

MITCHELL SHIRE COUNCIL ANNUAL REPORT 2017 – 2018



MITCHELL SHIRE COUNCIL



CONTACT COUNCIL

Our main offices are located at 113 High Street, Broadford.

Ph: (03) 5734 6200
Fax: (03) 5734 6222

Email: mitchell@mitchellshire.vic.gov.au
Web: www.mitchellshire.vic.gov.au

CUSTOMER AND LIBRARY SERVICE CENTRES

113 High Street, Broadford
12 Sydney Street, Kilmore

125 Anzac Avenue, Seymour
12/81 High Street, Wellington Square, Wallan

We also provide some limited customer service through our Facebook pages: Mitchell Shire Council, Mitchell Shire Council Fire Information, Mitchell Youth Services and Mitchell Shire Leisure Services.

While our main offices are located in Broadford, we also have staff or services at nearly 40 sites across the municipality including our Wallan office, depots, kindergartens, leisure centres, customer and library service centres, maternal and child health centres, outdoor pools, sports stadiums and youth centres.

ABOUT THE ANNUAL REPORT

All Victorian Councils are required to provide an Annual Report for 2017/18 that includes a Report of Operations and information about any major changes that have taken place, major capital works, economic or other factors that have had an impact on Council's performance and a summary of activity and achievements.

The Annual Report also shows how Mitchell has performed against the commitments set in the Council Plan and Budget, as well as prescribed service performance indicators and an audited Performance Statement and Financial Statements.

Mitchell Shire Council acknowledges the traditional custodians of the land, those of the Taungurung and Wurundjeri People.

We pay our respects to their rich cultures and to Elders past, present and future.

COPIES OF THE ANNUAL REPORT

In an effort to reduce the impact on the environment and to reduce costs, limited copies of this document have been printed.

Display copies
Customer and Library Service Centres.

Website
www.mitchellshire.vic.gov.au

Hard copy
Phone (03) 5734 6200 or email mitchell@mitchellshire.vic.gov.au
(large print copies are also available on request).

Table of Contents

About the municipality.....	1
YEAR IN REVIEW	3
Mayor’s Message	4
Chief Executive Officer’s Message.....	11
Financial Overview	13
2017/18 In Review.....	19
Capital Works Snapshot	21
Consultation Snapshot.....	26
Community Satisfaction Survey.....	28
Our Advocacy Priorities.....	30
Our Community Priorities.....	31
ABOUT MITCHELL SHIRE COUNCIL.....	34
Our Vision	35
Our Councillors.....	36
Our Organisation.....	41
Our People	42
PERFORMANCE REPORTING	47
Strategic Objective 1 Advocacy	51
Strategic Objective 2 Community Participation	58
Strategic Objective 3 Responsible Planning	65
Strategic Objective 4 Strong Communities	80
Strategic Objective 5 Supporting Local Jobs and Quality Investment	109
Strategic Objective 6 Financial and Organisational Management	122
Strategic Objective 7 Caring for the Environment	138
CORPORATE GOVERNANCE	151
PERFORMANCE STATEMENT	179
FINANCIAL REPORT	198

About the municipality

Strategically located 40 kilometres north of Melbourne, Mitchell Shire is one of Victoria's fastest growing municipalities.

As an interface growth area, Mitchell offers a mix of rural and urban living with a diversity of lifestyle and housing choices.

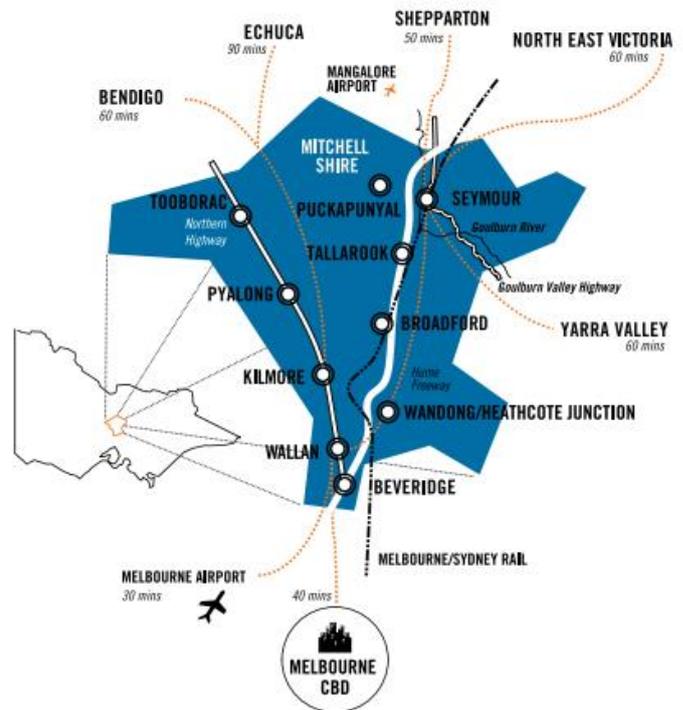
We have an estimated population of 45,000¹ in 2018. In the next 25-30 years we expect that 230,000 people will call Mitchell home. Many of these will be families with young children and teenagers. It is anticipated that most of this growth will occur in and around the southern townships of Beveridge, Kilmore/Kilmore East and Wallan.

We have a high commuter workforce and our community relies heavily on regional rail and road networks to travel to and from work and for day to day community activities and access to services outside of the municipality.

Key employers within the Shire include Puckapunyal Military Area, Council, hospitals, health services, schools and child care, supermarkets, Ralphs Meats and Nestlé. Our agricultural, equine and tourism industries are also important contributors to our local economy.

Our rolling foothills, open farmland, mountain ranges, rivers, creeks and natural environment are key attributes of our landscape amenity. This also means parts of our municipality are subject to natural disasters such as fires, storms and floods.

At 2,864 square kilometres, we are a large municipality with many larger and smaller townships and communities. These include Beveridge, Broadford, Bylands, Clonbinane, Forbes, Glenaroua, Glenhope, Glenhope East, Heathcote Junction, Heathcote South, High Camp, Hilldene, Hughes Creek, Kilmore, Kilmore East, Mia Mia, Moranding, Northwood, Nulla Vale, Puckapunyal, Pyalong, Reedy Creek, Seymour, Sugarloaf Creek, Sunday Creek, Tallarook, Tooborac, Trawool, Tyaak, Upper Plenty, Wallan, Wallan East, Wandong, Waterford Park, Whiteheads Creek and Willowmavin. We also cover parts of Avenel, Donnybrook, Flowerdale, Highlands, Mangalore, Strath Creek, and Tarcombe.



¹ ID Data - 2018 Population Forecast <http://forecast.id.com.au/mitchell/home>

KEY CHARACTERISTICS



We cover **2,864 square kms** of rural and urban land including **Melbourne's Northern Growth Corridor**



We have **18 schools for 7,062 students**, many of which are already full. We need to accommodate an estimated 10,000 future students in the next 20 years



We are growing by **3-4% per year** and our **population** is expected to **increase** to more than **230,000 people**



There are approximately **0.77 local jobs available** for everyone who is looking for work. Many people travel outside the municipality for work



We had **571 new babies** born last year, **33%** of our population comprised of **couples with children**



Our area generates **\$1.4 billion GDP** and has a total economic output of **\$2.83 billion**



We have **12 main towns**, nearly **40 communities**, **97 V/Line rail services**, **3 limited town bus networks** and **no bus connections between towns**



Some people in our community experience **significant socio-economic disadvantage** and we have a large difference between our poorest and wealthiest residents

Infrastructure and services

- > 100+ services
- > 677.74 km of sealed roads
- > 713.59 km of unsealed roads
- > 430 km of kerb and channel
- > 197 km of concrete footpaths
- > 56 km of unsealed footpaths
- > 261 km of underground drainage
- > 9,559 drainage pits
- > 71 road bridges
- > 36 pedestrian bridges
- > 1 active landfill
- > 4 resource recovery centres
- > 23 sporting pavilions/clubrooms
- > 9 sporting reserves
- > 2 leisure centres
- > 5 pools
- > 4 sports stadiums
- > 7 community halls
- > 25 public toilets
- > 43 playgrounds
- > 5 skate parks
- > 12 environmental reserves
- > 4 libraries
- > 8 kindergartens
- > 7 maternal and child health centres



YEAR IN REVIEW



MAYOR'S MESSAGE

Mitchell Shire Council Mayor - Councillor Rhonda Sanderson

It gives me great pleasure to present the 2017/18 Annual Report – the first full financial year of the current Councillor term following the 2016 elections.

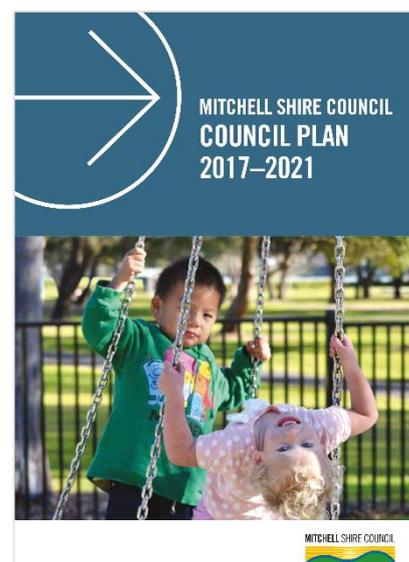
COUNCIL PLAN ACHIEVEMENTS

The Council Plan is the main driver of Council's strategic objectives which we report against each year in the Annual Report.

The Year 1 (2017/18) Action Plan was an ambitious one, with 248 total actions identified. I am very pleased to report that the majority of these actions have been delivered or are underway.

In Year 1, 81 per cent of all items were completed or on target, with a further 14 per cent underway or near target. A small number have been deferred to Year 2 for completion as priorities have shifted during the year.

The complete list of actions and progress is included in the Performance Report section of the Annual Report, on page 47.



ADVOCACY AND LOBBYING

One of the biggest changes this financial year has been our new focus on advocacy and lobbying. These have always been important, but we strengthened our approach and our strategic focus in 2017/18 with a new advocacy framework developed in 2017 and adopted in March 2018.

Advocacy framework

The framework identified core priorities for 2018 including roads, public transport, access to services, infrastructure, education, jobs and investment, environment and policy.

We have focused our public advocacy activities on roads, public transport, youth mental health and homelessness support. Behind the scenes, we have also been having a range of discussions with various government and departmental representatives around our other core priorities. More information on Advocacy Priorities is available on pages 30 and 33.

This approach has delivered strong results with many visits to Parliament, meetings with Ministers and Members of Parliament, and funding announcements for projects in our Shire.

Youth mental health roundtable

One of our three core advocacy priorities is youth mental health. In partnership with the Mitchell Youth Council, Mitchell Shire Council hosted a youth mental health roundtable in June.

Community leaders, schools, service providers and other organisations came together to discuss local issues, share their experiences and identify a local action plan to help improve mental health outcomes for young people and ensure their support networks had the appropriate investment and tools to assist.

This has generated great interest in the challenges being faced in Mitchell's urban and rural areas and the need for early investment in youth services in growth areas.



Image 1 Youth Mental Health Roundtable attendees and Youth Councillors

Interface Councils

Mitchell Shire is a partner with 10 other municipalities, representing 1.6 million people and 410,000 families who live in Melbourne's outer suburbs and face daily challenges with congested roads, inadequate public transport, lagging education facilities that can't keep pace with demand and significant gaps in community infrastructure and health and human services.

Through Interface Councils, we supported a Human Services Gap Analysis study, the launch of a new study, *The Liveability Project*, the launch of a new *One Melbourne or Two?* study and met with many Victorian government representatives during Interface Week to discuss liveability policy and priorities.

All of this is helping our residents to have fairer access to local jobs, services, education and opportunities to help make the outer suburbs a great place to live.

PARTNERSHIPS AND PLANNING FOR GROWTH

While our population is currently around 45,000 people, it is expected to boom to 230,000 over the next 25-30 years.

We are already experiencing significant growth across the Shire, and this will accelerate in the coming years. It is critical that we continue to plan now for this growth and help to provide a quality of life that our community can enjoy for years to come.

To complement our advocacy efforts, one of the key objectives for this council is to plan for growth and to create strong partnerships to help take our municipality forward. We cannot be successful in what we need to do without strong partnerships.

Our structure plans are an important part of this commitment and we've made substantial progress in 2017/18.

Wallan Town Heart

Of particular note is the beginning of work on the \$4.1 million Wallan Town Heart project, which is a direct result of the development of the Wallan Structure Plan and associated urban design framework and masterplan. More information on this project is available on page 23.

Greenhill Reserve Wallan land purchase

We also secured a vital piece of land at Greenhill Reserve to help protect much-needed open space and enhance the potential for community facilities and recreation for generations to come in this major growth corridor.



Image 2 Wallan Town Heart Project

Structure and precinct plans

During 2017/18, we also:

- > adopted the Seymour Structure Plan
- > worked with the Victorian Planning Authority on the Beveridge Township Development Plan and the Beveridge North West Precinct Structure Plan;
- > progressed to planning panel hearings for the Kilmore and Wandong/Heathcote Junction Structure Plans
- > conducted our first community survey for the Broadford Structure Plan and called for expressions of interest for steering committee members

Resilient Melbourne pilot project

We were also part of the launch of a special pilot program in Beveridge North West with Resilient Melbourne. Over the next three years, we will work in partnership with Resilient Melbourne, the Victorian Government and private and not-for-profit service providers to provide early delivery of services and infrastructure.

We hope this will serve as a model to show that early provision can help to avoid problems often associated in growth areas such as social inequality, disconnected communities and pressures from the lack of affordable housing and needing to commute for work with limited transport opportunities.

Partnership for Greater Beveridge Community Centre

Another strong example of our partnership approach is the delivery of the Greater Beveridge Community Centre. We have entered into an arrangement with TRY Australia to manage the facility which will be home to a number of council and community services from November 2018. This project is due for completion in September 2018.



Image 3 Greater Beveridge Community Centre

Local job opportunities and investment

In addition to services and infrastructure to support our community, it is also important that we support the creation of local job opportunities across our entire municipality. We strive to achieve a jobs/housing balance, so that the quality of life for our residents is as good as it can be.

In 2017/18, we implemented a number of actions from the Economic Development Strategy including creating a new Economic and Investment Profile, beginning to develop a new tourism strategy, starting a new rural business forum, hosting various small business events, connecting with industry leaders and progressing our advocacy priorities.

This is important groundwork to support the creation of local jobs now and for the future and to encourage businesses and industries to choose Mitchell.

MANAGING OUR INFRASTRUCTURE

We've worked very hard over many years to strengthen our financial position so that we can invest more in our ageing assets, upgrade facilities for our community and provide new infrastructure.

This hard work is starting to pay off, with one of our largest investments in roads, bridges and footpaths for many years.

We have also delivered upgrades to many community facilities across the shire and introduced a number of new facilities. For a full list of new and improved infrastructure including playgrounds, community centres, town centres, roads, bridges and footpaths please see our capital works summary on page 21.

We couldn't have done this without considerable funding support from the Victorian and Federal governments. I would like to take this opportunity to thank them for their continued support of our municipality.

CELEBRATING DIVERSITY, WELLBEING AND ACCESSIBILITY

In 2017/18, we adopted a Social Justice Framework, delivered on key commitments in our health and wellbeing plan, hosted our annual Health and Wellbeing Expo and, in partnership with our community, held the second annual Multicultural Festival.

We also continue to fly the Rainbow Flag in honour of IDAHOT Day and now permanently fly the Aboriginal flag at the Council offices following last year's inaugural flag flying ceremony during National Reconciliation Week.

THANKS TO OUR VOLUNTEERS AND COMMITTEES

We continue to work very closely with our Youth Council, advisory committees, committees of management, working groups, steering groups and positive ageing ambassadors as well as the many clubs and organisations throughout our municipality in 2017/18.

We are very grateful for the contribution of our volunteers to Council initiatives and to the wider community.

We could not have delivered on so many of our Council Plan commitments without input and hard work from our volunteers.

Australia Day Awards

Thank you also to the Broadford Australia Day Committee for hosting Mitchell Shire's Australia Day awards and citizenship ceremony in 2018.

Congratulations to the recipients of the 2018 Australia Day Awards:

- > Citizen of the Year – John Jennings
- > Young Citizen of the Year – Dellareece Matson
- > Access and Inclusion Award – Seymour Riding for the Disabled
- > Community Event of the Year – Kilmore and District Men's Shed Community Open Day



Image 4 Mitchell Shire Australia Day Award recipients

CONSULTATION

In addition to working with our advisory committees, Youth Council and Positive Ageing Ambassadors, we conducted more than 50 consultations in 2017/18 of various levels of complexity.

This is part of our commitment to strengthening community participation and to ensuring our community has plenty of opportunities to get involved in decisions that affect them.

I would like to take this opportunity to thank everyone who has taken part in one of our consultation opportunities, sent in a question for Community Question time or taken part in one of our Community Questions and Hearings Committees. The information provided has helped Council to make informed decisions.

EMERGENCY SUPPORT

Unfortunately, during 2017/18, we experienced a number of emergency events.

Storms and floods

We had a number of storm events causing widespread flooding, but the most significant of these was in December 2017 with many road closures across the municipality.

Council crews inspected and cleaned-up more than 700km of roads and nearly 200 bridges, culverts and fords following severe flash flooding in December.

Early repairs focused on priority areas such as those that blocked vehicle access or access to properties.

Inspections revealed up to 500 other sections of roads and drains that needed repairing following the storms. We have completed the bulk of these works in 2017/18 using National Disaster Relief and Recovery Assistance funding.

Tallarook Outdoor Pool flooded

We also experienced flash flooding of the Tallarook Outdoor Pool at the height of summer. We had to pump out the pool and refill it. The pool was only out of action for just over a week thanks to the Tallarook Fire Brigade who helped to refill the pool in record time.

Tallarook Mechanics Institute fire

The historic Tallarook Mechanics Institute was destroyed by fire on Saturday 5 May 2018.

Established in 1891, the council-owned building was operated by a voluntary Committee of Management. Over the years it had been used for dances, fundraisers, meetings and a host of community events. More recently, the building was home to the Tallarook Farmers' Market and a range of classes and community activities. Council has been working closely with the community to develop plans to rebuild. It is a great credit to the community that despite the tragic loss of the building the Farmers' Market went ahead the next day.



Image 5 CFA attends Tallarook Mechanics institute blaze

THE YEAR AHEAD

That brings me to the end of the 2017/18 summary. I would encourage you to also read about some of the many other projects we have delivered in the rest of this report.

I would like to thank my fellow Councillors for their future focussed work during the year and also the CEO and the hard-working staff at Mitchell Shire who have helped deliver on the vision and commitments set in the Council Plan. Their work is helping to deliver a great quality of life for our communities of today and the future.

I commend this Annual Report to you and I look forward to continuing to strengthen our partnerships in the year ahead and to delivering on our commitments.



Image 6 Cr Rhonda Sanderson and Mitchell Shire Library Service

CHIEF EXECUTIVE OFFICER'S MESSAGE

David Turnbull, Chief Executive Officer

I am pleased to present the 2017/18 Annual Report for Mitchell Shire Council and to be able to guide the organisation to deliver on the vision for the community and the commitments that the Councillors set in the Council Plan.

As mentioned in the Mayor's message, planning for growth and change is one of the key challenges faced by the Council. We are at a critical point in the Shire's history where what we do now in our planning for services and land use will influence generations to come.

A key focus for 2017/18 has been on helping staff understand their role in addressing this agenda and how what they do now will have a big impact on the future. I have also been working closely with Councillors to help them as they set the strategic vision for this growth and change as they work to represent the many different interests, needs and challenges across our municipality.

Investing in our community

Our strengthened focus on advocacy and partnerships as well as our ongoing financial discipline has helped to deliver new assets for our community. It has also meant that we are in a position to invest more in maintaining and upgrading vital infrastructure such as roads, footpaths and bridges. Our asset renewal gap remains a challenge, but we are making good progress. For more information on our financial position, please read the Chief Financial Officer's message on page 13. I am proud of the commitment of the staff in working in the best interests of the community in times of significant financial constraints

Partnerships

None of our work would be possible without strong partnerships through our sector and through all levels of government – from our local elected representatives through to Ministers and Shadow Ministers and departmental representatives.

I am very grateful for the strong support we have received and for the funding opportunities that have enabled us to deliver vital improvements for our community. (see our capital works highlights on page 22 for some of these).

