81% in 2014-15. Council has engaged in a commitment to excellence in the delivery of the At Your Service Customer Service Strategy.
Occupational Health & Safety <i>Decrease the number of lost time days per annum</i>	261	This indicator has increased from 130 in 2014-15. This is a direct result of two ongoing major claims.

The following statement provides information in relation to the services funded in the 2015-16 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Communication and Marketing	A focused and concerted effort to link people, information and service offerings in a way that is clear, concise, consistent and tailored to the needs of Council's audiences and communities. This includes the planning and delivery of Council's customer service model, external communications and public relations, consultation, corporate marketing, internal communications, e-communications and corporate identity to all residents.	644 <u>643</u> (1)
Customer Service Centres	Operation of customer service centres to provide bases from which Council can deliver services to all residents.	416 <u>387</u> (29)

Civic Leadership

Key result area 2



The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comments
Community Satisfaction Survey <i>Improve the Community Satisfaction Survey rating for advocacy above 60.</i>	45	This indicator has decreased from 47 in 2014-15. It is believed the main reason for the decrease relates to the negative publicity surrounding Council's decision to drastically change its kerbside waste collection service.
Consultation and Engagement <i>Improve the Community Satisfaction Survey rating for community consultation above 62</i>	47	This indicator has increased from 44 in 2014-15. It is understood that the community has higher expectations of engagement with Council than is currently undertaken. Council has developed a new Engagement Strategy to improve engagement with residents and involve the community better in decision-making. Communications too are expected to have a faster response rate and the new Events, Marketing and Communications Strategy will guide further improvements in timely, relevant and purposeful information distribution.
Risk Improve the Risk Insurance Audit score	n/a	This information is no longer available.

The following statement provides information in relation to the services funded in the 2015-16 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Governance	Governance is the process of decision making and the process by which decisions are implemented. This program aims to strengthen Council's decision making capacity and identifies key areas of advocacy that Council will focus on in the 2015-16 financial year.	841 <u>859</u> 18
Elections	Maintenance of voters' rolls in readiness for 2016 election.	15 <u>18</u> 3
Meetings	Conduct Council meetings, Committee meetings, workshops, retreats and other meetings of Council with management.	91 <u>95</u> 4
Strategic and Service Planning	Maintenance of an integrated approach to strategic planning, financial planning, budgeting and resource allocation and the maintenance and measurement of organisational performance and promotion of cultural change, to meet customer service needs for all residents.	888 <u>885</u> (3)
Emergency Management Plan / SES	Maintenance of the Shire's Municipal Emergency Plan in accordance with State legislation, training of emergency management staff and maintenance assistance for the Bannockburn State Emergency Services Unit.	188 <u>161</u> 27
Risk Management and OH&S	Identify, monitor and manage Council's risks in relation to employee relations, occupational health and safety, workforce requirements, infrastructure, property and business operations for all staff.	318 <u>286</u> (31)

Civic Leadership

Key result area 2

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/measure	Result		Material Variations
	2015	2016	
<p>Governance</p> <p><i>Transparency</i></p> <p><i>Council resolutions at meetings closed to the public</i></p> <p>[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] x10</p>	3.40%	0.65%	During the 2015-16 year there were fewer issues which required Council deliberations and decisions to be made in closed meetings.
<p><i>Consultation and engagement</i></p> <p><i>Satisfaction with community consultation and engagement</i></p> <p>[Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]</p>	44	47	Consulting with the community about community engagement improvements commenced in November 2015. As a result a Community Engagement Strategy and Action Plan 2016-2020 was developed and formally adopted by Council at the August 2016 Council meeting.
<p><i>Attendance</i></p> <p><i>Council attendance at Council meetings</i></p> <p>[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</p>	98.2%	97.14%	Out of a possible 105 meeting attendances (7 x 15), Councillors attended 102.
<p><i>Service cost</i></p> <p><i>Cost of governance</i></p> <p>[Direct cost of the governance service / Number of councillors elected at the last council general election]</p>	\$32,595	\$34,933	These costs are reasonable for a Council the size of Golden Plains and predominately relate to Councillor allowances, which are set by the State Government.
<p><i>Satisfaction</i></p> <p><i>Satisfaction with Council decisions</i></p> <p>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</p>	45	44	Council is committed to improving its community consultation and engagement practices. With the adoption of an updated Community Engagement Strategy and new Community Engagement Action Plan in August 2016, it is expected that this indicator will improve.

Economic Development

Key result area 3



The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comments
Business, Community Development and Tourism <i>Improve the Community Satisfaction Survey rating for business, community development and tourism above 64.</i>	50	This result reflects the general downward trend of community satisfaction with local government across Victoria.

The following statements provide information in relation to the services funded in the 2015-16 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost
		Actual Budget Variance \$000
Economic Development	Job creation, industry development and investment attraction initiatives to promote economic development and activity within the Shire for improved quality of life of residents.	443 <u>482</u> 39

Environment and Land Use Planning

Key result area 4



The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comments
Town Planning <i>Improve Community Satisfaction</i> <i>Survey rating for town planning policy and approvals above 62.</i> <i>Complete 90% of all Planning Permit applications within 60 business days.</i>	49 64.8%	This indicator has decreased from 53 in 2014-15. Council continues to implement the adopted strategies and plans. During 2014-15 the formula for calculating this indicator was adjusted from a 5 day week to a 7 day week. Hence, the target of 90% was very difficult to achieve.
Immunisation Rate <i>Ensure immunisation rate for all age groups is above the State average.</i>	Achieved	Golden Plains Shire rate of immunisation for the three groups (12<15 mth, 24<27 mth and 60<63 mth) totalled 95% compared to the State average of 92%.

The following statement provides information in relation to the services funded in the 2015-16 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Land Use Planning	To provide for fair, orderly, economic and sustainable use and development of land within the Shire and to undertake all strategic and statutory land use planning functions for property owners.	751 <u>914</u> 163
Building Control	To undertake a range of regulatory compliance actions to ensure a safe build environment for all Golden Plains Shire residents. To provide complementary statutory and non-statutory building services to facilitate compliant building activity throughout the Golden Plains Shire.	255 <u>366</u> 111
Fire Protection	To identify potential fire hazards and to minimise the risks in the event of bushfire for all residents.	153 <u>263</u> 110
Environmental Management	To protect and enhance the natural environment for all residents.	366 <u>392</u> 24
Community Protection	Educate the community about local laws and animal control and enforce Council's local laws.	140 <u>249</u> 109
Public Health	To protect and enhance the health of the public and the environment via education and enforcement of Food Safety and Environmental Health.	277 <u>291</u> 14

Environment and Land Use Planning

Key result area 4

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/measure	Result		Material Variations
	2015	2016	
Statutory Planning			
<i>Timeliness</i>			
<i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	43	66	There has been improved data collection by Council in the 2015-16 year.
<i>Service standard</i>			
<i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	67.76%	64.80%	
<i>Service cost</i>			
<i>Cost of statutory planning service</i> [Direct cost of statutory planning service / Number of planning applications received]	\$915.14	\$1,689.50	There has been improved data collection and data integrity checks enacted by Council in the 2015-16 year.
<i>Decision making</i>			
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	100%	100%	
Animal Management			
<i>Timeliness</i>			
<i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	n/a	1.00	This indicator was reported for the first time in 2015-16. All 1,537 animal management requests were actioned on the day they were received.
<i>Service standard</i>			
<i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected]	22.20%	53.67%	There has been improved data collection by Council and contractor providing pound service in the 2015-16 year.
<i>Service cost</i>			
<i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$56.53	\$55.22	
<i>Health and safety</i>			
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	26	53	In 2015-16 there was a greater emphasis on following complaints to prosecution.

Environment and Land Use Planning

Key result area 4

Service/Indicator/measure	Result		Material Variations
	2015	2016	
<p>Food Safety</p> <p><i>Timeliness</i></p> <p><i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]</p>	n/a	1.00	This indicator was reported for the first time in 2015-16. Each of the 6 complaints received were actioned within 1 day.
<p><i>Service standard</i></p> <p><i>Food safety assessments</i> [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100</p>	65.31%	83.17%	The improved performance was due to reassignment of staff resources to this activity in 2015-16.
<p><i>Service cost</i></p> <p><i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]</p>	\$823.67	\$263.67	Changes within the accounting system facilitated improved tracking of costs relating to food safety service against other environmental health services.
<p><i>Health and safety</i></p> <p><i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100</p>	76%	95.45%	Improvements to the tracking of notifications were implemented in 2015-16.

Financial Management

Key result area 5



The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comments
Financial Health <i>Improve the financial health of the organisation in accordance with the long term financial strategy and annual budget targets.</i>	Achieved	Whilst not achieving the budgeted net surplus and adjusted underlying result set for 2015-16, primarily due to the timing of Federal Assistance Grants, Council has maintained a strong cash balance and healthy levels of debt.
<i>Achieve the budgeted underlying result.</i>	Not Achieved	Adjusted underlying deficit of \$1,242k compared to a budgeted deficit of \$522k.
<i>Achieve a working capital ratio in excess of 120%</i>	218.90%	Council continues to maintain a healthy working capital balance.

The following statement provides information in relation to the services funded in the 2015-16 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
General Revenue	Levying of rates and charges, managing and collecting interest on rates, receipt of Victoria Grants Commission general purpose grant, managing investments to maximise interest and accounting for subdivisions handed to Council.	(21,458)) <u>(23,959)</u> (2,501)
Property and Rating	Management of Council's rating system, including levying rates and charges, outstanding interest and valuing all rateable properties.	375 <u>399</u> 24
Statutory Reporting and Budgeting	Preparation of Council's Annual Budget, annual financial statements, Strategic Resource Plan, and other statutory returns in accordance with statutory requirements for all residents.	394 <u>375</u> (19)
Procurement and Contract Management	Develop and maintain documented standards for procurement governance and procurement process which result in value for money outcomes and minimal procurement risk. Also, develop the contract management capacity of Council.	335 <u>344</u> 9
Records Management	Effective and efficient recording, maintenance, archival and disposal of Council documents.	242 <u>251</u> 9
Borrowings	Effective management of Council borrowings.	366 <u>369</u> 3
Plant Replacement	Management and replacement of Council's plant and equipment in accordance with the plant replacement schedule.	(1) <u>39</u> 40

Human Support Services

Key result area 6



The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/ <i>measure</i>	Result	Comments
Support Services <i>Improve the Community Satisfaction Survey rating for family support services above 67</i>	62	Council continues to deliver the necessary services in this area to a high level. Continual improvement is always an objective.
<i>Improve the Community Satisfaction Survey rating for elderly support services above 67</i>	61	Council continues to deliver the necessary services in this area to a high level. Continual improvement is always an objective.
Long Day Care <i>Achieve 80% occupancy rate for the Long Day Care Centre</i>	85%	Achieved.
HACC Funding <i>Achieve 80% of the HACC Funding and Service Agreement targets</i>	91%	Achieved.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2015-16 Budget for the year.

Major Initiatives	Progress
Establishment of services at the Meredith Early Learning Centre, incorporating kindergarten, community house, maternal and child health, community meeting space and consulting room	The Meredith Community Learning Hub was completed and is fully operational. The facility incorporates Kindergarten, Occasional Care, Meredith Community House, Maternal & Child Health, community meeting space and consulting rooms. A community garden has also been established as a joint project between the Community House, Kindergarten and the Meredith Primary School.

Human Support Services

Key result area 6

The following statement provides information in relation to the services funded in the 2015-16 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Maternal and Child Health	Enhance the health and development of children and families by providing high quality Maternal and Child Health Services across the Shire.	416 <u>450</u> 34
Children Services	Improve the health and wellbeing of families by increasing access to a range of quality universal and specialist children and family services including kindergarten and child care.	470 413 <u>(57)</u>
Aged and Disability	Improving the health and wellbeing of older people and people with disabilities by providing access to a range of services that enable older people to live independently in the community and facilitating the development of inclusive and accessible communities. Manage the planning and delivery of Council's Home and Community Care Services across the Shire including Home Care, Personal Care, Respite Care, Home Maintenance, Delivered Meals and Planned Activity Groups	334 <u>669</u> 335
Community Transport	Providing access to a range of services by providing a flexible, responsive community transport service.	149 <u>177</u> 28
Community Centres	Improving the health and wellbeing of Golden Plains Shire residents and facilitating the development of healthy vibrant communities.	758 <u>883</u> 125
Kindergartens	Cluster management of five local kindergarten services for children in Golden Plains Shire. This relieves pressure felt by parents in running a kindergarten program and provides a stable employment model for staff.	34 <u>11</u> <u>(23)</u>
Bannockburn Children Services	Management of the integrated children services centre at Bannockburn, incorporating long day care and kindergarten facilities.	448 <u>127</u> <u>(321)</u>

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/measure	Result		Material Variations
	2015	2016	
Maternal and Child Health (MCH)			
<i>Satisfaction</i> <i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	100%	101.94%	The greater than 100% achievement is due to timing differences in the June/July 2016 period.
<i>Service standard</i> <i>Infant enrolments in the MCH service</i> [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	100%	99.61%	
<i>Service Cost</i> <i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses)	n/a	\$73.37	This indicator was reported for the first time in 2015-16.

