

THE 23RD GOLDEN PLAINS SHIRE COUNCIL

ANNUAL REPORT

2016 - 17



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Report of Operations

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Meredith Community Learning Hub.

INTRODUCTION

Welcome to the Report of Operations 2016-17

Our Annual Report is not only a snapshot of our financial position and our organisation – it's also an opportunity to let our residents, communities and stakeholders know the steps Council is taking to ensure that Golden Plains Shire continues to grow and thrive into the future.

We've put together some fast facts and highlights from the past financial year in the next few pages, which show you more about Golden Plains Shire and our vibrant communities.

9 planning permits issued - 
2 est. \$73.5M in works



3,796 volunteer hours

transporting community members

519 Environmental Health inspections conducted 

263 PEOPLE 
attended 9 Trailblazers walks across the Shire.

448 older people


received services to help them remain living at home

1,700+ 
trees planted to rehabilitate the Sago Hill gravel pit

\$2.62  
return per \$1 invested in the Community Grants program


2,306 Facebook followers

10.8km of **ROAD** to Recovery works across 8 townships 

834 Families supported through the provision of quality kindergarten & childcare 

1,820m
of new footpaths constructed across 5 townships

\$1.2million in Federal Government funding for the Bannockburn Heart

Our Vision - Our Mission - Our Values

Our Vision

A healthy, safe, vibrant, prosperous and sustainable community supported by strong leadership, transparent governance and community partnerships - **Our Community, Our Economy, and Our Pride.**

Our Mission

We will achieve our vision through:

- demonstrating good governance and involving the community in decision making
- working and advocating in partnership with our community to address social, economic and environmental challenges
- promoting gender equality and equity and inclusion for all
- sustaining a focus on long term outcomes and delivering increased public value through good decision-making and wise spending
- building awareness and strategic alliances with government, regional groups and community.

Our Values

Honesty and Integrity

We will act ethically and honestly and work to continue to build the trust and confidence of the community

Leadership

We will demonstrate strong and collaborative community leadership.

Accountability

We will act in an open and transparent manner and be accountable to our community for our processes, decisions and actions.

Adaptability

We will implement progressive and creative responses to emerging issues and will continue to work to build organisational and community resilience.

Fairness

We will base our decision making on research, information and understanding of the needs and aspirations of the whole community and promote equitable access to the Shire's services and public places.



Murgheboluc Hall.

Highlights and achievements

Listed below and overleaf is a selection of the many functions and services provided by Council for our 56 communities.

TECH, TEA AND TALES

16 young job seekers were employed as 'Tech and Story helpers', helping 32 older community members learn how to use technology, and recording their life stories and experiences of older people.

H30 CHALLENGE

Golden Plains residents were challenged to replace sugary drinks with water for 30 days, with many sporting clubs also signing up to this VicHealth initiative.

COMMUNITY SAFETY

Council inspected 62 pools across the Shire, significantly increasing community awareness regarding the need for owners to maintain swimming pool safety barriers.

STATUTORY PLANNING

Council received 404 applications for planning permits and approved/issued 289 permits. The average time for assessment was 67 days.

SMYTHESDALE OVAL

A full refurbishment of the oval was completed, including a new playing surface, cricket wicket, drainage, fencing and improvements to the irrigation system.

COUNCIL PLAN

The Council Plan 2017-2021, incorporating the Municipal Public Health and Wellbeing Plan and the Council Budget was adopted at the June Council meeting.

BUSINESS TRAINING

Held 17 business mentoring and training sessions across the Shire, attended by 79 business owners and operators.

WESTERN BULLDOGS YOUTH LEADERSHIP

15 Golden Plains young people were selected to participate in this program, to build their confidence, make new friends and develop skills that will enable them to become future leaders in their community.

ROAD SAFETY

Council received \$2.1M in Federal Government funding to support four nominated road safety programs across the Shire.

WASTE MANAGEMENT

Council, with funding from Sustainability Victoria, developed a Resource Recovery Centre at the site of the old Rokewood Tip. Improvements include designated areas for the separation and transportation of waste and recycling.

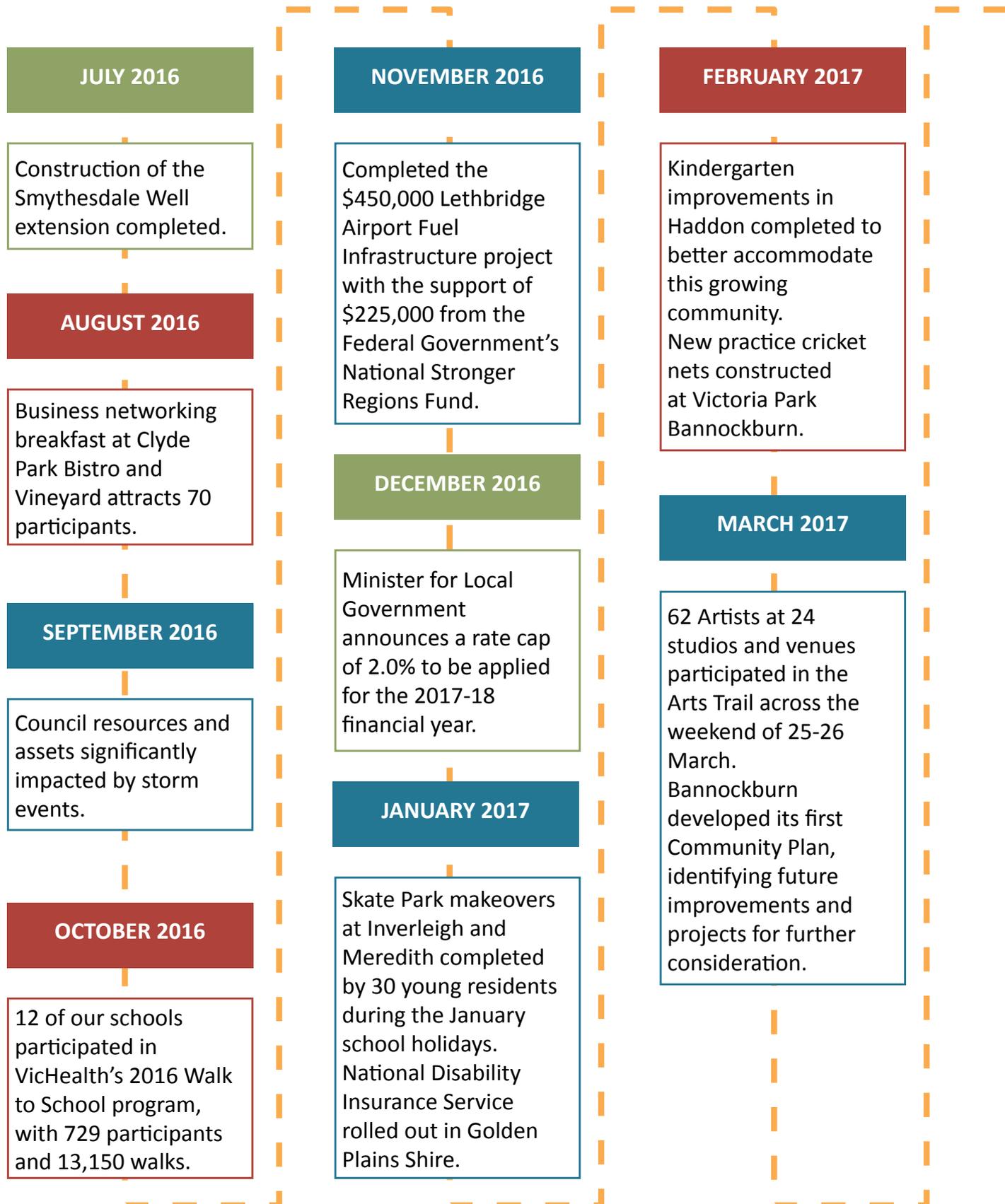
COMMUNITY CENTRES

Council's four Community Centres in Smythesdale, Haddon, Dereel and Bannockburn registered over 26,000 attendances for their programs.

COMMUNITY PLANNING

89% of respondents in the annual survey indicated they believed their community was better or stronger as a result of the community planning program.

Highlights and achievements



APRIL 2017

Reconstruction of the Smythesdale Football Oval substantially completed.
Construction of Rokewood Resource Recovery Centre completed.

MAY 2017

The 'Create Crate' resource trailer now available for use, assisting community groups to showcase opportunities that they offer, recruit new participants, trial new activities or revitalise an underutilised space.

JUNE 2017

Council Plan adopted following comprehensive community engagement including direct contact with 380 community members from across the Shire to influence its development.



The Well, Smythesdale.

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 and Tourism 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 planning responses to the growth issues which occur across municipal boundaries.

Achievements

- Completed the Masterplan and pre-construction works for the Bannockburn Heart, a visionary \$2.6M project to provide a civic heart for Bannockburn's growing community
- Granted \$225k from the Federal Government for lighting at Inverleigh Recreation Reserve, allowing football training and games to run in the evening
- Around 2,000 patrons visited the 2017 Golden Plains Arts Trail, with 62 artists exhibiting across 24 venues.

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 residents to travel to medical, social and work related appointments.

Achievements

- Provided 47 grants to support communities as they build infrastructure, deliver activities and events that enhance social connection and cohesion.
- Three year Access and Inclusion Strategy was developed and adopted following community and stakeholder engagement.
- 15 Gem of an Idea grants were awarded to community groups to deliver health and wellbeing initiatives in ten communities across the Shire.

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

- 2,955 tonnes of recyclable materials was delivered to regional recycling facilities compared to 2,686 tonnes last year, representing a 10% increase from last financial year.
- Redeveloped the Rokewood Tip into a Resource Recovery Centre, allowing residents greater opportunity for ecologically responsible separation of waste streams.
- Received State Government funding to provide community education around contamination of recyclables.

THE YEAR IN REVIEW



Cr Des Phelan
Mayor

Mayor's Message

On behalf of my fellow Councillors, I am delighted to present the 2016-17 Golden Plains Shire Council Annual Report.

The Annual Report fulfils an important statutory and financial reporting requirement of Council, but just as importantly provides a snapshot of the wide variety of services and infrastructure provided for our communities, as well as highlights and achievements over the past twelve months.

Four year Council Plan

As required for each new Council, the four-year Council Plan was developed with considerable input from the community. I'm pleased to report that this Council Plan incorporated the most comprehensive community consultation process that has been undertaken by our Shire Council.

380 community members from across the Shire engaged with Council to influence the development of this document, including face-to-face via listening posts and workshops, a Community Reference Group and submissions on the draft Plan received from individual community members, the Community Reference Group, and external stakeholders.

Challenges and opportunities

Golden Plains is in a rare geographic and demographic position. Located between major regional centres, we have a country lifestyle blending with a rapidly growing population. We also have a large proportion of young families, which means an increased demand for new services. Combined with the impact of rate capping, this means that Council must carefully plan future service and infrastructure provision to ensure residents have the roads, paths and community recreation facilities that they need.

Farewell to our CEO

As our CEO Rod Nicholls will be retiring at the end of this year, I would like to thank him for his years of service as the CEO since the formation of Golden Plains Shire in 1994. He has provided a steady guiding hand for Council and personally I have appreciated his support over my terms on Council. Thank you Rod on behalf of Councillors and staff.

In conclusion, I would like to acknowledge the community members and volunteers who assist us in offering services across our Shire. The recent Census showed that Golden Plains residents volunteer in a higher proportion than the state-wide figure – and we're grateful for the work that they do.

"This year marked the 21st year of our Community Grants program. Since 1996, this program has supported 886 community projects from Batesford to Barunah Plains, and from Smythesdale to Steiglitz. By matching funding from community groups, Council's investment in community grants has delivered a staggering \$6.44M in value to local communities."



Rod Nicholls
Chief Executive Officer

CEO's Message

With the election of a new Council in late 2016, some experienced Councillors were returned and several new Councillors joined Council, bringing new perspectives.

In operational terms, Golden Plains Shire Council provides almost 100 different services to its residents and communities. These range from childcare and kindergarten, roads and waste management, and aged and disability support to animal and fire management, community planning and statutory planning. Pages 5 to 7 provide an overview of our highlights and achievements for the year, however there are many more services that Council provides to support our 56 communities.

Community development

I would particularly like to highlight our work in community development, including our Community Planning initiatives. 23 Golden Plains communities now have their own Community Plans which set out agreed projects and milestones. Over 400 residents are currently involved in implementing community plan projects, and 32 Community driven projects were delivered over the last twelve months that improve their communities in various ways.

Financial constraints

The Council organisation continues to operate in a financially constrained environment with the second year of rate capping. With the need for asset renewal and other costs rising faster than CPI, this will have a greater impact for every year it remains in effect.

In turn, this means that our advocacy work becomes more important, as we make representations to State and Federal Members of Parliament for joint funding to deliver vital infrastructure for our growing communities. These meetings allow Council to share its funding priorities, and give residents a voice at all levels of government.

Signing off

This will be my final Annual Report for Golden Plains Shire Council as I will be retiring at the end of 2017. It has been a privilege and a pleasure to have been the Chief Executive for in excess of 23 years, culminating in 47 years of local Government Service.

There have been many highlights including completion of both large projects such as the Smythesdale Well and Meredith Early Years and smaller projects such as the Dereel Hall and Teesdale Turtle, commencement of planning for the Bannockburn Heart and Golden Plains Community and Civic Centre, as well as events such as the Golden Plains Farmers Market and the successful Arts Trail.

I have been proud to lead our Shire through a period of strong population and economic growth, and my best wishes to our residents and communities for a safe, happy and healthy future.

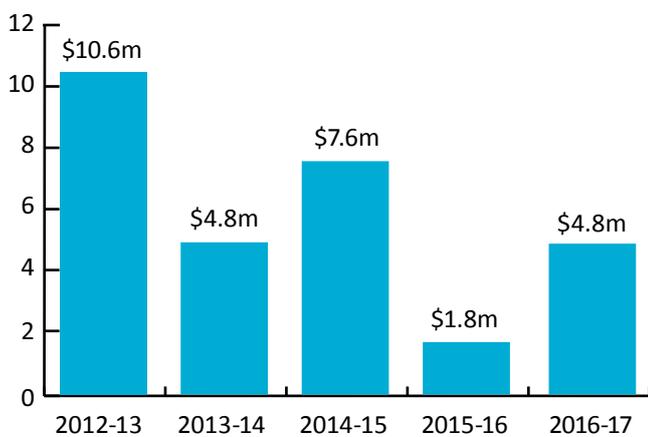
Financial Summary

The purpose of the Annual Report is to convey the performance of Council for the 2016-17 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.