It is more evident than ever that local government cannot deliver on all that is demanded of it without strong partnerships. Only 51% of our expenditure comes from rate revenue so our reliance on support from others is ongoing.

Strong results in satisfaction survey

It was pleasing to see this progress recognised in this year's annual Community Satisfaction Survey. We recorded improvements across all core performance and service areas for the second year running and a particularly large increase in satisfaction with overall direction, which increased by 16 points to 53. This is the largest single improvement for Mitchell Shire in the past five years and follows considerable effort on behalf of the Councillors and the organisation to involve the community more in decision-making and to provide more responsive service delivery.

Core measures for overall performance, community consultation, making decisions on behalf of the community, advocacy and customer service also improved substantially.

A new customer service focus

Our Customer Service results also performed particularly well with a score of 70 – the highest we have recorded in many years and a jump of 7 points compared to the previous year.

During the year, we also adopted a new Customer Service Charter and embedded our new “One Mitchell” values across the organisation. The charter and values guide the way we interact with our community and commit us to providing the best possible customer service outcomes with a focus on being responsive, accessible and inclusive.

The charter and values have set a solid foundation for our organisation to deliver exceptional customer service. This work will continue in the year ahead through our Customer First Program which will incorporate improvements to internal and external customer service, behaviours, skills, processes and systems - all with a customer-first focus. Importantly, we are committed to measuring our performance in this critical area.

Celebrating success

One of the key characteristics of a high performing organisation is that success and milestones are celebrated. We held our annual Excellence Awards and Years of Service Awards which were very well received by both our newer and longer serving staff. We were also very fortunate to receive a number of industry awards and nominations. For more details please visit page 42.

Commitment to community

All of this work is what goes on behind the scenes to help deliver services across our community. Approximately 70 per cent of our workforce lives in the municipality and I am very fortunate as CEO to see the impact that their work has on the community each and every day.

Mitchell staff are committed to making a difference to our community and to putting our community first. I have seen (and acknowledged) so many examples of this through the year. When there’s a tree that needs clearing in the middle of the night – they are there. When there’s a dog that needs collecting so it can be reunited with its owners – they are there. When there’s a child that needs the best start in life – they are there.

This commitment is about more than a job – it’s about making the Mitchell community as strong as it can be – and it applies across every service we provide.

The year ahead

With committed staff, we are in very good hands to continue to develop our position as a sector-leading organisation that is committed to excellence, innovation and strong partnerships.

We are also in very good hands as we work to plan for major growth, and balance the needs of rural areas, towns and emerging urban communities. We will continue to build on the strong foundations, that the Council has created in recent years with its commitment to strong forward planning. The Council has adopted the attitude that “a failure to plan is a plan to fail” and should be commended for this.

Strengthening our service planning approach, digital service delivery offerings and continuing to involve our community in decision-making will help us to deliver responsive and adaptable service for the year ahead. Understanding our growth needs and our community will also ensure we are able to make sound financial decisions and continue our infrastructure investment improvements. We will also continue to build strong relationships with government representatives to help deliver services and facilities for our community.

Mitchell is a community with a strong future – now is the time to plan for and capitalise on the opportunities that growth and change will bring, and I am very proud to be part of the Council.

FINANCIAL OVERVIEW

Laurie Ellis, Director Governance and Corporate Performance

Council's financial position at the end of June 2018 reflects Council's continued commitment to improving the municipality's long term financial sustainability. Council continues to rely heavily on grant funding opportunities and the continued growth can be seen in the increasing Monetary and Non-Monetary Contributions.

From an operating result perspective, Council has achieved a surplus of \$17.97 million, however after adjusting for non-recurrent capital income, the adjusted underlying result for 2017/18 is a deficit of \$1.355 million. This result is skewed by the pre-payment to Council of \$3.64 million in Financial Assistance Grants in June 2018 that relates to the 2018/19 financial year as well as a net loss on disposal of infrastructure property plant and equipment of \$1.6 million and a \$5.59 million revaluation decrement following a revaluation of Footpath and Cycleways. Adjusting for this timing difference, the adjusted underlying result would be a surplus of \$2.195 million. This result is still favourable when compared to the adopted budget. The improved result is mainly due to the following key factors:

- > Increased rates income through supplementary revenue associated with growth throughout the shire
- > Increased fees and fines following increased volume
- > Increased revenue in interest income as a direct result of increased cash holdings
- > Decreased employee costs due to a reduced workcover premium, reduced fringe benefit tax
- > Decreased depreciation expenses following a Building Revaluation

Whilst Council returned a negative adjusted underlying result in 2017/18, a reduced deficit is forecast for the 2018/19 financial year. Council is committed to improving this indicator over time to improve its long term financial sustainability. The adjusted underlying result is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by non-recurrent capital income items which can often mask the operating result.

Continuing to reduce Council's underlying deficit has increased our ability to invest in community assets, particularly focusing on renewing existing assets. It is a critical area of focus.

At the conclusion of the 2017/18 financial year, Council has \$47.4 million in cash and term deposits compared to \$34.6 million at 30 June 2018. This increase in cash holdings is primarily due to increased holdings in Externally Restricted Funds, not fully expending the capital works program and key operational projects that have been deferred to 2018/19 for completion.

AT A GLANCE

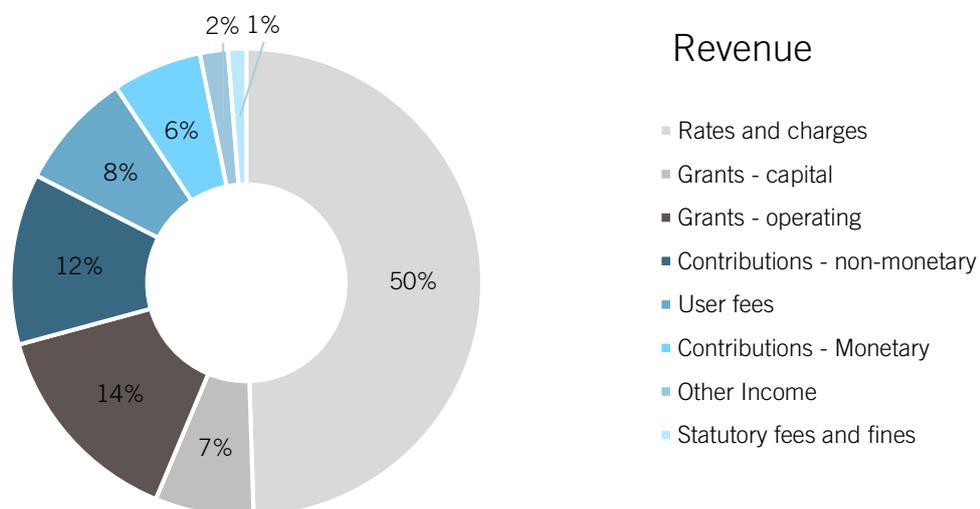
For 2017/18, Mitchell Shire Council achieved the following results:

- > \$1.35 million “adjusted underlying deficit”, compared to \$6.1 million adjusted underlying surplus for the previous year. 2017/18 is skewed by a Footpath and Cycleways revaluation decrement and net loss on disposal of infrastructure property plant and equipment and both years have skewed results due to the timing of the Financial Assistance Grant.
- > \$17.97 million surplus (compared to \$23.85 million surplus the previous year). This is derived from:
 - \$81.56 million revenue with 50 per cent coming from rates and charges
 - \$63.59 million expenditure with 36 per cent attributable to employee and labour costs (29 per cent due to materials and services and 19 per cent depreciation)
 - \$441 million net assets. This is \$11.9 million less than last year and includes a revaluation of the roads asset class.
 - \$47.4 million holdings in cash. This is \$12.8 million more than last year as explained above.
 - \$15.956 million loans and borrowings. This is \$1.6 million less than last year following scheduled repayments made.

REVENUE

Council’s total revenue for 2017/18 was \$81.56 million (compared with \$79.4 million in 2016/17), which includes \$9.6 million in non-monetary ‘gifted’ assets from developers. Council received a lower level of grant funding in 2017/18, largely due to the 2016/17 advance payment of \$3.5 million in June 2017 of the annual Financial Assistance Grants funding and a decrease in Non-recurrent Capital State Government Grants.

A breakdown of Council’s operating revenue is shown in the graph below and highlights Council’s reliance on rate revenue to fund community services and the renewal of community assets.

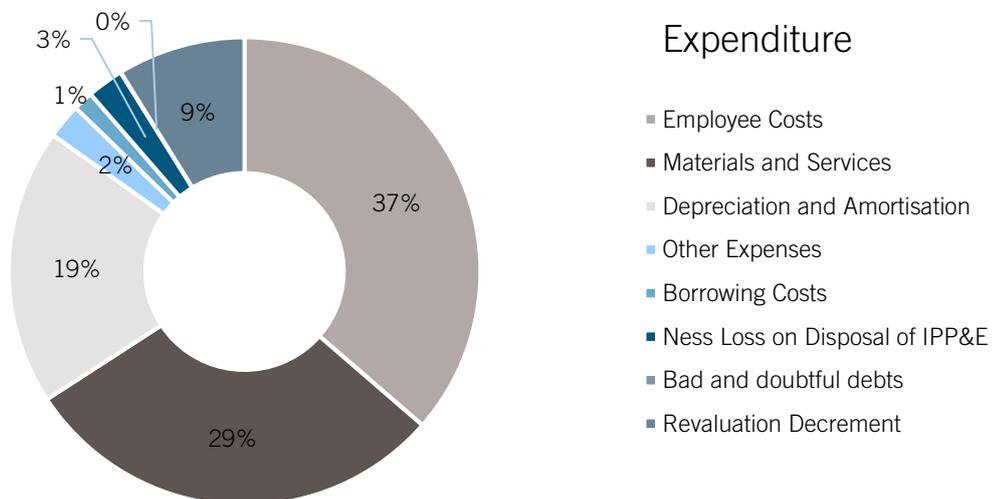


EXPENSE

Total expenditure for 2017/18 was \$63.59 million (compared with \$55.5 million in 2016/17). This increase includes \$1.6 million in net loss on disposal of property plant and equipment; \$5.59 million Revaluation Decrement to Footpaths and Cycleways; and an increase in employee costs by \$1.58 million.

A breakdown of Council's expenditure categories is shown in the graph below which reflects the fact that 85 per cent of Council's total spending relates to three categories:

- > employee and labour costs at 36.4 per cent (compared to 38.8 per cent in 2016/17)
- > materials and services at 29.4 per cent (compared to 34.2 per cent in 2016/17)
- > depreciation of assets at 19.1 per cent (compared to 22.3 per cent in 2016/17)

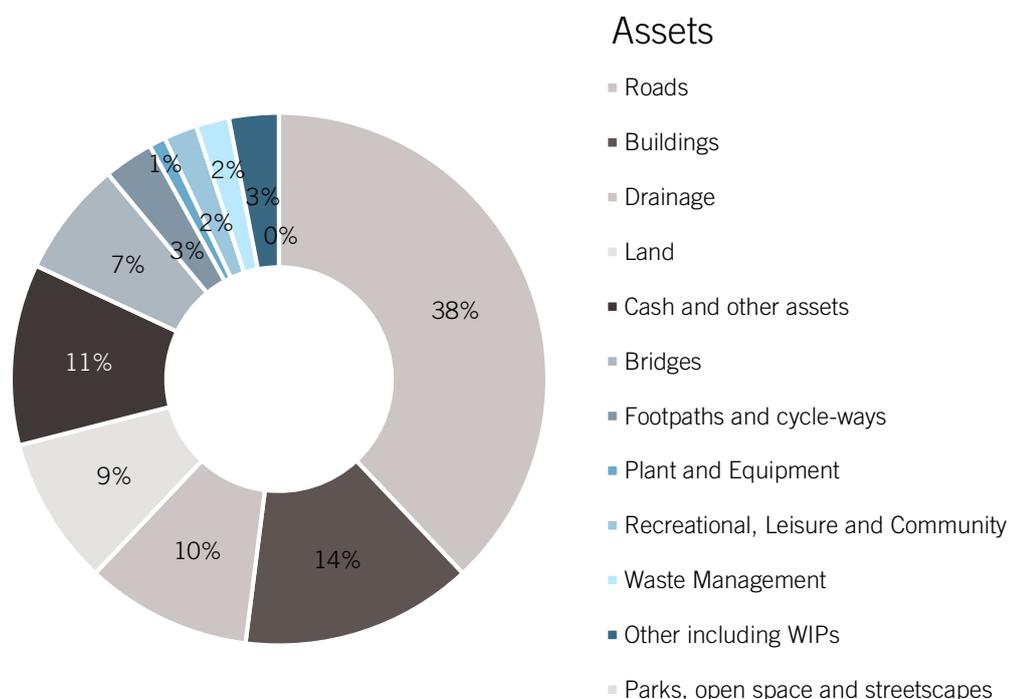


Note: where 0% appears, the actual result is less than 1%

ASSETS

Council's financial position improved by \$1.9 million during the year. This comprised an operating surplus of \$17.97 million and a revaluation decrement of \$16.07 million. Council's net worth as at 30 June 2018 was \$462 million (\$460 million in 2017) and comprised the following assets and liabilities:

Asset	\$ million	%
Roads	190.076	38
Buildings	67.916	14
Cash and other assets	55.251	11
Drainage	50.324	10
Land	44.008	9
Bridges	32.331	7
Footpaths and cycle-ways	15.361	3
Recreational, leisure and community assets	10.518	2
Waste management	7.894	2
Plant and equipment	6.927	1
Parks, open space and streetscapes	1.744	0
Other infrastructure assets including work in progress	13.958	3
Total	496.308	100



Note: where 0% appears, the actual result is less than 1%

BORROWINGS

Council's borrowings at 30 June 2018 were \$15.956 million, which equates to a 38 per cent indebtedness level. The Victorian Auditor General's Office compares non-current liabilities to own-source revenue (typically rates and user fees and charges) and considers a prudential limit (indebtedness level) of between 40-60 per cent as a medium risk. Council has budgeted to add a further \$0.95 million to borrowings in 2018/19 to allow for Solar Panel Installation at the Seymour Sports and Aquatic Centre and further progress on the Seymour Flood Levee (Council's contribution towards Land Acquisition and stage 2 Planning Scheme Amendments). The borrowings will only be drawn down when these projects go ahead. Borrowings will be in line with Council's borrowing policy and determined as part of the annual budget process.

CAPITAL WORKS

The capital works program is funded through rates, government grants and other contributions. Council spent \$6.6 million on land and buildings and \$9 million on infrastructure works during 2017/18, these works included \$7.4 million in renewing existing assets such as roads, buildings, footpaths and kerb and channel.

The capital works program was expanded during 2017/18 following finalisation of the 2016/17 carried forward works as well as the receipt of additional grant funding. \$16.01 million in capital projects have been deferred to 2018/19 following project delays and expanded budgets from further available funding.

Key projects completed during the year included the Library and Customer Service System upgrade and enhancement, Sutherland Reserve Broadford Playspace Renewal, Rutledge Street Kilmore Pavement Reconstruction, and Broadford Living and Learning Centre Revitalisation.

CASH

Council plans for a positive net cash inflow from operating activities to provide funds for both the day-to-day operations, as well as for its capital works program. The net cash inflow from operating activities for 2017/18 was \$29.2 million (\$29.6 million in 2016/17). Council's cash position at 30 June 2018 is \$47.4 million (compared to \$34.6 million in 2016/17), an increase of \$12.8 million. Council has successfully replenished cash holdings to improve its liquidity position and ensure that there is sufficient working capital to meet current commitments and will remain focused on ensuring cash holdings remain at appropriate levels.

Council's working capital ratio for the 2017/18 financial year is 2.8 (compared with 2.6 in 2016/17). The result is favourably skewed by the amount of unspent capital works and operation projects and the partial prepayment of the Commonwealth Government Financial Assistance Grant.

CONCLUSION

Council has steadily improved its financial health over the last few years with a primary focus on the adjusted underlying result and, ideally, achieving sustained, adjusted underlying surpluses, rebuilding cash holdings and increasing investment in our assets for our existing and growing community. The process of building a solid financial foundation to support Mitchell Shire is well underway and will remain a long-term focus over the coming years in line with Council's Long Term Financial Planning. Council will continue to work with the community to improve communication and engagement in respect to Council's finances as well as to better understand the community's needs and expectations.

While this report focuses on the financial performance over the past 12 months, Council continues to look forward with its short, medium and long-term financial plans and models. The 2018/19 budget was prepared with consistent goals and planning for 2019/20 is now underway.

Council continues to meet the challenge of a rapidly growing municipality with a willingness to seek shared service models, operational efficiencies as well as reviewing existing service and asset levels. For a detailed picture of our financial performance please see the Financial Report.

2017/18 IN REVIEW

JULY

- > Battle of the Bands
- > Citizenship Ceremony
- > NAIDOC Week
- > National Tree Day
- > Small Business Festival
- > Tour de Mitchell
- > Youth Council sworn in



Image 7 Youth Council sworn in

AUGUST

- > Leisure centre open days
- > Seniors' Concert
- > Worm farm subsidy
- > Greenhill land purchase, Wallan

SEPTEMBER

- > Govett Street Broadford playground launch
- > Launch of dyslexic library book collection
- > Interface Week
- > Seniors' Festival
- > Compost bin and worm farm subsidy

OCTOBER

- > Aussie Backyard Bird Count
- > Children's Week
- > Citizenship Ceremony
- > Fire Action Week
- > Ice Breaker campaign
- > Pedometer challenge
- > RAGE event
- > Seniors Week Concert
- > Walk to School Day

NOVEMBER

- > Community Bank® Adventure Playground Wallan 1st birthday
- > White Ribbon Day
- > Positive Ageing Ambassadors workshops

DECEMBER

- > Mitchell Leaders Forum
- > Outdoor pool season begins
- > Significant weather events lash region



Image 8 L-R Cr Eldridge, Cr Sanderson and Cr Lowe, Greenhill Wallan



Image 9 Jennifer Fuhrmeister awarded the Victorian AUSTSWIM Teacher of Adults

JANUARY

- > School holiday program
- > Australia Day Awards
- > Citizenship ceremony
- > Health and Wellbeing Expo, Kilmore

FEBRUARY

- > Mitchell Multicultural Festival, Wallan
- > Launch of Vegetable Planting Guide

MARCH

- > Clean Up Australia Day
- > Community Safety forums
- > Broadford Living and Learning Centre open day and official opening
- > Harmony Day
- > International Women's Day, Mandalay
- > Mt Piper Family and Children's Centre Broadford, official opening
- > Seymour Library Sensory Garden opening

APRIL

- > National Youth Week Carnival
- > National Volunteer week
- > Premiers Active April Program
- > Citizenship Ceremony
- > Detox Your Home program
- > Sutherland Street, Kilmore playground launch
- > State Government Funding announced for southern Mitchell aquatic facility feasibility study

MAY

- > Mental Health roundtable, Wallan
- > Community Satisfaction Survey
- > Tallarook Mechanics Institute fire
- > MyMitchell Photo Competition

JUNE

- > Detox Your Home event in Seymour
- > International Volunteers Day
- > World Environment Day
- > Seymour Resource Recovery Centre closure
- > Library self-serve kiosks begin
- > Interface Week
- > Mitchell Leaders Forum, Wallan
- > Greenhill Reserve Netball Court Opening, Wallan



Image 10 Health and Wellbeing Expo



Image 11 Community Safety Forums



Image 12 Broadford Living and Learning Centre open day and official opening

CAPITAL WORKS SNAPSHOT

The following is a summary of 2017/18 infrastructure projects.