Human Support Services

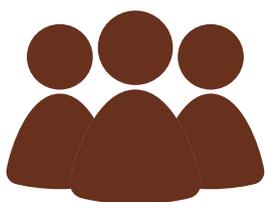
Key result area 6

Service/Indicator/measure	Result		Material Variations
	2015	2016	
<p>Participation</p> <p><i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</p> <p><i>Participation in the MCH service by Aboriginal children</i> [Number of aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</p>	79.26%	81.58%	Due to the small number of target population children, a small change in the number of Aboriginal children attending will have a proportionately large impact on the participation rate. Of the 15 enrolments in this service, 13 attended the service during the year.
	77.78%	86.67%	
<p>Home and Community Care</p> <p>Timeliness</p> <p><i>Time taken to commence the HACC service</i> [Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service.</p>	n/a	14	This indicator was reported for the first time in 2015-16. It took an average of 14 days to commence the service for the 176 new HACC clients.
<p>Service standard</p> <p><i>Compliance with Community Care Common Standards</i> [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100</p>	77.78%	77.78%	
<p>Service cost</p> <p><i>Cost of domestic care service</i> [Cost of the domestic care service / Hours of domestic care service provided)</p> <p><i>Cost of personal care service</i> [Cost of the personal care service / Hours of domestic care service provided)</p> <p><i>Cost of respite care service</i> [Cost of the respite care service / Hours of domestic care service provided)</p>	n/a	\$40.21	This indicator was reported for the first time in 2015-16.
	n/a	\$34.84	This indicator was reported for the first time in 2015-16.
	n/a	\$42.70	This indicator was reported for the first time in 2015-16.
<p>Participation</p> <p><i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100</p> <p><i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100</p>	17.99%*	17.74%	The number of CALD people receiving a service in 2014-15 and 2015-16 was stable. However, estimated municipal target population of CALD people for HACC services increased by 108% between 2014-15 (105) and 2015-16 (219). The estimated municipal target population data is supplied by the Department of Health and Human Services.
	30.48%	13.70%	

*This indicator was incorrectly reported as 41.84% in 2014-15.

Recreation and Community Development

Key result area 7



The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comments
Recreational Facilities <i>Improve the Community Satisfaction Survey rating for recreational facilities above 70</i>	61	Council continues to deliver the necessary services in this area to a high level. Continual improvement is always an objective.
Community <i>Increase the number of people living in the Shire who feel a strong sense of being part of their community (CIV rating)</i>	n/a	This data is no longer collected or reported.
Youth <i>Increase in the number of young people engaged in community activities</i>	670	Achieved. Increased from 613 in 2014-15 and 412 in 2013-14.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2015-16 Budget for the year.

Major Initiatives	Progress
The 2015-16 Budget includes the construction of stage 1 of the Bannockburn Civic Heart project. This project is completely dependent on State and Federal funding and if successful will see construction of a new multi-purpose community building (following removal of existing playgroup building), new sealed car park, destination adventure playground, water play space, BBQ area, new public toilets and connecting paths and landscaping.	Funding for this project has not yet become available. Council continues to lobby both State and Federal Governments with the intention of being able to deliver this Major Initiative. Funding for this project has been provided for within the 2016-17 Budget.
Council will develop a Community Engagement Strategy to inform all units within Council. Council will improve engagement practices through staff training, better planning for key consultations and develop systems, processes and policies to support effective community engagement with the community.	Council's Community Engagement Strategy and Action Plan 2016-2020 has been developed and endorsed by Council. The implementation of this Strategy is a Major Initiative within the 2016-17 year.

The following statement provides information in relation to the services funded in the 2015-16 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Community Development	Supporting and strengthening local communities through the development of Community Plans and Council's community grants program.	768 <u>765</u> (3)

Recreation and Community Development

Key result area 7

Service	Description	Net Cost
		Actual Budget Variance \$000
Health Promotion	Creating healthy, vibrant and connected communities and improving the health and wellbeing of people living in Golden Plains Shire.	67 <u>(27)</u> (94)
Libraries	Providing a library service to residents of Golden Plains Shire.	509 <u>480</u> (29)
Arts and Culture	Facilitating the development of community arts and cultural development projects in collaboration with local artists and communities.	168 <u>195</u> 27
Youth Development	Working with young people, local communities and service providers to improve the health and wellbeing of young people living in Golden Plains Shire.	323 <u>338</u> 15
Recreation Planning	Working with local communities and committees of management to develop a range of recreation facilities and activities.	598 <u>633</u> 35
Recreation Construction	Construction of community facilities, including halls, paths and trails, recreation reserves and pavilions, sporting facilities and playgrounds for all residents (note: Projects identified in this service area are located on land that is not owned or controlled by Council. Construction of assets on Council owned or controlled land is included in the capital works program).	321 <u>63</u> 258
Recreation Infrastructure Maintenance	Undertaking general maintenance of all Council owned and controlled land, buildings and facilities and supporting communities that undertake these activities on behalf of Council.	2,290 <u>2,626</u> 336
Major Projects	Planning and development of major projects, including halls, recreation reserves and pavilions and sporting facilities for all residents (Capital type projects identified in this service area are located on land that is not owned or controlled by Council. Construction of non-current assets on Council owned or controlled land is included in the capital works program). Major land development projects undertaken by Council are also included in this program.	(907) <u>(892)</u> 15
Volunteers	Developing procedures and processes that support volunteers to best service their communities through capacity building, new programs, recruitment and retention and achieving best practice in volunteer management.	21 <u>43</u> 22

Recreation and Community Development

Key result area 7

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/measure	Result		Material Variations
	2015	2016	
<u>Libraries</u>			
<i>Utilisation</i>			
<i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	4.84	4.92	
<i>Resource standard</i>			
<i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	87.71%	82.68%	
<i>Service cost</i>			
<i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$5.33	\$4.89	
<i>Participation</i>			
<i>Active library members</i> [Number of active library members / Municipal population] x100	12.76%	13.32%	

Roads and Streets Infrastructure

Key result area 8



The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comments
Local Roads and Streets <i>Maintain the Moloney Asset Management System Rating for our local roads</i>	Achieved	Moloney Asset Management System remains a vital system to enable Council to manage its infrastructure assets.
<i>Improve the Community Satisfaction rating for local streets (Council controlled roads) and footpaths above 54</i>	44	This indicator has decreased from 48 in 2014-15.

The following statement provides information in relation to the services funded in the 2015-16 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Sealed Roads Routine Maintenance	Routine maintenance of the sealed local road network for public usage.	1,027 <u>1,145</u> 118
Local Roads Resealing	Bituminous resealing of Council's local sealed road network for public usage.	1,813 <u>1,771</u> (42)
Local Roads Rehabilitation	Local roads rehabilitation for all residents.	1,630 <u>1,666</u> 36
Local Roads Improvements	Creating improvements to Council's local road network for general public.	(3,025) <u>(2,147)</u> 878
Gravel Roads Routine Maintenance	Routine maintenance of Council's local gravel road network for public usage.	653 <u>654</u> 1
Gravel Re-sheeting	Gravel re-sheeting works on Council's local gravel road network for public usage.	1,088 <u>1,086</u> (2)
Bridge Maintenance	Maintenance of Council's bridges and major culverts for community usage.	478 <u>522</u> 44
Tree Clearing	Tree clearing works on Council's local road network, to ensure community safety.	335 <u>347</u> 12

Roads and Streets Infrastructure

Key result area 8

Service	Description	Net Cost Actual Budget Variance \$000
Gravel Pits	Operation and rehabilitation of Council operated gravel pits for community usage.	78 <u>(6)</u> (84)
Asset Management	Management of Council's road and bridge assets for community usage.	162 <u>279</u> 117
Drainage Maintenance	Maintenance of Council's township and rural drainage assets.	323 <u>326</u> 3
Private Works	Provision of private works services for residents, other Councils and developers.	(13) <u>(14)</u> (1)
Line Marking, Guideposts and Signs	Maintenance of line-marking and delineation in the form of guideposts and signage across Council's local road network for community safety.	208 <u>240</u> 32
Street Lighting	Provision of street lighting across Council's local road network for community safety.	119 <u>122</u> 3
Township Maintenance	Provision of street beautification works including grass cutting in townships in accordance with Council policy for all residents.	843 <u>639</u> (204)
Bus Shelters	Provision and maintenance of bus shelters across the Shire for all residents.	8 <u>13</u> 5
Paths and Trails	Maintenance of Council's network of footpaths for all residents.	106 <u>178</u> 72

Roads and Streets Infrastructure

Key result area 8

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/measure	Result		Material Variations
	2015	2016	
<u>Roads</u>			
Satisfaction of use			
<i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	18.70	19.38%	
Condition			
<i>Sealed local roads below the intervention level</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	98.54%	98.54%	
Service cost			
<i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$21.06	\$29.70	The program costs year to year vary dependent on the rural or urban nature of the works.
<i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$4.21	\$4.37	
Satisfaction			
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	45	44	Council continues to implement its adopted road strategy for local roads and advocate for the improvement to arterial roads, which are the responsibility of VicRoads.

Waste Management

Key result area 9



The following statement reviews the performance of Council against the Council Plan including results achieved in relation to the strategic indicators included in the Council Plan.

Strategic Indicator/measure	Result	Comments
Waste Management <i>Improve the Waste Management Community Satisfaction Survey rating above 76.</i>	46	This indicator has decreased from 55 in 2014-15. It is believed the main reason for the decrease relates to the negative publicity surrounding Council's decision to drastically change its kerbside waste collection service in 2015-16.

The following statement provides information in relation to the services funded in the 2015-16 Budget and the persons or sections of the community who are provided the service.

Major Initiatives	Progress
In 2015-16, Council will implement new household waste collection services that are highly focused on sustainability and recycling. With the ever increasing environmental and economic costs of disposing household waste in landfill, Council has taken a strong position in changing this by implementing a new collection process that will see a 240L recycling bin collected weekly instead of fortnightly and a 240L bin for rubbish destined for landfill collected fortnightly instead of weekly.	<p>Council has successfully implemented a new household waste collection regime that sees recycling bins collected weekly and waste bins fortnightly. Following initial concerns about the changes, the new collection arrangements have been positively embraced by householders resulting in a 25% reduction in the volume of waste disposed of at landfill (down from 5,442 tonnes to 4,485 tonnes) and a 64% increase in the volume of recyclable material (up from 1,637 tonnes to 2,686 tonnes).</p> <p>In addition to the environmental benefits that result from the reduction in waste sent to landfill, the resulting cost savings provided the basis for a reduction in the Annual Service (Garbage) Charge from \$250 to \$238 in 2015-16.</p>

The following statement provides information in relation to the services funded in the 2015-16 Budget and the persons or sections of the community who are provided the service.

Service	Description	Net Cost Actual Budget Variance \$000
Garbage Collections	Collection of domestic garbage and recyclables and disposal of garbage across the Shire for all residents.	(213) <u>(125)</u> (88)
Municipal Landfills	Management and operation of Council's landfill sites.	91 <u>64</u> (25)
Litter Control	Controlling litter across the Shire.	60 <u>59</u> (1)

Waste Management

Key result area 9

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service/Indicator/measure	Result		
	2015	2016	Material Variations
Waste Collection			
<i>Satisfaction</i>			
<i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1,000	92.66	132.05	The implementation of a Council decision to improve recycling rates by increasing recycling bin collection frequency and reducing household garbage collection services resulted in an increased number of bin collection requests.
<i>Service standard</i>			
<i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	3.85	4.11	
<i>Service cost</i>			
<i>Cost of kerbside garbage collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$134.76	\$123.92	The reduction in overall cost of the service reflects a new contract rate and a reduction in collection of general household garbage to once a fortnight.
<i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$50.88	\$82.62	The increase in overall cost of the service reflects a new contract rate and an increase in collection of recyclables from fortnightly to weekly.
<i>Waste Diversion</i>			
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	22.83%	39.83%	The changes to service frequency during 2015-16 has resulted in a substantial reduction of waste to landfill and increase in recycling collected.

GOVERNANCE, MANAGEMENT & OTHER INFORMATION

Governance

Golden Plains Shire Council is constituted under the Local Government Act 1989 to provide leadership for the good governance of the municipal district and the local community.

The role of Council includes:

- a) Acting as a representative government, by taking into account the diverse needs of the local community in decision-making;
- b) Providing leadership by establishing strategic objectives and monitoring their achievement;
- c) Maintaining the viability of Council by ensuring that resources are managed in a responsible and accountable manner;
- d) Advocating the interests of the local community to other communities and governments;
- e) Acting as a responsible partner between in government, by taking into account the needs of other communities; and
- f) Fostering community cohesion and encouraging active participation in civic life.

Council's formal decision-making processes are conducted through Council meetings and Special Committees of Council. Council delegates the majority of its decision-making power to its staff. These delegations are exercised in accordance with adopted Council policies.

Council conducts open public meetings on the fourth Tuesday of each month. Members of the community are welcome to attend these meetings and observe from the gallery. Council meetings also provide the opportunity for community members to make a submission to speak to an item. For the 2015-16 year, Council held 12 ordinary meetings and 3 special meetings.