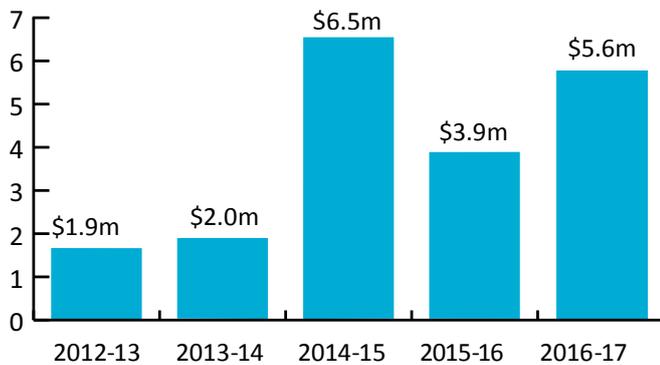
The following key indicators provide a brief overview of Council's financial performance for the year, including graphs which visually demonstrate the recent trend of each. These key indicators are common tools used to measure financial performance and are consistently applied by Council.

For more detailed information on Council's 2016-17 financial performance please refer to the Financial Statement beginning on page 57 and Performance Statement beginning on page 105.



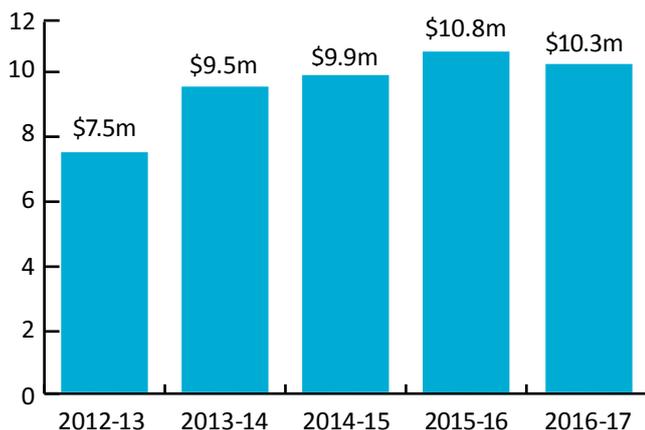
Operating Result

The operating result shows Council's overall performance for the year. The surplus for 2016-17 totalled \$4.8 million, which is \$340 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 surplus of \$2.8 million. Both the operating and adjusted underlying result for 2016-17 were positively impacted by the Federal Government's decision to once again re-implement the practice of making 50% of the Financial Assistance Grant available in the June prior (increasing income for the year by \$2.7m).



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 2016-17 balance of \$5.6 million includes \$2.7 million of 2017-18 Federal Assistance Grants received in advance during June 2017 and \$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.



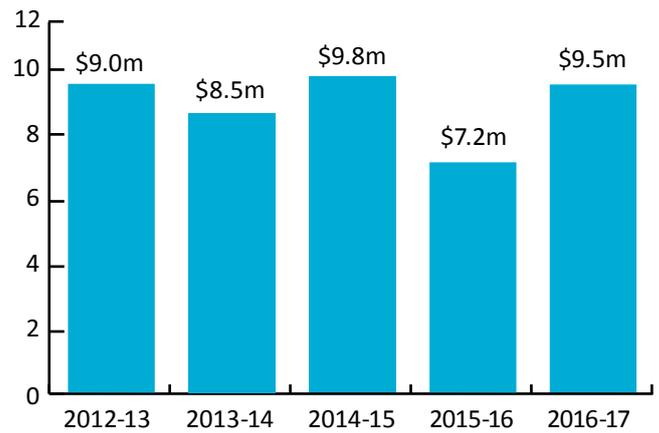
Capital Expenditure

The capital program for 2016-17 of \$10.3 million, takes Council's total capital expenditure over the last three years to \$31 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

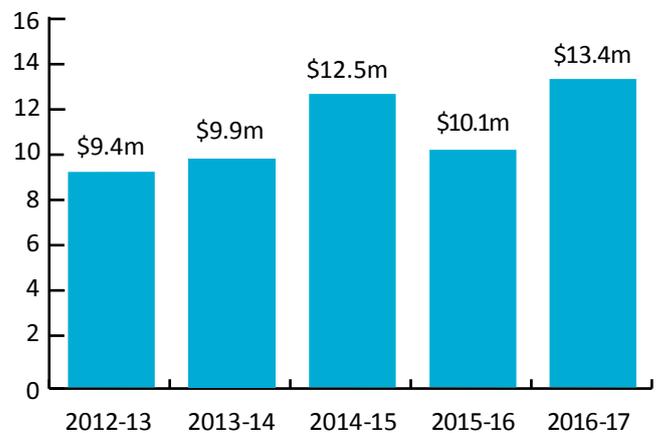
Working Capital

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 2017 the surplus is \$9.5 million compared to a budget of \$5.4 million. This large working capital surplus is primarily a result of a higher than anticipated cash balance, which is explained below.



Cash Balance

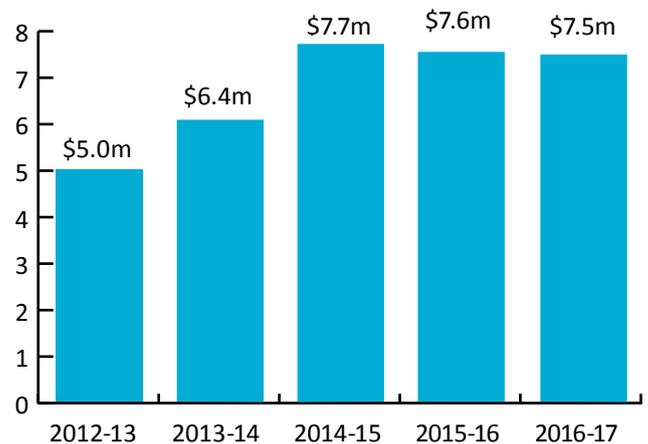
Council’s cash balance at 30 June 2017 totalled \$13.4 million, which is \$6 million favourable to budget and an increase of \$3.3 million from the previous year. The balance is greater than anticipated primarily due to the \$2.7 million of 2017-18 Federal Assistance grants received in advance during June 2017, \$3.36 million being held to complete funded and capital works projects from prior years and recent operating surpluses.



Borrowings

Borrowings have decreased by \$81 thousand from the previous year to a total of \$7.5 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 years. 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 closely monitor the strategies contained within its Council Plan, Strategic Resource

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

Description of Operations

Bannockburn Soccer Pavilion.



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; and 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 2016-17 and reported upon in this document. Please see the Our Performance section, from page 23 onwards, 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.

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 2016-17 the major capital works included the following.

Bannockburn Soccer Pavilion

The Bannockburn Soccer Pavilion is a significant project for Council. This project was identified as a priority in Council's Recreation Strategy, the Bannockburn Community Infrastructure Development Plan, and the G21 Football Development Plan.

The facility incorporates change rooms, amenities, multi purpose room, first aid area, commercial kitchen, storage areas, perimeter fence and coaches' boxes to service the recently constructed soccer pitch.

The facility was completed in May 2017. The Federal and State Governments supported the project with grants of \$100,000 each.

Smythesdale Football Oval

This important project in the north of the Shire features new goal posts and cricket wicket, significantly improved drainage, spectator fencing, natural turf for Australian Rules football and cricket, and a new irrigation system.

The project was completed in May 2017.

Road Blackspot funding

In October 2016 the Federal Government confirmed \$2.075M in blackspot funding for Golden Plains Shire under the Federal Government's Infrastructure Investment Program.

The funding addresses four projects which were identified by Council through road safety reviews and community feedback.

The road safety projects include:

- 700m section of Ross Creek-Haddon Road between Bull Inn Court and Thomas Road at Haddon: \$375,000 to seal shoulders and install edge lines and raised reflective pavement markers, install street lighting, install guard fences and upgrade delineation and signage.
- 3.4km section of Smythesdale-Snake Valley Road between Hillcrest Road and Heales Street at Smythesdale: \$635,000 to seal shoulders and install edge lines and raised reflective pavement markers, upgrade guard fences and upgrade delineation and signage

Description of Operations



- 2.5km section of Sebastopol-Smythesdale Road between Pascoe Street and Incolls Road at Smythesdale: \$590,000 to seal shoulders and install edge lines, raised reflective pavement markers and guard fences, upgrade delineation and signage
- 2.3km section of Meredith Steiglitz Road between Pioneer Ridge Road and Eclipse Road at Meredith: \$475,000 to seal shoulders and install edge lines and raised reflective pavement markers, guard fence installation with rub rail, upgrade delineation and signage and reduce speed to 60kmh.

Major Changes

There were no major changes to Council's operations during 2016-17.

Major Achievements

In 2016-17 Council had a renewed focus on engaging with communities across the Shire. This resulted in 16 major community engagements carried out by 7 teams from across the organisation.

In particular, 380 community members from across the Shire engaged with Council to influence the development of the 2017-2021 Council Plan:

- 263 residents provided feedback via the survey which was mailed to all households
- 82 community members and stakeholders engaged face-to-face via listening posts and workshops
- 27 community members formed a Community Reference Group which met 3 times to provide in-depth feedback on the Council Plan
- 8 submissions on the draft Plan were received from individual community members, the Community Reference Group, and external stakeholders

As part of Council's ongoing advocacy program, the Mayor and CEO met with all Federal and State Members of Parliament twice during the year, as well as the Mayor travelling to Canberra as part of a G21 delegation meeting with Ministers and Shadow Ministers.

Golden Plains Shire Council had considerable success lobbying for funding and actions, including:

- advocating for the CFA to take over the lease on land expected to accommodate a future emergency services precinct,
- being awarded over \$1M in funding for the Bannockburn Heart project,
- the reinstatement of indexation of Financial Assistance Grants, a vital funding source for local government,
- continuation of funding until the end of 2018 for 15 hours of kinder education per week, and
- lobbying for Bannockburn CBD safety improvements and an increase in police numbers in the Shire.

OUR COUNCIL

Golden Plains Shire is situated between two of Victoria's largest regional cities, Geelong and Ballarat, with a population of 21,929 people across 56 vibrant rural communities.

Renowned for its award-winning food and wine, iconic music festivals, historic buildings and friendly communities, Golden Plains Shire is an attractive destination both to visit and call home.

New residents, particularly young families, are attracted to the area's rural lifestyle, affordable housing and proximity to the services and jobs available in the Shire, as well as those in Melbourne, Geelong, Ballarat and the Surf Coast. As one of the fastest growing regions in Victoria, boasting rich biodiversity and a broad range of flora and fauna, Golden Plains Shire has much to offer.

Golden Plains also offers many opportunities for business, investment, sustainable development and employment, with more than 1,700 businesses in farming, retail and home-based operations. In agriculture, intensive animal farming continues to increase with production of goat dairy, beef, chicken and pork along with marked growth in viticulture.

Golden Plains Shire is also one of the leading egg producers in Victoria,

and is attracting new investment in free-range egg production in the Golden Plains Food Production Precinct—this is an area of land in the southern part of the Shire set to become one of Victoria's premier areas for intensive agriculture.

Golden Plains Shire Council works to engage with its communities to build community spirit, plan for growth and future facilities and services. Residents continue to support their townships, with high levels of volunteering in clubs and activities.

Looking to the future, Golden Plains Shire residents have shared their vision and priorities for the next 10-20 years. They identified the need to plan and manage the competing interests of a growing population whilst maintaining the Shire's highly valued rural character, meeting community service and infrastructure needs and improving the Shire's extensive road network.

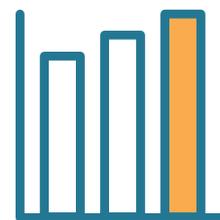
Golden Plains offers relaxed country living, with the services and attractions of Melbourne, Geelong and Ballarat just a stone's throw away. With an abundance of events, attractions and activities, as well as many great local businesses and breathtaking views, Golden Plains is a great place to live, invest, taste, see and explore.



2,705
sq km of land



21,929
people



2.3%
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 Les Rowe, Cr Nathan Hansford, Cr Owen Sharkey, Cr David Evans.
Front row, Cr Joanne Gilbert, Cr Des Phelan – Mayor and Cr Helena Kirby,*

Cr Les Rowe

A life-long Golden Plains resident, Les owns and operates a business in Sutherlands Creek. Les is active in his community and lobbied for the new Bannockburn P-12 school. Les is committed to supporting Golden Plains residents, ratepayers and community organisations.

Cr Nathan Hansford

Nathan is returning as a Councillor for his second term. Nathan lives in Bannockburn with his family, owns a local business and is committed to making the Shire an even greater place, and is focused on ensuring services are maintained or improved.

Cr Owen Sharkey

Owen lives with his family in Batesford, where he is involved in the community, and works in Bannockburn. He would like to be seen as an approachable councillor whose decisions benefit the whole of the Shire.

Cr David Evans

David is a Bannockburn resident and is passionate about making Golden Plains' rates fair and equitable and is interested in making budgetary cost savings, wherever possible.

Cr Joanne Gilbert

Joanne believes community consultation is paramount and is strongly committed to improving infrastructure and services. Born and raised in Napoleons, Joanne lives in Cambrian Hill with her family and is an active member of her community.

Cr Des Phelan (Mayor)

A farmer from Springdallah, Des has represented the community as Mayor for the last two years. Des is committed to enhancing opportunities for community consultation and keeping rates at a minimum whilst maintaining roads at optimal levels.

Cr Helena Kirby

Helena is a longstanding Councillor, living and working in Rokewood. She is a voice for the whole of the Shire and has helped achieve many positive outcomes. Helena's key priorities are to improve infrastructure and keep rates at a minimum.

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. Three Directors and the Executive Unit Manager, together with 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.