BRIDGES

- > Walshes Bridge Track, Pyalong (Fire Access Track)

UNSEALED ROAD RENEWAL PROGRAM

- > Highlands Road Shoulders
- > Old Sydney Road Beveridge
- > Elliotts Road, Broadford from Strath Creek Road
- > Chapmans Road, Glenaroua from Seymour Pyalong Road
- > Wickhams Lane, Glenhope East from Heathcote East Baynton Road
- > Heathcote-East Baynton Road, Glenhope East from Taylors Lane
- > Diggings Road, Willowmavin from Coopers Road

SEALED ROAD RENEWAL PROGRAM

- > Rutledge Street, Kilmore - Pavement reconstruction
- > Doyle Crescent, Seymour - Asphalt re-surfacing
- > McClusky Court, Seymour - Asphalt re-surfacing
- > O'Sullivan Road, Seymour - Asphalt re-surfacing
- > Delatite and Tarcombe Roads, Seymour - Intersection Design Works

FOOTPATHS

- > Powlett Street, Kilmore; Elizabeth Street, Seymour; and Tallarook Street, Seymour – Footpath Missing Links
- > Footpath Renewal Program

SAFETY PROJECTS

- > Rutledge Street, Kilmore Blackspot
- > Delatite Road, Whiteheads Creek - Floodway Warning System

BUILDING, CONSTRUCTION AND IMPROVEMENTS

- > Whitburgh Cottage Remedial Design Works
- > Installation of Roof Access Safety Systems
- > Seymour Library Outdoor Space
- > Mt Piper Kindergarten - Maternal and Child Health Centre addition
- > Broadford Youth Centre Improvements

LEISURE AND RECREATION

- > Kings Park, Seymour - Netball Amenities Facility
- > Broadford Living and Learning Centre Revitalisation
- > CCTV and Solar Lighting Hadfield Park, Wallan
- > Greenhill Reserve Pavilion and Netball Court Development, Wallan
- > RB Robson Stadium, Wallan – Power Supply Upgrade
- > Harley Hammond Netball Court Renewal, Broadford
- > Govett Reserve, Broadford
- > JJ Clancy Reserve, Kilmore - Concrete paving at pavilion
- > SSAC - Renewal of Gym Equipment
- > Seymour War Memorial Outdoor Pool - Replace Concrete
- > Leisure Centres' Equipment Purchase
- > Kings Park Irrigation Pump

MAJOR PROJECTS SNAPSHOT

ROADS, BRIDGES AND FOOTPATHS

Road Program

The reconstruction of Rutledge Street in Kilmore was a significant project for 2017. This key road is an important collector road that services education precincts on both sides of Powlett Street (the Northern Highway). The works involved the reconstruction of sections of failing road pavement, formalisation of on-street parking and improvements to pedestrian movement near The Kilmore International School. This project also delivered road safety improvements near the Kilmore Hospital which consisted of traffic islands and lighting improvements at the intersection of Ryans Road.

Detailed planning and design works have been completed for TAC funded Black Spot Projects on Broadford-Glenaroua Road and Sugarloaf Creek Road in Broadford, Seymour-Pyalong Road in Glenaroua and Darraweit Road in Wallan, while planning and design works for pavement rehabilitation works on Broadford-Wandong Road have also been completed. These projects are scheduled for completion in late 2018.

Footpath Program

Footpaths are recognised as critical infrastructure to enable mobility and connection for our most vulnerable community members and in 2017/18 we continued our work to address the many missing links in our footpath network across the Shire.

Missing link footpaths were completed in Powlett Street in Kilmore and Elizabeth Street and Tallarook Street in Seymour, while detailed planning and design works were completed for significant missing links footpaths along Anderson Street in Kilmore and Lithgow Street in Beveridge. These footpaths will be completed in late 2018.

In addition, we continued with our strategy to improve the overall condition of the existing footpath network across the Shire through our Footpath Renewal Program. In 2017/18 \$400,000 was allocated to the renewal of damaged footpaths across throughout the municipality, which is the second successive year that Council have allocated such a significant amount towards the renewal of footpath infrastructure.

Bridge Program

In 2017/18 Council were successful in obtaining grant assistance through the Federal Governments 'Bridges Renewal Program' for a bridge replacement project on Broadford-Pyalong Road. Two other bridge projects on Panyule Road and Tooborac-Baynton Road have been designed.

An additional bridge upgrade project was completed on Walshes Bridge Track in Pyalong.

Wallan Town Heart Project

The exciting transformation of Wallan's town heart is taking shape, with a number of key elements finished or almost complete and the project on track to be finalised over the coming months.

The \$4.1 million Wallan Town Heart revitalisation began in February and will transform the High Street precinct into a vibrant and more connected community space with better, and safer, links between the retail area and the Hadfield Park precinct.

Works have been powering ahead in recent months, with the new service road entry now complete and improvements outside the High Street shops in full swing.

With the service road near the plaza finished, works on the new town square have begun including paving, seating, landscaping and lighting.

As part of the works, a new service lane entry will be constructed just north of the Watson Street intersection on the Northern Highway. This will result in a tree from the Avenue of Honour needing to be removed. However, several new trees will be planted to restore the Avenue of Honour to its original number of 53 in recognition of local servicemen and servicewomen.

Works around the Free Library and War Memorial area are also nearly complete, with the important Circle of Remembrance to be finished in the coming weeks. Bluestone paving and lighting to give effect to this space has also been installed and works on the new signalised pedestrian crossing are expected to be completed over the coming month.

Other works already completed include 24 new car parks in Bentinck Street, near the Community Bank® Adventure Playground.

The Wallan Town Heart revitalisation was jointly funded by the Victorian Government's Growing Suburbs Fund (\$2.19 million), Regional Development Victoria (\$1.5 million) and Mitchell Shire Council (\$400,000). The project is on track to be completed in August 2018, subject to weather conditions and external approvals.

For updates on the Wallan Town Heart project, visit www.wallan3756.com.au.

COMMUNITY BUILDINGS

Mt Piper Kindergarten and Maternal and Child Health services in Broadford

A \$420,000 upgrade has created a shared kindergarten and maternal and child health space at Mt Piper Kindergarten in Broadford.

It includes two new maternal and child health consulting rooms and a shared entry and open space for both new parents and kindergarten families. The exciting new facilities allow maternal and child health staff and kinder staff to work closer together with the families of children aged zero to five.

The project was jointly funded by the Department of Education and Training (\$350,000) and Mitchell Shire Council (\$70,000).

Broadford Living and Learning Centre

A major upgrade to the Broadford Living and Learning Centre has been completed, transforming it into a modern and vibrant community hub, and enhancing community connectedness.

Council worked closely with the community and the Broadford Living and Learning Centre Steering Committee to plan the \$660,000 project, which was mostly funded through the Victorian Government's Growing Suburbs Fund (\$565,000).

Features of the upgrade include:

- > A new flexible open space, multiuse office space and waiting area
- > Four large multi-purpose rooms
- > Upgrades to the existing toilets
- > New open plan kitchen and servery
- > Internal recarpeting and painting
- > IT/e-Learning room
- > Historic display
- > Outdoor play area



Image 13 Broadford Living and Learning Centre re-opening

PARKS, PLAYGROUNDS AND OPEN SPACE

Sutherland Street Playground, Broadford

A \$75,000 makeover of Broadford's Sutherland Reserve Playground was completed in April 2018. The upgrade, funded by Mitchell Shire Council, includes junior and senior combination unit (two slides, climbing nets, climbing wall, climbing bars), triple swing (toddler, junior and basket), spinner, snowboard rocker, nature play area, seating, tree planting and landscaping.

Seymour Library Sensory Garden

An innovative and inclusive outdoor learning space at Seymour Library opened in March 2018.

The outdoor sensory area is the first of its kind at any Mitchell Shire library and allows for creative programs to be run for people of all ages and abilities. A dedicated wet area for painting and craft activities, garden area and access to the library's Wi-Fi have turned a once drab and disused outdoor area into a vibrant learning hub.

The upgrade was funded by the Department of Environment, Land, Water and Planning's Living Libraries Infrastructure Program (\$100,000) and Mitchell Shire Council (\$33,334).

RECREATION AND LEISURE

Greenhill Reserve, Wallan

The construction of a second netball court at Greenhill Reserve will help Wallan Football Netball Club keep pace with the boom of participation in the sport.

The club currently has four senior netball teams, which is likely to increase as Mitchell's population grows, who share one court for training and games.

The new netball court complements the \$471,000 upgraded female-friendly changeroom facilities which were opened at the reserve at the end of 2017.

The netball court project was funded by the Victorian Government (\$100,000), with in-kind support from the Committee of Management, Wallan Football Netball Club and Mitchell Shire Council.

PUBLIC TRANSPORT

Council continues to advocate strongly on behalf of the entire Mitchell Shire community for improved access to public transport services. Improved town bus services in Wallan and Kilmore, including weekend services, is high on Council's list of advocacy priorities.

In fact, In April 2018, Public Transport Victoria announced that two new town bus routes and a new shuttle service would be created to serve passengers in growing areas of Wallan. Bus services in and around Wallan would be expanded and upgraded, with new routes, more services on Saturdays and longer service hours during the week.

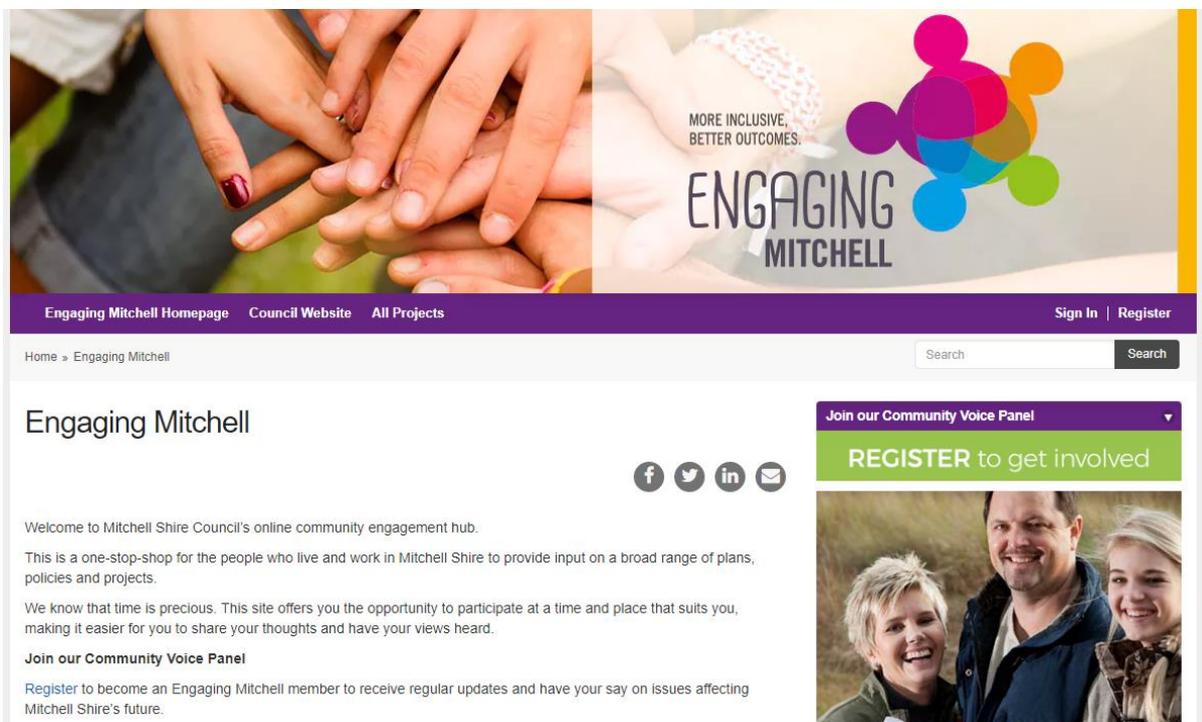
The new Wallan Station to Wallan Central service will maintain key connections provided by current services, including to Wallan Town Centre. The new Wallan Station to Springridge service will travel north along High Street towards Springridge, boosting coverage for people living and working in western and northern Wallan.

CONSULTATION SNAPSHOT

Council undertook a number of consultation and engagement projects in 2017/18.

- > 585 Lancefield Tooborac Road, Nulla Vale planning permit application
- > 8150 Goulburn Valley Highway, Trawool planning permit application
- > Age Friendly Communities Project
- > Amendment C113 - Implementation of Wandong and Heathcote Junction Heritage Gap Study
- > Amendment C117 - Salinity Management Overlay
- > Australia Day 2019 Awards Committee
- > Beveridge 3753
- > Beveridge Township Development Plan
- > Broadford Precinct Public Safety Initiatives
- > Broadford State Motorcycle Sports Complex
- > Broadford Structure Plan
- > Budget and Strategic Resource Plan (2018)
- > Communication Strategy
- > Community Environment Survey
- > Community Voice Panel
- > Domestic Animal Management Plan 2017-2021
- > Economic Development Strategy
- > E-Newsletter Feedback
- > Environment Advisory Committee 2018-2020
- > Environment Survey
- > Environmental Information Kits
- > Govett Street Playground
- > Healthy Hectares Large Animal Workshop evaluation
- > Kilmore 3764 Project
- > Library Survey 2017
- > Monument Hill Pine Tree Removal
- > Municipal Public Health and Wellbeing Plan 2017-2021
- > National Tree Day Evaluation
- > New Website
- > Pedometer Challenge Evaluation
- > Question Time
- > RetroSuburbia Book Launch evaluation
- > Road Renaming Proposal - Mangalore
- > Seniors Festival Expressions of Interest
- > Seniors Newsletter Volunteer Opportunity
- > Seymour 3660 Project
- > Seymour Library Outdoor / Visual Sensory Area
- > Seymour Resource Recovery Centre
- > Seymour Structure Plan
- > Seymour Whiteheads Creek Flood Study
- > Social Justice Advisory Committee
- > Social Justice Framework 2017-2021
- > Sutherland Reserve Playground Upgrade
- > Tallarook Mechanics Institute Rebuild
- > Tourism and Visitor Economy Plan

- > Volunteer Advisory Committee
- > Volunteering in Mitchell
- > Wallan 3756
- > Wallan District Community Network
- > Wallan Project Hub
- > Wallan To Heathcote Rail Trail Feasibility Study
- > Wallan Town Centre Masterplan and Urban Design Framework
- > Wallan Town Heart
- > Wandong and Kilmore Structure Plans
- > Wandong and Heathcote Junction 3758 Project
- > Waste Management Strategy
- > Weed Networking Day Evaluation
- > Youth Survey 2017
- > Youth Council nominations



Visit www.engagingmitchellshire.com to provide input on a range of plans, projects and policies.

COMMUNITY SATISFACTION SURVEY

Each year, Local Government Victoria (LGV) coordinates and auspices an annual Community Satisfaction Survey for Victorian councils.

The results of core measures are included in Council's Annual Report each year and on the State Government's Know Your Council website as part of the Local Government Performance Reporting Framework. Conducted by the State Government in February and March, the telephone survey of 400 residents, measures core performance and service areas.

Satisfaction with Mitchell Shire Council's performance across seven core areas and five individual service areas has again improved across the board in the 2018 survey.

Satisfaction with overall direction jumped by 16 points to 53 – the largest single improvement for Mitchell Shire in the past five years. The result also brings the indicator in line with the state average and slightly above the large rural council average.

Core measures for overall performance, community consultation, making decisions on behalf of the community, advocacy and customer service also improved substantially, recovering to previous levels.

Customer service, waste management, recreational facilities and the appearance of public areas recorded the highest results with scores above 60. Sealed local roads and local streets and footpaths recorded the lowest results with scores below 50.

Planning for population growth improved from 44 to 50, with the biggest change in the South Ward where it jumped from 36 to 44, and among people aged 50-64 (up from 33 to 42) and women (up from 39 to 48 points).



OUR RESULTS

CORE MEASURES	2014	2015	2016	2017	2018
Overall performance	51	54	42	48	54
Consultation and engagement*	49	53	42	47	53
Lobbying (advocacy)*	48	49	40	45	48
Making community decisions	-	49	41	46	50
Sealed local roads	-	43	37	38	43
Customer service*	65	68	60	63	70
Overall council direction	50	55	37	53	56
SERVICE MEASURES	2014	2015	2016	2017	2018
Customer service*	65	68	60	63	70
Emergency and disaster management	-	-	-	-	67
Waste management	66	64	61	65	65
Family support services	-	-	-	-	63
Appearance of public areas	62	63	59	61	63
Recreational facilities	57	60	55	62	62
Community and cultural	-	-	-	-	59
Environmental sustainability	-	-	-	-	56
Informing the community	55	56	46	52	54
Consultation and engagement*	49	53	42	47	53
Planning and building permits	-	-	-	-	51
Community decisions*	-	49	41	46	50
Business and community development	-	-	-	-	50
Planning for population growth	45	50	39	44	50
Slashing and weed control	-	-	-	-	49
Tourism development	-	-	-	-	48
Lobbying (advocacy)*	48	49	40	45	48
Unsealed roads	-	-	-	-	41
Local streets and footpaths	-	-	-	38	-
Sealed local roads	-	43	37	38	43

*indicates a core measure that is also a service area measure

OUR ADVOCACY AND LOBBYING PRIORITIES

A critical role of Council is to advocate to State and Federal governments and work with industry, business and community leaders to ensure our community can access high quality services, programs and infrastructure.

In accordance with the Council Plan, Advocacy Priorities have been identified and a course of action prepared. These priorities reflect critical needs that ensure the health and wellbeing of residents across the Shire, now and into the future.

The Priorities have been developed based on input from a range of stakeholders, through consultations, from the Council Plan, Health and Wellbeing Plan and Social Justice Framework, community, service providers and industry. It includes a mix of longer and shorter-term priorities requiring planning or funding investment. The Priorities were adopted by Council in March 2018.

The Priorities are a mix of social and physical infrastructure:

- > Roads
- > Public Transport
- > Community Infrastructure
- > Policy Reform
- > Access to Service
- > Jobs and Investment
- > Education
- > Environment

An action plan has also been developed to support and encourage community leaders, businesses and industry to advocate for these priorities through their networks.

Successful advocacy takes many years, particularly for projects requiring long term planning and large investment.

Mitchell Shire's Priorities will help government, election candidates, government departments and service providers to better understand critical needs in Mitchell Shire and to plan service and infrastructure investment that supports these needs.

Council's advocacy approach will continue to evolve as needs change in the short and longer term and the priorities will be updated regularly to address these changes. The approach also is to work in partnership with Government and other stakeholders.

It will also help ensure a consistent message to and from community leaders, industry and service providers across the municipality.

OUR COMMUNITY PRIORITIES

ROADS

Council will work closely with VicRoads to assist with alignment and planning

- > Specific projects:
 - Watson Street Upgrade and Hume Freeway Diamond Interchange - Wallan
 - Capacity improvements to the Northern Highway - Wallan
 - Kilmore/Wallan Bypass
 - Camerons Lane Interchange – Beveridge including Lithgow Street and Hume Freeway underpass upgrade - Beveridge
 - Hume Freeway/Gunns Gully Road - Beveridge
 - Delatite Road, Seymour - New bridge over Whiteheads Creek
- > Road maintenance

Mitchell’s road network is much larger than most in Victoria and we have less properties to help spread the cost of road maintenance, renewals and upgrades.

Government funding is vital to ensure we can provide a safe road network for our communities.

What we are advocating for:

- > Commitment to increase funding
- > Reinststate the State Government Country Roads and Bridges Program
- > Continue the Roads to Recovery funding program beyond 2019/20

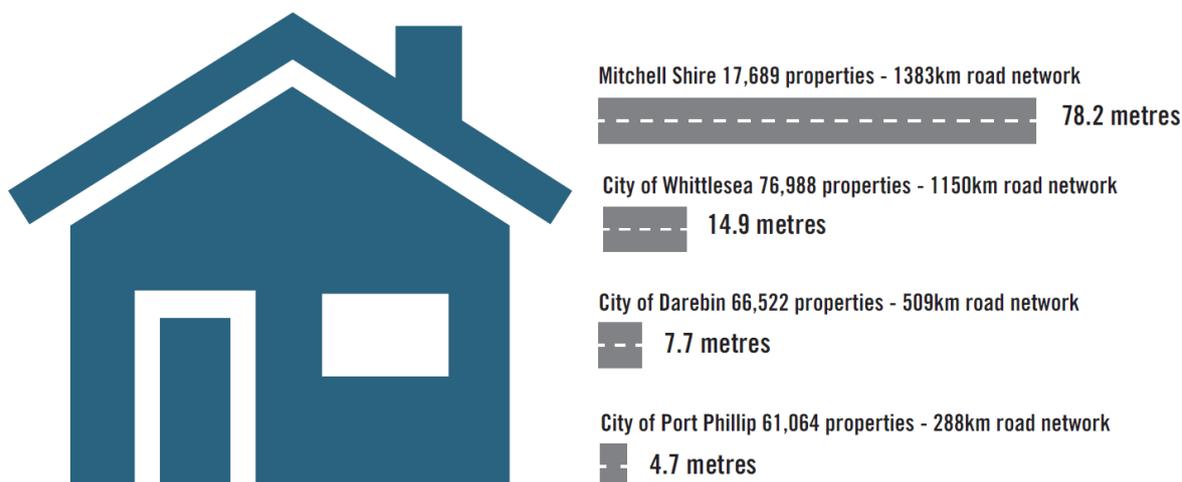


Image 14 Metres of local roads per residential property

Note: Figures are based on residential dwellings and do not include other land types such as vacant land, commercial and industrial. These are a guide only to demonstrate the ratios between different council sizes.