Meetings of Council

Council conducts the following open public meetings:

- Ordinary meetings of Council on the fourth Tuesday of each month
- Special Planning Committee meetings on the second Tuesday of each month as required
- Special meetings of Council as required

Community members are welcome to attend these meetings and observe proceedings from the gallery. On matters presented to Council for decision, Council meetings also provide an opportunity for community members to address the Council in support of their submissions. For the 2015 16 year, Council held the following meetings:

- 12 ordinary meetings of Council
- 10 Special Planning Committee meetings
- 3 Special meetings of Council

The following table provides a summary of councillor attendance at ordinary meetings of Council, Special Planning Committee meetings and Special meetings of Council for the 2015 16 year.

Councillor	Ordinary meetings (12 meetings)	Special Planning Committee meetings (10 meetings)	Special meetings (3 meetings)	Total open meetings (25 meetings)
Jenny Blake	11	9	3	23
Andrew Cameron	11	10	2	23
Nathan Hansford	12	9	3	24
Helena Kirby	12	10	3	25
Bill McArthur	12	9	3	24
Des Phelan	12	9	3	24
Greg Vaughan	12	9	3	24

Special Committees

The Local Government Act 1989 allows councils to establish one or more special committees consisting of Councillors, Council staff, other persons or any combination of these. The following table contains a list of all Special Committees established by Council that were in operation for all or part of the year and the purpose for which each committee was established.

As of 30 June 2016, the committees listed with an * are no longer Section 86 committees of management.

Special Committee	Purpose
Planning Committee	To make decisions on land use planning matters
Bannockburn Victoria Park Recreation Reserve CoM*	To manage the Bannockburn Victoria Park Recreation Reserve
Haddon Recreation Reserve CoM	To manage the Haddon Recreation Reserve
Harrison Reserve CoM	To manage the Harrison Reserve
Inverleigh Golf Club CoM*	To manage the Inverleigh Golf Club Reserve
Inverleigh Leigh River Public Open Space CoM	To manage the Inverleigh Leigh River Public Open Space Reserve
Inverleigh Sporting Complex CoM	To manage the Inverleigh Sporting Complex
Leighdale Equestrian Facility CoM	To manage the Leighdale Equestrian Facility
Lethbridge Recreation Reserve CoM	To manage the Lethbridge Recreation Reserve
Linton Recreation Reserve CoM	To manage the Linton Recreation Reserve
Mannibadar Memorial Hall CoM	To manage the Mannibadar Memorial Hall
Rokewood Common & Botanical Gardens CoM*	To manage the Rokewood Common & Botanical Gardens Reserve
Ross Creek Recreation Reserve CoM	To manage the Ross Creek Recreation Reserve
Scarsdale Public Hall CoM	To manage the Scarsdale Public Hall
Smythesdale Historic Precinct CoM	To manage the Smythesdale Historic Precinct
Smythesdale Public Gardens CoM	To manage the Smythesdale Public Gardens Reserve
Teesdale Grassy Woodlands CoM	To manage the Teesdale Grassy Woodlands Reserve
Teesdale Recreation (Don Wallace) Reserve CoM	To manage the Teesdale Recreation Reserve
Turtle Bend CoM	To manage the Turtle Bend Reserve
Woody Yaloak Equestrian Centre CoM	To manage the Woody Yaloak Equestrian Centre
Woody Yaloak Recreation Facility CoM	To manage the Woody Yaloak Recreation Facility

Code of Conduct

With recent changes to section 76(c) of the Local Government Act 1989, Council was to review, and make any necessary amendments to, its Councillor Code of Conduct within 4 months after the commencement of section 15 of the Local Government Amendment (Improved Governance) Act 2015. On 26 April 2016, Golden Plains Shire Council adopted the revised Councillor Code of Conduct which is designed to:

- assist Councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter
- attract the highest level of confidence from its stakeholders
- assist the Mayor and Councillors to discharge the responsibilities of their public office appropriately.

In addition to setting out the Councillor Conduct Principles, the Code also outlines:

- other conduct definitions under the Act, such as those relating to misuse of position, improper direction, breach of confidentiality and conflict of interest
- roles and relationships: and dispute resolution procedures.

Conflict of Interest

Councillors are elected by the residents and ratepayers to act in the best interests of the community. This is a position of trust that requires Councillors to act in the public interest. When a Council delegates its powers to a Council officer or a Committee, the Committee or officer also need to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it. Council has a procedure in place to accommodate the disclosure of a conflict of interest. Declarations of interest is a standard agenda item for all Council and Committee meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision making process or from exercising a public duty. The minutes of Council and Special Committee meetings record disclosed conflicts of interest. During 2015/16, 4 conflicts of interest were declared at Council and Special Committee meetings.

Councillor Allowances

In accordance with Section 74 of the Act, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor is also entitled to receive a higher allowance.

The State Government sets the upper and lower limits for all allowances paid to Councillors and Mayors. Councils are divided into three categories based on the income and population of each council. In this instance Golden Plains Shire Council is recognised as a category one council.

For the period 1 July 2015 to 30 November 2015, the Councillor annual allowance for a category 1 council (as defined by the Act) was fixed at \$18,878 per annum and the allowance for the Mayor was \$56,402 per annum. The Minister for Local Government approved an annual adjustment of 2.5 per cent to take effect as from 1 December 2015. The annual allowances were adjusted for the period 1 December 2015 to 30 June 2016 at \$19,350 per annum for the Councillor allowance and \$57,812 per annum for the Mayoral allowance. The amount equivalent to the superannuation guarantee under Commonwealth taxation legislation is payable in addition to these amounts.

The following table contains details of current allowances fixed for the Mayor and Councillors during the year.

Councillor	Allowance
Cr D Phelan (Mayor)	\$62,632
Cr J Blake	\$20,878
Cr A Cameron	\$20,878
Cr N Hansford	\$20,878
Cr H Kirby	\$20,878
Cr B McArthur	\$20,878
Cr G Vaughan	\$20,878

Audit & Risk Committee Independent Members Sitting Fee

Independent Member	Sitting Fee
Peter Bollen (Chairman)	\$3,230
John McDonald	\$2,653

Councillor Expenses

In accordance with Section 75 of the Local Government Act 1989, Council is required to reimburse a Councillor for expenses incurred whilst performing his or her duties as a Councillor. Council is also required to adopt and maintain a policy in relation to the reimbursement of expenses for Councillors. The policy provides guidance for the payment of reimbursements of expenses to the Mayor and Councillors to enable them to discharge their duties. Council also publishes in its Annual Report the details of the expenses, including reimbursement of expenses for each Councillor and member of a Council Committee paid by the Council. The details of the expenses for the 2015-16 year are set out in the following table.

Councillor	TR \$	CM \$	IC \$	CT \$	Total \$
Cr Des Phelan (Mayor)	\$429	\$4,530	\$1,594	\$9,052	\$15,605
Cr Jenny Blake	\$288	\$2,952	\$1,446	\$1,339	\$6,025
Cr Andrew Cameron	\$0	\$0	\$977	\$546	\$1,523
Cr Nathan Hansford	\$453	\$2,526	\$667	\$3,375	\$7,021
Cr Helena Kirby	\$0	\$0	\$1,767	\$473	\$2,240
Cr Bill McArthur	\$0	\$0	\$2,203	\$86	\$2,289
Cr Greg Vaughan	\$0	\$0	\$1,595	\$306	\$1,901

Legend: TR-Travel CM-Car Mileage IC-Information and Communication expenses CT-Conferences and Training expenses.

The following expenses were paid to Independent Members of the Audit & Risk Committee:

Independent Member	TR \$	CM \$	IC \$	CT \$	Total \$
Peter Bollen	-	-	-	-	-
John McDonald	-	483	-	-	483

Legend: TR-Travel CM-Car Mileage IC-Information and Communication expenses CT-Conferences and Training expenses.

Management

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having strong governance and management frameworks leads to better decision making by Council. The Act requires Council to undertake an assessment against the prescribed governance and management checklist and include this in its report of operations. Council's Governance and Management Checklist results are set out on page 49. The following items have been highlighted as important components of the management framework.

Audit and Risk Committee

The Audit and Risk Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities for accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management and fostering an ethical environment. The Audit and Risk Committee consists of two independent members, Mr Peter Bollen (Chair) and Mr John McDonald and three Councillors. Independent members are appointed for a maximum four-year term, with a maximum of two terms.

The Audit and Risk Committee meets a minimum of four times a year. The Chief Executive Officer, Director Corporate Services, Director Assets and Amenity, Director Community Services, Manager Executive Unit, Finance Manager and Organisational Development Manager attend all Audit and Risk Committee meetings. Council's Internal Auditors attend as required to present reports. The external auditors generally attend in February, May and September each year to present the audit plan, interim management letter and independent audit report respectfully.

Recommendations from each Audit and Risk Committee meeting are subsequently reported to and noted by Council.

Internal Audit

Council's internal audit function provides independent and objective assurance that the appropriate processes and controls are in place across Council. The function is provided by an external provider. A risk based three-year Strategic Internal Audit Plan (SIAP) is revised annually to ensure the audit resources remain focused on the appropriate areas. The review process considers Council's risk framework, the Council Plan, the impact of any change on operations, systems or the business environment prior audit coverage and outcomes and management input. The SIAP is reviewed and approved by the Audit and Risk Committee.

The Internal Auditor generally attends all Audit and Risk Committee meetings to report on the status of the SIAP, to provide an update on the implementation of audit recommendations and to present findings of completed reviews. All audit issues identified are risk rated. Recommendations are assigned to the responsible Manager and tracked accordingly. Managers provide quarterly status updates that are reviewed by the Internal Auditor and reported to the Audit and Risk Committee. Quality assurance is measured through annual client satisfaction surveys, the annual Audit and Risk Committee self-assessment, completion of the internal audit plan and benchmarking against other internal audit functions.

The SIAP for 2015–16 was completed with the following reviews conducted:

- Depot Operations
- Rates Management

External Audit

Council is externally audited by the Victorian Auditor-General. For the 2015-16 year the annual external audit of Council's Financial Statements and Performance Statement was conducted by Accounting and Audit Solutions Bendigo, an Audit Service Provider appointed by the Victorian Auditor-General. The external auditors generally attend the February, May and September Audit and Risk Committee meetings to present the annual audit plan, interim management letter and Independent Audit Report respectfully. The final external audit management letter and responses are also provided to the Audit and Risk Committee.

Risk management

Risk management is critical to achievement of the Council Plan's strategic objectives. Prudent decision-making regarding the use of Council's human, financial and physical resources is vital to attaining Council's vision of offering a lifestyle and opportunities that foster social and economic wellbeing. By fostering a risk management ethos, Council seeks to minimise resource waste by applying robust risk management practices.

Council reviews the Risk Management Strategy and Action Plan in December of each year. The Strategy focuses on the following strategic objectives:

- Occupational health and safety;
- Emergency control;
- Business continuity;
- Public liability;
- Asset security;
- Professional indemnity;
- Fraud prevention; and
- Risk management at facilities controlled by Section 86 Committees of Council.

The Action Plan provides a program of activities which address known issues arising in these eight strategic objective areas.

Governance and Management Checklist

Golden Plains Shire Council is constituted under the Local Government Act 1989 to provide leadership for the good governance of the municipal district and the local community.

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 Date of operation of current policy: 9 April 2014	<input checked="" type="checkbox"/>
2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Guidelines Date of operation of current guidelines: December 2010	<input checked="" type="checkbox"/>
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 Date of adoption: 28 June 2016	<input checked="" type="checkbox"/>
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 Date of adoption: 28 June 2016	<input checked="" type="checkbox"/>
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 Date of operation of current plans: Roads 14 July 2008 Buildings 22 April 2010 Bridges 6 May 2013	<input checked="" type="checkbox"/>
6. Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy Date of operation of current strategy: 27 February 2013	<input checked="" type="checkbox"/>
7. Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Policy Date of operation of current policy: Risk Management Internal Policy 19 November 2014 Risk Management Strategy and Action Plan 24 February 2016	<input checked="" type="checkbox"/>
8. Fraud policy (policy outlining council's commitment and approach to minimising the risk of fraud)	Policy Date of operation of current policy: 19 November 2014	<input checked="" type="checkbox"/>
9. Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of preparation: 26 May 2015	<input checked="" type="checkbox"/>
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 <i>Local Government Act 1989</i> Date of approval: 24 May 2016	<input checked="" type="checkbox"/>
11. Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)	Plan Date of approval: 20 April 2016	<input checked="" type="checkbox"/>

Governance and Management Items	Assessment
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 Date of preparation: 20 April 2016 <input checked="" type="checkbox"/>
13. Risk management framework (framework outlining council's approach to managing risks to the Council's operations)	Framework Date of operation of current framework: 17 July 2014 <input checked="" type="checkbox"/>
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 Date of establishment: 27 February 1997 <input checked="" type="checkbox"/>
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 Date of engagement of current provider: 1 July 2012 <input checked="" type="checkbox"/>
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 Date of operation of current framework: 1 July 2014 <input checked="" type="checkbox"/>
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)	Reports presented to Council Date reports presented: Council Plan: 28 July 2015, 27 October 2015, 27 January 2016 and 26 April 2016 Strategic Indicators presented: 23 February 2016 <input checked="" type="checkbox"/>
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 Date statements presented: 27 October 2015, 24 November 2015, 23 February 2016 and 24 May 2016 <input checked="" type="checkbox"/>
19. Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports Date Reports Presented: 24 November 2015, 23 February 2016 <input type="checkbox"/>
20. Performance reporting (six monthly reports of indicators measuring results against financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Reports Date of Reports - 24 November 2015 and 23 February 2016 <input checked="" type="checkbox"/>
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 and performance statements)	Considered at a meeting of council in accordance with section 134 of the Act Date statements presented: 27 October 2015 <input checked="" type="checkbox"/>

Governance and Management Items	Assessment	
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 Date reviewed: 26 April 2016	<input checked="" type="checkbox"/>
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 Date of review: Council to CEO 27 January 2016 Council to Staff 27 January 2016 CEO to Council Staff 2 March 2016 CEO to Staff (Vicsmart) 1 February 2016	<input checked="" type="checkbox"/>
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 Date local law made: 23 August 2011	<input checked="" type="checkbox"/>

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



Rod Nicholls
Chief Executive Officer
Dated: 13 September 2016



Cr Des Phelan
Mayor
Dated: 13 September 2016

Statutory Information

Documents Available for Public Inspection

In accordance with regulation 12 of the Local Government (General) Regulations 2015 the following are prescribed documents that are available for public inspection or copies of the documents can be obtained for the purposes of section 222 of the Act at 2 Pope Street, Bannockburn:

- a document containing details of overseas or interstate travel (other than interstate travel by land for less than three days) undertaken in an official capacity by a Councillor or any member of Council staff in the previous 12 months
- agendas for and minutes of Ordinary and Special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- the minutes of meetings of Special Committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act
- a register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act
- a document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease
- a register maintained under section 224(1A) of the Act of authorised officers appointed under that section
- a list of donations and grants made by the council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.