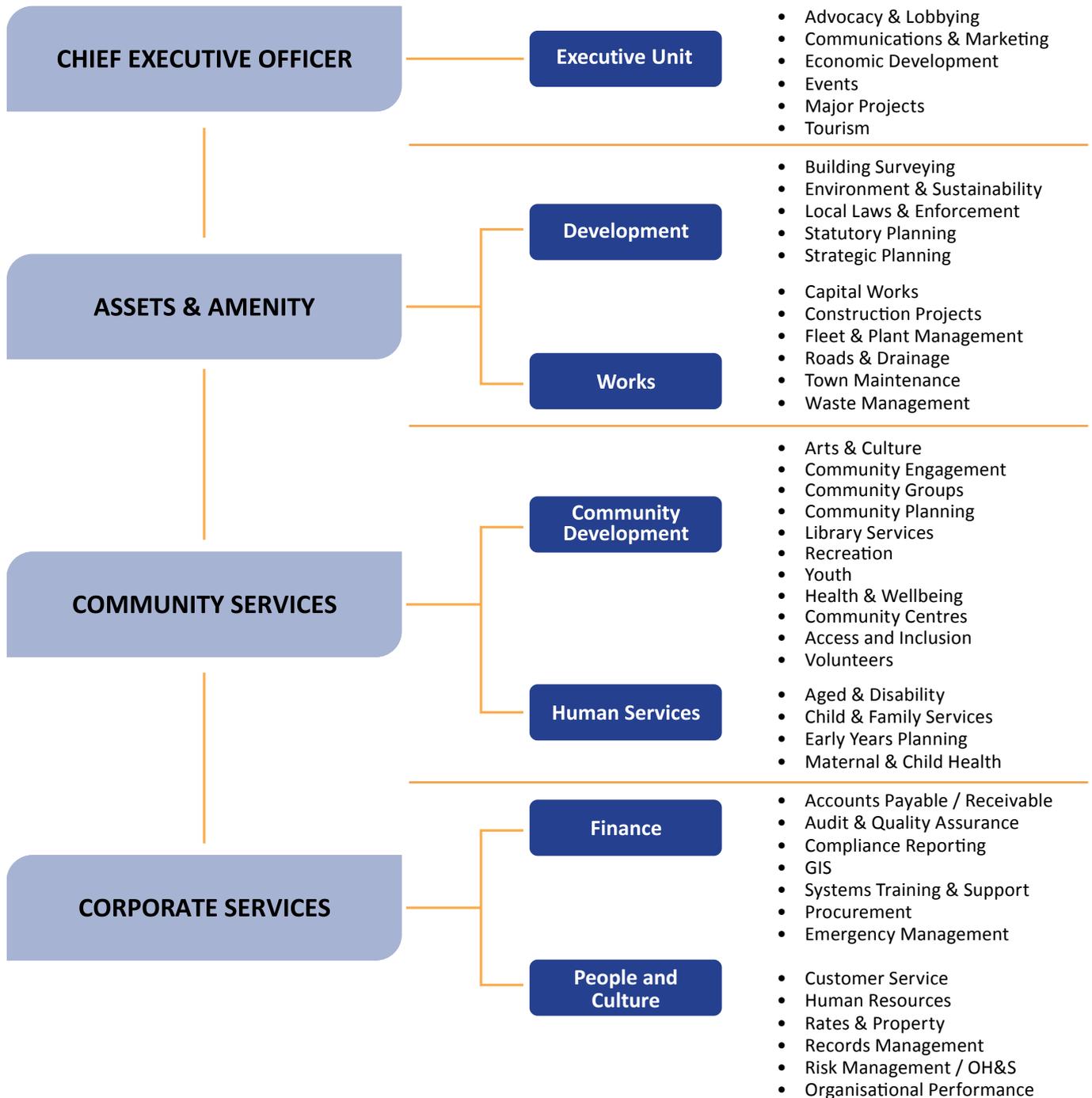
Jillian Evans
Director Community Services.

Richard Trigg
Director Corporate Services.

Greg Anders
Director Assets & Amenity.

Mike Barrow
Manager Executive Unit.

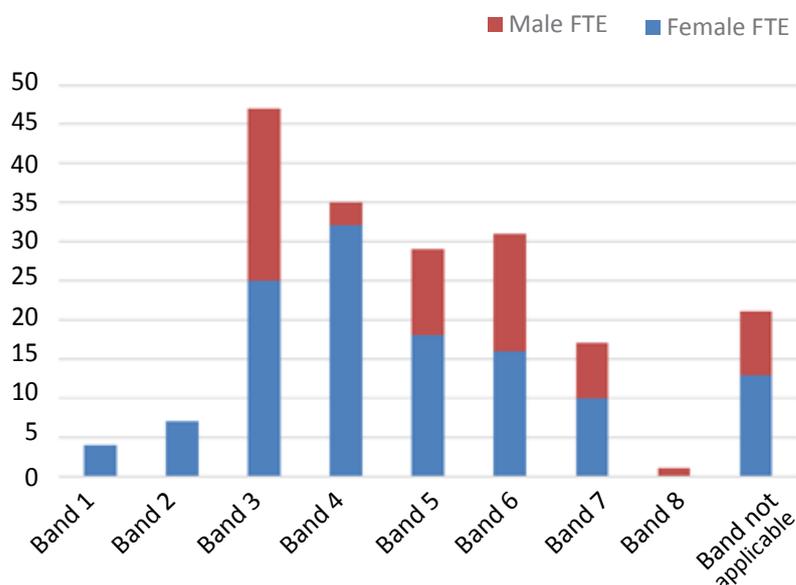
Organisational Structure



Council Staff

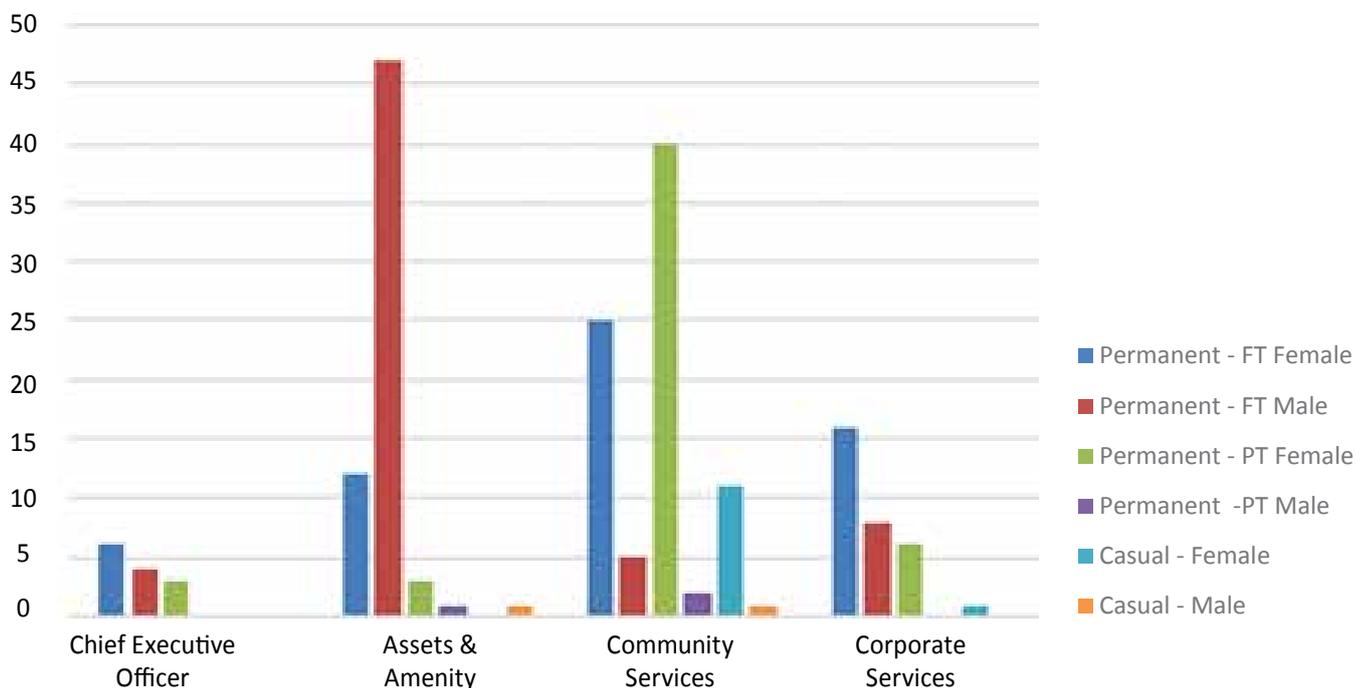
A summary of the number of full time equivalent (FTE) staff categorised by employment classification and gender is set out below.

Employment Classification	Female FTE	Male FTE	Total
Band 1	4	0	4
Band 2	7	0	7
Band 3	25	22	47
Band 4	32	3	35
Band 5	18	11	29
Band 6	16	15	31
Band 7	10	7	17
Band 8	0	1	1
Band not applicable	13	8	21
Total	125	67	192



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 - Organisational Structure	CEO	Assets & Amenity	Community Services	Corporate Services	Total
Permanent - FT F	6	12	25	16	59
Permanent - FT M	4	47	5	8	64
Permanent - PT F	3	3	40	6	52
Permanent - PT M	0	1	2	0	3
Casual - F	0	0	11	1	12
Casual - M	0	1	1	0	2
TOTAL	13	64	84	31	192



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. Four training sessions focusing on EEO and the prevention of bullying and harassment were provided during the year, a total of 71 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, four 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 2016-17 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 2016-17 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 2016, the Chief Executive Officer formally recognised the contribution made by long term staff, including 9 staff who completed the milestone of 10 years of service.

Other Staff Matters



Golden Plains Shire Council strives to show leadership and make a positive difference in our workforce and our community in taking action to end violence against women and children.



Golden Plains Shire Council seeks to lead change to improve respect and equality in our community, and prevent violence against women before it occurs.

The White Ribbon Group and the subsequent formation of the Gender Equity Group delivered or facilitated initiatives, including the below:

- In late 2016 the GPS White Ribbon Group participated in a planning and reflection day. This day resulted in a plan to restructure the White Ribbon Group into a new group which would now focus on Gender Equity. The new GPS Gender Equity group convened their first meeting in March 2017.
- One of the first activities was to engage with the Women's Health Grampians, Communities of Respect and Equality (CoRE) program. Golden Plains Shire Council has joined the CoRE Alliance and partners with Women's Health Grampians to work collaboratively and collectively toward the shared vision to prevent violence before it occurs.
- An action list has been developed, in conjunction with Women's Health Grampians, which provides a list of Gender Equity activities that Council will undertake to improve gender equity within the organisation.
- The Gender Equity group developed a leadership statement that will reinforce the commitment of Council to ensure a safe, inclusive and respectful community. We recognise the role of Council in this issue and the ways in which our strategies can address the underlying causes and promote awareness in the shire.
- Council policies and procedures will be reviewed to ensure they are viewed with a gender lens to avoid bias.
- The Baby Makes 3 program continues to be an important program, promoting equal and respectful relationships between men and women during the transition to parenthood.

OUR PERFORMANCE

Bunjil Lookout at Maude.

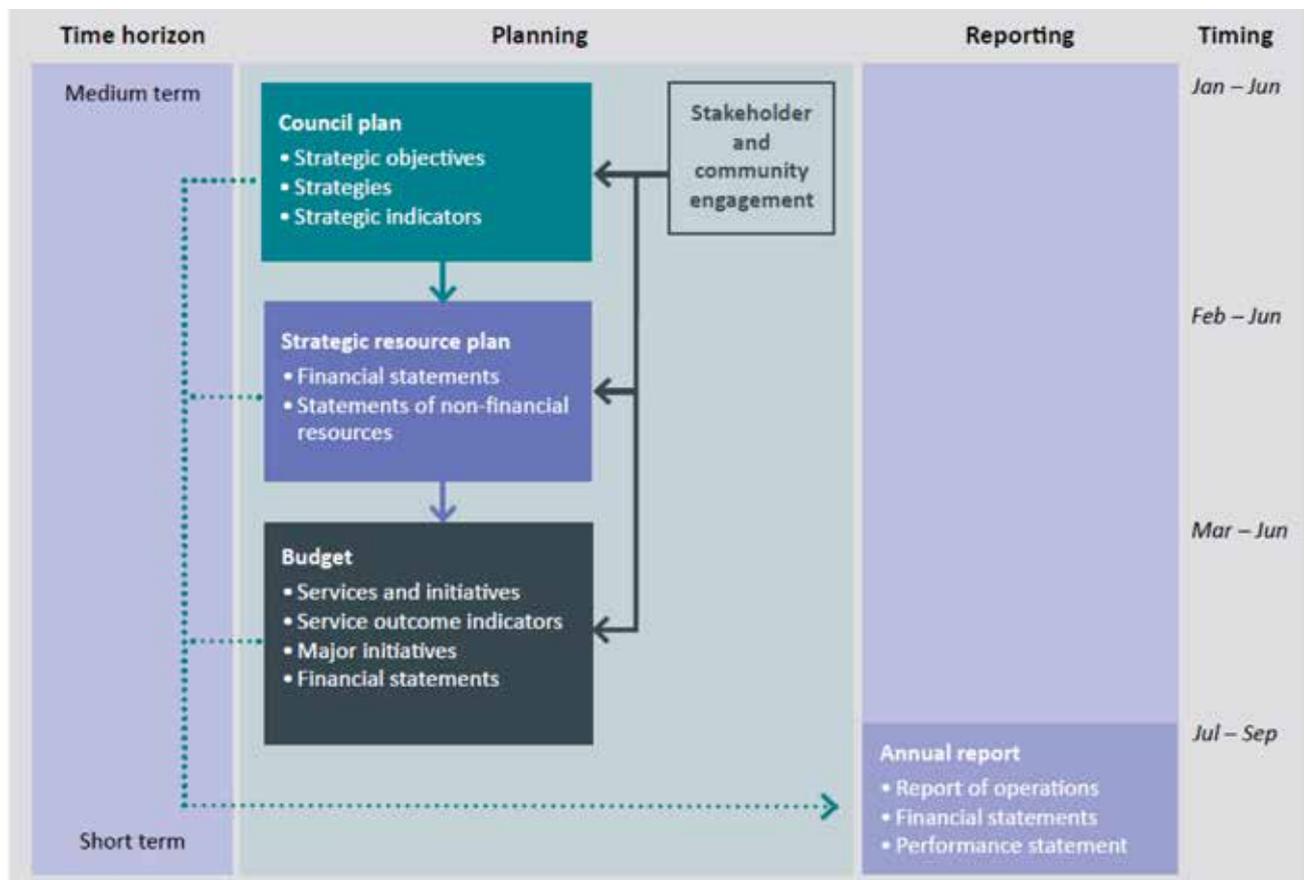


Planning and Accountability Framework

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 included 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 2016-17 year has been reported against each strategic objective to demonstrate how Council performed 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>	61	This indicator has decreased from 65 in 2015-16. 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>	76%	2,415 out of a total 3,167 customer requests were completed within timelines.
Occupational Health & Safety <i>Decrease the number of lost time days per annum</i>	275	This indicator has increased from 261 in 2015-16. This is a direct result of two ongoing major claims.

The following statement provides information in relation to the services funded in the 2016-17 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.	702 <u>650</u> (52)
Customer Service Centres	Operation of customer service centres to provide bases from which Council can deliver services.	415 <u>354</u> (61)

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>	46	This indicator has increased from 45 in 2015-16.
Consultation and Engagement <i>Improve the Community Satisfaction Survey rating for community consultation above 62</i>	48	This indicator has increased from 47 in 2015-16. 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 reviews the progress of Council in relation to major initiatives identified in the 2016-17 Budget for the year.