PUBLIC TRANSPORT

Council will work with Transport for Victoria and Public Transport Victoria to assist with route planning. Road network changes, identifying infrastructure needs and timetabling. In particular:

- > Integrated Public Transport Strategy
- > Bus Connectivity
- > Train Connectivity and Railway Stations
- > Car Parks

COMMUNITY INFRASTRUCTURE

- > Internet connection and mobile black spot reduction
- > Construction of a pedestrian bridge over the Kilmore Creek.

POLICY REFORM

- > Gambling – reduction of impacts on vulnerable communities
- > Growing Suburbs Fund - continuation

ACCESS TO SERVICES

- > Housing Investment Package
 - Housing services (crisis and accommodation support)
 - Social housing (infrastructure investment)
 - Public housing (infrastructure investment)
- > Family Support
 - Family Violence Hub
 - Children and Family Support Services
 - Increased family violence counselling services and crisis support
- > Drug Rehab Facility and Services Package
 - Treatment Services for drug and alcohol addiction
 - Carer/parent support services
 - Outreach community-based services
 - Residential Drug Rehabilitation Facility
 - Pilot new and emerging International drug reform programs
- > Youth Services Hub
 - refurbishment at existing location (Wallan)
 - Mental health and generalist youth services at the old Wellington Street kindergarten site

JOBS AND INVESTMENT

- > Kilmore Revitalisation
 - Kilmore Town Centre upgrades (including Sydney Street Upgrade)
 - Kilmore Community Centre precinct master plan
 - Kilmore Creek corridor improvements/revitalisation
- > Goulburn River Valley Tourism – accreditation as a formal Regional Tourism Board by State Government
- > Tank and Artillery Museum Puckapunyal
- > Seymour Revitalisation (economic and community development plan; an Integrated Investments Approach)
- > Planning for the Beveridge Intermodal Freight Transport Hub

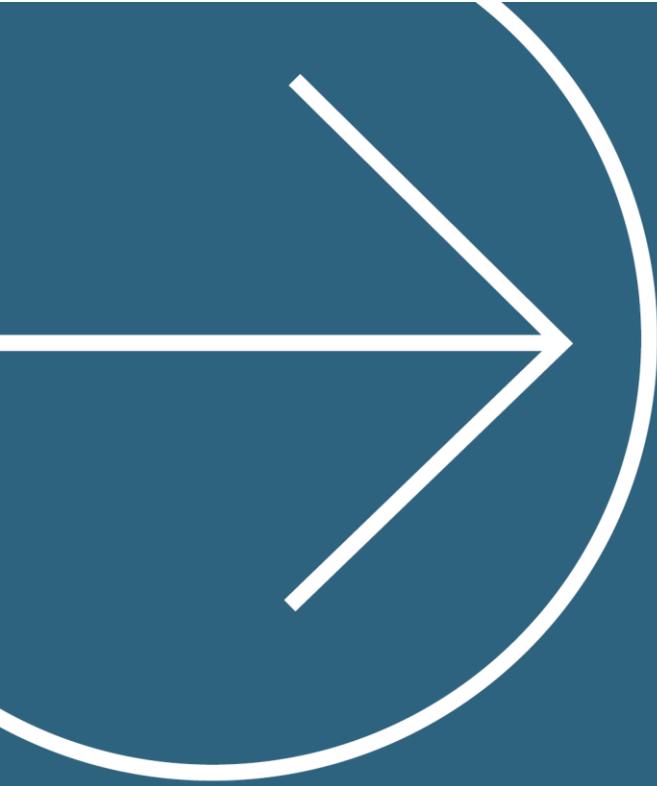
EDUCATION

- > Expansion of existing Beveridge Primary School to new location
- > Land for new Beveridge Primary School
- > Wallan East Land Purchase

ENVIRONMENT

- > Waste Management
- > Key waste and resource recovery infrastructure projects:
 - New Seymour Resource Recovery Centre at a new location
 - Expand and redevelop the Wallan Resource Recovery Centre to accommodate population growth in the southern part of the shire
 - New Broadford Resource Recovery Centre at a new location
- > Environmental and sustainability audit





ABOUT MITCHELL SHIRE COUNCIL



OUR VISION

OUR VISION

Together with the community, creating a sustainable future.

OUR MISSION

Working with our communities to build a great quality of life.

Mitchell Shire Council:

- > is committed to providing good governance and compassionate leadership
- > is committed to supporting our diverse community
- > values community involvement, and vigour and diversity of opinion
- > recognises the commitment of our staff
- > will protect and enhance our natural environment
- > will plan for and promote our future
- > will promote economic development within our municipality.

OUR ORGANISATION VALUES: ONE MITCHELL – WE WORK AS ONE!



Working Together

- > Teams work together to get the job done
- > Leaders guide and inspire



Respect

- > People respect and help each other to succeed
- > Staff are appreciated and valued
- > Success is celebrated



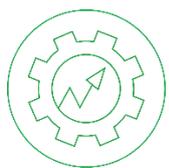
Customer Service Excellence

- > Customers experience exceptional service
- > Customers and staff are treated with dignity and respect
- > We do what we say we're going to do



Accountability

- > Every person is accountable for the success of One Mitchell...It starts with me!
- > A strong sense of dedication and pride
- > A strong sense of community and belonging



Continuous Improvement

- > Look for ways to improve the ways we work
- > Develop staff to be the best that we can be

OUR COUNCILLORS

Mitchell Shire has three wards: North, Central and South. Residents are represented by three Councillors in each ward. The Mayor is elected by the Councillors and holds office for 12 months. The last general Council election was held in October 2016. The next Council election will be in October 2020.



Councillors (L-R): Cr Bob Humm, Cr Bob Cornish, Cr Rob Eldridge, Cr David Lowe (Deputy Mayor), Cr David Atkinson, Cr Rhonda Sanderson (Mayor), Cr Fiona Stevens, Cr Annie Goble, Cr Bill Chisholm.

COUNCILLOR DAVID ATKINSON (SOUTH WARD)

Councillor Atkinson lives in Kilmore with his wife and two children. He has spent most of his working life in the field of accounting and audit, in a diverse range of industries, such as Health, Finance, Manufacturing, Insurance and Clothing. Cr Atkinson currently operates his own accountancy service in Kilmore. Cr Atkinson has a keen interest in ensuring that the Mitchell Shire Community sees value for money.

He worked closely within Mitchell from 2009 to 2011 when he was the Bushfire Recovery Coordinator with Mitchell Community Health Services, working with counsellors and community development officers in both Mitchell and Murrindindi shires.

Cr Atkinson has had a long-term involvement with Apex, has participated in community events and activities such as the Kilmore Celtic Festival, the re-establishment of the Kilmore Miniature Railway and junior football and athletics. He is currently engaged in Mitchell Freemasons Lodge in Broadford, the Kilmore and District Men's Shed and a committee member of BEAM Mitchell Environment Group as well as running a Clean-up Kilmore Day monthly.

Cr Atkinson was first elected in 2016.

COUNCILLOR BILL CHISHOLM (NORTH WARD)

Councillor Chisholm, a long-time resident of the Tooborac/Pyalong community, has had an interesting and varied career in small business, from part-owning and managing a local service station, to farming and fencing enterprises.

A large part of his life experience involves raising a happy and successful family, travel and community involvement, including School Council, Landcare, the local CFA and other community organisations.

These varied experiences have provided him with a strong understanding of the requirements of small business and the expectations and needs of rural communities and small towns. He fully appreciates the need for sound financial management and getting the best value for every dollar.

Cr Chisholm lives with his wife Liz and family on a rural property in the Tooborac area and treasures this unique and beautiful rural environment and a supportive community.

Cr Chisholm was first elected 2012 and then again in 2016.

COUNCILLOR BOB CORNISH (SOUTH WARD)

Councillor Cornish has lived in Wallan with his wife Pauline and children for more than 40 years.

Given the expected population growth in the municipality, Cr Cornish wants to ensure that infrastructure and facilities keep pace with the community's needs. Cr Cornish is focussed on ensuring that rate revenue is spent wisely, and that grant opportunities are maximised for the benefit for the whole community.

Cr Cornish was first elected 2012 and then again in 2016.

COUNCILLOR ROB ELDRIDGE (SOUTH WARD)

Councillor Eldridge has had a highly successful and varied career in IT, project management, general management and business consultancy, working for organisations such as Colonial, CGU Insurance, Orica, NAB and ANZ as well as state government departments such as TAC, SRO, VicRoads.

This experience has provided him with strong business and financial planning skills and balances out his personal passion for the environment and community and is the drive behind his quest to make Mitchell Shire a great place for families and businesses.

Cr Eldridge moved to Wallan 11 years ago with his wife after 30+ years in Eltham. His three children and their children also live in Wallan and are a considerable influence in his choice of community involvement.

He has been an active member of several Shire Committees and has been heavily involved with the several community groups, including as a committee member and office bearer.

Cr Eldridge was first elected in 2016.

COUNCILLOR ANNIE GOBLE (CENTRAL WARD)

Councillor Goble was born in Melbourne, educated in Hawthorn, and it was in Gippsland where she developed her experience in the cattle and dairy industries, hospitality and tourism. She trained in general nursing, then worked in United Kingdom before returning to Australia to pursue further study in the healthcare sector, where she now specialises in Aged and Palliative Care.

Cr Goble's parents inspired her social conscience, and she has had a long involvement in championing the need for improved services for the disadvantaged. She has been a Kilmore resident for seven years, exploring her passion for equestrian sports as a thoroughbred trainer. Cr Goble has continued her social activism in the area and within the community she both lives and loves and has been a founding member of the Kilmore Trainers Group and as President of the Kilmore and District Residents and Ratepayers' Association, prior to her election to Council.

Cr Goble understands the potential of Mitchell Shire and wants to be part of seeing that realised. She is committed to working for the betterment of the disadvantaged and our community as a whole.

Cr Goble was first elected in 2016.

COUNCILLOR BOB HUMM (CENTRAL WARD)

Councillor Humm has a family background in small business. His professional life saw him engage and support the manufacturing industry throughout Australia, with protective coatings.

From a young age, he had a keen interest in the cattle industry, and has ventured back into cattle breeding since moving to Kilmore.

Cr Humm is actively involved with the Kilmore General Cemetery Trust, and is a past member of the Kilmore and District Ratepayers Association. An amateur footballer prior to moving to Kilmore, his sporting commitments now relate more to watching his grandchildren's active sporting life.

His interests in local government are broad although he is keen to see venues for activities given a priority for the wellbeing of the community.

Cr Humm was first elected in 2003, 2005 (until 2008), and then again in 2016.

COUNCILLOR FIONA STEVENS (NORTH WARD)

Councillor Stevens is married and has two adult daughters and two grandchildren. She brings to Council extensive knowledge of the Mitchell area having grown up and been educated in Broadford. When she returned to the region to live in Seymour in 1981 she involved herself in many community organisations.

With an extensive background as a sworn member of Victoria Police, she retired in 2013. She explains her professional role was by choice in Crime Prevention: investigating child abuse, sexual assault and domestic violence. In 2003, she was awarded the Jack Brockhoff Churchill Fellowship enabling three months' study in the United Kingdom to investigate ways to improve police and stakeholder responses.

She was President and Secretary of the Victoria Street Kindergarten; on St Mary's College School Committees; President and Secretary of Seymour Girl Guides; a member of the Seymour Inaugural Life Education Committee; Seymour Rotary member (past Board Member and Past President in 2008/09); a member of the Seymour Save The Outdoor Pool Committee (2001-16); and the elected community representative on the Mitchell Shire Olympic Torch Relay Planning Committee.

Cr Stevens enjoys identifying issues and researching to find solutions. She is keen to find a fair and appropriate outcome to community concerns and is passionate to see Mitchell Shire progress.

Cr Stevens was first elected in 2016.

COUNCILLOR DAVID LOWE, DEPUTY MAYOR FROM NOVEMBER 2016 (CENTRAL WARD)

Councillor Lowe's background was almost entirely centred around working for major blue-chip companies in various parts of the world.

After leaving Liverpool University, Cr Lowe joined a major international engineering organisation where he progressed over the first six years of his career. He then joined a food and household products organisation where he spent the next ten years culminating in the role of European Director of Procurement. This was followed with the role of Managing Director of a fresh food organisation employing approximately 2000 employees over three sites.

Cr Lowe then moved into consultancy and worked in with a number of "household names" in Australia's petroleum and airline industries, several Councils and the Ministry of Defence.

Cr Lowe has worked in North and South America, the UK and Europe, the Middle East and Asia. His main business interests were within the commercial buyer/seller interface.

Cr Lowe was chosen as a volunteer for Infrastructure Victoria's Citizen Jury to help design the 30-year future of Victoria and this led to his decision to run for Council and contribute to the future of the Shire.

Cr Lowe has lived, with his wife Frances, in the Shire for more than 10 years and believes the Mitchell Shire has an incredibly exciting future as it grows to take its place as a major conurbation linking metropolitan Melbourne with Country Victoria

Cr Lowe was first elected 2016.

COUNCILLOR RHONDA SANDERSON, MAYOR FROM NOVEMBER 2016 (NORTH WARD)

Born and raised in Seymour, Cr Sanderson was first elected to Council in 2012 and re-elected in 2016. She has served as Deputy Mayor (2013/14) and Mayor (2016/17 and 2017/18).

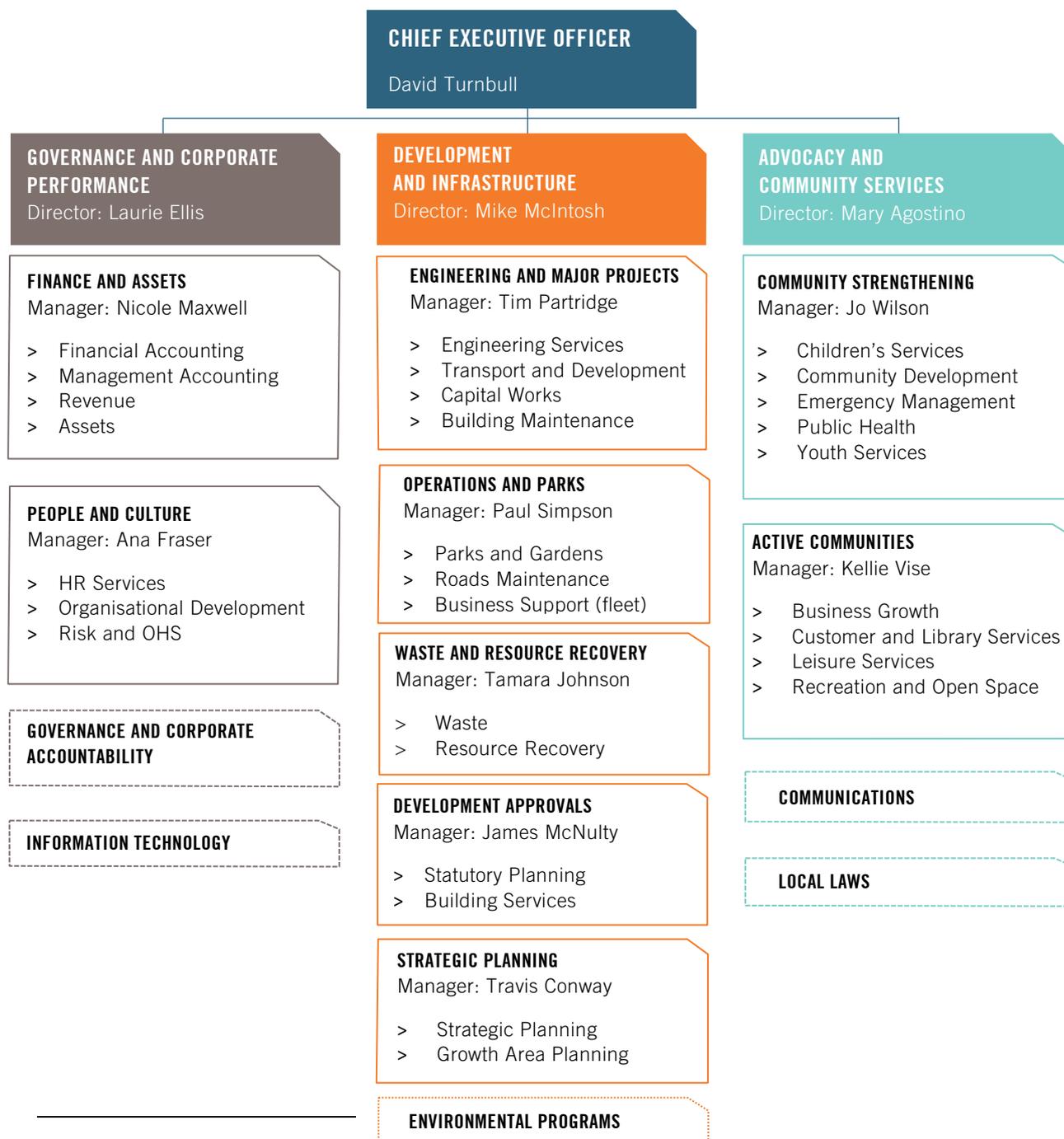
Community service is important to her - both through employment and voluntary work. Cr Sanderson's career has been spent mostly in administration and management in law enforcement and training. She holds a BA (ANU 2007) and is an AICD Company Directors' Course Graduate (2015).

The issues Cr Sanderson is committed to pursuing on Council are: improved consultation and transparency; fair treatment of all residents and ratepayers; township beautification; economic development and job creation; effective planning and development; more youth activities; a safe network of footpaths and trails; and, community infrastructure which meets local needs.

Cr Sanderson has been an active volunteer on numerous community committees and in community organisations. She views her role on Council as a continuation of her service to the community and enjoys working to improve the quality of life of Mitchell Shire residents.

OUR ORGANISATION

As at 30 June 2018², the Executive Leadership Team comprised of the Chief Executive Officer, three Directors and the Manager People and Culture, as well as a second Manager from the Senior Leadership Team to be rotated every four months.



² Jeff Saker, Director Development and Infrastructure until December 2017
 Niall Sheehy, Acting Director Development and Infrastructure from December 2017 – January 2018
 Travis Conway, Acting Director Development and Infrastructure from January – February 2018
 Mike McIntosh February 2018 – ongoing

OUR PEOPLE

Our five values of working together, respect, customer service excellence, accountability and continuous improvement drive our customer-focused service delivery.

AWARDS

Years of Service Awards

To celebrate the years of service worked by our long serving employees, in March 2018, staff were recognised for their 5, 10, 15 and 20 years of employment at Mitchell Shire Council. At Council's all staff briefings certificates were given to our eligible 5 years of service recipients and our longer serving staff members were invited to a formal event, which was held prior to the March Council Meeting, our Mayor Councillor Rhonda Sanderson presented these dedicated and deserving staff members with their certificates and years of service badges.

2017/18 Leisure Industry Awards

On Friday 15 June, Aquatics and Recreation Victoria (ARV) held their annual industry awards night. ARV is Victoria's peak industry body for aquatics and recreation. The awards recognise people and facilities that have gone above and beyond what is expected.

Lisa Higgs was presented with the Victorian AUSTSWIM WETS Aqua Instructor of the Year Award. The award, one of eight categories presented each year, identifies and honours instructors who use the WETS (Weighted, Energetic, Turbulent, Suspended) techniques in their aqua classes.

In 2017, for the second year in a row, a Mitchell Leisure Services instructor has taken out a major title, with Jennifer Fuhrmeister awarded the Victorian AUSTSWIM Teacher of Adults Award.

Leisure Staff Awards

- > Lifeguard of the Year – Hayden Gawne
- > Support Staff Member of the Year – Sean Schwarz
- > Duty Manager of the Year – Daniel Glynn
- > Creche Assistant of the Year – Lisa Gawne
- > Gym Instructor of the Year – Jayde Lewis
- > Swim Teacher of the Year – Samantha Brown

ABOUT OUR PEOPLE

As at 30 June 2018 Council had 240 full-time equivalent employees compared to 233 at 30 June 2017. This includes permanent, temporary and casual positions in roles covering areas such as planning, engineering, parks and environment, customer service, maternal, child and youth services, sport, leisure and recreation, finance, administration and management.