Best Value

In accordance with section 208B(f) of the Local Government Act 1989, at least once every year a Council must report to its community on what it has done to ensure that it has given effect to the Best Value Principles. Council incorporates Best Value Principles through regular business planning and performance monitoring processes and through a commitment to continuous improvement and innovation. To further reflect Council's commitment to Best Value, Council has commenced the design and planning of a Service Planning Program which is being rolled out to the whole organisation. This program provides additional review and improvement mechanisms to ensure that Council's services achieve best practice standards in regards to service performance.

The following Best Value initiatives were undertaken during 2015–16:

- Environmental Health services – A service review was conducted to ensure that the services provided fit well with Council's strategic framework, that businesses are supported and guided to meet legislative compliance (food safety, public health, tobacco control) and immunisation services support the achievement of a 95% immunisation rate. As a result of the review, a number of opportunities for improving the service have been scheduled for action over the next three years.
- Home Delivered Meals – This service is part of the Home and Community Care program and is provided through the Aged and Disability Services team. The review included talking to clients who are receiving the meals and reviewing the risk of service failure. A key outcome of the review was the establishment of quality, cost and responsiveness indicators. These identified current performance and set annual targets for the service for the forthcoming three year period.
- Risk Management – The Risk Management Strategy and Action Plan is reviewed annually to ensure that new and emerging risks are captured and actioned. This plan monitors the progress of Council's level of maturity for risk. The plan provides an avenue to monitor and audit continuous improvement and to ensure Council is keeping on track with its objectives. This process is reported regularly to the Executive Management Team and the Audit and Risk Committee.
- Human Resources – The review of the Organisational Development Strategy and Action Plan included measurement of internal customer satisfaction and set a three year program of improvement projects for the human resources services. Performance indicators and targets have been set for the service and will be reported internally annually.
- Community Protection – The Community Protection team provides a broad range of services including animal management, local laws administration, fire prevention / management and school crossing supervision. The service review identified opportunities for improvement in data capture, reporting and workplace health and safety. This service reports its performance annually against four Local Government Victoria Performance indicators. The results are included in the Performance Indicator section of this Annual Report.

Carers Recognition

- The Carer's Recognition Act 2012 formally acknowledges the important contribution that people in care relationships make to our community and recognises, promotes and values the role of people in care relationships.
- As a care support organisation, Golden Plains Shire Council considers the care relationship principles when developing and implementing policies, programs and services that affect people in care relationships.
- Golden Plains Shire Council has developed a number of resources over the past 12 months to provide information to Council Community Care workers, Planned Activity Group staff and assessment staff about how to support people in care relationships. Carers are invited to participate in assessment, care planning and review sessions, with the permission of the person in their care and to participate in special functions such as Christmas celebrations. Council also encourages carers to participate or drop in to regular Planned Activity Group programs at any time and has an 'open door' approach to including carers in these sessions.

Contracts

During the year Council did not enter into any contracts valued at \$150,000 or more without first engaging in a competitive process

Disability Action Plan

The Golden Plains Access and Inclusion Plan 2013-2016 expresses Council's strategic direction to improving access and inclusion needs of people with a disability. Over the past twelve months Council has continued to successfully implement the plan with some key activities including:

- The ongoing support and resourcing of Golden Plains Shire Access and Inclusion Committee
- Community consultation to provide direction and actions in the 2017-2020 Access and Inclusion Plan
- Communications Audit undertaken on Council's print, web-based and social media communications
- Budget allocation to deliver DDA Compliant Public Toilet at Inverleigh in 2016-17, action identified in public toilet audit undertaken in 2015-16

Domestic Animal Management Plan (2013-2017)

In accordance with the Domestic Animals Act 1994, Council is required to prepare a Domestic Animal Management Plan at four yearly intervals and evaluate its implementation in the Annual Report. The current plan is due to be updated in November 2017 in line with State Government requirements.

Council adopted the current Domestic Animal Management Plan in 2013. The plan was developed through consultation with Council's Animal Management Team and input from other Council departments. Since inception, Council has reviewed and monitored its operations on a yearly basis in line with the key objectives of the plan:

- To increase the enjoyment people receive from their pets.
- To reduce the incidence of problems within the community related to pets being a nuisance or causing problems or injury to people or other animals.
- To contribute to improving the health and wellbeing of pets.

A number of actions, as outlined in the plan, have been undertaken to date based around educational and promotional activities, in addition to general enforcement and compliance. These have included, but are not limited to targeted township registration checks, domestic animal business audits, investigation of prevention to cruelty of animal matters, prosecution of serious dog attacks matters, maintenance and audit of the declared dog register and targeted feral cat removal in peri urban/rural areas.

During 2015-16 the total number of animals impounded by Council has reduced by 36% since the 2013-14 period (332 and 214 respectively) while total registrations have increased 4% (from 5829 to 6102) for the same period. The total number of animal infringements confirmed for this period has remained relatively stable over the same period, while successful prosecution of animal related offences has risen by 243% (from 16 in 2013-14 to 55 in 2015-16).

Food Act Ministerial Directions

In accordance with section 7E of the Food Act 1984, Council is required to publish a summary of any Ministerial Directions received during the financial year in its annual report.

No such Ministerial Directions were received by Council during the financial year.

Freedom of Information

Under the Freedom of Information Act 1982, the community has the right to access documents held by Council. During the 2015-16 financial year, a total of four (4) valid requests were received by Council.

- Granted in full = 4

Further to this, four (4) additional requests were received by Council that were either dealt with outside of the Act or did not proceed.

- Documentation provided outside of the Act = 2
- Did not proceed/invalid = 1
- Act did not apply to request = 1

A total of \$108.80 in application fees was collected.

Protected Disclosure Procedures

In accordance with Section 69 of the Protected Disclosure Act 2012, a Council must include in their Annual Report information about how to access the procedures established by the Council under Part 9 of that Act. It is also required to provide certain information about the number and types of protected disclosure complaints investigated during the financial year.

The Protected Disclosure Act 2012 aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. Procedures on how to make a disclosure are publicly available on Council's website.

During the 2015-16 year no disclosures were notified to Council officers appointed to receive disclosures, or to IBAC.

Road Management Act Ministerial direction

In accordance with section 22 of the Road Management Act 2004, Council must publish a copy or summary of any Ministerial direction in its annual report. No such Ministerial Directions were received by Council during the financial year.

National Competition Policy

For the year ended 30 June 2016, Golden Plains Shire Council has adhered to, and is obligated to adhere to, competitive neutrality principles.





FINANCIAL REPORT



2015-16

For the year ended 30 June 2016

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**Comprehensive Income Statement
For the Year Ended 30 June 2016**

	Note	2016 \$'000	2015 \$'000
Income			
Rates and charges	3	19,586	18,138
Statutory fees and fines	4	353	233
User fees	5	2,484	2,836
Grants - operating	6	8,453	15,893
Grants - capital	6	4,532	1,935
Contributions - monetary	7	1,605	1,453
Contributions - non monetary	7	1,052	1,189
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	8	166	(133)
Share of net profits/(losses) of associates and joint ventures	16	(30)	(7)
Other income	9	507	5,394
Total income		<u>38,708</u>	<u>46,931</u>
Expenses			
Employee costs	10	16,493	14,746
Materials and services	11	12,127	16,607
Bad and doubtful debts	12	23	3
Depreciation and amortisation	13	7,052	6,838
Borrowing costs	14	365	353
Other expenses	15	821	816
Total expenses		<u>36,881</u>	<u>39,363</u>
Surplus/(deficit) for the year		<u>1,827</u>	<u>7,568</u>
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	28	2,023	1,988
Total comprehensive result		<u>3,850</u>	<u>9,556</u>

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

Balance Sheet
As at 30 June 2016

	Note	2016 \$'000	2015 \$'000
Assets			
Current assets			
Cash and cash equivalents	17	10,137	12,543
Trade and other receivables	18	2,525	1,862
Inventories	19	12	22
Non-current assets classified as held for sale	20	322	322
Other assets	21	302	334
Total current assets		13,298	15,083
Non-current assets			
Investments in associates and joint ventures	16	793	823
Other non-current financial assets	22	849	-
Property, infrastructure, plant and equipment	23	425,095	419,562
Total non-current assets		426,737	420,385
Total assets		440,035	435,468
Liabilities			
Current liabilities			
Trade and other payables	24	2,912	2,374
Trust funds and deposits	25	247	149
Provisions	26	2,676	2,487
Interest-bearing loans and borrowings	27	239	309
Total current liabilities		6,074	5,319
Non-current liabilities			
Provisions	26	1,344	1,293
Interest-bearing loans and borrowings	27	7,341	7,430
Total non-current liabilities		8,685	8,723
Total liabilities		14,759	14,042
Net assets		425,276	421,426
Equity			
Accumulated surplus		170,738	169,002
Reserves	28	254,538	252,424
Total Equity		425,276	421,426

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

**Statement of Changes in Equity
For the Year Ended 30 June 2016**

2016	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		421,426	169,002	249,147	3,277
Surplus/(deficit) for the year		1,827	1,827	-	-
Net asset revaluation increment/(decrement)	28(a)	2,023	-	2,023	-
Transfers to other reserves	28(b)	-	(3,213)	-	3,213
Transfers from other reserves	28(b)	-	3,122	-	(3,122)
Balance at end of the financial year		425,276	170,738	251,170	3,368

2015		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		411,870	158,190	247,159	6,521
Surplus/(deficit) for the year		7,568	7,568	-	-
Net asset revaluation increment/(decrement)	28(a)	1,988	-	1,988	-
Transfers to other reserves	28(b)	-	(9)	-	9
Transfers from other reserves	28(b)	-	3,253	-	(3,253)
Balance at end of the financial year		421,426	169,002	249,147	3,277

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

**Statement of Cash Flows
For the Year Ended 30 June 2016**

	Note	2016 Inflows/ (Outflows) \$'000	2015 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		19,344	17,900
Statutory fees and fines		353	233
User fees		2,582	2,793
Grants - operating		8,073	15,990
Grants - capital		4,503	3,038
Contributions - monetary		1,568	1,697
Interest received		400	490
Trust funds and deposits taken		98	16
Net GST refund/(payment)		1,110	1,363
Employee costs		(14,995)	(15,002)
Materials and services		(14,236)	(17,815)
Net cash provided by/(used in) operating activities	29	8,800	10,703
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	23	(10,649)	(9,923)
Proceeds from sale of property, infrastructure, plant and equipment		816	818
Other financial assets		(849)	6,000
Net cash provided by/(used in) investing activities		(10,682)	(3,105)
Cash flows from financing activities			
Finance costs		(365)	(353)
Proceeds from borrowings		150	1,797
Repayment of borrowings		(309)	(433)
Net cash provided by/(used in) financing activities		(524)	1,011
Net increase (decrease) in cash and cash equivalents		(2,406)	8,609
Cash and cash equivalents at the beginning of the financial year		12,543	3,934
Cash and cash equivalents at the end of the financial year		10,137	12,543
Restrictions on cash assets	17	353	267

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

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

	Note	2016 \$'000	2015 \$'000
Property			
Land		152	168
Total land		<u>152</u>	<u>168</u>
Buildings - Specialised		2,620	2,019
Buildings - Non Specialised		-	115
Total buildings		<u>2,620</u>	<u>2,134</u>
Total property		<u>2,772</u>	<u>2,302</u>
Plant and equipment			
Plant, machinery and equipment		1,905	1,284
Fixtures, fittings and furniture		243	220
Total plant and equipment		<u>2,148</u>	<u>1,504</u>
Infrastructure			
Roads		4,423	3,977
Bridges		108	137
Footpaths and cycleways		333	394
Drainage		36	9
Recreational, leisure and community facilities		567	771
Parks, open space and streetscapes		33	781
Off street car parks		381	48
Other infrastructure		-	-
Total infrastructure		<u>5,881</u>	<u>6,117</u>
Total capital works expenditure		<u>10,801</u>	<u>9,923</u>
Represented by:			
New asset expenditure		2,551	3,537
Asset renewal expenditure		5,962	5,044
Asset expansion expenditure		1,962	576
Asset upgrade expenditure		326	766
Total capital works expenditure		<u>10,801</u>	<u>9,923</u>

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

Introduction

Golden Plains Shire Council was established by an Order of the Governor in Council on 6 May 1994 and is a body corporate. The Council's main office is located at 2 Pope Street, Bannockburn.