Major Initiatives	Progress
<p>Community First is a community-centred strategy for Golden Plains Shire that fosters collaboration, innovation and continuous improvement. Features of the Community First Strategy include:</p> <ul style="list-style-type: none"> • Engagement of both staff and community in influencing the processes of change • Innovation strategies to sponsor an organisational culture of collaboration and innovation • Lean management principles applied to Council services to drive efficiencies and reduce costs • Service improvements through strategy and service reviews to help balance resident aspirations with what Council has to spend <p>The Community First Strategy helps address increasing community pressure for Council to deliver products and services that are value-for-money, and provides a plan to help manage some of the challenges associated with State Government rate capping and a desire to keep rates low.</p> <p>The aim of Community First is to</p> <ul style="list-style-type: none"> • Reduce costs while continuing to deliver quality community services in a sustainable way; and • Nurture an organisational culture of innovation and Lean thinking 	<p>In 2016-17 there were 20 staff engagement workshops held with a focus on collaboration, innovation and cultural change. 18 staff underwent a three day Lean Management Practitioner training course and a further 21 underwent the one day Lean Management training workshop.</p> <p>Over 75 new initiatives were generated through the Community First 'iTeam' (Innovation team). These either delivered cost savings or organisational efficiencies.</p> <p>Service improvement reviews conducted in 2016-17:</p> <ol style="list-style-type: none"> 1. Records Management 2. Farmers Market 3. Kindergartens 4. Community Centres

Civic Leadership

Key result area 2

The following statement provides information in relation to the services funded in the 2016-17 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 2016-17 financial year.	797 <u>874</u> 77
Elections	Maintenance of voters' rolls in readiness for 2016 election.	128 <u>170</u> 42
Meetings	Conduct Council meetings, committee meetings, workshops and other meetings of Council with management.	75 <u>99</u> 24
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.	893 <u>891</u> (2)
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.	175 <u>259</u> 84
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.	317 <u>416</u> 99

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	2017	
<u>Governance</u> Transparency <i>Council resolutions at meetings closed to the public</i> [Number of council resolutions made at ordinary or special meetings of council, or at meetings of a special committee consisting only of councillors, closed to the public / Number of council resolutions made at ordinary or special meetings of council or at meetings of a special committee consisting only of councillors] x10	3.40%	0.65%	1.44%	This material increase relates to 2 of 139 decisions made at meetings closed to the public in 2016-17, where there was only 1 of 155 in 2015-16.

Civic Leadership

Key result area 2

Service/Indicator/measure	Result			Material Variations
	2015	2016	2017	
<p>Attendance <i>Council attendance at Council meetings</i> [The sum of the number of councillors who attended each ordinary and special council meeting / (Number of ordinary and special council meetings) x (Number of councillors elected at the last council general election)] x100</p>	98.2%	97.14%	97.14%	Out of a possible 105 meeting attendances (7 x 15), Councillors attended 102 in 2016-17. This is the same as 2015-16.
<p>Service cost <i>Cost of governance</i> [Direct cost of the governance service / Number of councillors elected at the last council general election]</p>	\$32,595	\$34,933	\$34,581	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>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]</p>	45	44	48	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 during the year, 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>	n/a	This data was not collected in 2016-17.

The following statements provide information in relation to the services funded in the 2016-17 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.	522 <u>514</u> (8)

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>	n/a	This data was not collected in 2016-17.
<i>Complete 90% of all Planning Permit applications within 60 business days.</i>	87%	This indicator has increased from 65% in 2015-16.
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 97% compared to the State average of 93%.

The following statement provides information in relation to the services funded in the 2016-17 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.	604 <u>745</u> 141
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 Golden Plains Shire.	305 <u>316</u> 11
Fire Protection	To identify potential fire hazards and to minimise the risks in the event of bushfire.	205 <u>237</u> 32
Environmental Management	To protect and enhance the natural environment.	380 <u>387</u> 7
Community Protection	Educate the community about local laws and animal control and enforce Council's local laws.	220 <u>290</u> 70
Public Health	To protect and enhance the health of the public and the environment via education and enforcement of Food Safety and Environmental Health.	258 <u>282</u> 24

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	2017	
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	66.69	
<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%	67.82%	From 1 July 2016 this indicator will be updated to include VicSmart planning applications which should be assessed within 10 days. This may result in some variances year on year.
<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	\$1,689.64	
<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%	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	1.00	All 1,183 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%	38.58%	76 of 197 animals were reclaimed from Council. There is some belief that the cost of reclaiming animals has negatively impacted the number of animals being reclaimed.
<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	\$68.86	Council experienced a reduction of 971 in the number of animal registrations in 2016-17, which has increased the per registration costs.
<i>Health and safety</i>				
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	26	53	27	Increased focus on collecting fines to reduce the number of prosecutions from 2016.

Environment and Land Use Planning

Key result area 4

Service/Indicator/measure	Result			Material Variations
	2015	2016	2017	
<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	1.00	Each of the 5 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%	98.08%	The material increase in this indicator has resulted from Council increasing its focus on completing assessments. 102 of 104 premises were assessed in 2016-17.
<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	\$272.54	
<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%	94.12%	From 1 July 2016, 'Critical and major non-compliance outcome notifications' will be reported by calendar year. Previously this indicator was reported by financial year. This has been implemented to better align reporting with the Department of Health and Human Services. This may result in some variances year on year.

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/ <i>measure</i>	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	Council's financial health remains strong which is supported by the Financial Performance Indicators disclosed in the Performance Statement. This includes a healthy net surplus and cash balance for the 2016-17 year.
<i>Achieve the budgeted underlying result.</i>	Achieved	Adjusted Underlying Result of \$2.8 million, compared to the budgeted surplus of \$498k.
<i>Achieve a working capital ratio in excess of 120%</i>	234%	Council continues to maintain a healthy working capital balance.

The following statement provides information in relation to the services funded in the 2016-17 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.	(27,306) <u>(24,769)</u> 2,537
Property and Rating	Management of Council's rating system, including levying rates and charges, outstanding interest and valuing all rateable properties.	236 <u>407</u> 171
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.	390 <u>369</u> (21)
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.	360 <u>390</u> 30
Records Management	Effective and efficient recording, maintenance, archival and disposal of Council documents.	274 <u>272</u> (2)
Borrowings	Effective management of Council borrowings.	350 <u>357</u> 7
Plant Replacement	Management and replacement of Council's plant and equipment in accordance with the plant replacement schedule.	(2) <u>42</u> 44

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>	n/a	This data was not collected in 2016-17.
<i>Improve the Community Satisfaction Survey rating for elderly support services above 67</i>	n/a	This data was not collected in 2016-17.
Long Day Care		
<i>Achieve 80% occupancy rate for the Long Day Care Centre</i>	90.04%	Achieved.
HACC Funding		
<i>Achieve 80% of the HACC Funding and Service Agreement targets</i>	92%	Achieved.

The following statement provides information in relation to the services funded in the 2016-17 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.	404 <u>452</u> 48
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.	403 <u>370</u> (33)
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.	423 <u>603</u> 180
Community Transport	Providing access to a range of services by providing a flexible, responsive community transport service.	178 <u>204</u> 26
Community Centres	Improving the health and wellbeing of Golden Plains Shire residents and facilitating the development of healthy vibrant communities.	863 <u>994</u> 131

Human Support Services

Key result area 6

Service	Description	Net Cost Actual Budget Variance \$000
Kindergartens	Cluster management of five local kindergarten services. This relieves pressure felt by parents in running a kindergarten program and provides a stable employment model for staff.	(54) (30) 24
Bannockburn Children Services	Management of the integrated children services centre at Bannockburn, incorporating long day care and kindergarten facilities.	101 52 (49)
Family Day Care	Management of Family Day Care Educators who operate across the Shire. Each Educator provides care to between four and seven children per day and follow processes determined by the Department of Education and Training. Currently over 80 children access our FDC service.	56 72 16

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	2017	
Maternal and Child Health (MCH)				
Satisfaction				
<i>Participation in first MCH home visit</i> [Number of first MCH home visits / Number of birth notifications received] x100	100%	101.94%	99.55%	
Service standard				
<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%	101.36%	
Service Cost				
<i>Cost of the MCH service</i> [Cost of the MCH service / Hours worked by MCH nurses]	n/a	\$73.11*	\$79.95	
Participation				
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	79.26%	81.58%	80.29%	
<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	77.78%	86.67%	55.56%	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 18 enrolments in this service, 10 attended the service during the year.

* This indicator was incorrectly reported as \$73.77 in 2015-16.

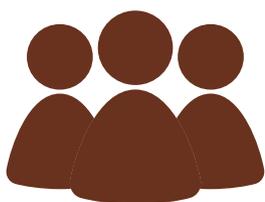
Human Support Services

Key result area 6

Service/Indicator/measure	Result			Material Variations
	2015	2016	2017	
<p><u>Home and Community Care</u></p> <p>Timeliness <i>Time taken to commence the HACC service</i> [Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service.]</p>	n/a	14	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<p>Service standard <i>Compliance with Community Care Common Standards</i> [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100</p>	77.78%	77.78%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<p>Service cost <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	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
<p>Participation <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%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
	30.48%	13.70%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.

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>	n/a	This data was not collected in 2016-17.
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>	1,080	Achieved. Increased from 670 in 2015-16.

The following statement reviews the progress of Council in relation to major initiatives identified in the 2016-17 Budget for the year.

Major Initiatives	Progress
<p>Council will implement 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.</p>	<p>Over the past 12 months, a range of actions have been implemented from the Community Engagement Strategy (2016-2021).</p> <ul style="list-style-type: none"> • New tools, templates and resources have been developed to guide community engagement practice. • Council listening posts have been piloted for individual projects • Council has made improvements in giving feedback to the community on the results of engagements, i.e. 'closing the loop'. This includes regular and timely updates on the Have Your Say site, and creating infographics. • A Community Engagement Register has been developed providing a database of diverse community members who are interested in participating in engagement activities such as Community Reference Groups. • Council's 'Have Your Say' online engagement approach has a variety of new tools and functions which will enable the ability to vote on ideas, sign up for updates on community engagement activities, and see which projects have new information via a project newsfeed.

Recreation and Community Development

Key result area 7

The following statement provides information in relation to the services funded in the 2016-17 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.	830 <u>785</u> (45)
Health Promotion	Creating healthy, vibrant and connected communities and improving the health and wellbeing of people living in Golden Plains Shire.	15 <u>64</u> 49
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.	153 <u>178</u> 25
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.	303 <u>336</u> 33
Recreation Planning	Working with local communities and committees of management to develop a range of recreation facilities and activities.	630 <u>656</u> 26
Recreation Construction	Construction of community facilities, including halls, paths and trails, recreation reserves and pavilions, sporting facilities and playgrounds (note: Projects identified on this page 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).	(16) <u>(385)</u> (369)
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.	2,251 <u>2,813</u> 562
Major Projects	Planning and development of major projects, including halls, recreation reserves and pavilions and sporting facilities (Capital type projects identified on this page 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.	(208) <u>(2,592)</u> (2,384)
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.	4,501 <u>2,359</u> (2,142)

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	2017	
<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	4.73	
<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%	75.68%	
<i>Service cost</i>				
<i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$5.33	\$4.89	\$4.71	
<i>Participation</i>				
<i>Active library members</i> [Number of active library members / Municipal population] x100	12.76%	13.32%	12.68%	

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>	n/a	This data was not collected in 2016-17.

The following statement provides information in relation to the services funded in the 2016-17 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.	1,178 <u>1,270</u> 92
Local Roads Resealing	Bituminous resealing of Council's local sealed road network.	1,934 <u>1,880</u> (54)
Local Roads Rehabilitation	Local Roads Rehabilitation.	2,123 <u>1,670</u> (453)
Local Roads Improvements	Creating improvements to Council's local road network.	(3,890) <u>(3,075)</u> 815
Gravel Roads Routine Maintenance	Routine maintenance of Council's local gravel road network.	837 <u>623</u> (214)
Gravel Re-sheeting	Gravel re-sheeting works on Council's local gravel road network.	1,123 <u>1,091</u> (32)
Bridge Maintenance	Maintenance of Council's bridges and major culverts.	491 <u>528</u> 37
Tree Clearing	Tree clearing works on Council's local road network, to ensure community safety.	326 <u>348</u> 22

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.	149 <u>44</u> (105)
Asset Management	Management of Council's road and bridge assets.	300 <u>320</u> 20
Drainage Maintenance	Maintenance of Council's township and rural drainage assets.	521 <u>329</u> (192)
Private Works	Provision of private works services for residents, other Councils and developers.	17 <u>(13)</u> (30)
Line Marking, Guideposts and Signs	Maintenance of line-marking, and delineation in the form of guideposts and signage across Council's local road network.	209 <u>244</u> 35
Street Lighting	Provision of street lighting across Council's local road network.	111 <u>127</u> 16
Township Maintenance	Provision of street beautification works including grass cutting in townships in accordance with Council policy.	611 <u>623</u> 12
Bus Shelters	Provision and maintenance of bus shelters across the Shire.	14 <u>12</u> (2)
Paths and Trails	Maintenance of Council's network of footpaths.	177 <u>185</u> 8

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	2017	
Roads				
<i>Satisfaction of use</i>				
<i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads] x100	18.70	19.38%	38.85%	There has been a material increase in this indicator due to all road queries now being recorded in Council's customer request system. Prior to 2016-17, queries that were resolved quickly were not routinely recorded.
<i>Condition</i>				
<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%	98.54%	Road survey is completed every five years. Hence, result is the same as 2016.
<i>Service cost</i>				
<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	\$43.15	This indicator has increased primarily due to more works being contracted in 2017 and the increased level of township road reconstruction, which adds significant costs.
<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	\$3.85	The decrease in this indicator primarily relates to a decrease in the cost of bitumen.
<i>Satisfaction</i>				
<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	38	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/ <i>measure</i>	Result	Comments
Waste Management <i>Improve the Waste Management Community Satisfaction Survey rating above 76.</i>	n/a	This data was not collected in 2016-17.

The following statement provides information in relation to the services funded in the 2016-17 Budget and the persons or sections of the community who are provided the service.

Major Initiatives	Progress
In 2016-17 Council will establish a waste and resource recovery facility within the Shire.	This project was completed with the establishment of new waste and resource recovery centre in the township of Rokewood.

The following statement provides information in relation to the services funded in the 2016-17 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.	(210) <u>(169)</u> 41
Municipal Landfills	Rehabilitation and environmental monitoring of Council's landfill sites.	1,879 <u>103</u> (1,776)
Litter Control	Control litter and illegal dumping across the Shire..	91 <u>62</u> (29)

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			Material Variations
	2015	2016	2017	
Waste Collection				
Satisfaction				
Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1,000	86.50*	108.47*	67.53	2015-16 had an unprecedented level of requests as a result of Councils decision to improve recycling rates by increasing recycling bin collection frequency and reducing household garbage collection services.
Service standard				
Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	5.62*	7.04*	2.70	The improvement in 2016-17 is a result of improved contract management and performance in the second year of the contract.
Service cost				
Cost of kerbside garbage collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$173.56*	\$130.81*	\$130.09	The reduction in overall cost of the service since 2015-16 has resulted from a change to the service that has seen a reduction in collection of general household garbage to once a fortnight.
Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$46.96*	\$77.93*	\$77.13	The increase in overall cost of the service since 2015-16 has resulted from a change to the service that has seen an increase in collection of recyclables from fortnightly to weekly.
Waste Diversion				
Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	23.13%	39.83%	40.65%	The changes to service frequency in 2015-16 has resulted in a substantial reduction of waste to landfill and increase in recycling collected. Council does not currently provide a green waste service.

* These indicators have been updated to reflect updated data.