A summary of the number of full time equivalent (FTE) council staff by organisational structure, employment type and gender follows:

Gender		Office of CEO	Governance and Corporate Performance	Development and Infrastructure	Advocacy and Community Services	Total
Female	Casual		0.01	1.13	3.61	4.75
	Full time	1	21	15	34	71
	Part time		4.56	4.89	58.41	67.86
	Total	1	25.57	21.02	96.02	143.61
Male	Casual		0.01	0.01	0.47	0.49
	Full time	1	13	61	13	88
	Part time		0.42	5.65	1.99	8.05
	Total	1	13.43	66.66	15.46	96.54
Organisation total FTE		2	39.00	87.68	111.48	240.15

Note: As at 30 June 2018, there were 23 FTE vacancies, compared to 13.6 FTE vacancies at June 2017.

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 FTE
Senior Officers	8.00	7.00	15.00
Band 1	1.39	0.62	2.02
Band 2	1.03	1.79	2.82
Band 3	4.38	24.26	28.64
Band 4	35.59	17.44	53.02
Band 5	22.82	13.01	35.83
Band 6	15.92	12.00	27.92
Band 7	12.16	8.12	20.29
Band 8	8.00	12.02	20.02
Immunisation Nurse (In Charge)	1.22		1.22
Kinder Level 1	6.50		6.50
Kinder Level 2	15.25		15.25
Kinder Level 3	3.46		3.46
School Crossing	2.42	0.28	2.70
Maternal Child Health Nurse	5.46		5.46
TOTAL FTE			240.15

EQUAL EMPLOYMENT OPPORTUNITY

Mitchell Shire Council is committed to the principles of equal opportunity and believes that all employees, contract workers, agents and volunteers are entitled to work in an environment which is free from discrimination, harassment and sexual harassment. Our policies and practices help ensure that discrimination relating to gender, age, disability, marital status, parenthood, race, colour, national extraction, social or ethnic origin, religion or political affiliation is not tolerated.

Training in the Prevention of Bullying, Harassment and Discrimination has been provided to all staff. All new staff members are training via e-Learning in Equal Employment Opportunity. Specialised in-depth training has been provided to the Leadership group to ensure our Leaders are equipped to recognise and deal with any behaviours inconsistent with our policy and values. In addition, Contact Officers have been selected, provided with training and rolled out at numerous locations across the organisation.

LEARNING AND DEVELOPMENT

We have continued to focus on continuous learning and leadership development in 2017/18 with a variety of structured Learning and Development programs offered to employees.

Themes included:

- > Leadership
- > E-Learning Compliance (Equal Employment Opportunity for Employees and Managers, Fraud and Corruption Awareness and Prevention, Information Security Awareness, Information Privacy Awareness, Occupational Health and Safety, Victorian Charter of Human Rights and Responsibilities)
- > Software applications
- > Professional and personal development

ORGANISATIONAL CULTURE

One Mitchell is about the way we as an organisation work together to do what we say we will do. One Mitchell strives to implement projects and initiatives that create a positive culture and healthy working environment for all staff. This framework will continue to be used to drive positive behaviours and create an environment where people consistently say Mitchell is a great place to work.

HEALTH AND WELLBEING

As part of Council's commitment to One Mitchell, there are numerous health and wellbeing programs:

- > Health and Wellbeing Committee
- > Flu vaccinations for employees
- > Employee Assistance Program to assist with managing work/life issues
- > Fruit box program
- > Health and Wellbeing expo and programs
- > International Women's Day
- > R U Okay Day
- > Multicultural Festival
- > Active April
- > Blood Bank Volunteers
- > Employee Benefits Expo
- > Life Diabetes Program
- > Mental Health in the Workplace
- > Worksafe Week Program
- > Harmony Day
- > Australia's Biggest Morning Tea
- > RSPCA Cupcake Day
- > White Ribbon Morning Tea
- > Quit Smoking Program
- > Take a Break Month in August to ensure staff take a lunch break

OUR VOLUNTEERS

Council acknowledges and greatly appreciates the vital role our volunteers play in building strong, inclusive and resilient communities. Volunteers are at the heart of our community and their hard work, dedication and commitment certainly doesn't go unnoticed.

As part of National Volunteer Week, Council hosted two events to show our appreciation to the thousands of selfless people in Mitchell who give up their time to better their community.

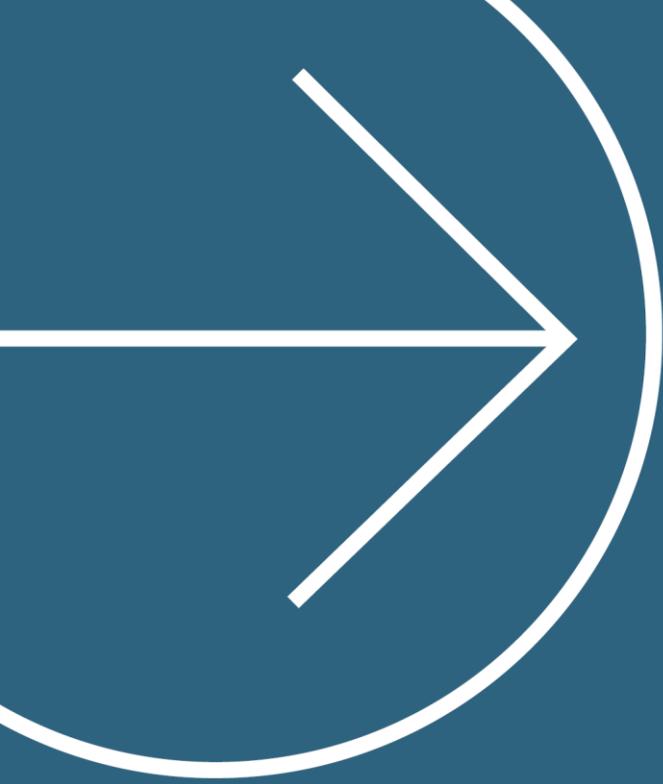
The events are a chance to recognise and celebrate the significant contributions of volunteers in Mitchell Shire who come from wide-ranging organisations and groups such as emergency services, sporting clubs, health services and animal welfare groups.

Council is committed to supporting the development of volunteering across the Shire, including operating a free volunteer website www.volunteeringmitchell.com.au.

The online platform is a one-stop-shop for volunteering and allows community members and organisations to find and advertise volunteer roles.



The screenshot shows the homepage of the Volunteering Mitchell website. At the top, there is a navigation bar with links for 'Volunteer Opportunities', 'Community', and 'Post a Volunteer Opportunity'. A search bar is prominently displayed with the text 'Search for Volunteer Opportunities' and a 'GO' button. Below the search bar, there is a section titled 'Latest Volunteer Opportunities' with a 'See All' link. This section lists three opportunities, all dated '23 AUGUST': 'Community Visitor - Puckapunyal, VIC', 'Community Visitor - Kilmore, VIC', and 'Community Visitor - Seymour, VIC'. To the right of the list is a blue box titled 'What is Volunteering Mitchell?' with a 'Read more' link. The background of the website features a photograph of several people, including an elderly woman, engaged in a community activity.



PERFORMANCE REPORTING



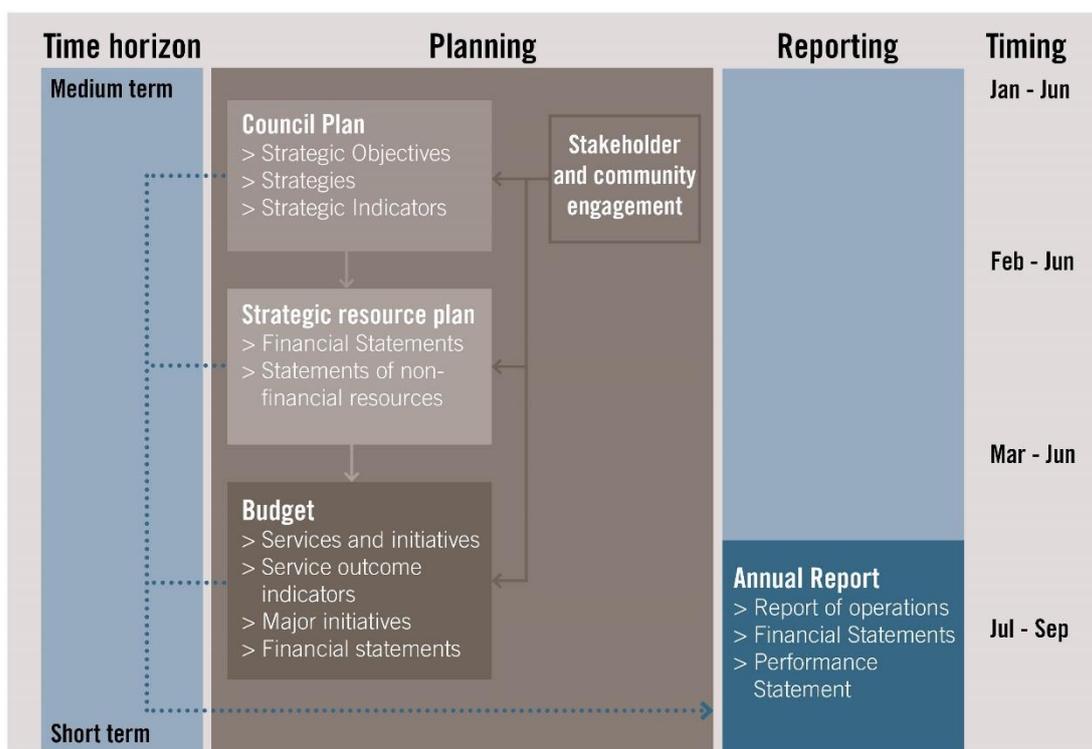
PERFORMANCE REPORTING

VICTORIAN PLANNING AND ACCOUNTABILITY FRAMEWORK

The *Local Government Act 1989* and the *Local Government Planning and Reporting Regulations 2014* require all Victorian councils to prepare the following planning and reporting documents:

- > A Council Plan within 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
- > A Budget for each financial year
- > An Annual Report for each financial year.

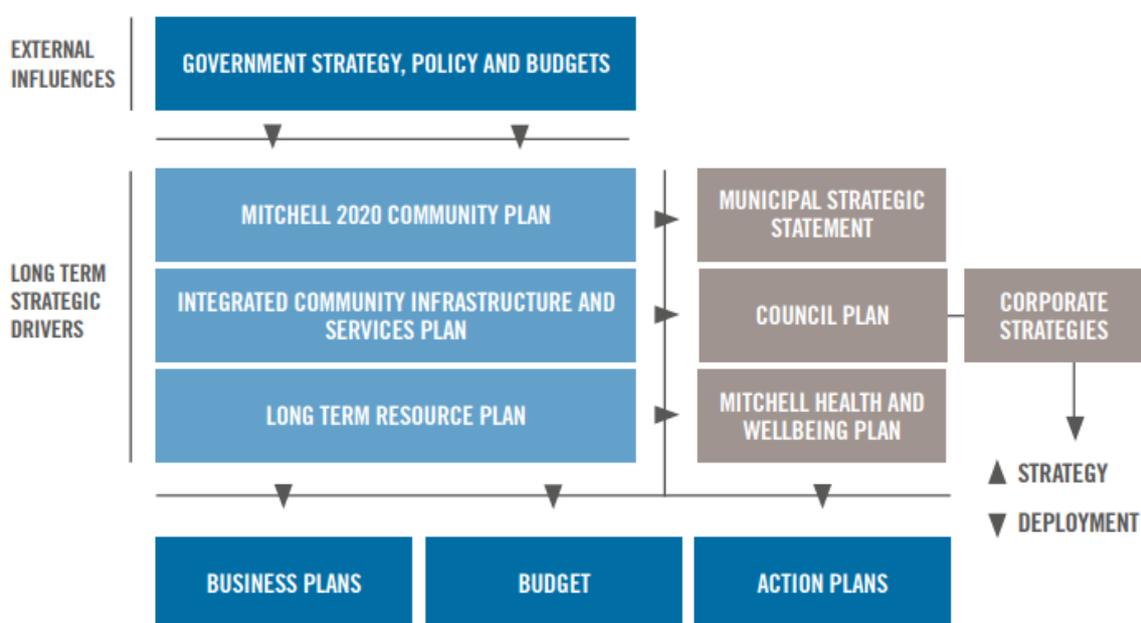
The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government. It also shows the opportunities for community and stakeholder involvement, input and feedback at various stages of the planning and reporting cycle.



OUR INTEGRATED PLANNING AND REPORTING FRAMEWORK

Mitchell Shire Council's integrated planning and reporting framework assists Council to align key plans and strategies with available resources. The framework also provides a basis to monitor and measure performance.

The Council Plan forms a fundamental part of Mitchell's Integrated Planning Framework. The Council Plan is the connection between the external influences of government policy and population growth, Mitchell Shire's 2020 Community Plan, and, Council's long-term planning processes. The following diagram emphasises the links between each of the elements.



The priorities in the Mitchell Shire Council Plan 2017-2021 are the result of in-depth community consultation. Council reviews the Plan every year to ensure the priorities and objectives remain relevant. If changes are needed, further community consultation is undertaken. Each year we prepare an annual Action Plan which commits Council to delivering specific actions to help us achieve our Strategic Objectives. The Budget is set with these priorities in mind.

Mitchell is committed to implementing an integrated approach to planning, implementation and performance reporting.

Planning is undertaken annually to review the Council Plan, develop department business plans and prepare individual work plans. This ensures a strong line of sight between Council's strategic direction, available financial resources and day-to-day delivery.

COUNCIL PLAN PERFORMANCE

Performance against the Council Plan is reported to our community in the Annual Report and the Midyear Update Report. These performance updates are posted on Council's website after the Council meeting at which they have been considered. These reports enable the community to note our progress and achievements and to see how we adjust priorities to meet any challenges that arise.

The Council Plan 2017 – 2021 includes seven strategic objectives. Strategies for achieving these over the four-year period are covered in the plan and a Strategic Resource Plan.

The following section provides a report of Council's performance against each strategic objective in the 2017 – 2021 Council Plan, as well as progress in relation to the Annual Action Plan in the Council Plan and the major initiatives identified in the annual Budget.

Information about services funded in the budget and the people or sections of the community who the services are provided for is also included as well as results for the prescribed service performance indicators and measures in the Local Government Performance Reporting Framework.

ADVOCACY

- > To relentlessly advocate for funding to benefit our community.



COMMUNITY PARTICIPATION

- > To actively explore all opportunities for community involvement and participation in Council decisions.



RESPONSIBLE PLANNING

- > To demand best practice outcomes when planning for future growth.



STRONG COMMUNITIES

- > To build and nurture strong and vibrant communities where people are proud to live.



SUPPORTING LOCAL JOBS AND QUALITY INVESTMENT

- > To identify, encourage and actively promote investment, business and tourism.



FINANCIAL AND ORGANISATIONAL MANAGEMENT

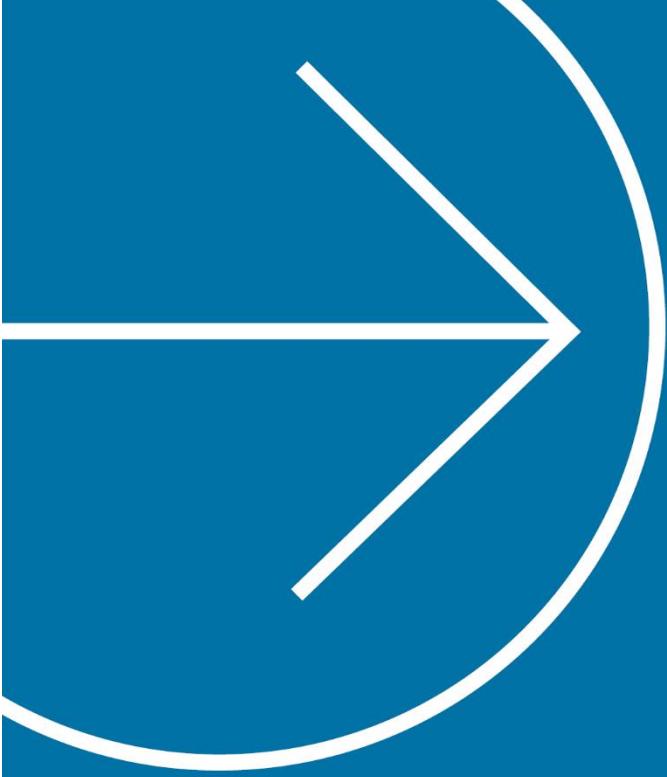
- > To be leaders in financial and organisational management.



CARING FOR OUR ENVIRONMENT

- > To be responsible custodians, by managing and enhancing our environment and minimising the impacts of waste, natural disasters and climate change.





ADVOCACY



STRATEGIC OBJECTIVE 1: ADVOCACY

To relentlessly advocate for funding to benefit our community.

To achieve our objective, we will:

- > Establish an Advocacy Strategy that includes key priorities, and clear roles and responsibilities.
- > Establish and maintain local and regional partnerships to secure funding and policy commitments.
- > Support and collaborate with local groups and organisations to access potential funding and identify joint advocacy priorities.

CONTEXT

By 2031 it is estimated that an extra 40,000 residents will call Mitchell Shire home which will almost double our population over the next 15 years to more than 80,000.

A critical role of Council is to advocate to State and Federal Governments, industry and business to ensure we can provide high quality services, programs and infrastructure which meets the complex needs of our existing and emerging communities.

Council will focus on strategically advocating for key local priorities to help plan and deliver the services and infrastructure that underpin liveable and socially sustainable communities. We will focus on advocacy for our existing towns and rural areas as well as advocacy to support rapid growth and development of new towns in the south of the Shire.

Working in partnership with State and Federal governments to plan and deliver projects will ensure Mitchell Shire is a place where people want to live and work, now and into the future.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2017/18 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community.

Advocacy is connected to virtually everything we do. It finds its way into each of our other 6 Council Plan initiatives and as such does not have a specific financial allocation of its own within this budget. Activities related to advocacy are incorporated in the service costs of each of the business and service areas of the other 6 Strategic Objectives which are set out on the following pages.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017-2021 Annual Action Plan 2017/18.

Strategy 1.1: Establish an Advocacy Strategy that includes key priorities, and clear roles and responsibilities

Measure of Success: The Advocacy plan provides clear direction and priorities for Council and the Community

2017/18 Actions	Duration	Target %	% complete	Progress comment
An Advocacy Plan is developed and adopted by Council.	Single year	100	100	Advocacy Plan has 8 identified priorities that have been endorsed by Council.
Advocacy priorities for the State and Federal Budgets are developed and adopted.	Single year	100	100	Advocacy priorities for State and Federal Government budget considerations have been completed and submitted.
An Advocacy Communication Plan is developed to support agreed priorities.	Single year	100	100	A communication plan supporting our Advocacy priorities was completed in the first half of the Financial Year.
Business Cases for key advocacy priorities are developed including:	Single year	100	100	The Masterplan preparation is currently advancing and will include outcomes in relation to the hilltop and sloping land. This project will roll over into our Year 2 Action Plan.
> Greenhill recreation and leisure precinct site investigation and masterplan.				
> Seymour Revitalisation Project	Single year	100	100	All advocacy business cases and fact sheets are now complete and available.
> Design Concept for Seymour Resource and Recovery Centre	Multi year	10	10	Design Concepts were completed for Seymour Resource Recovery Centre in December 2017 and endorsed by Council as part of the Advancing Major Infrastructure Report.
Advocacy efforts are aligned with the Interface Councils' campaign.	Ongoing	n/a	n/a	Several key Advocacy priorities are aligned to the Interface Councils' priorities, they include Access to Services, Transport, Roads, Community Infrastructure (increasing the growing suburbs fund to \$50K) and Education Provision.