Statement of compliance

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

Note 1 Significant accounting policies

(a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to note 1 (k))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1 (l))
- the determination of employee provisions (refer to note 1 (r))

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

(b) Changes in accounting policies

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

(c) Accounting for investments in associates and joint arrangements

Associates

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

(d) Revenue recognition

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

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

Note 1 Significant accounting policies (cont'd)

(d) Revenue recognition (cont'd)

Rates and Charges

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

Statutory fees and fines

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

User fees

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

Grants

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

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

Contributions

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

Sale of property, infrastructure, plant and equipment

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

Interest

Interest is recognised as it is earned.

Other Income

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

(e) Fair value measurement

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

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

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

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

Note 1 Significant accounting policies (cont'd)

(e) Fair value measurement (cont'd)

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.

(f) Cash and cash equivalents

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

(g) Trade and other receivables

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

(h) Other financial assets

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

(i) Inventories

Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. Inventories are measured at the lower of cost and net realisable value.

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.

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

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

(k) Recognition and measurement of property, plant and equipment, infrastructure, intangibles

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

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

In accordance with Council's policy, the threshold limits detailed in Note 1 (l) have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

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

Note 1 Significant accounting policies (cont'd)

(k) Recognition and measurement of property, plant and equipment, infrastructure, intangibles (cont'd)

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 on an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 23, Property, infrastructure, plant and equipment, and infrastructure.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 4 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.

Land under roads

Council recognises land under roads it controls at fair value.

(l) Depreciation and amortisation of property, infrastructure, plant and equipment and intangibles

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.

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

Note 1 Significant accounting policies (cont'd)

(l) Depreciation and amortisation of property, infrastructure plant and equipment and intangibles (cont'd)

<i>Asset recognition thresholds and depreciation periods</i>	Depreciation Period	Threshold Limit \$'000
Property		
land	-	-
Buildings		
heritage buildings	30 to 150	5
buildings	30 to 150	5
building improvements	30 to 150	5
Plant and Equipment		
heritage plant and equipment	3 to 20 years	1
plant, machinery and equipment	3 to 20 years	1
fixtures, fittings and furniture	3 to 20 years	1
computers and telecommunications	3 to 10 years	1
Infrastructure		
sealed pavements	90 years	5
unsealed pavements	25 years	5
sealed surfaces	19 years	5
road kerb, channel and minor culverts	90 years	5
bridges deck	90 years	5
bridges substructure	90 years	5
footpaths and cycleways	85 years	5
drainage	50 years	5
recreational, leisure and community facilities	30 to 60 years	5
parks, open space and streetscapes	40 years	5
off street car parks	50 years	5

(m) Repairs and maintenance

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

(n) Investment property

Investment property, comprising freehold office complexes, is held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the comprehensive income statement in the period that they arise. Rental income from the leasing of investment properties is recognised in the comprehensive income statement on a straight line basis over the lease term.

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

Note 1 Significant accounting policies (cont'd)

(o) Impairment of assets

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

(p) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to Note 25).

(q) Borrowings

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

Borrowing costs

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

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

(r) Employee costs and benefits

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

Wages and salaries and annual leave

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

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

Long service leave

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

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

The components of this current liability are measured at :

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

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

Note 1 Significant accounting policies (cont'd)

(r) Employee costs and benefits (cont'd)

Classification of employee costs

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

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

(s) Gravel Pit rehabilitation provision

Council is obligated to restore De Motts and Sago Hill to a particular standard. The forecast life of the sites are based on current estimates of remaining capacity and the forecast rate of rehabilitation. The provision for Gravel Pit Rehabilitation has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the sites to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

(t) Leases

Finance leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. At balance date Council did not have any finance leases.

Operating leases

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

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 21 year period.

(u) Goods and Services Tax (GST)

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

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

(v) Financial guarantees

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet are disclosed at Note 32 Contingent Liabilities and Contingent Assets.

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

Note 1 Significant accounting policies (cont'd)

(w) Contingent assets and contingent liabilities and commitments

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

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

(x) Pending accounting standards

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

(y) Rounding

Unless otherwise stated, amounts in the financial report have been rounded to the nearest thousand dollars. Figures in the financial statement may not equate due to rounding.

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 2 Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10% or \$20,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

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

a) Income and Expenditure

	Budget 2016 \$'000	Actual 2016 \$'000	Variance 2016 \$'000	Variance 2016 %	Ref
Income					
Rates and charges	19,375	19,586	211	1.1	
Statutory fees and fines	246	353	107	43.5	1
User fees	2,860	2,484	(376)	(13.1)	2
Grants - operating	9,770	8,453	(1,317)	(13.5)	3
Grants - capital	3,501	4,532	1,031	29.4	4
Contributions - monetary	1,382	1,605	223	16.1	5
Contributions - non monetary	1,000	1,052	52	5.2	6
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	2	166	164	n/a	7
Share of net profits/(losses) of associates and joint ventures	-	(30)	(30)	-	
Other income	350	507	157	44.9	8
Total income	38,486	38,708	222	0.6	
Expenses					
Employee costs	17,010	16,493	517	3.0	
Materials and services	11,386	12,127	(741)	(6.5)	
Bad and doubtful debts	1	23	(22)	n/a	
Depreciation and amortisation	7,225	7,052	173	2.4	
Borrowing costs	368	365	3	0.8	
Other expenses	254	821	(567)	n/a	
Total expenses	36,244	36,881	(637)	(1.8)	
Surplus/(deficit) for the year	2,242	1,827	(415)	(18.5)	

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

Note 2 Budget comparison (cont'd)

Explanation of material variations

Variance Ref	Item	Explanation	\$'000
1	Statutory fees and fines		
	Planning and Building Fees	Increase in number of Planning and Building applications	42
	Infringements and Costs	Implementation of infringement collection procedure	61
2	User fees		
	Childcare fee	Reduction in enrolment for children services	(434)
	Animal Registration	Increase in number of animal registration	64
3	Grants - operating		
	General Purpose Grant	50% of General Purpose Grant received in 2014-15	(2,617)
	Food Security Project RDAF	Project budgeted in 2014-15, grant received in 2015-16	825
	Lethbridge Airport Project	Project budgeted in 2014-15, grant received in 2015-16	113
4	Grants - capital		
	Road to recovery	Increased funding received in 2015-16	814
	Civic Heart project	Grant funding not yet received for this project	(1,000)
	The Well (RDV)	Project budgeted in 2014-15, grant received in 2015-16	450
	Dereel Hall Upgrade	Project budgeted in 2014-15, grant received in 2015-16	315
	Pitfield/Cressy Road Bridge Replacement	Project yet to commence. Will be delivered in 2015-16	(300)
	Black Spot Program	Project budgeted in 2014-15, grant received in 2015-16	372
	Woody Yaloak Female Change Facilities	Project budgeted in 2014-15, grant received in 2015-16	70
5	Contributions - monetary		
	Bannockburn Kinder Committee	Unbudgeted contributions to Capital Expenditure	50
	Meredith Kinder Committee	Unbudgeted contributions to Capital Expenditure	40
	Teesdale Kinder Committee	Unbudgeted contributions to Capital Expenditure	80
	Meredith Community House	Unbudgeted contributions to Capital Expenditure	20
6	Contributions - non monetary		
	Subdivision handed to Council	Subdivision handed to Council less that expected	162
7	Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
	Derecognition of Land & Buildings as a per of Re-valuation reconciliation		282
	Variation between cost and Fairvalue written-off at the assets recognition		199
	Loss on acquisition of Land against outstanding Rate debtors		68
8	Other income		
	Recognition of Buildings assets previously not recognised		95

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 2 Budget comparison (cont'd)

b) Capital Works

	Budget 2016 \$'000	Actual 2016 \$'000	Variance 2016 \$'000	Variance 2016 %	Ref
Property					
Land	-	152	(152)	100.0	1
Total Land	-	152	(152)		
Buildings - Specialised	140	2,620	(2,480)	n/a	2
Buildings - Non Specialised	-	-	-		
Total Buildings	140	2,620	(2,480)		
Total Property	140	2,772	(2,632)		
Plant and Equipment					
Plant, machinery and equipment	2,175	1,905	270	12.4	3
Fixtures, fittings and furniture	223	243	(20)	(9.0)	
Total Plant and Equipment	2,398	2,148	250		
Infrastructure					
Roads	3,236	4,423	(1,187)	(36.7)	4
Bridges	780	108	672	86.2	5
Footpaths and cycleways	27	333	(306)	n/a	6
Drainage	45	36	9	20.0	
Recreational, leisure and community facilities	2,467	567	1,900	77.0	7
Parks, open space and streetscapes	180	33	147	81.7	8
Off street car parks	100	381	(281)	n/a	9
Other infrastructure	7	-	7		
Total Infrastructure	6,842	5,881	961		
Total Capital Works Expenditure	9,380	10,801	(1,421)		
Represented by:					
New asset expenditure	2,214	2,551	(337)		
Asset renewal expenditure	5,035	5,962	(927)		
Asset expansion expenditure	50	1,962	(1,912)		
Asset upgrade expenditure	2,081	326	1,755		
Total Capital Works Expenditure	9,380	10,801	(1,421)		

Explanation of material variations

Variance Ref	Item	Explanation	\$'000
1	Land		
		Acquisition of Land in lieu of outstanding Rates	(152)
2	Buildings - Specialised		
		Dereel Men's Shed	(86)
		Woody Yaloak Female Change Facilities	(261)
		Bannockburn Early Learning Facility Upgrade	(177)
		Meredith Early Years Mini Hub	(219)
		Public Toilet - Harrison Reserve, Enfield	(7)
		Teesdale Kindergarten Upgrade	(286)
		Dereel Hall Upgrade	(569)

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

Explanation of material variations (cont'd)

Variance Ref	Item	Explanation	\$'000
3	Plant, machinery and equipment		
	Vehicle Purchases	Reduction in number of vehicles purchased in 2015-16	132
	Caterpillar Grader	2014-15 budgeted purchase completed in 2015-16	(360)
	Loader	Purchases deferred until 2016-17	190
	Trucks	Purchases deferred until 2016-17	320
4	Roads		
	High Street Roundabout	2014-15 project completed in 2015-16	(242)
	Local Roads Improvements (Roads to Recovery)	2014-15 project completed in 2015-16	(766)
	Local Roads Improvements	To be completed in 2016-17	170
	Sago Hill & Bells Road Haddon	2014-15 project completed in 2015-16	(383)
5	Bridges		
	Pitfield-Cressy Road Bridge Replacement	To be completed in 2016-17	600
6	Footpaths and cycleways		
	Footpaths & Trails	Part of the 2014-15 project, budgeted under Park & Open Spaces, completed in 2015-16	(78)
	Streetscape	2014-15 project, budgeted under Park & Open Spaces, completed in 2015-16	(59)
7	Recreational, leisure and community facilities		
	Bannockburn Civic Heart (RDV)	To be completed at a later date subject to grant funding	1,150
	Smythesdale Major Sports Oval Works	To be completed in 2016-17	214
	Bannockburn Soccer Pavilion	To be completed in 2016-17	609
8	Parks, open space and streetscapes		
	Refurbishment of Playgrounds	Savings realised in this program	26
	Open Space Strategy Implementation	Savings realised in this program	22
9	Off street car parks		
	Teesdale Preschool Carpark & Safety Improvement	2014-15 project completed in 2015-16	(113)
	Russell Street, Meredith Car Park Upgrade	2014-15 project completed in 2015-16	(147)