GOVERNANCE, MANAGEMENT & OTHER INFORMATION

Governance

Golden Plains Shire Council is constituted under the Act to provide leadership for the good governance of the municipal district and the local community. Council has a number of roles including:

- Taking into account the diverse needs of the local community in decision-making
- Providing leadership by establishing strategic objectives and monitoring achievements
- Ensuring that resources are managed in a responsible and accountable manner
- Advocating the interests of the local community to other communities and governments
- Fostering community cohesion and encouraging active participation in civic life.

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities. The community has many opportunities to provide input into Council's decision-making processes including community consultation, surveys, committees and reference groups, public forums and the ability to make submissions to Council.

Council's formal decision-making processes are conducted through council meetings. Council delegates the majority of its decision-making to council 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 2016-17 year, Council held 12 ordinary meetings and 3 special meetings.

Meetings of Council

Council meetings are held on the fourth Tuesday of each month. Community members are welcome to attend these meetings and observe proceedings from the gallery. On matters presented to Council for decision, Council meetings provide an opportunity for community members to address the Council in support of their submissions. For the 2016-17 year, Council held the following meetings:

- 12 Ordinary Council meetings
- 3 Special Council meetings
- 4 Special Planning Committee meetings (this committee ceased on 8 November 2016)

The following table provides a summary of Councillor attendance at Ordinary meetings of Council, Special meetings of Council and Special Planning Committee meetings for the 2016-17 financial year.

Councillor	Ordinary Meetings (12 meetings)	Special Meetings (3 meetings)	Special Planning Committee Meetings (4 meetings)	Total Meetings (19 meetings)
Jenny Blake	4	n/a*	4	8 (of 8)
Andrew Cameron	4	n/a*	4	8 (of 8)
David Evans	8	3	n/a*	11 (of 11)
Joanne Gilbert	8	3	n/a*	11 (of 11)
Nathan Hansford	10	3	3	16
Helena Kirby	12	3	4	19
Bill McArthur	4	n/a*	4	8 (of 8)
Des Phelan	12	3	4	19
Les Rowe	8	3	n/a*	11 (of 11)
Owen Sharkey	7	3	n/a*	10 (of 11)
Greg Vaughan	4	n/a*	4	8 (of 8)

* Councillor was not on Council at the time these meetings were held

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 2017, the committees listed with an * are no longer Section 86 committees or are in the process of transitioning away from Section 86 committee status.

Special Committee	Purpose
Planning Committee*	To make decisions on land use planning matters
Haddon Recreation Reserve CoM*	To manage the Haddon Recreation Reserve
Harrison Reserve CoM*	To manage the Harrison 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
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

The Local Government Act 1989 requires Council to review and approve a Councillor Code of Conduct within 4 months after a general election. On 24 January 2017, Council adopted a 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 Council's 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
- 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 Council officer or Committee also needs 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 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 meetings record all disclosed conflict of interests. During 2016-17, 6 conflicts of interest were declared at Council 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 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 2016 to 30 November 2016, the Councillor annual allowance for a category 1 council (as defined by the Act) was fixed at \$19,350 per annum and the allowance for the Mayor was \$57,812 per annum. The Minister for Local Government approved an annual adjustment of 2.5 per cent to take effect from 1 December 2016. The annual allowances were adjusted for the period 1 December 2016 to 30 June 2017 at \$19,834 per annum for the Councillor allowance and \$59,257 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 allowances paid to the Mayor and Councillors during the year.

Councillor	Allowance
Cr D Phelan (Mayor)	\$55,963
Cr J Blake (1/7/16 - 21/10/16)	\$5,924
Cr A Cameron (1/7/16 - 21/10/16)	\$5,924
Cr N Hansford	\$18,659
Cr H Kirby	\$18,659
Cr B McArthur (1/7/16 - 21/10/16)	\$5,924
Cr G Vaughan (1/7/16 - 21/10/16)	\$5,924
Cr Evans (8/11/16 - 30/6/17)	\$12,731
Cr Sharkey (8/11/16 - 30/6/17)	\$12,731
Cr Gilbert (8/11/16 - 30/6/17)	\$12,731
Cr Rowe (8/11/16 - 30/6/17)	\$12,731

The amount equivalent to the superannuation guarantee under Commonwealth taxation legislation (currently 9.5 per cent) is payable in addition to these amounts.

Audit & Risk Committee Independent Members Sitting Fee

Independent Member	Sitting Fee
Peter Bollen (Chairman)	\$2,778
John McDonald	\$2,181

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 duties as a Councillor. Council is 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 publishes details of Councillor expenses, including reimbursement of expenses, in its Annual Report. The details of the Councillor expenses for the 2016/17 year are set out in the following table.

Councillor	Travel	Car Mileage	Child Care	Information & Communications	Conferences & Training	Total \$
Des Phelan (Mayor)	\$265	\$4,722	\$0	\$1,139	\$7,975	\$14,101
Jenny Blake (1/7/16 - 21/10/16)	\$157	\$0	\$0	\$369	\$903	\$1,429
Andrew Cameron (1/7/16 - 21/10/16)	\$0	\$0	\$0	\$354	\$28	\$382
David Evans (8/11/16 - 30/6/17)	\$0	\$0	\$0	\$417	\$2,022	\$2,439
Joanne Gilbert (8/11/16 - 30/6/17)	\$173	\$2,124	\$0	\$129	\$2,022	\$4,448
Nathan Hansford	\$297	\$1,824	\$0	\$398	\$3,741	\$6,260
Helena Kirby	\$0	\$0	\$0	\$951	\$2,050	\$3,001
Bill McArthur (1/7/16 - 21/10/16)	\$0	\$0	\$0	\$678	\$0	\$678
Les Rowe (8/11/16 - 30/6/17)	\$0	\$0	\$0	\$114	\$2,022	\$2,136
Owen Sharkey (8/11/16 - 30/6/17)	\$0	\$0	\$0	\$158	\$2,022	\$2,180
Greg Vaughan (1/7/16 - 21/10/16)	\$0	\$0	\$0	\$387	\$621	\$1,008

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

Independent Member	Travel	Car Mileage	Information & Communications	Conferences & Training	Total \$
Peter Bollen	-	42	-	-	42
John McDonald	-	335	-	-	335

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 50. 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 People and Culture 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 2016–17 was completed with the following reviews conducted:

- Food Act Management
- IT General Controls

External Audit

Council is externally audited by the Victorian Auditor-General. For the 2016-17 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: 27 June 2017	<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: 27 June 2017	<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 28 October 2013 Buildings 22 April 2010 Bridges 28 January 2014	<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: 28 March 2017	<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 21 December 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: 20 December 2016	<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: 23 May 2017	<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: 27 July 2017 <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: 26 July 2016, 18 October 2016, 24 January 2017 and 26 April 2017 Strategic Indicators presented: 15 February 2017 <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: 18 October 2016, 20 November 2016, 28 February 2017 and 23 May 2017 <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: 22 November 2016, 15 February 2017 <input checked="" 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 - 22 November 2016 and 15 February 2017 <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: 18 October 2016 <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: 24 January 2017	<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 28 March 2017 Council to Staff 26 July 2016 and 28 March 2017 CEO to Council Staff 1 April 2017 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: 12 September 2017



Cr Des Phelan
Mayor
Dated: 12 September 2017

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 Act, 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 which is supported by our Sustainable Excellence Program. 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 2016-17:

Golden Plains Farmers Market - The vision is to provide a genuine farmers' market experience for visitors and residents that strengthens opportunities for local growers and producers, and provides customers with access to quality, nutritional and healthy products in a relaxed and fun environment. The review found that the market varies between 30 and 55 stallholder and attracts over 10,000 visitors per annum (an average of 850 per market.) The review concluded that Council would maintain the same level of service with a number of improvements to service delivery model to encourage more stallholders and visitors.

Records Management – This internally focused service supports business processes by ensuring timely access to information needed for effective decision making. The service contributes to organisational capacity by enabling all employees to access and manage the information related to their roles duties and responsibilities. As a result of the review a new Records Management Strategy has been drafted and areas for improvement identified.

Community Centres – This review focused on the following three council owned centres that have Council staff involved in the management and operation of the facilities.

- Bannockburn Cultural Centre – Bannockburn (BCC)
- Northern Community Centre – Haddon (NCC)
- Smythesdale Business, Health and Community Hub – Smythesdale (The Well)

The 3 community centres in this review are shared community facilities which mean they are used by more than one group and used for a range of services/activities that share buildings and rooms/spaces at the same time or at different times.

The review process involved usage audits of all facilities, community and staff consultation, benchmarking and review of best practice models.

Three key action areas were identified to improve efficiencies and service delivery:

1. Governance (Management Models)
2. Fees & Charges Structure
3. Consistent policy and procedures

An action plan will now be developed to address the three key improvement areas.

Early Years Management - Golden Plains Shire Council provides high quality Funded Kindergarten programs across 40 weeks during the year plus a non – funded Pre-Kindergarten program at all facilities for 3 year olds.

Four of the services are Associated Services offering a program (Pre-Kindergarten or Occasional Care) drawing CCB support for eligible families. All Services abide by Education and Care National Regulation (2012) and Law (2010).

Services are assessed by the funding regulator the Department of Education and Training Assessment Team 'ACECQA' and undergo a formal Assessment and Ratings process and incur regular compliance and planning visits.

The review concluded that Council would maintain the same level of service with ongoing changes to service delivery models dependant on community demand. The review also identified a number of internal processes to be reviewed and possibly updated with a view to improve efficiencies and cohesion.

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 values the active participation and contribution of all carers. Carers are specifically involved in individual care planning development, monitoring and review.
- Carers continue to play an active role, formally and informally as they connect with the activities of the Social Support programs.
- Respite services provide flexible and responsive support for carers, recognising the value of their caring role.

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 and the new Access and Inclusion Plan 2017 - 2020 express Council's strategic direction to improving access and inclusion needs of people with a disability. Council has continued to successfully implement the plan with some key activities including:

- The ongoing support and resourcing of Golden Plains Shire Disability - Access and Inclusion Advisory Committee
- Access and Inclusion Plan 2017-2020 circulated for public comment and adopted by council
- Actions identified from the Communications Audit to improve accessibility of flyers and brochures have been communicated to staff and workshop conducted by Scope
- Public Toilet at Inverleigh is DDA Compliant as per action identified in public toilet audit undertaken in 2016-17
- Advocacy with local NDIS LACs to develop collaboration and knowledge of local services and programs

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 2016-17 the total number of animals impounded by Council has reduced by 8% since the 2015-16 period (214 and 197 respectively) whilst impounded animals reclaimed reached 38.6%.

Total registrations decreased during this period of reporting, and as such, improving registrations will be a priority focus going forward.

Successful prosecution of animal related offences in the Magistrates Court achieved 100%. The positive impact of this is an increase in fine payments, during the final notifications before court lodgements were finalised, and a reduction in court appearances (from 55 in 2015/16 to 28 in 2016/17).

Council is currently drafting a new Domestic Animal Management Plan which will be focused on incentivising and promoting these continuing positive trends.

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 2016-17 financial year, a total of six (6) valid requests were received by Council.

- Granted in full = 4
- Granted in part = 2
- Further to this, four (3) 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 = 1
- Did not proceed/invalid = 2

A total of \$163.20 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 2016-17 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 2017, Golden Plains Shire Council has adhered to, and is obligated to adhere to, competitive neutrality principles.

Infrastructure and development contributions

Council does not have any Infrastructure Contributions Plans (ICP's) or Development Contributions Plans (DCP's).

FINANCIAL REPORT



2016 - 17
For the year ended 30 June 2017



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**Comprehensive Income Statement
For the Year Ended 30 June 2017**

	Note	2017 \$'000	2016 \$'000
Income			
Rates and charges	3	20,730	19,710
Statutory fees and fines	4	498	353
User fees	5	2,743	2,484
Grants - operating	6	12,908	8,443
Grants - capital	6	4,423	4,542
Contributions - monetary	7	1,127	1,605
Contributions - non monetary	7	657	1,052
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	8	99	166
Share of net profits/(losses) of associates and joint ventures	16	(53)	(30)
Other income	9	261	383
Total income		43,393	38,708
Expenses			
Employee costs	10	17,208	16,493
Materials and services	11	11,681	12,127
Bad and doubtful debts	12	42	23
Depreciation and amortisation	13	7,265	7,052
Borrowing costs	14	350	365
Other expenses	15	2,014	821
Total expenses		38,560	36,881
Surplus/(deficit) for the year		4,833	1,827
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	28	2,248	2,023
Total comprehensive result		7,081	3,850

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

Balance Sheet
As at 30 June 2017

	Note	2017 \$'000	2016 \$'000
Assets			
Current assets			
Cash and cash equivalents	17	13,358	10,137
Trade and other receivables	18	2,585	2,525
Inventories	19	18	12
Non-current assets classified as held for sale	20	322	322
Other assets	21	297	302
Total current assets		16,580	13,298
Non-current assets			
Investments in associates and joint ventures	16	740	793
Other non-current financial assets	22	1,377	849
Property, infrastructure, plant and equipment	23	430,617	425,095
Total non-current assets		432,734	426,737
Total assets		449,314	440,035
Liabilities			
Current liabilities			
Trade and other payables	24	3,294	2,912
Trust funds and deposits	25	204	247
Provisions	26	3,092	2,676
Interest-bearing loans and borrowings	27	482	239
Total current liabilities		7,072	6,074
Non-current liabilities			
Provisions	26	2,868	1,344
Interest-bearing loans and borrowings	27	7,017	7,341
Total non-current liabilities		9,885	8,685
Total liabilities		16,957	14,759
Net assets		432,357	425,276
Equity			
Accumulated surplus		175,061	170,738
Reserves	28	257,296	254,538
Total Equity		432,357	425,276

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

**Statement of Changes in Equity
For the Year Ended 30 June 2017**

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2017					
Balance at beginning of the financial year		425,276	170,738	251,170	3,368
Surplus/(deficit) for the year		4,833	4,833	-	-
Net asset revaluation increment/(decrement)	28(a)	2,248	-	2,248	-
Transfers to other reserves	28(b)	-	(3,688)	-	3,688
Transfers from other reserves	28(b)	-	3,178	-	(3,178)
Balance at end of the financial year		432,357	175,061	253,418	3,878
2016					
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

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

**Statement of Cash Flows
For the Year Ended 30 June 2017**

	Note	2017 Inflows/ (Outflows) \$'000	2016 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		20,746	19,344
Statutory fees and fines		499	353
User fees		2,787	2,582
Grants - operating		13,074	8,073
Grants - capital		4,495	4,503
Contributions - monetary		1,262	1,568
Interest received		257	400
Trust funds and deposits taken		(42)	98
Net GST refund/(payment)		882	1,110
Employee costs		(16,886)	(14,995)
Materials and services		(13,061)	(14,236)
Net cash provided by/(used in) operating activities	29	14,013	8,800
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	23	(10,254)	(10,649)
Proceeds from sale of property, infrastructure, plant and equipment		421	816
Other financial assets		(528)	(849)
Net cash provided by/(used in) investing activities		(10,361)	(10,682)
Cash flows from financing activities			
Finance costs		(350)	(365)
Proceeds from borrowings		240	150
Repayment of borrowings		(321)	(309)
Net cash provided by/(used in) financing activities		(431)	(524)
Net increase (decrease) in cash and cash equivalents		3,221	(2,406)
Cash and cash equivalents at the beginning of the financial year		10,137	12,543
Cash and cash equivalents at the end of the financial year		13,358	10,137
Restrictions on cash assets	17	327	353

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

**Statement of Capital Works
For the Year Ended 30 June 2017**

	Note	2017 \$'000	2016 \$'000
Property			
Land		-	152
Total land		<u>-</u>	<u>152</u>
Buildings - Specialised		911	2,620
Buildings - Non Specialised		239	-
Total buildings		<u>1,150</u>	<u>2,620</u>
Total property		<u>1,150</u>	<u>2,772</u>
Plant and equipment			
Plant, machinery and equipment		761	1,905
Fixtures, fittings and furniture		151	243
Total plant and equipment		<u>912</u>	<u>2,148</u>
Infrastructure			
Roads		5,265	4,423
Bridges		721	108
Footpaths and cycleways		243	333
Drainage		82	36
Recreational, leisure and community facilities		1,644	567
Parks, open space and streetscapes		74	33
Off street car parks		163	381
Total infrastructure		<u>8,192</u>	<u>5,881</u>
Total capital works expenditure		<u>10,254</u>	<u>10,801</u>
Represented by:			
New asset expenditure		1,869	2,551
Asset renewal expenditure		5,187	5,962
Asset expansion expenditure		203	326
Asset upgrade expenditure		2,995	1,962
Total capital works expenditure		<u>10,254</u>	<u>10,801</u>

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

Notes to the Financial Report For the Year Ended 30 June 2017

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 2017

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 2017

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

Short term receivables are carried at invoice amount as amortised cost using the effective interest rate method would not impact the carrying value. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

(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.