Strategy 1.1: Establish an Advocacy Strategy that includes key priorities, and clear roles and responsibilities

Measure of Success: The Advocacy plan provides clear direction and priorities for Council and the Community

2017/18 Actions	Duration	Target %	% complete	Progress comment
Business cases are aligned with State and Federal Government policy.	Ongoing	n/a	n/a	Business cases have been developed and are aligned to State and Federal government policy direction: <ul style="list-style-type: none"> > VAGO developing transport infrastructure and services for population growth areas > Have made 2017 Interface Councils Budget Submissions > National Growth Areas Alliance: Fund our Future Campaign Infrastructure Projects. > Kilmore-Wallan Bypass > Environment Effects Statement (EES) 2014. > Hume Regional Growth Plan 2014. > Victoria 30 Year Infrastructure Strategy.
Council is kept informed about government policy changes.	Ongoing	n/a	n/a	Councillors are provided with up to date information via the Councillor Portal and Strategy Sessions as they arise.
An Advocacy Plan for active and public transport in the Shire is developed.	Single year	100	100	Public transport is one of three core priorities that are included in the advocacy priority list which was endorsed by Council in March 2018.

Strategy 1.2: Establish and maintain local and regional partnerships to secure funding and policy commitments

Measure of Success: There is a shared vision for Mitchell Shire

2017/18 Actions	Duration	Target %	% complete	Progress comment
Advocacy priorities are endorsed by Council.	Single year	100	100	Advocacy priorities were endorsed by Council at the March 2018 Ordinary Council meeting.
Regular engagement with local members of State and Federal Parliament occurs to strengthen alignment with key priorities for the municipality.	Ongoing	n/a	n/a	Council continues to meet with both State and Federal Members of Parliament to highlight our Advocacy Priorities.
A database of community members and stakeholders aligned to various advocacy priorities is developed.	Single year	100	25	Draft database has been developed. This will now be rolled over to Year 2 for completion.
Local community social media platforms are used to support advocacy priorities.	Ongoing	n/a	n/a	Council's social media channels regularly include posts about advocacy priorities and, where possible, community run platforms are also used to share information and to gather case studies.
Data and business cases supporting the advocacy platform are made available on Council's website.	Ongoing	n/a	n/a	The Advocacy Kit is available on Council's website.
Data and information is provided to community leaders and business representatives to support advocacy priorities.	Ongoing	n/a	n/a	Data has been prepared and provided to various sectors.
Advocacy priorities reflect the strategic objectives set out in the Council Plan and related strategies across the organisation.	Ongoing	n/a	n/a	All Advocacy priorities have been prepared to align with the Strategic Objectives of Council's four-year plan.
Proactive communication and engagement plans are developed to support advocacy priorities.	Ongoing	n/a	n/a	Advocacy communication has been developed. Activity in the Advocacy space is ongoing, and has included the launch of the advocacy framework, youth mental health case studies, youth mental health roundtable and Interface Week.

Strategy 1.2: Establish and maintain local and regional partnerships to secure funding and policy commitments

Measure of Success: There is a shared vision for Mitchell Shire

2017/18 Actions	Duration	Target %	% complete	Progress comment
Key messages are developed for Councillors and staff to support discussions with stakeholders and the community.	Single year	100	90	Materials on most Advocacy priorities are now complete. There are a couple of items that require additional data.
A human services partnership network is developed to focus on planning for health and human services priorities.	Ongoing	n/a	n/a	Partnerships have been formed to focus on service planning for early delivery for Beveridge North West Precinct Structure Plan, the partnership includes Resilient Melbourne, Yarra Valley Water, Government agencies and not for profit organisations and the private sector.
A review of key networks and Mitchell Shire's participation is completed.	Ongoing	n/a	n/a	There is constant evaluation of the networks Council is involved with, ensuring the communities priorities are represented.

Strategy 1.3: Support and collaborate with local groups and organisations to access potential funding and identify joint advocacy priorities

Measure of Success: Mitchell Shire is a trusted source for evidence-based information supporting community priorities.

2017/18 Actions	Duration	Target %	% complete	Progress comment
A training package is designed to support the development of advocacy skills for Councillors, staff and key stakeholders.	Single year	100	75	Councillors and Council Officers have attended several sessions outlining the advocacy priorities and their role in the communication of these. Discussions have been held with Rivers and Ranges Leadership Program to potentially develop a community stakeholder advocacy training program. These include both Rural and Metro partnerships/networks to ensure that both the urban growth areas as well as our towns are represented.

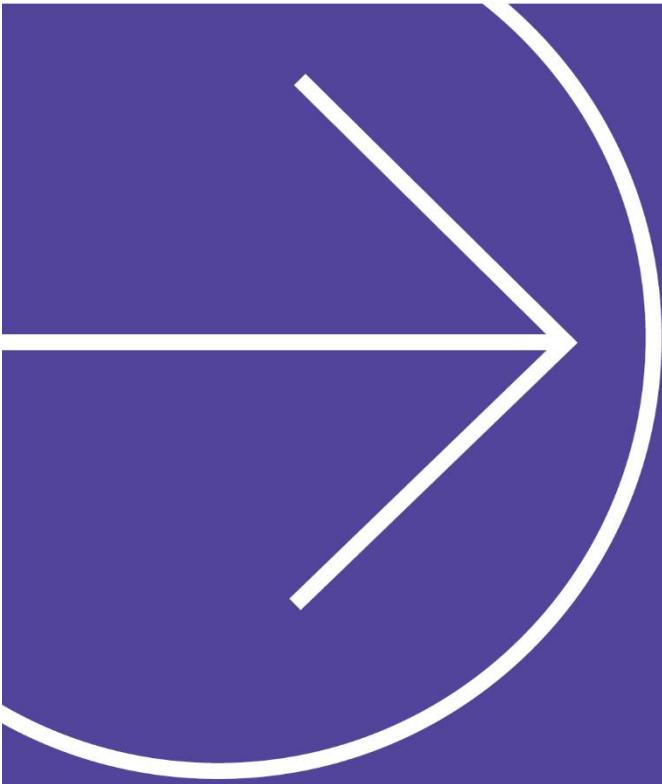
Strategy 1.3: Support and collaborate with local groups and organisations to access potential funding and identify joint advocacy priorities

Measure of Success: Mitchell Shire is a trusted source for evidence-based information supporting community priorities.

2017/18 Actions	Duration	Target %	% complete	Progress comment
The advocacy training program is delivered to targeted audiences.	Single year	100	75	Councillors and Council Officers have attended several sessions outlining the advocacy priorities and their role in the communication of these. Discussions have been held with Rivers and Ranges Leadership Program to potentially develop a community stakeholder advocacy training program.
There is regular engagement with Advisory Groups, community network meetings, 1-1's with community groups etc to assist with data and evidence to support funding submissions.	Ongoing	n/a	n/a	Advisory Groups for Early Years, Youth and Social Justice are held quarterly and attended by several key community stakeholders to inform processes, policy and frameworks.
A Youth Advocacy Plan is developed in conjunction with the Life Stages Plan.	Single year	100	100	Advocacy priorities identified specific to youth services and incorporated into Life Stages Plan including Alcohol and Other Drugs, Homelessness, Family Violence and Mental Health.
Engagement occurs with all Youth Advisory groups and Youth Council.	Single year	100	100	Youth Strategy Steering Committee continued on a quarterly basis. The Youth Mayor participated in our Advocacy initiatives.

MAJOR BUDGET INITIATIVES

There were no major Budget initiatives relating to this Strategic Objective.



COMMUNITY PARTICIPATION



STRATEGIC OBJECTIVE 2: COMMUNITY PARTICIPATION

To actively explore all opportunities for community involvement and participation in Council decisions.

To achieve our objective, we will:

- > Review and improve our community engagement framework.
- > Provide opportunities for inclusive participation across the Shire.
- > Simplify ways the community can engage with Council and access information.

CONTEXT

Council is committed to engaging with the community to ensure that a diverse range of voices are heard including those that are harder to reach. Fostering transparent, inclusive and meaningful engagement is central to the delivery of high quality services and infrastructure.

By working closely with the community and stakeholders, Council aims to make decisions that are more broadly informed and reflective of the diverse range of views in our community. Council will communicate regularly with community about how it balances community views with resourcing and financial constraints and how we consider a range of views before making decisions.

Council will actively engage with our communities to improve collaboration, and work to ensure our communication is simple to understand and consistent with the needs and expectations of our community.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2017/18 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community.

SERVICE	DESCRIPTION
Communications and Improvement	This service oversees all public communications activities associated with the organisation. Corporate planning and performance assists with capacity building at an organisational level. Continuous improvement helps facilitate progress and process enhancement.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017-2021 Annual Action Plan 2017/18.

Strategy 2.1: Review and improve our community engagement framework

Measure of Success: The community feels heard, and that their views are reflected in Council's plans and strategies

2017/18 Actions	Duration	Target %	% complete	Progress comment
A review of the Engagement Framework is completed and agreed improvements implemented.	Single year	100	80	The Engagement Framework review has been completed. It is anticipated that it will be presented at the September 2018 Ordinary Council Meeting.
An evaluation of the 'Engaging Mitchell' digital platform is completed and agreed improvements implemented.	Multi year	30	n/a	This action has been delayed due to changes to the timing of the web project and Community Engagement Framework review. At this stage, it is anticipated an evaluation will occur in 2018/19 for implementation in 2019/20. This action has been rolled over into our Year 2 Action Plan.

Strategy 2.2: Provide opportunities for inclusive participation across the Shire

Measure of Success: We are working to create a more equitable Mitchell Shire

2017/18 Actions	Duration	Target %	% complete	Progress comment
Current levels of participation are reviewed against industry benchmarks and demographic data, and a report provided to Council.	Single year	100	100	Participation was reviewed via IAP2 benchmarking and a report accompanied by a presentation will be provided to Council for consideration.
Council supports and facilitates a broad range of diverse community events.	Ongoing	n/a	n/a	Council has facilitated a broad range of community events including Community BBQs, Multicultural Food Truck Festival, International Women's Day, International Day of People with a Disability, Youth Festival, Volunteers Week and Seniors Week.
Council recognises cultural days and other days of significance for the community.	Ongoing	n/a	n/a	Council has specifically acknowledged Harmony Day, International Day Against Homophobia, Transphobia and Biphobia, Sorry Day, Reconciliation Week and NAIDOC Week.

Strategy 2.2: Provide opportunities for inclusive participation across the Shire

Measure of Success: We are working to create a more equitable Mitchell Shire

2017/18 Actions	Duration	Target %	% complete	Progress comment
There is an increase in the number of cultural and all abilities resources across all service areas.	Ongoing	n/a	n/a	The Social Justice Framework Action Plan was formulated and finalised in June 2018 with direct actions to deliver additional resources across multiple service areas across Council to support people with disabilities and our culturally and linguistically diverse community.
The Social Justice Framework is developed and implemented.	Ongoing	n/a	n/a	The Social Justice Framework has been completed and endorsed by Council. The Steering Committee now meets quarterly with external stakeholders to ensure actions are being implemented.
A Social Justice Advisory Group is established.	Single year	100	100	The Second Advisory committee meeting was completed, and they will continue to meet on quarterly basis.
AAA accessibility guidelines are included in the development of a new website, the digital first strategy project and the Plain English guide.	Multi year	50	50	Guidelines have been included, and it has been determined that AAA compliance unlikely to be achievable. AA is the reviewed focus and will be included in our Year 2 Action Plan.
The Event Evaluation Framework is adopted for all Council run events.	Single year	100	100	Council-run events are now subjected to the same event management framework evaluation processes as all other non-Council run events to ensure that all Council events are run safely and appropriately, in a consistent manner.
Project Scoping for place-based Community Plans is completed and provided to Council for consideration.	Multi year	10	50	Presentation to Council scheduled for August 2018. Place based project officer and program scoping to commence in September 2018. This project will roll over into our Year 2 Action Plan.

Strategy 2.3: Simplify ways the community can engage with Council and access information

Measure of Success: The community feels connected to Council

2017/18 Actions	Duration	Target %	% complete	Progress comment
Communication and engagement tools are reviewed as part of the Engagement Framework review.	Multi year	10	n/a	This project was not started due to changes to the timing of the Community Engagement Framework review. It will be rolled over into our Year 2 Action Plan.
There is increased engagement through the community voice panel, face to face interactions, forum/workshop engagement, online engagement and social media.	Ongoing	n/a	n/a	<ul style="list-style-type: none"> > 135 new registrations - up 18.42% from 114 in 2016/17 > 683 active community voice panel participants in 2017/18 > Overall visits to engagingmitchellshire.vic.gov.au 25.7k visits - up 9.36% since 2017/18
Resources and planning is undertaken for the development of a Digital First Strategy.	Multi year	25	25	After conducting a needs analysis on the creation of a Digital First strategy, it was concluded that a strategic objective that speaks to a Digital First approach could be included in any mid-plan review of the Council Plan. Efforts will be concentrated in this direction over the coming twelve months.
A new website and Digital First roadmap is developed.	Single year	100	80	The new website design was presented to Councillors in June and the full website will be launched in September 2018.
A Communication Strategy is developed and adopted.	Multi year	70	90	The Communications Strategy is close to completion and will be finalised and implemented in early 2018/19.

Strategy 2.3: Simplify ways the community can engage with Council and access information

Measure of Success: The community feels connected to Council

2017/18 Actions	Duration	Target %	% complete	Progress comment
Digital channels are reviewed and prioritised as part of the Digital First roadmap and Communication Strategy.	Ongoing	n/a	n/a	Digital channels all experienced sustained and high growth in 2017 with a 70% increase in engagement across Facebook channels, a 23% increase in unique web visitors (out of a total of nearly 150,000 unique visitors). The use of Facebook by customers for customer requests continues to increase. ENews growth remains slow, but more regular newsletters and a changed content mix has seen engagement regarding articles increase. This content and strategy mix is continually reviewed. New digital channels are also being developed through Council's new website and eservices platforms.
A Plain English Guide is developed, implemented and adopted by all Council departments.	Single year	100	40	Content writing guide to be developed for the web project and then adapted for other corporate use. Delays to the start of the web project have impacted this action. This project will carry forward into 2018/19.
Staff and Councillors are trained in Community Engagement methods.	Single year	100	n/a	To be deferred to year 2 due to resourcing issues.
Website content for the 2017/18 capital works program is developed and regularly updated to inform community about progress.	Single year	100	n/a	This Project has been deferred until 2018/19 to tie in with the website redevelopment.
An evaluation process and baseline engagement level are established for communication and engagement processes.	Single year	100	80	DRAFT Community Engagement Framework complete awaiting Council adoption, Framework details Council baseline engagement levels as per IAP2 Spectrum.

MAJOR BUDGET INITIATIVES

The following is a review of performance against the Major and capital Initiatives set in the 2017/18 Budget.

BUDGET INITIATIVE	PROGRESS
Deliver digital solutions to streamline internal processes and improve community access to Council Services – Upgrade Council Website	Refer to Council Plan action on pages 62 and 63.

RESPONSIBLE PLANNING



STRATEGIC OBJECTIVE 3: RESPONSIBLE PLANNING

To demand best practice outcomes when planning for future growth.

To achieve our objective, we will:

- > Plan for growth and change through best practice design of services, infrastructure, open space and recreation facilities.
- > Plan for a diversity of housing and households.
- > Prioritise environmental and sustainability outcomes in planning decisions.
- > Review heritage values and support the community in protecting and enhancing local natural and built heritage.
- > Improve planning processes to ensure user-friendly and timely planning processes and high-quality decisions.
- > Employ best practice planning tools to achieve desired outcomes.
- > Improve the liveability of Mitchell Shire.
- > Support safe communities through best practice design and planning standards.
- > Improve the accessibility and connectivity of pedestrian and cycle paths within and between our towns.
- > Protect and enhance local ambience, amenity and character.

CONTEXT

Mitchell Shire is set to experience significant population growth and change over the next 20 years. It is vital that Council undertakes long term strategic planning now to ensure existing and future residents have access to diverse housing, community, recreational, educational, transport and employment opportunities. It is important that this planning is sensitive to the distinctive characteristics of the Shire including local heritage, cultural and environmental values.

Council will work to facilitate significant investment and development opportunities that align with the long-term vision and goals of our community.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2017/18 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community. There is a key focus on builders and developers, as well as community members who use Council facilities such as buildings, parks and assets.

SERVICE	DESCRIPTION
Engineering	This service is responsible for providing Civil Engineering services and advise for capital projects.
Facility Management	This service is responsible for managing building infrastructure maintenance and tracking, and asset renewal expenditure.
Operations (Roads)	This service is responsible for the maintenance of the Shire's infrastructure assets. It includes roads, footpaths, bridges, drainage and street furniture. It also manages Council's plant and vehicle fleet.
Statutory Planning	This service processes statutory planning applications, building approvals and provides control and compliance under the relevant legislation.
Strategic Planning and Sustainability	This service delivers positive land use planning outcomes for current and future generations as well as an environmentally healthy and sustainable Council. It is also responsible for Growth Area Planning.
Subdivisions and Major Developments	This service is mainly responsible for Subdivision plan checking and strategic transport assessments.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017-2021 Annual Action Plan 2017/18.

Strategy 3.1: Plan for growth and change through best practice design of services, infrastructure, open space and recreation facilities

Measure of Success: Precinct Structure Plans and Township Structure Plans completed

2017/18 Actions	Duration	Target %	% complete	Progress comment
Consultation is completed, and the Planning Scheme Amendment process commenced for the Seymour Structure Plan.	Multi year	100	100	The Seymour Structure Plan was adopted by Council in May 2018. The preparation of the planning scheme amendment process to implement the plan has commenced.
A gap analysis and background study for the Broadford Structure Plan are commenced.	Multi year	30	30	Initial review to identify opportunities and constraints has commenced. As part of the background work, officers have also engaged a landscape architect to assist in understanding future opportunities for public realm improvements across Broadford town centre.
Formal exhibition of the Planning Scheme amendment for Kilmore Structure Plan is completed.	Single year	100	100	Amendment C123 was publicly exhibited October/November 2017.
Formal exhibition of the Planning Scheme amendment for Wandong and Heathcote Junction Structure Plan is completed.	Single year	100	100	Amendment C123 was publicly exhibited October/November 2017.
Applications are made for government funding for two priority projects for Kilmore under the Kilmore Revitalisation Plan.	Single year	100	100	Application was made for the Kilmore Town Centre Revitalisation work through the Growing Suburbs Fund as well as for the Kilmore Creek Revitalisation plan.
The Wallan Town Heart project is progressed in line with project milestones.	Single year	100	80	The project is progressing well and is anticipated to be completed by September 2018. There have been some setbacks in relation to VicRoads and Telstra matters.

Strategy 3.1: Plan for growth and change through best practice design of services, infrastructure, open space and recreation facilities

Measure of Success: Precinct Structure Plans and Township Structure Plans completed

2017/18 Actions	Duration	Target %	% complete	Progress comment
There is regular engagement with Victorian Planning Authority and key government agencies.	Ongoing	n/a	n/a	Officers meet with Victorian planning Authority on a regular basis, typically every 2 weeks.
Input is provided to Beveridge Central Precinct Structure Plan.	Single year	100	100	The Beveridge Central Precinct Structure Plan is ready to be approved by the Minister for Planning.
Input is provided to Beveridge North West Precinct Structure Plan.	Multi year	50	50	The Beveridge North West Precinct Structure Plan is likely to be publicly exhibited in the second half of 2018.

Strategy 3.2: Plan for a diversity of housing and households

Measure of Success: Growth Area Plans facilitate housing diversity

2017/18 Actions	Duration	Target %	% complete	Progress comment
There is ongoing consultation with the Victorian Planning Authority (VPA) about Mitchell Shire's requirements in State Planning Policy for Growth areas.	Ongoing	n/a	n/a	Council's position on key growth policies and important strategic matters are continually emphasised in discussions with Victorian Planning Authority.

Strategy 3.3: Prioritise environmental and sustainability outcomes in planning decisions

Measure of Success: Local Planning Policy supports sustainable development

2017/18 Actions	Duration	Target %	% complete	Progress comment
A review of the Terms of Reference for the Environmental Advisory Committee is commenced.	Single year	100	100	Revised Terms of Reference were adopted at the 21 August 2017 Council meeting.
There is regular and timely engagement and communication with the Environmental Advisory Committee.	Ongoing	n/a	n/a	Seven meetings of the Mitchell Environment Advisory committee occurred during the year and a new Committee was appointed.