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

	2016 \$'000	2015 \$'000
Note 3		
Rates and charges		
<p>Council uses Capital Improved Valuation (CIV) as the basis of valuation and rating of all rateable properties within the municipal district. The CIV is the total market value including land and improvements.</p> <p>The valuation base used to calculate general rates for 2015-16 was \$3,842 million (2014-15 \$3,786 million). The 2015-16 rate revenue was \$19.6 million. (2014-15, \$18.1 million).</p>		
General Rates	15,252	13,883
Municipal Charge	2,247	2,206
Waste Management Charge	1,924	1,975
Special rates and charges	38	-
Supplementary Rates and Rate Adjustments	125	74
Total rates and charges	19,586	18,138
<p>The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016, and the valuation was first applied in the rating year commencing 1 July 2016.</p>		
Note 4		
Statutory fees and fines		
Planning and Building Fees	214	153
Infringements and Costs	75	26
Property Information Fees	24	22
Land Information Certificates	23	17
Drainage Information Fees	17	15
Total statutory fees and fines	353	233
Note 5		
User fees		
Childcare/Children's Programs	1,173	1,512
Home and Community Care Fees	206	242
Animal Registration Charges	266	239
Early Childhood Education	139	186
Subdivision Supervision Fees	126	142
Gravel Cartage Levy	117	105
Septic Tank Fees	92	89
Food Premises Registration Fees	60	55
Fire Hazard Eradication Fees and Fines	45	19
Bannockburn Family Services Centre Charges	41	51
Bannockburn Cultural Centre Charges	40	38
Farmers Market Fees	34	32
Other	145	126
Total user fees	2,484	2,836

**Notes to the Financial Report
For the Year Ended 30 June 2016**

		2016	2015
		\$'000	\$'000
Note 6	Grants		
	Grants were received in respect of the following :		
	Summary of grants		
	Commonwealth Funded Grants	7,641	11,297
	State Funded Grants	5,344	6,531
	Total grants received	12,985	17,828
	Operating Grants		
	Recurrent - Commonwealth Government		
	Victoria Grants Commission - General Purpose Grant	1,595	4,895
	Victoria Grants Commission - Local Roads Grant	938	2,914
	Children's Services	1,093	503
	Recurrent - State Government		
	Home Care	1,147	1,106
	Kindergarten	688	523
	Community Health	432	416
	Maternal and Child Health	190	189
	Libraries	-	155
	Other	23	28
	Total recurrent operating grants	6,106	10,729
	Non-recurrent - Commonwealth Government		
	Economic Development	1,251	2,234
	Children's Services	2	20
	Youth Projects	-	2
	Non-recurrent - State Government		
	Economic Development	553	2,522
	Emergency Management	120	120
	Community Health	110	48
	Landfill	85	-
	Youth projects	83	66
	Other	66	89
	Environment Projects	51	38
	Community Facilities	13	13
	Children's Services	11	5
	Roads	2	7
	Total non-recurrent operating grants	2,347	5,164
	Total operating grants	8,453	15,893
	Capital Grants		
	Recurrent - Commonwealth Government		
	Roads to Recovery	2,714	760
	Total recurrent capital grants	2,714	760

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

Note 6	Grants (cont'd)	2016 \$'000	2015 \$'000
	Non-recurrent - Commonwealth Government		
	Buildings Specialised	48	432
	Non-recurrent - State Government		
	Buildings Specialised	1,063	267
	Roads	461	158
	Recreational Leisure & Community	196	46
	Emergency Management	-	223
	Home Care	48	31
	Parks Open Spaces & Streetscapes	2	18
	Total non-recurrent capital grants	1,818	1,175
	Total capital grants	4,532	1,935
	Unspent grants received on condition that they be spent in a specific manner		
	Balance at start of year	340	3,798
	Received during the financial year and remained unspent at balance date	291	340
	Received in prior years and spent during the financial year	(298)	(3,798)
	Balance at year end	333	340
Note 7	Contributions		
	Monetary	1,605	1,453
	Non-monetary	1,052	1,189
	Total contributions	2,657	2,642
	<i>Contributions of non monetary assets were received in relation to the following asset classes.</i>		
	Land	3	47
	Infrastructure	1,049	1,142
	Total non-monetary contributions	1,052	1,189
Note 8	Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
	Proceeds of sale	816	818
	Written down value of assets disposed	(650)	(776)
	De-recognition of Land	-	(175)
	Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	166	(133)
Note 9	Other income		
	Interest on Investment	284	294
	Interest on Rates	124	152
	<i>Other (Assets previously not recognised)*</i>		
	- Specialised land	4	3,630
	- Non - specialised land	38	512
	- Non -specialised buildings	57	-
	- Drainage	-	806
	Total other income	507	5,394

* During the reconciliation process Council has identified a number of Land under Roads, Non specialised Lands and one Non specialised Building assets not previously recognised. No further recognition of additional found assets is envisaged.

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

	2016	2015
	\$'000	\$'000
Note 11		
Materials and services		
Delivery of projects and Services	2,005	2,575
Food Production Precinct	1,659	5,840
General maintenance	2,272	1,963
Garbage Operations	1,789	1,837
Contractors and Consultants	787	809
Vehicle and Machinery Operations	410	517
Building maintenance	407	389
Information technology	375	347
Telecommunication	302	312
Utilities	346	297
Debt Collection and Legal Fee	163	276
Printing, Stationery and Postage	240	236
Cleaning	220	204
Insurance	190	204
Training	224	186
Advertising	105	135
Gravel Pit Operation	138	104
Other Expenses	495	376
Total materials and services	12,127	16,607
Note 12		
Bad and doubtful debts		
Community Protection	20	-
Land Use	1	-
Risk management	-	2
Long day Care	1	1
Home Care	1	-
Total bad and doubtful debts	23	3
Note 13		
Depreciation and amortisation		
Infrastructure	4,752	4,535
Plant and Machinery	870	948
Buildings	860	841
Furniture and Equipment	225	240
Other Structures	298	269
Gravel Pit Rehabilitation	47	5
Total depreciation	7,052	6,838
Intangible assets	-	-
Total depreciation and amortisation	7,052	6,838
<i>Refer to note 23 for a more detailed breakdown of depreciation and amortisation charges</i>		
Note 14		
Borrowing costs		
Interest - Borrowings	365	353
Total borrowing costs	365	353

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

	2016 \$'000	2015 \$'000
Note 15 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	41	35
Auditors' remuneration - Internal	27	24
Councillors' allowances	188	183
Loss on Acquisition of Land	68	-
Impairment losses	497	574
Total other expenses	821	816
Note 16 Investment in associates, joint arrangements and subsidiaries		
a) Investments in associates		
Investments in associates accounted for by the equity method are:		
- Equity in Geelong Regional Library (GRL)	793	823
Geelong Regional Library (GRL)		
<i>Background</i>		
Council share of the net equity in GRL is 6.11% (6.7% 2015). The GRL Board is comprised of seven representatives from four member Councils. Golden Plains Shire Council has one representative on the GRL Board.		
Fair value of Council's investment in Geelong Regional Library	793	823
Movement in carrying value of specific investment		
Carrying value of investment at start of year	823	830
Share of surplus(deficit) for year	(30)	(7)
Share of asset revaluation	-	-
Distributions received	-	-
Carrying value of investment at end of year	793	823
Council's share of expenditure commitments		
Operating commitments	421	567
Capital commitments	-	-
Council's share of expenditure commitments	421	567

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

	2016 \$'000	2015 \$'000
Note 17 Cash and cash equivalents		
Cash on hand	4	4
Cash at bank	1,188	3,889
Short Term Deposit	7,133	5,811
At Call Deposit	1,812	2,839
	<u>10,137</u>	<u>12,543</u>
Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
- Statutory Reserves (Note 28(b))	106	118
- Trust funds and deposits (Note 25)	247	149
Total restricted funds	<u>353</u>	<u>267</u>
Total unrestricted cash and cash equivalents	<u>9,784</u>	<u>12,276</u>
Intended allocations		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
- Cash held to fund carried forward capital works	2,115	1,966
- Unspent grant funding - operational	745	724
- Long Service Leave Investment Account	1,528	1,480
Total funds subject to intended allocations	<u>4,388</u>	<u>4,170</u>
Refer also to Note 22 for details of other financial assets held by Council.		
Note 18 Trade and other receivables		
Current		
Rates debtors	1,505	1,470
Infringement debtors	74	-
Provision for doubtful debts - infringements	(20)	-
Other debtors	966	392
Total current trade and other receivables	<u>2,525</u>	<u>1,862</u>
a) Ageing of Receivables		
At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:		
Current (not yet due)	844	316
Past due by up to 30 days	54	34
Past due between 31 and 180 days	10	28
Past due between 181 and 365 days	37	13
Past due by more than 1 year	13	1
Total trade & other receivables	<u>958</u>	<u>392</u>

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

	2016 \$'000	2015 \$'000
Note 18 Trade and other receivables (cont'd)		
(b) Movement in provisions for doubtful debts		
Balance at the beginning of the year	-	3
New Provisions recognised during the year	23	-
Amounts already provided for and written off as uncollectible	(3)	(3)
Amounts provided for but recovered during the year	-	-
Balance at end of year	<u>20</u>	<u>-</u>
(c) Ageing of individually impaired Receivables		
At balance date, other debtors representing infringements with a nominal value of \$20,206 (2015: \$ 0) were impaired. The amount of the provision raised against these debtors was \$20,206 (2015: \$ 0). 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)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	20	-
Total trade & other receivables	<u>20</u>	<u>-</u>
Note 19 Inventories		
Inventories held for distribution	12	22
Total inventories	<u>12</u>	<u>22</u>
Note 20 Non current assets classified as held for sale		
Cost of acquisition	322	322
Total non current assets classified as held for resale	<u>322</u>	<u>322</u>
Borrowing costs capitalised	-	-
Note 21 Other assets		
Prepayments	39	81
Accrued income	263	252
Other	-	1
Total other assets	<u>302</u>	<u>334</u>
Note 22 Other non-current financial assets		
Term deposits	849	-
Total other financial assets	<u>849</u>	<u>-</u>

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 23 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2016	Accumulated Depreciation	WDV 30 June 2016	At Fair Value 30 June 2015	Accumulated Depreciation	WDV 30 June 2015
Land	27,758	-	27,758	27,966	-	27,966
Buildings	42,508	(14,198)	28,310	43,805	(13,338)	30,467
Plant and Equipment	9,157	(4,678)	4,479	8,660	(4,584)	4,076
Infrastructure	457,245	(95,221)	362,024	444,327	(90,124)	354,203
Work in progress	2,524	-	2,524	2,850	-	2,850
Total	539,192	(114,097)	425,095	527,608	(108,046)	419,562

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
Buildings	1,048	1,540	(1,008)	-	1,580
Infrastructure	1,802	823	(1,439)	(243)	943
Total	2,850	2,363	(2,447)	(243)	2,523

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

Note 23 Property, infrastructure, plant and equipment (cont'd)

Land and Buildings

	Land - specialised	Land - non specialised	Total Land	Heritage Buildings	Buildings - specialised	Buildings - specialised	Buildings - non specialised	Total Buildings	Work In Progress	Total Property
At fair value 1 July 2015	4,265	23,701	27,966	2,930	37,603	3,272	3,272	43,805	1,048	72,819
Accumulated depreciation at 1 July 2015	-	-	-	(1,722)	(10,308)	(1,308)	(1,308)	(13,338)	-	(13,338)
	4,265	23,701	27,966	1,208	27,295	1,964	1,964	30,467	1,048	59,481
Movements in fair value										
Acquisition of assets at fair value	-	152	152	-	1,080	-	-	1,080	1,540	2,772
Revaluation increments/decrements	53	(458)	(405)	(12)	(3,681)	251	251	(3,442)	-	(3,847)
Revaluation decrements write-off	-	-	-	-	-	-	-	-	-	-
Assets not previously recognised	4	38	42	-	-	57	57	57	-	99
Infrastructure handed to council with new Subdivisions	3	-	3	-	-	-	-	-	-	3
Fair value of assets disposed	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	1,008	-	-	1,008	(1,008)	-
	60	(268)	(208)	(12)	(1,593)	308	308	(1,297)	532	(973)
Movements in accumulated depreciation										
Depreciation and amortisation	-	-	-	(58)	(732)	(70)	(70)	(860)	-	(860)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-	-
	-	-	-	(58)	(732)	(70)	(70)	(860)	-	(860)
At fair value 30 June 2016	4,325	23,433	27,758	2,918	36,010	3,580	3,580	42,508	1,580	71,846
Accumulated depreciation at 30 June 2016	-	-	-	(1,780)	(11,040)	(1,378)	(1,378)	(14,198)	-	(14,198)
	4,325	23,433	27,758	1,138	24,970	2,202	2,202	28,310	1,580	57,648

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

Note 23 Property, infrastructure, plant and equipment (cont'd)

	Plant machinery and equipment	Fixtures fittings and furniture	Total plant and equipment
Plant and Equipment			
At fair value 1 July 2015	6,385	2,275	8,660
Accumulated depreciation at 1 July 2015	(2,901)	(1,683)	(4,584)
	3,484	592	4,076
Movements in fair value			
Acquisition of assets at fair value	1,905	243	2,148
Revaluation increments/decrements	-	-	-
Revaluation decrements write-off	-	-	-
Assets not previously recognised	-	-	-
Infrastructure handed to council with new Subdivisions	-	-	-
Fair value of assets disposed	(1,516)	(135)	(1,651)
Transfers	-	-	-
	389	108	497
Movements in accumulated depreciation			
Depreciation and amortisation	(870)	(225)	(1,095)
Accumulated depreciation of disposals	866	135	1,001
	(4)	(90)	(94)
	6,774	2,383	9,157
At fair value 30 June 2016	(2,905)	(1,773)	(4,678)
Accumulated depreciation at 30 June 2016	3,869	610	4,479