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, infrastructure, plant and equipment

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

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

In accordance with Council's policy, the threshold limits 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 2017

Note 1 Significant accounting policies (cont'd)

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

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

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 2017

Note 1 Significant accounting policies (cont'd)

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

<i>Asset recognition thresholds and depreciation periods</i>	Depreciation Period	Threshold Limit \$'000
Property		
land	-	-
Buildings		
heritage buildings	30 to 150 years	5
buildings	30 to 150 years	5
building improvements	30 to 150 years	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 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 2017

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 2017

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 and Landfill rehabilitation provisions

Council is obligated to restore De Motts & Sago Hill gravel pits and Rokewood & Teesdale landfill 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 provisions have 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 provisions 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 2017

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

The following new AAS's have been issued that are not mandatory for the 30 June 2017 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Revenue from contracts with customers (AASB 15) (applies 2018/19)

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

Leases (AASB 16) (applies 2019/20)

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

Council has no operating leases that will be impacted as a result of this change.

(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 2017

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 28 June 2016. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income 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 2017 \$'000	Actual 2017 \$'000	Variance 2017 \$'000	Variance 2017 %	Ref
Income					
Rates and charges	20,427	20,730	303	1.5	
Statutory fees and fines	298	498	200	67.1	1
User fees	2,909	2,743	(166)	(5.7)	2
Grants - operating	9,948	12,908	2,960	29.8	3
Grants - capital	6,504	4,423	(2,081)	(32.0)	4
Contributions - monetary	1,232	1,127	(105)	(8.5)	5
Contributions - non monetary	1,000	657	(343)	(34.3)	6
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	99	99	-	7
Share of net profits/(losses) of associates and joint ventures	-	(53)	(53)	-	
Other income	300	261	(39)	(13.0)	8
Total income	42,618	43,393	775	1.8	
Expenses					
Employee costs	17,608	17,208	400	2.3	
Materials and services	11,846	11,681	165	1.4	
Bad and doubtful debts	1	42	(41)	-	
Depreciation and amortisation	7,380	7,265	115	1.6	
Borrowing costs	357	350	7	2.0	
Other expenses	253	2,014	(1,761)	-	
Total expenses	37,445	38,560	(1,115)	(3.0)	
Surplus/(deficit) for the year	5,173	4,833	(340)	(6.6)	

Notes to the Financial Report For the Year Ended 30 June 2017

Note 2 Budget comparison (cont'd)

(i) Explanation of material variations

Variance Ref	Item	Explanation	\$'000
1	Statutory fees and fines		
	Planning and Building Fees	State Government increased level of Statutory Fees	130
	Infringements and Costs	Implementation of infringement collection procedure	22
	Fines	Failure to Vote Fines	35
2	User fees		
	Childcare fee	Reduction in fee paying enrolments, offset by funded enrolments	(285)
	Animal Registration	Increase in number of animal registrations	26
	Subdivision Supervision Fees	Increase in number of application for supervision	63
	Farmers Market Fees	Reduction in site bookings	(24)
3	Grants - operating		
	General Purpose Grant	50% of 2017-18 General Purpose Grant received in advance	2,731
	Inverleigh Flood Study	This grant was not budgeted for	70
	Lethbridge Airport Project	Project budgeted in 2015-16, grant received in 2016-17	122
	Bannockburn Heart Active Rec	This grant was not budgeted for	60
	The Create Crate Project	This grant was not budgeted for	30
	Maternal & Child Health Services	Increase in operations compared to budget	29
	Bannockburn long day care - CCB	Increase in funded enrolments	470
	Kindergarten Grant Income	Higher enrolment than projected	282
	Food Security Project RDAF	Grant funding received in 2015-16	(738)
4	Grants - capital		
	Road to recovery	Funding received in 2016-17 less than projected	(42)
	Civic Heart project	Grant funding not yet received for this project	(2,560)
	The Well (RDV)	Project budgeted in 2015-16, grant received in 2016-17	50
	Dereel Hall Upgrade	Project budgeted in 2015-16, grant received in 2016-17	35
	Pitfield/Cressy Road Bridge Replacement	Project budgeted in 2015-16, grant received in 2016-17	300
	Black Spot Program	Project budgeted in 2015-16, grant received in 2016-17	210
	Batesford Playspace	This grant was not budgeted for	42
	Teesdale Turtle Bend Project	Grant funding was not successful	(200)
	Grant - Unspecified Projects	Suitable project was not identified	(400)
	School Bus Infrastructure Milton Street	This grant was not budgeted for	50
	Gumley Road Construction	Budgeted in 2017-18, Grant received earlier than projected	300
	Rokewood Cricket Nets Upgrade	This grant was not budgeted for	60
5	Contributions - monetary		
	Developer Community Contributions	Less activity than expected	(51)
	Access & Inclusion Projects		50
	Contributions for Private Works	Private works program greatly reduced	(97)
6	Contributions - non monetary		
	Subdivision handed to Council	Subdivision handed to Council less that expected	(343)
7	Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
	Net gain on plant disposals		99
8	Other income		
	Actual interest on Rates and charges disclosed under Rates and Charges		140

Notes to the Financial Report For the Year Ended 30 June 2017

Note 2 Budget comparison (cont'd)

b) Capital Works

	Budget 2017 \$'000	Actual 2017 \$'000	Variance 2017 \$'000	Variance 2017 %	Ref
Property					
Land	-	-	-	-	
Total Land	-	-	-		
Buildings - Specialised	600	911	(311)	(51.8)	1
Buildings - Non Specialised	4,095	239	3,856	94.2	2
Total Buildings	4,695	1,150	3,545		
Total Property	4,695	1,150	3,545		
Plant and Equipment					
Plant, machinery and equipment	1,378	761	617	44.8	3
Fixtures, fittings and furniture	170	151	19	11.2	4
Total Plant and Equipment	1,548	912	636		
Infrastructure					
Roads	4,710	5,265	(555)	(11.8)	5
Bridges	150	721	(571)	(380.7)	6
Footpaths and cycleways	277	243	34	12.3	7
Drainage	33	82	(49)	(148.5)	8
Recreational, leisure and community facilities	640	1,644	(1,004)	(156.9)	9
Parks, open space and streetscapes	87	74	13	14.9	
Off street car parks	120	163	(43)	(35.8)	10
Other infrastructure	2	-	2	100.0	
Total Infrastructure	6,019	8,192	(2,173)		
Total Capital Works Expenditure	12,262	10,254	2,008		
Represented by:					
New asset expenditure	4,306	1,869	2,437		
Asset renewal expenditure	4,506	5,187	(681)		
Asset expansion expenditure	100	203	(103)		
Asset upgrade expenditure	3,350	2,995	355		
Total Capital Works Expenditure	12,262	10,254	2,008		

Note 2 Budget comparison (cont'd)

(i) Explanation of material variations

Variance Ref	Item	Explanation	\$'000
1	Buildings - Specialised		
	Bannockburn Soccer Pavilion Commercial Kitchen etc	Grant confirmed in 2016-17 for unbudgeted project	(106)
	Dereel Hall Upgrade	Grant confirmed in 2016-17 for unbudgeted project	(16)
	RDV Project - The Well Extension	2015-16 project completed in 2016-17	(37)
	Construction of Transfer Station	Additional cost required to complete the project	(236)
	Disability Action Plan (Inverleigh Toilet DDA Compliant)	To be completed in 2017-18	16
	Smythesdale Gardens Public Toilet - Upgrade	To be completed in 2017-18	56
	Bannockburn CSC Extension Planning & Design	Additional cost required, project continue in 2017-18	(23)
	Major Rec Facilities Renewal	Project continue in 2017-18	43

Notes to the Financial Report For the Year Ended 30 June 2017

Note 2 Budget comparison (cont'd)

2	Buildings - Non Specialised		
	Bannockburn Civic Heart (SRV Major)	Funding was unsuccessful	1,300
	Bannockburn Civic Heart (NSRF)	Construction to commence in 2017-18	1,910
	Environment Strategy	To be completed in 2017-18	30
	Unspecified Project (RDV)	This project will not proceed	500
	Bannockburn Civic Heart (RDV)	Grant confirmed in 2016-17, project will commence in 2017-18	(193)
	Teesdale Turtle Bend	This project will not proceed	299
3	Plant, machinery and equipment		
	Bus Changeover - Community Transport	Purchase deferred	50
	Ute Purchases	Reduction in number of vehicles purchased in 2016-17	30
	Flocon Truck - Hino	Purchases deferred until 2017-18	190
	Tandem Tipper	Purchases deferred until 2017-18	195
	Super Dog Trailer	Purchases deferred until 2017-18	75
	Caterpillar 928 4WD Loader	Savings realised from purchase	30
4	Fixtures, fittings and furniture		
	Cricket Pitch Covers	Savings realised in this program	18
5	Roads		
	Local Roads Resealing	Scope of works reduced	50
	Local Roads Improvements (Roads to Recovery)	Program will continue in 2017-18	42
	Local Roads Improvements	Scope of works reduced	112
	Gravel Resheeting - Local Roads	Scope of works reduced	34
	Somerset Estate Road Infrastructure	To be completed in 2017-18	240
	Black Spot Program (2016-17)	Grant received in 2016-17, project to continue in 2017-18	(1,028)
6	Bridges		
	Periodic Bridge Rehabilitation	Scope of work reduced	40
	Pitfield-Cressy Road Bridge Replacement	2015-16 project completed in 2016-17	(611)
7	Footpaths and cycleways		
	Footpaths & Trails	Project continue in 2017-18	37
8	Drainage		
	Storm Water Drainage Improvements	2015-16 project completed in 2016-17	(49)
9	Recreational, leisure and community facilities		
	Woody Yaloak BMX Upgrade	2015-16 project completed in 2016-17	(79)
	Smythesdale Major Sports Oval Works	2015-16 project completed in 2016-17	(307)
	Bannockburn Soccer Pavilion	2015-16 project completed in 2016-17	(650)
	Harrison Reserve, Enfield Upgrade	To be completed in 2016-17	39
10	Off street car parks		
	Ross Creek Reserve Car Park Upgrade	Additional cost required to complete the project	(38)

Notes to the Financial Report For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'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 2016-17 was \$4,471 million (2015-16 \$3,842 million). The 2016-17 rate revenue was \$20.7 million. (2015-16, \$19.7 million).</p>		
General Rates	15,986	15,252
Municipal Charge	2,289	2,247
Waste Management Charge	2,053	1,924
Special rates and charges	188	38
Supplementary Rates and Rate Adjustments	74	125
Interest on rates and charges	140	124
Total rates and charges	20,730	19,710
<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	343	214
Infringements and Costs	84	75
Property Information Fees	26	24
Land Information Certificates	25	23
Drainage Information Fees	20	17
Total statutory fees and fines	498	353
Note 5		
User fees		
Childcare/Children's Programs	1,330	1,173
Home and Community Care Fees	202	206
Animal Registration Charges	268	266
Early Childhood Education	209	139
Subdivision Supervision Fees	133	126
Gravel Cartage Levy	128	117
Septic Tank Fees	101	92
Food Premises Registration Fees	63	60
Fire Hazard Eradication Fees and Fines	43	45
Bannockburn Family Services Centre Charges	35	41
Bannockburn Cultural Centre Charges	38	40
Farmers Market Fees	21	34
Lease of Land	37	41
Other	135	104
Total user fees	2,743	2,484

Notes to the Financial Report For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'000
Note 6 Grants		
Grants were received in respect of the following :		
Summary of grants		
Commonwealth Funded Grants	13,895	7,641
State Funded Grants	3,436	5,344
Total grants received	17,331	12,985
Operating Grants		
Recurrent - Commonwealth Government		
Victoria Grants Commission - General Purpose Grant	4,971	1,595
Victoria Grants Commission - Local Roads Grant	2,892	938
Children's Services	1,670	1,093
Home care	910	-
Recurrent - State Government		
Kindergarten	775	688
Community Health	459	445
Home Care	290	1,147
Maternal and Child Health	216	190
Emergency Management	120	120
Youth projects	67	67
Other	62	60
Environment Projects	41	41
Economic Development	2	-
Total recurrent operating grants	12,475	6,384
Non-recurrent - Commonwealth Government		
Economic Development	58	1,251
Children's Services	-	2
Non-recurrent - State Government		
Community Facilities	129	13
Economic Development	112	553
Environment Projects	89	10
Other	19	23
Children's Services	10	10
Community Health	9	98
Roads	7	2
Landfill	-	75
Youth projects	-	18
Recreational Leisure & Community	-	4
Total non-recurrent operating grants	433	2,059
Total operating grants	12,908	8,443
Capital Grants		
Recurrent - Commonwealth Government		
Roads to Recovery	3,093	2,714
Total recurrent capital grants	3,093	2,714

Notes to the Financial Report For the Year Ended 30 June 2017

Note 6	Grants (cont'd)	2017 \$'000	2016 \$'000
	Non-recurrent - Commonwealth Government		
	Roads	300	-
	Buildings Specialised	-	48
	Non-recurrent - State Government		
	Roads	593	461
	Recreational Leisure & Community	184	196
	Landfill	140	10
	Buildings Specialised	90	1,063
	Home Care	15	48
	Kindergarten	8	-
	Parks Open Spaces & Streetscapes	-	2
	Total non-recurrent capital grants	1,330	1,828
	Total capital grants	4,423	4,542
	Unspent grants received on condition that they be spent in a specific manner		
	Balance at start of year	333	340
	Received during the financial year and remained unspent at balance date	717	291
	Received in prior years and spent during the financial year	(201)	(298)
	Balance at year end	849	333
Note 7	Contributions		
	Monetary	1,127	1,605
	Non-monetary	657	1,052
	Total contributions	1,784	2,657
	<i>Contributions of non monetary assets were received in relation to the following asset classes.</i>		
	Land	6	3
	Infrastructure	651	1,049
	Total non-monetary contributions	657	1,052
Note 8	Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
	Proceeds of sale	421	816
	Written down value of assets disposed	(322)	(650)
	Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	99	166
Note 9	Other income		
	Interest on Investment	261	284
	<i>Other (Assets previously not recognised)*</i>		
	- Specialised land	-	4
	- Non - specialised land	-	38
	- Non -specialised buildings	-	57
	Total other income	261	383

* During the 2016 reconciliation process Council 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 2017

	2017 \$'000	2016 \$'000
Note 10 (a) Employee costs		
Wages and salaries	12,893	12,391
Casual Staff	746	775
Annual leave and long service leave	1,679	1,544
WorkCover	236	189
Superannuation	1,446	1,386
Fringe benefits tax	196	195
Other	12	13
Total employee costs	17,208	16,493
Note 10 (b) Superannuation		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	102	110
	<u>102</u>	<u>110</u>
Employer contributions payable at reporting date.	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	817	795
Employer contributions - other funds	527	481
	<u>1,344</u>	<u>1,276</u>
Employer contributions payable at reporting date.	54	43

Refer to note 31 for further information relating to Council's superannuation obligations.