Strategy 3.4: Review heritage values and support the community in protecting and enhancing local natural and built heritage

Measure of Success: Heritage planning controls support the preservation of heritage values

2017/18 Actions	Duration	Target %	% complete	Progress comment
There is regular and timely engagement and communication with the Mitchell Shire Heritage Advisory Committee.	Ongoing	n/a	n/a	Council officers meet every two months with the Heritage Advisory Committee. The strategic planning team have now engaged a heritage expert to assist in relevant heritage matters within the municipality.
There is regular and timely engagement and communication with Historical Societies, Registered Aboriginal Parties and relevant Agencies.	Ongoing	n/a	n/a	Key heritage groups and community representatives are engaged by Council officers throughout the preparation of key strategic plans and documents.

Strategy 3.5: Improve planning processes to ensure user-friendly and timely planning process and high-quality decisions.

Measure of Success: Increased satisfaction with Councils Planning Services

2017/18 Actions	Duration	Target %	% complete	Progress comment
The project to implement electronic planning application lodgement is progressed.	Single year	100	75	This Project stalled due to lack of a consultant project manager but has now recommenced with testing and training due to take place early in the new financial year. Applications are currently being received by email which is a process improvement from previous where only hard copy paper applications could be received. Additionally, the Trapeze product has been purchased and implemented which allows for digital assessment and endorsement of plans and documents reducing the need to print off hard copy documents.
An improvement strategy to increase user satisfaction with planning application processes is developed and implemented.	Single year	100	100	A continuous improvement model has been introduced to review and improve processes. General satisfaction with the statutory planning function has significantly improved in the past year and will continue to be worked upon with improvements such as the implementation of electronic lodgement systems.
There is ongoing internal and external consultation aimed at increasing user satisfaction with planning applications processes.	Ongoing	n/a	n/a	Ongoing regular stakeholder meetings have facilitated much greater consultation and user satisfaction.
There is regular engagement with applicants and Council regarding Council planning decisions upheld at VCAT.	Ongoing	n/a	n/a	Significant effort has been made in this area. It is now embedded and ongoing and will continue to be an area of focus for the future.
There is regular engagement with applicants and Council regarding improved satisfaction with Council's Planning services.	Ongoing	n/a	n/a	This is an ongoing requirement - regular meeting held with regular applicants to ensure relationships are maintained and improved.

Strategy 3.6: Employ best practice planning tools to achieve desired outcomes

Measure of Success: Mitchell Planning Scheme Local Policy reflects community expectations

2017/18 Actions	Duration	Target %	% complete	Progress comment
Planning for a local Planning Policy review commences.	Multi year	20	20	Council officers are aware that local planning policies are required to be reviewed and updated as part of a future Planning Scheme review.
Community safety, wellbeing and sustainability considerations for new developments are prioritised in the review of Local Planning Policy.	Ongoing	n/a	n/a	Throughout the preparation of key strategic plans such as structure plans and development plans, community outcomes fulfil a major function. These can, in turn, be translated into future local policies that will sit within the Mitchell Planning Scheme.

Strategy 3.7: Improve the liveability of Mitchell Shire

Measure of Success: Mitchell Shires Liveability indicators improve over the life of the Council

2017/18 Actions	Duration	Target %	% complete	Progress comment
Mitchell Shire Liveability indicators and baseline measures are developed.	Single year	100	50	Liveability Project has commenced in partnership with Department of Health and Human services and RMIT and is due for completion August 2018 to inform Liveability Indicators for Mitchell Shire. This project will carry forward into Year 2.
Staff are trained in Liveability principles.	Ongoing	n/a	n/a	Once the indicators have been identified and evaluated, training across Mitchell Shire will commence later in 2018.

Strategy 3.8: Support safe communities through best practice design and planning standards

Measure of Success: Design and planning standards support improved community safety outcomes

2017/18 Actions	Duration	Target %	% complete	Progress comment
Crime Prevention Through Environmental Design (CPTED) principles for the design of Council public spaces and developer led projects are adopted.	Ongoing	n/a	n/a	This is a key input into ensuring a safer community, particularly through the preparation of development plans and subdivision layouts. There are now several new developments that address waterways, drainage corridors and open space areas.
Work is undertaken with internal departments to ensure CPTED principles are incorporated into the design or renewal of open space and recreation assets.	Ongoing	n/a	n/a	Proposed and future developments are now addressing Crime Prevention Through Environmental Design particularly through the incorporation of good urban design outcomes which include houses fronting and addressing open space, drainage and creek corridors. In the past, this was not the typical or common approach to new residential developments.

Strategy 3.9: Improve the accessibility and connectivity of pedestrian and cycle paths within and between towns

Measure of Success: Active Transport networks are prioritised in the preparation of PSPs, Township Structure Plans and Subdivision layouts

2017/18 Actions	Duration	Target %	% complete	Progress comment
Regular engagement occurs with Planning Authorities and developers about plans for transport links.	Ongoing	n/a	n/a	Land use planning and strategic transport needs are fundamental to the future planning and development of Mitchell. Council officers regularly communicate these principals to our key stakeholders including VicRoads, Transport for Victoria and major landowners in identified growth areas.

Strategy 3.10: Protect and enhance local ambience, amenity and character

Measure of Success: Development reflects the unique character of each township and settlement in the Shire

2017/18 Actions	Duration	Target %	% complete	Progress comment
Planning for the development of a Rural Land Use Activity Strategy commences.	Single year	100	100	The Rural Land Use Strategy commenced in the first half of 2018. It is progressing well, particularly with the establishment of an internal working group and the preparation of some inputs have commenced.

MAJOR BUDGET INITIATIVES

The following is a review of performance against the Major Initiatives set in the 2017/18 Budget.

BUDGET INITIATIVE	PROGRESS
Service level planning and review of maintenance standards for Roads Maintenance	Service standards to complement the Road Management Plan have been developed and are currently in 'Draft' form. These will be finalised and implemented in the 2018/19 financial year. Service level planning has been performed organisation wide.
Implementation of the Wandong and Heathcote Junction, Kilmore, and Wallan Structure Plans	Formal exhibition of the Planning Scheme amendment for Wandong and Heathcote Junction Structure Plan was completed in November 2017, and the Wallan Town Heart Project initiated.
Preparation of the Rural Land and Activities Review	Refer to the Council Plan Action on page 73.
Preparation of Broadford Structure Plan	Broadford Structure Plan Advisory Committee established.
Completion of Beveridge Growth Areas Precinct Structure Plans (PSP)	<p>The Beveridge Central PSP is currently awaiting Ministerial approval.</p> <p>The Beveridge North West PSP is currently being completed with formal public exhibition to occur late 2018/early 2019.</p> <p>The Beveridge Township Development Plan is currently being completed by Council officers. This plan and associated planning scheme amendment will be publicly exhibited late 2018.</p> <p>The Victorian Planning Authority (VPA) is the Planning Authority for the Beveridge Central and Beveridge North West Precinct Structure Plans. Mitchell Shire Council is the major stakeholder in these projects.</p>

BUDGET INITIATIVE	PROGRESS
Dedicated resource specialising in the proactive auditing of sites for compliance against the provisions of the planning scheme and local laws	Council has engaged a Civic Presentation Officer.
Continuation of the ePlanning initiative which will result in time and cost efficiencies in terms of processing applications	The ePlanning initiative has contributed to the improvement to the median time taken to process planning applications. Refer to pages 71 and 78.
Sealed and Unsealed Road re-sheeting Program	Program completed. Refer to page 21.
Footpath Renewal Program	Program completed. Refer to page 21.
Footpath Missing Links Program	Program completed. Refer to page 22.
Wallan Town Centre Project	Refer to pages 23 and 68.

SERVICE PERFORMANCE INDICATORS

The following statement provides the results of the prescribed Service Performance Indicators and measures in the Local Government Performance Reporting Framework.

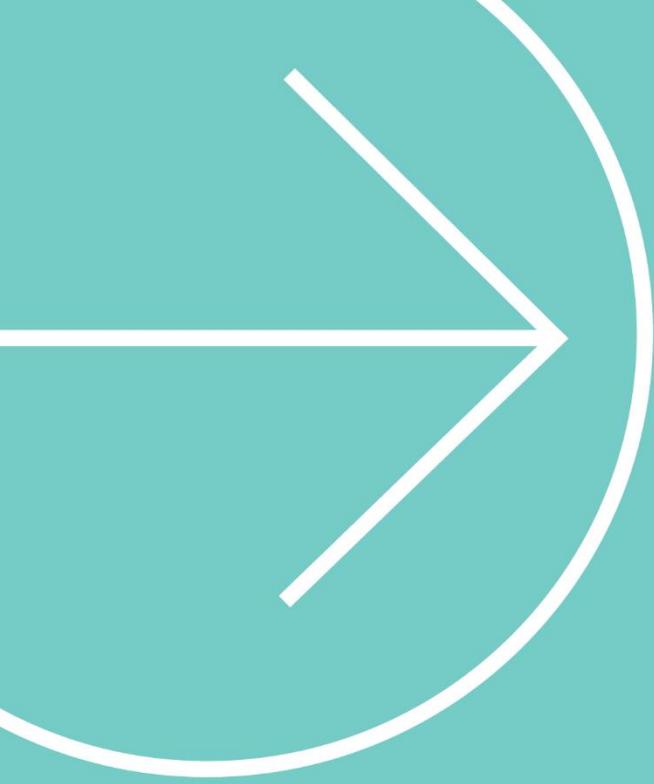
Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Roads					
Satisfaction of use					
<i>Sealed local road requests</i>	23.40	16.62	28.81	15.07	The number of sealed local road requests declined during the 2017/18 Financial Year after peaking in the 2016/17 Financial Year that was due to several extreme weather events.
[Number of sealed local road requests / Kilometres of sealed local roads] x100					
Condition					
<i>Sealed local roads below the intervention level</i>	93.62%	94.16 ¹ %	94.05%	94.24%	Sealed road condition audits are conducted every 3-4 years. Currently, condition assessment audits are being completed. This value represents a marginal increase on last year's value. Council is planning to increase road spending significantly in coming years which will assist to reduce the current figure.
[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100					
Service cost					
<i>Cost of sealed local road reconstruction</i>	\$50.04	\$120.08	\$95.23	\$137.47	Costs to re-construct sealed roads during the 2017/18 Financial Year are considered to be within acceptable limits and represent value for money.
[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]					
Service Cost					
<i>Cost of sealed local road resealing</i>	\$84.61	\$37.94	\$16.87	\$24.79	Costs to re-seal sealed roads during 2017/18 Financial Year are considered to be within acceptable limits and represent value for money.
[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]					

¹ This result was corrected after production of the Annual Report and in time for publication on the Know Your Council Website. The original result of 58.68% was incorrect due to a calculation error (numerator included kerb and channel kilometres and denominator did not – kerb and channel should not have been included)

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Satisfaction					
<i>Satisfaction with sealed local roads</i>	43	37	38	43	The sudden drop in our result in the 2015/16 Financial Year, was influenced by the timing of the survey and Council considering applying for a Rate Cap exemption. Councillors and staff have continued to work on improving our performance within the State Government Rate Cap, and this year we have returned our result above our 2014/15 Financial year levels.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					Staff will continue to work towards improving this result.

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Statutory Planning					
Timeliness					
<i>Time taken to decide planning applications</i>	85	84	86	84	Council made 388 planning application decisions in the reporting period with a median of 84 gross days. Gross days is the total number of days an application is with Council from the date of lodgement to the date of a decision. Unlike "statutory days" prescribed by planning legislation, gross days includes the period when Council waits for further information from permit applicants if additional information is required. Therefore, the number of gross days taken to determine an application is typically greater than statutory days in cases when further information is required.
[The median number of days between receipt of a planning application and a decision on the application]					
<i>Planning applications decided within 60 days</i>	71.96%	82.94%	76.05%	77.06%	Of the 388 planning application decisions made, 289 applications were decided within 60 statutory days, and 10 VicSmart applications within 10 days. Statutory days relates to set timeframes identified by planning legislation during the planning application process. This includes a time period of 60 days which enables a permit applicant to lodge an application for review at the Victorian Civil and Administrative Tribunal (VCAT) if Council exceeds this time period. Statutory days do not include the days when Council waits for further information from an applicant.
[Number of planning application decisions made within 60 days / Number of planning application decisions made] x100					

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Service cost					
<i>Cost of statutory planning Service</i>	\$1,774.66	\$2,237.63	\$2,292.33	\$2,606.68	The cost per application for the service has increased slightly as a result staffing expenses and additional land valuations.
[Direct cost of the statutory planning service / Number of planning applications received]					
Decision making					
<i>Council planning decisions upheld at VCAT</i>	44.44%	50.00%	100.00%	33.33%	In 2015/16 2 of 4 decisions were upheld at VCAT. In 2016/17, 2 of 2 decisions were upheld. In 2017/18 1 of 3 were upheld. Any change in the results of such a small number of decisions has a significant impact on our % result.
[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					



STRONG COMMUNITIES



STRATEGIC OBJECTIVE 4: STRONG COMMUNITIES

To build and nurture strong and vibrant communities where people are proud to live.

To achieve our objective, we will:

- > Promote a safe and secure environment throughout the Shire.
- > Empower our volunteer community.
- > Establish and maintain high quality roads, footpaths, parks, recreation facilities, streetscapes, bike paths and public open spaces.
- > Work with government and local partners to facilitate improved community wellbeing.
- > Provide opportunities to build strong and resilient citizens for our current and future generations.
- > Provide adaptable community infrastructure and participation opportunities for all ages, cultures and abilities.

CONTEXT

Council is committed to improving community wellbeing by providing services, programs and infrastructure that support the needs and aspirations of our residents. Council supports the community by providing a range of services and programs across all life stages including maternal and child health programs, early years and kindergarten, youth services and ageing as well as library, recreation, public health and aquatic services. Council also supports a range of community, creative and cultural events and celebrations aimed at supporting a vibrant and positive culture.

We manage and maintain an extensive network of roads, footpaths, parks, recreation facilities, streetscapes, bike paths and open spaces focusing on ensuring these facilities are well maintained, fit for purpose and support the needs of our community.

Council works with the community to provide a safe and nurturing environment where people of all ages, gender, sexuality, abilities, cultures and backgrounds are supported to work together and reach their full potential.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2017/18 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community.

Early years services are provided for families and young children. Aged and disability support is provided for older people and people with a disability as well as service providers. Arts, culture, leisure, library and community development services are provided for the whole community.

SERVICE	DESCRIPTION
Arts & Culture	This service undertakes planning and community engagement to encourage community members to access and partake in arts and culture opportunities across the Shire, including public art, community events and activities.
Children's Services	This service is responsible for the management of eight licensed kindergartens, providing high quality education that enhances the health and wellbeing of children and families within the community.
Community Development, Aged Care Service Planning and Disability Service Planning	This service works in partnership with residents, community groups, organisations and government agencies to build an active, vibrant, healthy and socially connected community. This is achieved through targeted program and service delivery, social planning and policy. This service also coordinates community festivals and events across the Shire.
Customer and Library Services	This service delivers four integrated libraries and customer service centres. It also provides outreach services to aged facilities, the house bound, and schools, as well as children's and youth activities. The Kilmore Library provides an extended service that includes VicRoads, VLine, the sale of fishing and mining licenses and visitor information.
Leisure Centres	This service manages six leisure facilities - three outdoor seasonal pools, two indoor aquatic and fitness centres and the Wallan Adventure Playground which incorporates a splash park. This service also offers programs and services outside these facilities.
Local Laws	This service is an educational and enforcement team responsible for animal management, parking management, asset protection, local laws and the fire prevention program across the Shire.
Parks and Gardens	This service is responsible for maintaining parks and gardens, playgrounds and sports fields and managing arboriculture, and roadside fire prevention.

SERVICE	DESCRIPTION
Public Health	<p>This service incorporates Maternal and Child Health, Immunisations and Environmental Health. Seven Maternal and Child Health Centres across the Shire deliver the schedule of contacts and activities prescribed by the Department of Education and Training for all families. This service has an emphasis on prevention, health promotion, early detection, and intervention as required. The childhood immunisation program is provided as prescribed in the National Immunisation Schedule. Immunisations are delivered at a range of public sessions across the Shire and to staff through the flu vaccination program, as well as directly to schools. Environmental Health implements and maintains effective Environmental Health services for the Mitchell community which protect public health and wellbeing.</p>
Recreation and Open Space	<p>This service directly manages several recreation facilities and sporting complexes in Mitchell Shire and is the liaison point between Council, recreation facility committees of management, clubs, and user groups. The service also undertakes future planning for recreation facilities and open space areas.</p>
School Crossing Supervisors	<p>This service provides school crossing services across the municipality.</p>
Youth Services	<p>This service provides support for young people. Key activities include policy formation, community development, referral, social education, participation programs, and skills development (such as leadership skills).</p>

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017-2021 Annual Action Plan 2017/18.

Strategy 4.1: Promote a safe and secure environment throughout the Shire

Measure of Success: Community safety is improved over the life of the Council plan

2017/18 Actions	Duration	Target %	% complete	Progress comment
The Municipal Emergency Management Plan is reviewed in partnership with emergency service providers.	Single year	100	100	Municipal Emergency Management Plan was endorsed by Council and the Municipal Emergency Management Plan Audit was completed.
The audit of the Municipal Emergency Management Plan and Sub Plan is successfully completed.	Single year	100	100	Municipal Emergency Management Plan Audit was completed returning a Pass result.
Emergency Relief/Recovery Centres and Neighbourhood Safer Places Plans, Animal Management, Heat, Municipal Fire Management Plans are reviewed.	Ongoing	n/a	n/a	Stakeholder consultation is in progress.
Every food premises are inspected by Environmental Health during the year to improve compliance with regulations and educate operators	Ongoing	n/a	n/a	All facilities were inspected by the end of the year. No further work required this financial year.
A range of actions to ensure compliance with the Child Safe Standards are progressed, including:				
> Centralised recording for Working with Children's Checks for staff is implemented.	Single year	n/a	n/a	Project has been deferred until 2018/19
> Recruitment and interview processes to include Child Safe Standards.	Ongoing	n/a	n/a	Advertising Template updated to include Child Safe Statement. Child Safe Question/s added to Standard interview questions guide.
> A risk analysis of Child Safe Processes	Single year	100	100	Full scope of processes has not been defined to allow a risk assessment to be completed. Working with group of Councils to develop common processes for compliance to Child Safe Standards
> The eLearning module is extended to include Child Safe Standards.	Single year	100	90	The eLearning program has been implemented but the Child safe module is still to be implemented

Strategy 4.1: Promote a safe and secure environment throughout the Shire

Measure of Success: Community safety is improved over the life of the Council plan

2017/18 Actions	Duration	Target %	% complete	Progress comment
Contractor Management to include Child Safe Standards.	Single year	n/a	n/a	This action won't commence until review of Contractor processes and implementation of Contractor prequal systems.
A range of actions are undertaken to ensure Council is accredited as a Child Safe Organisation, including:				
> Updating of documentation such as Code of Conduct, Position Descriptions, recruitment, advertisements etc	Ongoing	n/a	n/a	Code of Conduct updated following consultation with Staff Consultative Committee, endorsed by the Executive Leadership Team. Position Description Template has been updated to include reference to Child Safe Standards. Recruitment Advertising Template updated to include Child Safe Statement. Standard Interview Questions Guide has been updated.
> Training of all staff in Child Safe Standards.	Single year	100	80	Staff training sessions held in multiple sites across Council. LMS (eLearning system) launched for ongoing training.
> Establishment of a reporting process and monitoring system for all reporting.	Single year	100	100	Implementation of the incident reporting software will allow this to occur. This system has been scoped and approved by the Information and Communication Technology Board and will be implemented in 2018/19
The implementation of Family Violence reforms is supported.	Ongoing	n/a	n/a	Family Violence reforms are supported across Mitchell Shire and is specifically implemented within the Maternal and Child Health Services and Youth Services program areas. A Family Violence policy to be developed later in 2018
A Mitchell Shire Think Tank on Family Violence is established.	Single year	100	100	Incorporated into Mitchell Leaders Forum and included in Advocacy Priorities.
A Family Violence Statement is developed.	Single year	100	50	Family Violence statement has been developed and will be presented to Council in September 2018.

Strategy 4.1: Promote a safe and secure environment throughout the Shire

Measure of Success: Community safety is improved over the life of the Council plan

2017/18 Actions	Duration	Target %	% complete	Progress comment
A Gambling Impacts Policy is developed.	Single year	100	90	Policy has been developed and is awaiting endorsement by Council
The Kilmore Flood Study is progressed.	Single year	100	100	Study Completed.
The Sunday Creek Flood Study commences.	Multi year	20	10	Public Tender Advertised. Submissions being assessed. Consultant to be appointed in August.
The Seymour Levee project is progressed.	Multi year	20	5	Functional Alignment Plan prepared. Awaiting community consultation.