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 23 Property, infrastructure, plant and equipment (cont'd)

Infrastructure

At fair value 1 July 2015
Accumulated depreciation at 1 July 2015

Movements in fair value

Acquisition of assets at fair value
Revaluation increments/decrements
Revaluation decrements write-off
Assets not previously recognised
Infrastructure handed to council with new Subdivisions
Fair value of assets disposed
Transfers

Movements in accumulated depreciation

Depreciation and amortisation
Accumulated depreciation of disposals

At fair value 30 June 2016
Accumulated depreciation at 30 June 2016

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and Community	Parks open spaces and streetscapes	Gravel Pit	Off street car parks	Work In Progress	Total Infrastructure
At fair value 1 July 2015	387,085	33,820	9,198	5,879	5,684	1,453	931	277	1,802	446,129
Accumulated depreciation at 1 July 2015	(68,355)	(16,226)	(1,126)	(2,037)	(1,469)	(264)	(619)	(28)	-	(90,124)
	318,730	17,594	8,072	3,842	4,215	1,189	312	249	1,802	356,005
Movements in fair value										
Acquisition of assets at fair value	4,378	108	285	32	117	24	-	113	824	5,881
Revaluation increments/decrements	3,660	359	2,446	(632)	-	-	-	37	-	5,870
Revaluation decrements write-off	-	-	-	-	(325)	(172)	-	-	-	(497)
Assets not previously recognised	-	-	-	-	-	-	-	-	-	-
Infrastructure handed to council with new Subdivisions	739	-	99	211	-	-	-	-	-	1,049
Fair value of assets disposed	-	-	-	-	-	-	-	-	(243)	(243)
Transfers	91	-	625	600	22	(13)	-	114	(1,439)	-
	8,868	467	3,455	211	(186)	(161)	-	264	(858)	12,060
Movements in accumulated depreciation										
Depreciation and amortisation	(4,175)	(377)	(151)	(43)	(257)	(41)	(47)	(6)	-	(5,097)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-	-
	(4,175)	(377)	(151)	(43)	(257)	(41)	(47)	(6)	-	(5,097)
At fair value 30 June 2016	395,953	34,287	12,653	6,090	5,498	1,292	931	541	944	458,189
Accumulated depreciation at 30 June 2016	(72,530)	(16,603)	(1,277)	(2,080)	(1,726)	(305)	(666)	(34)	-	(95,221)
	323,423	17,684	11,376	4,010	3,772	987	265	507	944	362,968

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

Note 23 Property, infrastructure, plant and equipment (cont'd)

Valuation of land and buildings

Valuation of land and buildings were undertaken as at 30 June 2016 by Mr Stephen Davey AAPI registered Certified Practising Valuer. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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

	Level 1	Level 2	Level 3
Specialised land	-	-	4,326
Non - specialised land	-	23,433	-
Heritage buildings	-	-	1,138
Non - specialised buildings	-	-	2,202
Specialised buildings	-	-	24,970
Total	-	23,433	32,636

Valuation of infrastructure

Valuation of Roads, Bridges, Footpaths and Drainage infrastructure assets have been determined in accordance with an independent valuation undertaken by Mr Peter Moloney MIE (Aust) as at 30 June 2016.

Valuation of Recreational leisure and community, Park open space and streetscapes and Offstreet carpark infrastructure assets have been undertaken by Mr Stephen Davey AAPI registered Certified Practising Valuer as a part of land and buildings valuation as at 30 June 2016.

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

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

	Level 1	Level 2	Level 3
Roads	-	-	323,423
Bridges	-	-	17,684
Footpaths and cycleways	-	-	11,376
Drainage	-	-	4,010
Recreational, leisure and community facilities	-	-	3,772
Parks, open space and streetscapes	-	-	987
Off street carpark	-	-	507
Gravel Pit	-	-	266
Total	-	-	362,025

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

Note 23 Property, infrastructure, plant and equipment (cont'd)

	2016 \$'000	2015 \$'000
<i>Description of significant unobservable inputs into level 3 valuations</i>		
<p>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 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.64 and \$147.30 per square metre.</p>	216	3,677
<p>Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 30 years to 150 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.</p>	(3,325)	-
<p>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 19 year to 90 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.</p>	6,422	3,936
Reconciliation of specialised land		
Land under roads	216	3,677
Total specialised land	216	3,677

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

	2016	2015
	\$'000	\$'000
Note 24 Trade and other payables		
Trade payables	2,157	1,939
Accrued expenses	755	435
Total trade and other payables	2,912	2,374
Note 25 Trust funds and deposits		
Refundable deposits	247	149
Total trust funds and deposits	247	149

Purpose and nature of items

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

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.

Note 26 Provisions

	Employee	Gravel Pit restoration	Total
	\$ '000	\$ '000	\$ '000
2016			
Balance at beginning of the financial year	2,844	936	3,780
Additional provisions	1,664	18	1,682
Amounts used	(1,442)	-	(1,442)
Increase 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	3,066	954	4,020
2015			
Balance at beginning of the financial year	3,058	107	3,165
Additional provisions	1,024	831	1,855
Amounts used	(1,238)	(2)	(1,240)
Increase 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	2,844	936	3,780

	2016	2015
	\$'000	\$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Rostered days off	84	67
Annual leave	961	892
Long service leave	88	127
	1,133	1,086
Current provisions expected to be wholly settled after 12 months		
Annual leave	158	139
Long service leave	1,374	1,251
	1,532	1,390
Total current employee provisions	2,665	2,476
Non-current		
Long service leave	401	368
Total non-current employee provisions	401	368

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

Note 26 Provisions (cont'd)

(a) Employee provisions (cont'd)

	2016 \$'000	2015 \$'000
Aggregate carrying amount of employee provisions:		
Current	1,133	1,086
Non-current	401	368
Total aggregate carrying amount of employee provisions	1,534	1,454

(b) Gravel Pit restoration

Current	11	11
Non-current	943	925
	<u>954</u>	<u>936</u>
Total current provisions	2,676	2,487
Total non-current provisions	1,344	1,293
Total Provisions	4,020	3,780

Note 27 Interest-bearing loans and borrowings

Current

Borrowings - secured over Council's rate and charges	239	309
	<u>239</u>	<u>309</u>

Non-current

Borrowings - secured over Council's rate and charges	7,341	7,430
	<u>7,341</u>	<u>7,430</u>

Total

	<u>7,580</u>	<u>7,739</u>
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a) The maturity profile for Council's borrowings is:

Not later than one year	239	309
Later than one year and not later than five years	7,135	7,246
Later than five years	206	184
	<u>7,580</u>	<u>7,739</u>

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

Note 28 Reserves

	Balance at beginning of reporting period	* Increment (decrement)	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000
2016			
Property			
Land	9,942	(458)	9,484
Land Under Roads	112	53	165
Buildings	12,300	(3,442)	8,858
	22,354	(3,847)	18,507
Infrastructure			
Roads	214,118	3,660	217,778
Bridges	10,141	359	10,500
Footpaths and cycleways	546	2,446	2,992
Off street car parks	-	37	37
Drainage	1,988	(632)	1,356
	226,793	5,870	232,663
Total asset revaluation reserves	249,147	2,023	251,170
2015			
Property			
Land	9,942	-	9,942
Land Under Roads	112	-	112
Buildings	12,300	-	12,300
	22,354	-	22,354
Infrastructure			
Roads	214,118	-	214,118
Bridges	10,141	-	10,141
Footpaths and cycleways	546	-	546
Drainage	-	1,988	1,988
	224,805	1,988	226,793
Total asset revaluation reserves	247,159	1,988	249,147

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

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

Note 28 Reserves (cont'd)

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(b) Other reserves				
2016				
Recreation Lands	-	140	(140)	-
Unexpended project reserve	2,692	2,860	(2,690)	2,862
Profit Equalisation Reserve	100	-	(100)	-
LSL Investment Reserve	367	33	-	400
Developer Contribution reserve	118	105	(117)	106
Quarry Levy	-	75	(75)	-
Total Other reserves	3,277	3,213	(3,122)	3,368
2015				
Unexpended project reserve	5,838	-	(3,146)	2,692
Profit Equalisation Reserve	100	-	-	100
LSL Investment Reserve	463	-	(96)	367
Drainage Levy	7	-	(7)	-
Developer Contribution reserve	109	9	-	118
Quarry Levy	4	-	(4)	-
Total Other reserves	6,521	9	(3,253)	3,277

Purposes of Other Reserve

Recreation Lands	These funds relate to Public Open Space Contributions collected from property developers. The funds are utilised to develop open space (including recreation facilities) areas throughout the Shire.
Unexpended project reserve	These funds have been received or committed in prior year/s and are held to enable Council to deliver the corresponding projects.
Profit Equalisation Reserve	This Reserve is no longer required. These funds were related to a 1/3 share of profit generated from private works and were held to offset the unlikely event of Private Works returning a deficit.
LSL Investment Reserve	These funds relate to the current portion of Council's Long Service Leave liability.
Drainage Levy	This levy is no longer collected. It was utilised to improve drainage in various areas of the Shire.
Developer Contribution reserve	These funds relate to Developer Contributions collected from property developers. The funds are utilised to develop new community infrastructure.
Quarry Levy	These funds are collected from Quarry operators and the funds are utilised to maintain the local road network utilised by these quarries.

**Notes to the Financial Report
For the Year Ended 30 June 2016**

	2016	2015
	\$'000	\$'000
Note 29 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	1,827	7,568
Depreciation/amortisation	7,052	6,838
Cost of Infrastructure assets written-off to Income Statement	243	-
Acquisition of Land against Rate Debtors	(207)	-
Loss on Acquisition of Land	68	-
Land acquisition cost recognised in (Profit)/Loss on acquisition/disposal of property	(12)	-
(Profit)/loss on acquisition/disposal of property, infrastructure, plant and equipment	(166)	133
Impairment losses	497	574
Contributions - Non-monetary assets	(1,052)	(1,189)
Assets not previously recognised	(99)	(4,948)
Finance cost	365	353
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(663)	1,051
(Increase)/decrease in accrued income	(11)	(55)
(Increase)/decrease in prepayments	42	(39)
Increase/(decrease) in trade and other payables	218	777
Increase/(decrease) in accrued expenditure	320	(167)
(Increase)/decrease in other assets	30	7
(Increase)/decrease in inventories	10	-
Increase/(decrease) in trust funds	98	16
Increase/(decrease) in provisions	240	(216)
Net cash provided by/(used in) operating activities	8,800	10,703

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 30 Commitments

The Council has entered into the following commitments

2016	Not later than 1	Later than 1 year	Later than 2 years	Later than 5	Total
	year	and not later than 2 years	and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste Management	1,076	1,103	2,290	-	4,469
Cleaning contracts for council buildings	147	153	157	-	457
Suppliers	72	-	-	-	72
Total	1,295	1,256	2,447	-	4,998
Capital					
Buildings	21	-	-	-	21
Roads	-	-	-	-	-
Computer Software	34	-	-	-	34
Parks open spaces and streetscapes	-	-	-	-	-
Recreational, leisure and Community	15	-	-	-	15
Total	70	-	-	-	70

2015	Not later than 1	Later than 1 year	Later than 2 years	Later than 5	Total
	year	and not later than 2 years	and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Waste Management	1,050	1,076	3,393	-	5,519
Cleaning contracts for council buildings	118	-	-	-	118
Total	1,168	1,076	3,393	-	5,637
Capital					
Buildings	11	-	-	-	11
Roads	471	-	-	-	471
Parks open spaces and streetscapes	73	-	-	-	73
Recreational, leisure and Community	4	-	-	-	4
Total	559	-	-	-	559

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

Note 31 Superannuation

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

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2016, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

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

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

Funding arrangements

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

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

Net investment returns 7.0% pa

Salary information 4.25% pa

Price inflation (CPI) 2.5% pa.

Vision Super has advised that the VBI at 30 June 2016 was 102%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2015 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2015 interim actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2016, this rate was 9.5% of members' salaries (9.5% in 2014-2015). This rate will increase in line with any increase to the contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

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

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

Note 31 Superannuation (cont'd)

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

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

2015 Interim actuarial investigation surplus amounts

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

A VBI surplus of \$130.8 million; and

A total service liability surplus of \$239 million.

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

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses. Council was notified of the 30 June 2015 VBI during August 2015.

Future superannuation

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2017 is \$109,203.

Note 32 Contingent liabilities and contingent assets

Landfill Site

Council operates a landfill at Rokewood; the Teesdale landfill was closed during the 2011-12 financial year. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

Bank Guarantee – Minister for Energy & Resources

Council has issued a Bank Guarantee for the amount of \$9,000 in favour of the Minister for Energy & Resources for rehabilitation of the De Motts/Jollys Gravel Pit. Council does not believe that the bank guarantee will be exercised.

Bank Guarantee – Department of Sustainability & Environment

Council has issued a Bank Guarantee for the amount of \$37,500 in favour of the Department of Natural Resources & Environment for rehabilitation of the Sago Hill Gravel Pit. Council does not believe that the bank guarantee will be exercised.

Council has issued a Bank Guarantee for the amount of \$17,000 in favour of the Department of Natural Resources & Environment for rehabilitation of the Black Hill Gravel Pit. Council does not believe that the bank guarantee will be exercised.