Notes to the Financial Report For the Year Ended 30 June 2017

	2017	2016
	\$'000	\$'000
Note 11		
Materials and services		
Delivery of projects and Services	2,037	2,005
Food Production Precinct	-	1,659
General maintenance	2,930	2,272
Garbage Operations	1,845	1,789
Contractors and Consultants	944	787
Vehicle and Machinery Operations	446	410
Building maintenance	444	407
Information technology	448	375
Utilities	305	346
Printing, Stationery and Postage	288	240
Telecommunication	258	302
Debt Collection and Legal Fee	258	163
Cleaning	252	220
Insurance	211	190
Training	194	224
Advertising	139	105
Election Expenses	132	-
Gravel Pit Operation	90	138
Other Expenses	460	495
Total materials and services	11,681	12,127
Note 12		
Bad and doubtful debts		
Community Protection	30	20
Land Use	2	1
Long day Care	8	1
Home Care	2	1
Total bad and doubtful debts	42	23
Note 13		
Depreciation and amortisation		
Infrastructure	5,468	5,097
Plant and Machinery	861	870
Buildings	711	860
Furniture and Equipment	225	225
Total depreciation	7,265	7,052
Intangible assets	-	-
Total depreciation and amortisation	7,265	7,052
<i>Refer to note 23 for a more detailed breakdown of depreciation and amortisation charges</i>		
Note 14		
Borrowing costs		
Interest - Borrowings	350	365
Total borrowing costs	350	365

Notes to the Financial Report For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'000
Note 15 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquitals	43	41
Auditors' remuneration - Internal	24	27
Councillors' allowances	184	188
Loss on Acquisition of Land	-	68
Landfill rehabilitation Provision *	1,763	-
Impairment losses	-	497
Total other expenses	2,014	821
<p>* The Landfill rehabilitation provision expense relates to an independent review of the estimated cost to rehabilitate the two registered landfills at Rokewood and Teesdale. Both these landfills are no longer in operation.</p>		
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)	740	793
Geelong Regional Library (GRL)		
<i>Background</i>		
Council share of the net equity in GRL is 6.23% (6.11% 2016). 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	740	793
Movement in carrying value of specific investment		
Carrying value of investment at start of year	793	823
Share of surplus(deficit) for year	(53)	(30)
Share of asset revaluation	-	-
Distributions received	-	-
Carrying value of investment at end of year	740	793
Council's share of expenditure commitments		
Operating commitments	405	421
Capital commitments	-	-
Council's share of expenditure commitments	405	421

Notes to the Financial Report For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'000
Note 17 Cash and cash equivalents		
Cash on hand	4	4
Cash at bank	2,044	1,188
Short Term Deposit	10,053	7,133
At Call Deposit	1,257	1,812
	<u>13,358</u>	<u>10,137</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))	123	106
- Trust funds and deposits (Note 25)	204	247
Total restricted funds	<u>327</u>	<u>353</u>
Total unrestricted cash and cash equivalents	<u>13,031</u>	<u>9,784</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	2,651	2,115
- Unspent grant funding - operational	708	745
- Long Service Leave Investment Account	1,500	1,528
Total funds subject to intended allocations	<u>4,859</u>	<u>4,388</u>
Refer also to Note 22 for details of other financial assets held by Council.		
Note 18 Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	1,489	1,505
Infringement debtors	100	74
Provision for doubtful debts - infringements	(50)	(20)
<i>Non statutory receivables</i>		
Other debtors	1,049	966
Provision for doubtful debts - other debtors	(3)	-
Total current trade and other receivables	<u>2,585</u>	<u>2,525</u>
a) Ageing of Receivables		
At balance date other debtors representing financial assets were past due but not impaired. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:		
Current (not yet due)	664	852
Past due by up to 30 days	327	54
Past due between 31 and 180 days	39	10
Past due between 181 and 365 days	2	37
Past due by more than 1 year	15	13
Total trade & other receivables	<u>1,047</u>	<u>966</u>

Notes to the Financial Report For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'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	12	3
Amounts already provided for and written off as uncollectible	(12)	-
Amounts provided for but recovered during the year	-	-
Balance at end of year	<u>3</u>	<u>3</u>
(c) Ageing of individually impaired Receivables		
At balance date, other debtors representing financial assets with a nominal value of \$11,671 (2016: \$3,004) were impaired. The amount of the provision raised against these debtors was \$11,671 (2016: \$ 3,004). 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	12	3
Past due between 181 and 365 days	-	-
Past due by more than 1 year	-	-
Total trade & other receivables	<u>12</u>	<u>3</u>
Note 19 Inventories		
Inventories held for distribution	18	12
Total inventories	<u>18</u>	<u>12</u>
Note 20 Non-current assets classified as held for resale		
Cost of acquisition	322	322
Borrowing costs capitalised during development	-	-
Total non current assets classified as held for resale	<u>322</u>	<u>322</u>
Capitalisation rate used in the allocation of borrowing costs	-	-
Note 21 Other assets		
Prepayments	66	39
Accrued income	231	263
Total other assets	<u>297</u>	<u>302</u>
Note 22 Other non-current financial assets		
Term deposits	1,377	849
Total other non-current financial assets	<u>1,377</u>	<u>849</u>

**Notes to the Financial Report
For the Year Ended 30 June 2017**

Note 23 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2016	Acquisitions	Contributions	Revaluation	Depreciation	Disposal	Transfers	At Fair Value 30 June 2017
Land	27,758	-	6	-	-	-	-	27,764
Buildings	28,310	612	-	-	(711)	-	1,573	29,784
Plant and Equipment	4,479	912	-	-	(1,086)	(322)	19	4,002
Infrastructure	362,024	7,640	651	2,198	(5,468)	-	709	367,754
Work in progress	2,524	1,090	-	-	-	-	(2,301)	1,313
Total	425,095	10,254	657	2,198	(7,265)	(322)	-	430,617

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
Buildings	1,580	1,016	(1,573)	-	1,023
Infrastructure	944	74	(728)	-	290
Total	2,524	1,090	(2,301)	-	1,313

**Notes to the Financial Report
For the Year Ended 30 June 2017**

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

Land and Buildings

	Land - specialised	Land - non specialised	Total Land	Heritage Buildings	Buildings - specialised	Buildings - non specialised	Total Buildings	Work In Progress	Total Property
At fair value 1 July 2016	4,325	23,433	27,758	2,918	36,010	3,580	42,508	1,580	71,846
Accumulated depreciation at 1 July 2016	-	-	-	(1,780)	(11,040)	(1,378)	(14,198)	-	(14,198)
	4,325	23,433	27,758	1,138	24,970	2,202	28,310	1,580	57,648
Movements in fair value									
Acquisition of assets at fair value	-	-	-	-	567	45	612	1,016	1,628
Revaluation increments/decrements	-	-	-	-	-	-	-	-	-
Revaluation decrements write-off	-	-	-	-	-	-	-	-	-
Assets not previously recognised	-	-	-	-	-	-	-	-	-
Contributed assets	6	-	6	-	-	-	-	-	6
Fair value of assets disposed	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	1,573	-	1,573	(1,573)	-
	6	-	6	-	2,140	45	2,185	(557)	1,634
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	-	(56)	(576)	(79)	(711)	-	(711)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-
	-	-	-	(56)	(576)	(79)	(711)	-	(711)
At fair value 30 June 2017	4,331	23,433	27,764	2,918	38,150	3,625	44,693	1,023	73,480
Accumulated depreciation at 30 June 2017	-	-	-	(1,836)	(11,616)	(1,457)	(14,909)	-	(14,909)
	4,331	23,433	27,764	1,082	26,534	2,168	29,784	1,023	58,571

Notes to the Financial Report
For the Year Ended 30 June 2017

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 2016	6,774	2,383	9,157
Accumulated depreciation at 1 July 2016	(2,905)	(1,773)	(4,678)
	<u>3,869</u>	<u>610</u>	<u>4,479</u>
Movements in fair value			
Acquisition of assets at fair value	741	171	912
Revaluation increments/decrements	-	-	-
Revaluation decrements write-off	-	-	-
Assets not previously recognised	-	-	-
Contributed assets	-	-	-
Fair value of assets disposed	(898)	(223)	(1,121)
Transfers	19	-	19
	<u>(138)</u>	<u>(52)</u>	<u>(190)</u>
Movements in accumulated depreciation			
Depreciation and amortisation	(861)	(225)	(1,086)
Accumulated depreciation of disposals	578	221	799
	<u>(283)</u>	<u>(4)</u>	<u>(287)</u>
At fair value 30 June 2017	6,636	2,331	8,967
Accumulated depreciation at 30 June 2017	(3,188)	(1,777)	(4,965)
	<u>3,448</u>	<u>554</u>	<u>4,002</u>

**Notes to the Financial Report
For the Year Ended 30 June 2017**

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

Infrastructure

At fair value 1 July 2016
Accumulated depreciation at 1 July 2016

Movements in fair value

Acquisition of assets at fair value
Revaluation increments/decrements
Revaluation decrements write-off
Assets not previously recognised
Contributed assets
Fair value of assets disposed
Transfers

Movements in accumulated depreciation

Depreciation and amortisation
Accumulated depreciation of disposals

At fair value 30 June 2017
Accumulated depreciation at 30 June 2017

	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 2016	395,953	34,287	12,653	6,090	5,498	1,292	931	541	944	458,189
Accumulated depreciation at 1 July 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
Movements in fair value										
Acquisition of assets at fair value	5,225	722	243	116	1,132	39	-	163	74	7,714
Revaluation increments/decrements	2,725	(316)	5	(166)	-	-	(50)	-	-	2,198
Revaluation decrements write-off	-	-	-	-	-	-	-	-	-	-
Assets not previously recognised	-	-	-	-	-	-	-	-	-	-
Contributed assets	541	-	110	-	-	-	-	-	-	651
Fair value of assets disposed	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	50	384	-	-	275	(728)	(19)
	8,491	406	358	-	1,516	39	(50)	438	(654)	10,544
Movements in accumulated depreciation										
Depreciation and amortisation	(4,340)	(385)	(151)	(123)	(363)	(45)	(47)	(14)	-	(5,468)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-	-
	(4,340)	(385)	(151)	(123)	(363)	(45)	(47)	(14)	-	(5,468)
At fair value 30 June 2017	404,444	34,693	13,011	6,090	7,014	1,331	881	979	290	468,733
Accumulated depreciation at 30 June 2017	(76,870)	(16,988)	(1,428)	(2,203)	(2,089)	(350)	(713)	(48)	-	(100,689)
	327,574	17,705	11,583	3,887	4,925	981	168	931	290	368,044

Notes to the Financial Report For the Year Ended 30 June 2017

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.

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2017 are as follows:

	Level 1	Level 2	Level 3	DoV
Specialised land	-	-	4,331	Jun-16
Non - specialised land	-	23,433	-	Jun-16
Heritage buildings	-	-	1,082	Jun-16
Non - specialised buildings	-	-	26,534	Jun-16
Specialised buildings	-	-	2,168	Jun-16
Total	-	23,433	34,115	

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 2017.

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 2017.

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 2017 are as follows:

	Level 1	Level 2	Level 3	DoV
Roads	-	-	327,574	Jun-17
Bridges	-	-	17,705	Jun-17
Footpaths and cycleways	-	-	11,583	Jun-17
Drainage	-	-	3,887	Jun-17
Recreational, leisure and community facilities	-	-	4,925	Jun-17
Parks, open space and streetscapes	-	-	981	Jun-17
Off street carpark	-	-	931	Jun-17
Gravel Pit	-	-	168	Jun-17
Total	-	-	367,754	

Notes to the Financial Report For the Year Ended 30 June 2017

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

	2017 \$'000	2016 \$'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
<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>	2,248	6,422
Reconciliation of specialised land		
Land under roads	-	216
Total specialised land	<u>-</u>	<u>216</u>

Notes to the Financial Report For the Year Ended 30 June 2017

	2017 \$'000	2016 \$'000
Note 24 Trade and other payables		
Trade payables	2,346	2,157
Accrued expenses	948	755
Total trade and other payables	3,294	2,912
Note 25 Trust funds and deposits		
Refundable deposits	204	247
Total trust funds and deposits	204	247

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 \$ '000	Landfill restoration * \$ '000	Gravel Pit restoration \$ '000	Total \$ '000
2017				
Balance at beginning of the financial year	3,066	-	954	4,020
Additional provisions	1,573	1,763	(50)	3,286
Amounts used	(1,326)	-	(38)	(1,364)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	18	18
Balance at the end of the financial year	3,313	1,763	884	5,960
2016				
Balance at beginning of the financial year	2,844	-	936	3,780
Additional provisions	1,664	-	-	1,664
Amounts used	(1,442)	-	-	(1,442)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	18	18
Balance at the end of the financial year	3,066	-	954	4,020

* The Landfill rehabilitation provision relates to an independent review of the estimated cost to rehabilitate the two registered landfills at Rokewood and Teesdale. Both these landfills are no longer in operation.

	2017 \$'000	2016 \$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Rostered days off	85	84
Annual leave	975	961
Long service leave	36	88
	1,096	1,133
Current provisions expected to be wholly settled after 12 months		
Annual leave	167	158
Long service leave	1,719	1,374
	1,886	1,532
Total current employee provisions	2,982	2,665

Notes to the Financial Report For the Year Ended 30 June 2017

Note 26 Provisions (cont'd)

(a) Employee provisions (cont'd)

	2017 \$'000	2016 \$'000
Non-current		
Long service leave	331	401
Total non-current employee provisions	<u>331</u>	<u>401</u>
Aggregate carrying amount of employee provisions:		
Current	1,096	1,133
Non-current	331	401
Total aggregate carrying amount of employee provisions	<u>1,427</u>	<u>1,534</u>
(b) Landfill restoration		
Current	50	-
Non-current	1,713	-
	<u>1,763</u>	<u>-</u>
(c) Gravel Pit restoration		
Current	60	11
Non-current	824	943
	<u>884</u>	<u>954</u>
Total current provisions	3,092	2,676
Total non-current provisions	2,868	1,344
Total Provisions	<u>5,960</u>	<u>4,020</u>

Note 27 Interest-bearing loans and borrowings

Current		
Borrowings - secured (1)	482	239
	<u>482</u>	<u>239</u>
Non-current		
Borrowings - secured (1)	7,017	7,341
	<u>7,017</u>	<u>7,341</u>
Total	<u>7,499</u>	<u>7,580</u>
(1) Borrowings are secured by Council's rates and charges	7,499	7,580
a) The maturity profile for Council's borrowings is:		
Not later than one year	482	239
Later than one year and not later than five years	6,867	7,135
Later than five years	150	206
	<u>7,499</u>	<u>7,580</u>

Notes to the Financial Report
For the Year Ended 30 June 2017

Note 28 Reserves

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000
2017			
Property			
Land	9,484	-	9,484
Land Under Roads	165	-	165
Buildings	8,858	-	8,858
	18,507	-	18,507
Infrastructure			
Roads	217,778	2,725	220,503
Bridges	10,500	(316)	10,184
Footpaths and cycleways	2,992	5	2,997
Off street car parks	37	-	37
Drainage	1,356	(166)	1,190
	232,663	2,248	234,911
Total asset revaluation reserves	251,170	2,248	253,418
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

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 2017

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				
2017				
Recreation Lands	-	104	(104)	-
Unexpended project reserve	2,862	3,359	(2,860)	3,361
LSL Investment Reserve	400	-	(70)	330
Developer Contribution reserve	106	133	(116)	123
Quarry Levy	-	92	(28)	64
Total Other reserves	3,368	3,688	(3,178)	3,878
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

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.
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 2017

	2017 \$'000	2016 \$'000
Note 29 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	4,833	1,827
Depreciation/amortisation	7,265	7,052
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	(99)	(166)
Impairment losses	-	497
Contributions - Non-monetary assets	(657)	(1,052)
Assets not previously recognised	-	(99)
Gravel Pit / Landfill re-measurement adjustment	50	-
Finance cost	350	365
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(60)	(663)
(Increase)/decrease in accrued income	32	(11)
(Increase)/decrease in prepayments	(27)	42
Increase/(decrease) in trade payables	189	218
Increase/(decrease) in accrued expenses	193	320
(Increase)/decrease in other assets	53	30
(Increase)/decrease in inventories	(6)	10
Increase/(decrease) in trust funds	(43)	98
Increase/(decrease) in provisions	1,940	240
Net cash provided by/(used in) operating activities	14,013	8,800

Notes to the Financial Report For the Year Ended 30 June 2017

Note 30 Commitments

The Council has entered into the following commitments

2017	Not later than 1 year \$'000	Later than 1 year	Later than 2 years	Later than 5 years \$'000	Total \$'000
		and not later than 2 years \$'000	and not later than 5 years \$'000		
Operating					
Waste Management	1,103	1,131	1,159	-	3,393
Cleaning contracts for council buildings	153	157	-	-	310
Suppliers	510	-	-	-	510
Total	1,766	1,288	1,159	-	4,213
Capital					
Buildings	15	-	-	-	15
Roads	43	-	-	-	43
Computer Software	69	-	-	-	69
Recreational, leisure and Community	15	-	-	-	15
Plant & Machinery	712	-	-	-	712
Total	854	-	-	-	854

2016	Not later than 1 year \$'000	Later than 1 year	Later than 2 years	Later than 5 years \$'000	Total \$'000
		and not later than 2 years \$'000	and not later than 5 years \$'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

Notes to the Financial Report For the Year Ended 30 June 2017

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 2017, 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 2016, 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 102%. 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 2017 was 103.1%.

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

Employer contributions

Regular contributions

On the basis of the results of the 2016 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 2017, this rate was 9.5% of members' salaries (9.5% in 2015-2016). 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 2017

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.

2016 Interim actuarial investigation surplus amounts

The Fund's interim actuarial investigation as at 30 June 2016 identified the following in the defined benefit category of which Council is a contributing employer:

A VBI surplus of \$40.3 million; and

A total service liability surplus of \$156 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 2016.

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 2016 VBI during August 2016.

2017 Full triennial actuarial investigation

A full actuarial investigation is being conducted for the Fund's position as at 30 June 2017. It is anticipated that this actuarial investigation will be completed in December 2017.

Future superannuation contributions

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2018 is \$61,450.

Note 32 Contingent liabilities and contingent assets

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 entities

Nil.

Contingent assets

Nil.

Notes to the Financial Report For the Year Ended 30 June 2017

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 Council to make a financial loss. Council has exposure to credit risk on some financial assets included in the balance sheet. To help manage this risk:

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

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 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 2017

Note 33 Financial Instruments (cont'd)

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and 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 2017

Note 34 Related party disclosures

(i) Related Parties

Parent entity

Golden Plains Shire Council

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in note 16.

(ii) Key Management Personnel

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

Councillors	Des Phelan (Mayor)
	Jenny Blake (1/7/16 - 21/10/16)
	Andrew Cameron (1/7/16 - 21/10/16)
	David Evans (8/11/16 - 30/6/17)
	Joanne Gilbert (8/11/16 - 30/6/17)
	Nathan Hansford
	Helena Kirby
	Bill McArthur (1/7/16 - 21/10/16)
	Les Rowe (8/11/16 - 30/6/17)
	Owen Sharkey (8/11/16 - 30/6/17)
	Greg Vaughan (1/7/16 - 21/10/16)

Chief Executive Officer Rod Nicholls

Total Number of Councillors	11	7
Chief Executive Officer and other Key Management Personnel	5	5
Total Key Management Personnel	16	12

(iii) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

	2017 \$'000	2016 \$'000
Short-term benefits	1,175	1,162
Long-term benefits	-	-
Termination benefits	-	-
Total	1,175	1,162

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

	2017 No.	2016 No.
Income Range:		
\$1 - \$9,999	4	-
\$10,000 - \$19,999	4	-
\$20,000 - \$29,999	2	6
\$60,000 - \$69,999	1	-
\$70,000 - \$79,999	-	1
\$130,000 - \$139,999	1	-
\$140,000 - \$149,999	-	1
\$170,000 - \$179,999	1	1
\$180,000 - \$189,999	1	2
\$190,000 - \$199,999	1	-
\$280,000 - \$289,999	-	1
\$290,000 - \$299,999	1	-
	16	12

**Notes to the Financial Report
For the Year Ended 30 June 2017**

Note 34	Related party disclosures (cont'd)	2017	2016
		\$	\$
(iv)	<p>Transactions with related parties During the period Council entered into the following transactions with related parties. <i>Rokewood Takeaway - Cr H Kirby</i></p> <p>These transactions were undertaken on commercial terms..</p>	163	94
		2017	2016
		\$'000	\$'000
(v)	<p>Outstanding balances with related parties There were no outstanding balances at the end of the reporting period in relation to transactions with related parties</p>	-	-
(vi)	<p>Loans to/from related parties There were no loans in existence at balance date that have been made, guaranteed or secured by the council to a related party,:</p>	-	-
(vii)	<p>Commitments to/from related parties There were no commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party,</p>	-	-
Note 35	<p>Senior Officers Remuneration A Senior Officer other than a key management personnel, is an officer of Council who: a) has management responsibilities and reports directly to the Chief Executive; or b) whose total annual remuneration exceeds \$142,000</p> <p>Council's four senior officers are classified as key management personnel and there are no other employees that meet this criteria.</p>		
Note 36	<p>Events occurring after balance date No matters have occurred after balance date that require disclosure in the financial report.</p>		

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 : 12th day of September 2017
Bannockburn

In our opinion the accompanying financial statements present fairly the financial transactions of Golden Plains Shire Council for the year ended 30 June 2017 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.



Councillor Des Phelan
Mayor

Date : 12th day of September 2017
Bannockburn



Councillor Helena Kirby
Councillor

Date : 12th day of September 2017
Bannockburn



Rod Nicholls
Chief Executive Officer

Date : 12th day of September 2017
Bannockburn

Independent Auditor's Report

To the Councillors of Golden Plains Shire Council

Opinion	<p>I have audited the financial report of Golden Plains Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2017 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including a summary of significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2017 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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



Tim Loughnan

as delegate for the Auditor-General of Victoria

MELBOURNE

14 September 2017



PERFORMANCE STATEMENT

For the year ended 30 June 2017





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 21,929 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 2.3% 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 Golden Plains region has become known for its many gourmet food producers and the Moorabool Valley in the shire's east is home to a well established award winning wine industry. The newly created Moorabool Valley Taste Trail includes wineries, cellar doors and provedores.

Despite strong growth in the north west and south east, the Shire continues to be offer beautiful natural environments and landscapes. The natural beauty of the region 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	2017	
Population				
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,916.03	\$1,773.80	\$1,758.40	
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$19,061.33	\$19,094.48	\$19,636.96	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	12.74	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	\$1,107.07	
Recurrent grants				
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$559.24	\$423.86	\$709.93	This figure fluctuates primarily due to Federal Assistance Grants being received in advance in 2014-15 and 2016-17, but not in 2015-16.
Disadvantage				
Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	8.00	8.00	8.00	

Service Performance Indicators

Service/indicator/measure	Results			Material Variations
	2015	2016	2017	
Animal management Health and safety Animal management prosecutions [Number of successful animal management prosecutions]	26.00	53.00	27.00	The reduction in 2017 is largely due to an increased focus on collecting fines to reduce the number of prosecutions from 2016.
Food safety Health and safety Critical and major non-compliance notifications [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	76.00%	95.45%	94.12%	
Governance Satisfaction Satisfaction with council decisions [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	45.00	44.00	48.00	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 during the year, it is expected that this indicator will improve.
Home and community care Participation Participation in HACC service [Number of people that received a HACC service / Municipal target population for HACC services] x100 Participation Participation in HACC service by CALD people [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	17.99%	17.74%	n/a	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
Libraries Participation Active library members [Number of active library members / Municipal population] x100	12.76%	13.32%	12.68%	

Service Performance Indicators

Service/indicator/measure	Results			Material Variations
	2015	2016	2017	
<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%	80.29%	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 18 enrolments in this service, 10 attended the service during the year.
	77.78%	86.67%	55.56%	
<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	38.00	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.
<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%	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%	40.65%	The changes to service frequency in 2015-16 has resulted in a substantial reduction of waste to landfill and increase in recycling collected. Council does not currently provide a green waste service.

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	\$3,612.18	\$3,443.81	\$3,484.85	\$3,559.83	\$3,640.02
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	\$1,824.45	\$1,837.81	\$1,876.94	\$1,916.37	\$1,956.13
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%	12.96%	12.35%	12.24%	12.15%	12.05%
Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	283.57%	218.93%	234.41%	188.41%	198.38%	181.07%	192.68%
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	180.22%	113.94%	136.75%	127.75%	136.71%	117.47%	129.00%
Obligations Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	42.67%	38.78%	36.42%	37.20%	58.09%	64.84%	62.67%

This average is consistent with Council's long term financial planning and comparable to similar size Councils.

From an average of 245 staff, there were 29 resignations/terminations in 2016-17.

This balance has increased primarily due to Council's cash balance including \$2.7m from 2017-18 Federal Assistance Grants received in advance.

This balance has increased primarily due to Council's cash balance including \$2.7m from 2017-18 Federal Assistance Grants received in advance.

Loans and borrowings will increase in 2018-19 and 2019-20 due to new borrowings to fund the development of the Golden Plains Community and Civic Centre.

Financial Performance Indicators

Dimension/indicator/measure	Results					Forecast Figures			Material Variations
	2015	2016	2017	2018	2019	2020	2021		
Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	4.33%	3.45%	3.26%	2.85%	2.84%	13.67%	2.35%	This indicator will be significantly higher in 2019-20 when a large proportion of the interest only loans will be repaid.	
Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	32.97%	37.65%	40.72%	35.76%	53.35%	59.62%	56.59%	Non-current liabilities will increase in 2018-19 and 2019-20 due to new borrowings to fund the development of the Golden Plains Community and Civic Centre.	
Asset renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	73.76%	84.54%	71.40%	53.13%	55.07%	50.56%	44.22%	2015-16 and 2016-17 renewal was positively impacted by a total of an additional \$3.8m in additional Roads to Recovery funding.	
Operating position Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	11.12%	-3.48%	6.85%	-0.23%	0.22%	-0.54%	0.32%	2016-17 figure is higher primarily due to receiving \$2.7m of the 2017-18 Federal Assistance Grants in advance.	
Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	40.96%	54.85%	49.74%	57.03%	57.40%	57.91%	57.41%		
Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.48%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	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 27 June 2017 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: 12 September 2017

In our opinion, the accompanying Performance Statement of the Golden Plains Shire Council for the year ended 30 June 2017 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: 12 September 2017



Councillor Helena Kirby
Councillor
Dated: 12 September 2017



Rod Nicholls
Chief Executive Officer
Dated: 12 September 2017

Independent Auditor’s Report

To the Councillors of Golden Plains Shire Council

Opinion I have audited the accompanying performance statement of Golden Plains Shire Council (the council) which comprises the:

- description of municipality for the year ended 30 June 2017
- sustainable capacity indicators for the year ended 30 June 2017
- service performance indicators for the year ended 30 June 2017
- financial performance indicators for the year ended 30 June 2017
- other information and
- the certification of the performance statement.

In my opinion, the performance statement of Golden Plains Shire Council in respect of the year ended 30 June 2017 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the *Local Government Act 1989*.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. My responsibilities under the Act are further described in the *Auditor’s responsibilities for the audit of the performance statement* section of my report.

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

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

Councillors’ responsibilities for the performance statement The Councillors is responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the *Local Government Act 1989* and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the audit of the performance statement

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

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

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

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

MELBOURNE
14 September 2017



Tim Loughnan
as delegate for the Auditor-General of Victoria

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