Guarantees for loans to other

Nil.

Contingent assets

Nil.

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

Note 33 Financial Instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

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

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

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

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

(c) Credit risk

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

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

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 32.

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

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

Note 33 Financial Instruments (cont'd)

(d) Liquidity risk

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

To help reduce these risks Council:

- have a Standard Operating Procedure that requires funds to be invested with appropriate institutions and for investments to be diversified.
- have readily accessible standby facilities and other funding arrangements in place;
- 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 the amounts related to financial guarantees disclosed in Note 32, 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 27.

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

e) Fair value

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

Fair value hierarchy

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

(f) Sensitivity disclosure analysis

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

- A parallel shift of +0.5% and -0.5% in market interest rates (AUD) from year-end rates of 2.5%.

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

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

Note 34 Related party transactions

(i) Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

Councillors	Des Phelan (Mayor)
	Jenny Blake
	Andrew Cameron
	Nathan Hansford
	Helena Kirby
	Bill McArthur
	Greg Vaughan

Chief Executive Officer Rod Nicholls

(ii) Remuneration of Responsible Persons

The numbers of Responsible Persons whose total remuneration from Council and any related entities, excluding retirement benefits, fall within the following bands:

	2016	2015
Income Range:	No.	No.
\$10,000 - \$19,999	-	-
\$20,000 - \$29,999	6	5
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	-	1
\$70,000 - \$79,999	1	-
\$260,000 - \$269,999	-	1
\$280,000 - \$289,999	1	-
	<u>8</u>	<u>8</u>
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	\$478,056	\$448,972

(iii) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council who:

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$139,000

The number of Senior Officers other than the Responsible Persons, are shown below in their relevant income bands:

	2016	2015
Income Range:	No.	No.
<\$139,000	-	1
\$140,000 - \$149,999	1	-
\$150,000 - \$159,999	-	1
\$160,000 - \$169,999	-	1
\$170,000 - \$179,999	2	1
\$180,000 - \$199,999	1	-
	<u>4</u>	<u>4</u>
Total Remuneration for the reporting year for Senior Officers included above, amounted to	\$678,416	\$630,229

(iv) Responsible persons retirement benefits

The aggregate amount paid during the reporting period by Council in connection with the retirement of responsible persons was \$ 0 (2015 - \$0)

**Notes to the Financial Report
For the Year Ended 30 June 2016**

Note 34 Related party transactions (cont'd)

	2016	2015
	\$'000	\$'000
(v) Loans to responsible persons		
The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a responsible person of the council, or a related party of a responsible person are as follows:	-	-
 (vi) Transactions with responsible persons		
During the period Council entered into the following transactions with responsible persons or related parties of responsible persons.		
	2016	2015
	\$	\$
<i>Rokewood Takeaway - Cr H Kirby</i>	94	-

Note 35 Events occurring after balance date

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

Certification of the Financial Statements

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.



Jason Clissold B.Bus. FCPA
Principal Accounting Officer

Date : 13th day of September 2016
Bannockburn

In our opinion the accompanying financial statements present fairly the financial transactions of Golden Plains Shire Council for the year ended 30 June 2016 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial 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.



Des Phelan
Mayor

Date : 13th day of September 2016
Bannockburn



Nathan Hansford
Councillor

Date : 13th day of September 2016
Bannockburn



Rod Nicholls
Chief Executive Officer

Date : 13th day of September 2016
Bannockburn

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Golden Plains Shire Council

The Financial Report

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

The Councillors' Responsibility for the Financial Report

The Councillors of the Golden Plains Shire Council are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

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

Auditor's Responsibility

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

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

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

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

Independent Auditor's Report (continued)

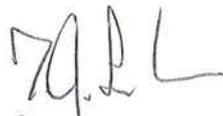
Independence

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

Opinion

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

MELBOURNE
15 September 2016


Dr Peter Frost
Acting Auditor-General

PERFORMANCE STATEMENT

For the year ended 30 June 2016





We encourage you to visit Golden Plains and taste, see and explore all it has to offer. Who knows? Perhaps you'll decide to stay.



Description of municipality

Golden Plains is the place to enjoy life as it should be.

In recent years, the region has experienced significant population growth as people discover the benefits of living in a semi-rural setting with plenty of space to breathe.

With 20,809 residents across 56 communities and 16 townships, Golden Plains Shire has been one of the fastest growing municipalities in Victoria, with population growth now around 1.3% per annum.

New residents, including many young families, continue to enjoy a diverse range of lifestyle choices available in the Shire's welcoming communities.

Golden Plains Shire comprises 2,705 square kilometres between Victoria's two largest regional cities, Geelong and Ballarat. The Shire's close proximity to services available in neighbouring cities and convenient commuting distance to Melbourne and the Surfcoast adds to its appeal as a place to call home.

Business growth continues to create attractive investment opportunities and new jobs. While the Shire has a strong tradition of wool and grain production, intensive animal farming, particularly poultry and pigs, is increasing.

Golden Plains Shire is conveniently located close to export markets and welcomes investment and sustainable development. Strong population and economic growth render the region an attractive place to invest.

As a popular destination for family fun, food and wine connoisseurs and for those seeking adventure in the great outdoors, Golden Plains Shire also has it all for the perfect day trip experience.

This thriving municipality has become renowned across Australia, and internationally, for the produce on offer at local eateries, cellar doors and the monthly Golden Plains Farmers' Market in Bannockburn.

The winemakers of the Moorabool Valley have continued the passion of the early settlers, incorporating skills from around the world and nurturing their vineyards to produce some of Australia's finest cool climate wines.

Despite strong growth in the north west and south east, the Shire's rural base and natural environment dominate the landscape. The natural beauty of the region still remains visible and accessible as does remnant townships and structures from the area's rich gold mining history.

The region has a vibrant arts and culture scene including iconic music festivals which are all helping to make Golden Plains an emerging tourism destination.

Sustainable Capacity Indicators

Indicator/measure	Results		Material Variations
	2015	2016	
Population			
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,916.03	\$1,773.80	2014-15 figure was high as data included 'one off' expenditure relating to the Food Production Precinct.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$19,061.33	\$19,094.48	This indicator will always be quite high for Golden Plains, due to its extensive road network and relatively low population.
Population density per length of road [Municipal population / Kilometres of local roads]	11.19	12.09	This indicator will always be quite low for Golden Plains, due to its extensive road network and low population.
Own-source revenue			
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,288.02	\$1,109.90	2014-15 surplus included \$5m of non-cash revenue that was required to be recognised. This primarily related to the recognition of Land Under Roads.
Recurrent grants			
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$559.24	\$423.86	2015-16 figure is much lower due to only receiving \$2.5m in Federal Assistance Grants. 2014-15 included \$7.8m due to \$2.6m of the 2015-16 funding being received in advance.
Disadvantage			
Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	8.00	8.00	

Service Performance Indicators

Service/indicator/measure	Results		Material Variations
	2015	2016	
Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	26.00	53.00	In 2015-16 there was a greater emphasis on following complaints to prosecution.
Food safety Health and safety <i>Critical and major non-compliance notifications</i> [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	76.00%	95.45%	Improvements to the tracking of notifications were implemented in 2015-16.
Governance Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	45.00	44.00	Council is committed to improving its community consultation and engagement practices. With the adoption of an updated Community Engagement Strategy and new Community Engagement Action Plan in August 2016, it is expected that this indicator will improve.
Home and community care Participation <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100 Participation <i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	17.99%*	17.74%	
	30.48%	13.70%	The number of CALD people receiving a service in 2014-15 and 2015-16 was stable. However, estimated municipal target population of CALD people for HACC services increased by 108% between 2014-15 (105) and 2015-16 (219). The estimated municipal target population data is supplied by the Department of Health and Human Services.
Libraries Participation <i>Active library members</i> [Number of active library members / Municipal population] x100	12.76%	13.32%	

*This figure was incorrectly reported as 41.84% in 2014-15.

Service Performance Indicators

Service/indicator/measure	Results		Material Variations
	2015	2016	
<p>Maternal and child health</p> <p>Participation</p> <p><i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</p> <p>Participation</p> <p><i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</p>	79.26%	81.58%	Due to the small number of target population children, a small change in the number of Aboriginal children attending will have a proportionately large impact on the participation rate. Of the 15 enrolments in this service, 13 attended the service during the year.
<p>Roads</p> <p>Satisfaction</p> <p><i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]</p>	45.00	44.00	
<p>Statutory Planning</p> <p>Decision making</p> <p><i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</p>	100.00%	100.00%	
<p>Waste Collection</p> <p>Waste diversion</p> <p><i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	22.83%	39.83%	The changes to service frequency during 2015-16 has resulted in a substantial reduction of waste to landfill and increase in recycling collected.

Financial Performance Indicators

Dimension/indicator/measure	Results		Forecast Figures				Material Variations
	2015	2016	2017	2018	2019	2020	
Efficiency Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,936.30	\$3,513.48	\$3,511.02	\$3,482.32	\$3,530.04	\$3,880.03	2014-15 data included 'one off' expenditure relating to the Food Production Precinct.
Revenue level <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,737.38*	\$1,741.54	\$1,800.82	\$1,844.37	\$1,939.56	\$2,018.35	This average is consistent with Council's long term financial planning and comparable to similar size Councils.
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	9.37%	11.84%	11.86%	11.76%	11.67%	11.58%	From an average of 245 staff, there were 29 resignations/terminations in 2015-16.
Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	283.57%	218.93%	217.45%	220.51%	201.21%	215.40%	This balance was high in 2014-15 as the cash balance included \$2.6m from 2015-16 Federal Assistance Grants received in advance.
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	180.22%	113.94%	147.20%	154.89%	137.97%	149.71%	This balance was high in 2014-15 as the cash balance included \$2.6m from 2015-16 Federal Assistance Grants received in advance.
Obligations Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	42.67%	38.78%	36.64%	35.80%	25.22%	20.96%	Net loan and borrowings balance reduced in 2015-16 compared to an increase in rate revenue.

*This figure was incorrectly reported as \$1,240.14 in 2014-15.

Financial Performance Indicators

Dimension/indicator/measure	Results		Forecast Figures				Material Variations
	2015	2016	2017	2018	2019	2020	
Loans and borrowings repayments compared to rates [(Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	4.33%	3.45%	2.95%	2.99%	11.39%	4.89%	There was a greater proportion of interest only payments in 2015-16. Also, rate revenue increased. This indicator will be significantly higher in 2018-19 when a large proportion of the interest only loans will be repaid.
Indebtedness Non-current liabilities compared to own source revenue [(Non-current liabilities / Own source revenue] x100	32.97%	37.65%	35.72%	34.30%	25.20%	21.90%	2014-15 Own source revenue included \$5m of non-cash revenue that was required to be recognised. This primarily related to the recognition of Land Under Roads.
Asset renewal Asset renewal compared to depreciation [Asset renewal expenses / Asset depreciation] x100	73.76%	84.54%	61.34%	48.65%	52.38%	44.91%	2015-16 figure is high due to an additional \$926k spent on road infrastructure renewal as a direct result of \$1.7m in additional funding from Roads to Recovery.
Operating position Adjusted underlying result Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	11.12%	-3.48%	1.31%	-3.39%	-2.95%	-2.61%	2014-15 surplus included \$5m of non-cash revenue that was required to be recognised. This primarily related to the recognition of Land Under Roads. 2015-16 figure is negative primarily due to not receiving \$2.6m in Federal Assistance Grants. They were received in the 2014-15 year.
Stability Rates concentration Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	40.96%	54.85%	53.84%	58.37%	58.76%	54.61%	2014-15 surplus included \$5m of non-cash revenue that was required to be recognised. This primarily related to the recognition of Land Under Roads.
Rates effort Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.48%	0.50%	0.50%	0.51%	0.50%	0.51%	This figure should continue to be approximately 0.50% as the Shire grows.

Other Information



Basis of preparation

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

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

The Performance Statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the Council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variations in the results contained in the Performance Statement. Council has adopted materiality thresholds relevant

to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the Performance Statement are those adopted by Council in its strategic resource plan on 28 June 2016 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

In my opinion, the accompanying Performance Statement has been prepared in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.



Jason Clissold B.Bus. FCPA
Principal Accounting Officer
Dated: 13 September 2016

In our opinion, the accompanying Performance Statement of the Golden Plains Shire Council for the year ended 30 June 2016 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.



Councillor Des Phelan
Mayor
Dated: 13 September 2016



Councillor Nathan Hansford
Councillor
Dated: 13 September 2016



Rod Nicholls
Chief Executive Officer
Dated: 13 September 2016

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Golden Plains Shire Council

The Performance Statement

I have audited the accompanying performance statement for the year ended 30 June 2016 of the Golden Plains Shire Council which comprises the statement, the related notes and the certification of the performance statement has been audited.

The Councillors' Responsibility for the Performance Statement

The Councillors of the Golden Plains Shire Council are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Independent Auditor's Report (continued)

Independence

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

Auditor's Opinion

In my opinion, the performance statement of the Golden Plains Shire Council in respect of the 30 June 2016 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
15 September 2016



Dr Peter Frost
Acting Auditor-General

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