Strategy 4.2: Empower our volunteer community

Measure of Success: Council's facilities are highly utilised by a diverse range of community groups

2017/18 Actions	Duration	Target %	% complete	Progress comment
The Volunteer Framework is updated and endorsed by Council.	Single year	100	100	It became evident that the Volunteer Framework would duplicate the work of the National Standards of Volunteering Australia and Volunteering Victoria so was not progressed. Instead the internal Volunteering Policy was updated along with a robust procedures, registration and induction process.
The Volunteering Mitchell Website is promoted.	Ongoing	n/a	n/a	The Volunteering Mitchell website is a free and easy to use resource for voluntary organisations and prospective volunteers to connect, and to source information about volunteering.
An internal volunteering management process is implemented.	Single year	100	90	Procedures, registration and induction process completed June 2018.

Strategy 4.2: Empower our volunteer community

Measure of Success: Council's facilities are highly utilised by a diverse range of community groups

2017/18 Actions	Duration	Target %	% complete	Progress comment
An Annual event during Volunteers Week and a volunteers networking event are held to acknowledge the work undertaken by Volunteers in the Shire.	Single year	100	100	The National Volunteer Week events were held in Seymour and Kilmore with over 120 participants at Seymour and 105 at Kilmore. Both events were successful in providing recognition and acknowledgement of the work undertaken by volunteers across Mitchell Shire. Events will continue annually in May during National Volunteer Week.
There is regular public acknowledgement of volunteers through local and social media.	Ongoing	n/a	n/a	Volunteer week acknowledgement, Volunteer Mitchell Website promotion.
The Positive Ageing Ambassadors Project is successfully completed.	Single year	100	100	All Projects identified and financial acquittal of projects underway, ongoing sustainability of positive Ageing Ambassadors to transition into Life Stages Advisory Group.
Consultation on the revised Funding and Service Agreements (FASA) and support materials for Committees of Management is completed.	Single year	100	75	Revised separate draft Licence Occupancy Agreement and draft Funding and Service Agreement developed. Final consultation on these delayed due to staff shortages and capital works priorities. This project will be carried forward into 2018/19.
Work is undertaken with all Committees of Management to ensure FASAs are clearly understood and agreed.	Single year	100	85	High level of attendance of Council officers at meetings of committees of management needing greater support. New Funding and Service Agreement and Licence Agreement will clarify roles and responsibilities, respective maintenance obligations.

Strategy 4.2: Empower our volunteer community

Measure of Success: Council's facilities are highly utilised by a diverse range of community groups

2017/18 Actions	Duration	Target %	% complete	Progress comment
The FASA formula review for is completed Council endorsement ready for implementation in 2018/19.	Multi year	80	60	Despite a standardised template being provided for use by Committees of Management, the data and other information is inconsistently provided and appears not to fully reflect income generated by users of Council facilities, e.g. gate-takings, bar-takings. It also appears that some Committees of Management are operating more than one account but have not provided information for each/all. Additional information will be sought. The new formula will also need to factor in significant increases to utility costs. Finalising the data collection and analysis has been delayed due to staff shortages and capital works priorities.
Ongoing training is provided for Committees of Management (CoM) to improve their knowledge and governance capabilities.	Ongoing	n/a	n/a	Revised format including webinar training delivered to CoMs which has been well received. Delivered 3 out of the 4 modules. Very positive feedback provided from all participants.
Support and template user-agreements are provided for CoMs to assist with facilities hiring.	Single year	100	100	Developed in 2016/17 and distributed to all Committees of Management. Support provided for CoMs experiencing difficulties with user group compliance.
A Leasing and Licencing Policy is developed to support improved community usage of Council facilities.	Single year	100	50	Policy development was not completed within the financial year. This action will carry forward into 2018/19 with completion expected by December 2018.
Regular feedback is sought from CoMs on support needs.	Ongoing	n/a	n/a	Significantly increased officer attendance at Committee of Management meetings, particularly those who have identified the need for greater support.

Strategy 4.2: Empower our volunteer community

Measure of Success: Council's facilities are highly utilised by a diverse range of community groups

2017/18 Actions	Duration	Target %	% complete	Progress comment
Advisory Committees are regularly engaged in feedback opportunities.	Ongoing	n/a	n/a	There are now Social Justice, Early Years and Youth Advisory Committees providing information and feedback into strategies.
Baseline satisfaction ratings are established for Advisory Committees.	Single year	100	100	Annual Action Plans agreed upon and attendance is strong at ongoing Advisory Committee Meetings: Youth Strategy Steering Committee, Social Justice Advisory Committee Meetings. Regular strong feedback into Municipal Public Health and Wellbeing Plan from all stakeholders.

Strategy 4.3: Establish and maintain high quality roads, footpaths, parks, recreation facilities, streetscapes, bike paths and public open spaces

Measure of Success: Community assets are established and maintained to a standard that reflects community expectations

2017/18 Actions	Duration	Target %	% complete	Progress comment
The annual program of road height and width clearance is completed.	Single year	100	100	All programmed height and width clearance has been completed along roads in the Shire.
The footpath missing links program is implemented.	Single year	100	50	All project designs completed and 50% of the program has been delivered. Procurement underway for remaining program to be carried forward into 2018/19.
Playground upgrades at Govett and Sutherland Streets in Broadford are delivered.	Single year	100	100	Playground upgrades were delivered to a high standard and in line with community needs.
The streetscape improvements program is implemented.	Single year	100	100	The streetscape improvement program has been implemented with the Wallan Town Heart Project on track for completion early in 2018/19.
The expanded street tree program is implemented.	Single year	100	100	Tree replacement and planting program completed in June 2018. Over 800 trees planted throughout Shire.
There are regular reviews of the park, open space and other asset plans submitted by Developers to ensure compliance with the Mitchell Open Space Strategy.	Ongoing	n/a	n/a	Some of this work is now being done by Operations and Parks. The Mitchell Open Space Strategy and Mitchell Play Space Strategy are the key reference documents used to inform discussions with developers and assessment of concept plans they submit for endorsement.

Strategy 4.3: Establish and maintain high quality roads, footpaths, parks, recreation facilities, streetscapes, bike paths and public open spaces

Measure of Success: Community assets are established and maintained to a standard that reflects community expectations

2017/18 Actions	Duration	Target %	% complete	Progress comment
Service plans for open space and recreation across the Shire are developed with masterplans completed for key sites.	Single year	100	25	JJ Clancy Reserve - site survey completed, historical research completed, initial discussions held with Committee of Management. User specific consultation to occur (possibly now in the context of Kilmore Sport and Recreation Facilities Plan). Work delayed due to staff shortages and capital works priorities. Harley Hammond Reserve - site survey completed, drainage issues in storm events being investigated, initial discussions held with Committee of Management. User specific consultation to occur shortly. Work delayed due to staff shortages and capital works priorities. This action will carry forward into Year 2 of the Action Plan.
A resource plan to support enhanced open space planning is developed.	Single year	100	100	Resource Plan is under development. Additional resourcing options identified.

Strategy 4.4: Work with government and local partners to facilitate improved community wellbeing

Measure of Success: Community Health and Wellbeing Outcomes improve over the life of the Council Plan

2017/18 Actions	Duration	Target %	% complete	Progress comment
The Municipal Public Health and Wellbeing Plan's year one actions are implemented.	Single year	100	100	Year One Annual Action Plan completed Q4.
The Life Stages Plan is developed and endorsed by Council and year one actions commenced.	Single year	100	75	Finalisation of the Life Stages Plan is in process and is expected to be presented to Council for consideration in September 2018.
The Life Stages Plan is promoted to the community and stakeholders.	Ongoing	n/a	n/a	Community has been consulted on the development of the draft Life Stages Plan. Once the Plan has been endorsed the plan will form a framework for the Youth Advisory Committee and the Early Years Reference Group.
The Social Justice Framework is developed and endorsed, and Year 1 actions are implemented	Single year	100	75	Social Justice Framework was endorsed in November 2017 therefore year one action plan is not due for final reporting until November 2018. Social Justice Advisory Group is working together on the completion of these actions.
The Community Engagement Framework is promoted to the community and stakeholders.	Ongoing	n/a	n/a	Social Justice Advisory Group has commenced and meet quarterly. Several key actions of the framework have been achieved and communicated to community (e.g. permanent raising of the Aboriginal flag at the front of Council offices).
A Maternal and Child Health Annual Service Improvement Plan is developed and implemented.	Ongoing	n/a	n/a	Service Improvement Plan was developed and implemented throughout the service. The key issues to be targeted this year include: improving the numbers of clients completing Key Age and Stage (KAS) visits at 18mths, 2 years and 3 1/2 years, increasing KAS visits for Aboriginal clients, and better engagement with Culturally and Linguistically Diverse (CALD) clients.

Strategy 4.4: Work with government and local partners to facilitate improved community wellbeing

Measure of Success: Community Health and Wellbeing Outcomes improve over the life of the Council Plan

2017/18 Actions	Duration	Target %	% complete	Progress comment
The Life Stages Plan (Early Years component) is implemented at Maternal and Child Health Centres.	Multi year	10	10	Life Stages Strategy developed, and draft endorsed for public consultation Q4. Full implementation to commence 2018/19.
The Maternal and Child Health service is promoted across the Shire and with key stakeholders.	Ongoing	n/a	n/a	The Maternal and Child Health Service is promoted widely with relevant stakeholders throughout the region through regular agency meetings.
Funding grant applications are developed and submitted for innovative community health and wellbeing projects and events.	Ongoing	n/a	n/a	Funding grants submitted for several key events including Multicultural Food Truck Festival and Youth Week events.
Regular evaluation of projects and grants is undertaken and reported to the Executive Team and Council as required.	Ongoing	n/a	n/a	All grants are acquitted to funding bodies and evaluation processes reported as part of traffic light reporting.

Strategy 4.5: Provide opportunities to build strong and resilient citizens for our current and future generations

Measure of Success: Our community is active, connected and aspirational

2017/18 Actions	Duration	Target %	% complete	Progress comment
Mitchell Shire's Youth Council procedures are reviewed to ensure greater interface between the Youth Council and the Mitchell Shire Council.	Single year	100	100	Ongoing engagement with Senior Council. Presentation at Council Meeting and Swearing in Ceremony Conducted.
The Positive Ageing component of the Life Stages Plan is implemented.	Multi year	10	10	Life Stages still in draft form. Positive Ageing Ambassadors project continues to be implemented.
Work is progressed with key stakeholders to identify ageing in place opportunities.	Ongoing	n/a	n/a	Life Stages still in draft form. Positive Ageing Ambassadors project continues to be implemented.
More advanced library programs are delivered with an emphasis on diversity and increasing levels of participation to include advanced robotics, coding and applications for seniors.	Ongoing	n/a	n/a	The following programs have been delivered in 2017/18 - Tea & Chat for non-English speaking residents held at Wallan Library, Windows 10 for all ages, Advanced Edison Robotics stage 2 primary school program, Dianella Nursing Home Kilmore specialised iPad apps, State Library WW1 exhibition program at Kilmore Library, advanced Robotic Program at Family First Foundation Kilmore, Probus advanced tech program at Seymour. Retro Suburbia book launch at Seymour Library. Kingsgate computer program and The Elms Tech Help program in Kilmore. Intermediate Robotics program with mBot Rangers. Library programs delivered to Broadford Primary. Poetry Slam in Kilmore in conjunction with primary schools.
There is collaboration with education and training providers from within and outside the Shire to support improved vocational training.	Ongoing	n/a	n/a	Discussions held with numerous tertiary education providers in the university and TAFE sectors concerning opportunities for the development of an education precinct in Seymour. Engagement with GoTAFE, Melbourne Polytechnic, Federation University, La Trobe University, RMIT, CRLLEN, Trade Training School to identify and broker potential initiatives and partnerships.

Strategy 4.6: Provide adaptable community infrastructure and participation opportunities for all ages, cultures and abilities.

Measure of Success: Community needs are embedded in the services and infrastructure we provide.

2017/18 Actions	Duration	Target %	% complete	Progress comment
A range of accessibility options is considered in the design of all open space and recreation renewal projects.	Ongoing	n/a	n/a	Accessibility is considered in open space strategy and planning referrals. DDA compliance and broader inclusive design principles are applied to recreation facility new, renewal and improvement projects.
Work is progressed towards providing at least one accessible playground in every township in the Shire.	Single year	100	100	Regional and district level accessible playgrounds are already provided in main towns - Wallan, Kilmore, Seymour (2). Local level provided in Broadford 2017/18. Beveridge, Tallarook, Pyalong, Wandong Heathcote Junction, Tooborac to be addressed in future upgrade programs.
The Integrated Community Services and Infrastructure Plan (ICSIP) is updated.	Multi year	35	35	ICSIP Consultant to be appointed July 2018. Completion has been postponed until early 2019.
Construction commences on the Greater Beveridge Community Centre.	Multi year	80	80	Construction has commenced and is due for completion September 2018.
All community events hosted by Council ensure appropriate accessibility, with baseline participation rates recorded.	Ongoing	n/a	n/a	All promotional material includes accessibility information and contact staff member. Participation figures recorded for each event and reported to Council.
A Languages Other than English (LOTE) collection is established at the Wallan Library.	Single year	100	100	eMagazines available for download and hard copy Magazines available.
Regular assessment of satisfaction with the LOTE resource collection and programming is undertaken.	Ongoing	n/a	n/a	This action has not commenced due to the challenges obtaining material relevant to our resident's needs. Ongoing conversations are continuing with our suppliers to source relevant resources. We have implemented Tea & Chat program to help bridge the gap in the interim. This program will continue in 2018/19.

Strategy 4.6: Provide adaptable community infrastructure and participation opportunities for all ages, cultures and abilities.

Measure of Success: Community needs are embedded in the services and infrastructure we provide.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Culturally diverse programming is offered in all library programs for all life stages.	Ongoing	n/a	n/a	Various library programs have been tailored to the specific needs of residents at each library site for example homework club at Wallan Library and now commencing at Seymour (facilitated at Seymour Leisure Centre due to demand).
Libraries incorporate days of cultural significance into programs and resources.	Ongoing	n/a	n/a	Library programs facilitated at all sites including NAIDOC week, International Flag week, International cuisine school holiday program.
A mid-point review of the Aquatics strategy is undertaken to ensure alignment with future community priorities.	Single year	100	90	A review of current business operations has been benchmarked against other Victorian regional Council Leisure Services. A strategic review is underway to identify the challenges and emerging issues for Mitchell given the expected growth in population and aging facility infrastructure. Consultation with Council will commence in July 2018.

MAJOR BUDGET INITIATIVES

The following is a review of performance against the Major and Capital Initiatives set in the 2017/18 Budget.

BUDGET INITIATIVE	PROGRESS
Undertake an annual review of the Municipal Fire Management Plan	Refer to the Council Plan Action on page 84.
Undertake an annual review of the Domestic Animal Management Plan as well as investigate and implement annual actions	Refer to page 169.
Develop a Compliance and Enforcement Framework and Strategy	This project has been carried forward into the new year.
Additional resource focused on a more streamlined approach to auditing animal registrations, compliance with asset protection permits, vehicle parking inspections, and compliance with Council's local laws with regards to shipping containers and other similar compliance matters	Council has engaged a Parking Enforcement Officer.
Service level planning and review of Open Space maintenance standards	Refer to the Council Plan Action on page 91.
Replacement of Library Books Program	Annual Program completed.
Customer and Library Services System Upgrade and enhancement	In 2017/18, FE Technologies library self-serve equipment (RFID) was installed at Wallan, Kilmore, Broadford and Seymour Customer & Library Service Centres. Equipment included two kiosks at each site with one kiosk at Broadford, smart bins, return chutes, circulation/sort assistant software for staff use and entrance column gates for automatic door count. Approximately 52,000 physical items in the library collection were tagged with RFID tags to recognise each item held. A mobile scanning unit was purchased for automatic stocktake of the library collection.
Structural Roof Repairs Kilmore Leisure	This project has been carried forward. The Tender process will be initiated early in the new Financial Year.

BUDGET INITIATIVE**PROGRESS**

Kings Park Master Plan Implementation

The new \$437,000 changerooms have been completed at Kings Park.

It is the first-time netballers have had their own changeroom facilities at the complex, with players previously having to use public toilets or cars to get ready and leave their gear courtside.

The changerooms were jointly funded by Mitchell Shire Council (\$302,000), the Victorian Government (\$100,000) and the netball/football clubs and netball association (\$35,000).

They also include umpires' facilities, a kiosk, accessible/family-friendly public toilets and a first aid room.

SERVICE PERFORMANCE INDICATORS

The following statement provides the results of the prescribed Service Performance Indicators and measures in the Local Government Performance Reporting Framework.

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Animal Management					
Timeliness					
<i>Time taken to action animal management requests</i>	N/A	2.99	2.28	2.24	Council received 2,154 Animal Management requests in the 2017/18 Financial Year, which was an increase of 437 requests compared to 1,717 in the 2016/17 Financial Year. The Team has also changed the way it captures information with a focus on ensuring all components of a Customer Request are logged, not just the visit.
[Number of days between receipt and first response action for all animal management requests / Number of animal management requests]					
Service standard					
<i>Animals reclaimed</i>	61.73%	55.04%	53.61%	56.57%	667 animals have been reclaimed from 1,179 collected in the 2017/18 Financial Year. It is noted that the number of dogs and cats impounded this Financial Year is lower than previous years, this is due to a change in process and getting dogs and cats home to owners in most circumstances. There has also been a slight decrease in dogs and cats registered due to a clean-up of the registration data base.
[Number of animals reclaimed / Number of animals collected] x100					
Service cost					
<i>Cost of animal management service</i>	\$44.23	\$50.24	\$51.30	\$56.05	The cost of our animal management service has increased slightly during the 2017/18 Financial Year due to greater vet bills, cost of food and daily care of animals, an increase in the hours of operation at the pound and preparations to open the pound up to the community on weekends. There has also been an increase in banding of Local Laws Officers, which better aligns with their responsibilities.
[Direct cost of the animal management service / Number of registered animals]					

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Animal Management					
<i>Health and safety</i>					
<i>Animal management prosecutions</i>	10	19	14	17	The number of prosecutions increased in 2017/18 Financial Year, returning to levels similar to 2015/16 Financial year. The number of prosecutions can vary significantly between years and is impossible to predict. Due to the nature of our processes and investigation procedures, all matters are examined for quality of evidence before being prepared for Court. This results in a very high rate of successful prosecutions. This then translates to minimal waste of resources and good quality investigations.
[Number of successful animal management prosecutions]					

<i>Service/indicator/measure</i>	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Aquatic Facilities					
<i>Service standard</i>					
<i>Health inspections of aquatic facilities</i>	1	1	1	1.6	There were eight health inspections during 2017/18 - one annual water quality test for each aquatic facility, as well as additional tests due to user contamination.
[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]					
<i>Health and Safety</i>					
<i>Reportable safety incidents at aquatic facilities</i>	1	0	1	0	There were no reportable safety incidents during the 2017/18 Financial Year. Safety remains a key focus at all our aquatic facilities for staff and facility users.
[Number of WorkSafe reportable aquatic facility safety incidents]					
<i>Service cost</i>					
<i>Cost of indoor aquatic facilities</i>	\$8.38	\$7.25	\$4.63	\$5.83	A change in structure and the creation of a new coordinator role has been the major contributor to the increase in costs in the 2017/18 Financial year.
[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]					
<i>Service Cost</i>					
<i>Cost of outdoor aquatic facilities</i>	\$18.14	\$17.21	\$22.60	\$17.18	Increased visitations during the hotter summer season resulted in a decrease in costs during the 2017/18 Financial Year.
[Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]					
<i>Utilisation</i>					
<i>Utilisation of aquatic facilities</i>	5.55	6.46 ²	5.81	5.53	Mitchell has a municipal population of 42,795 people who made 236,561 visits to aquatic facilities during 2017/18 Financial Year.
[Number of visits to aquatic facilities / Municipal population]					

² The original result of 6.41 has been updated after the production of the Annual report and corrected on the Know Your Council Website, due to a transposition in the municipal population.

<i>Service/indicator/measure</i>	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Food Safety					
<i>Timeliness</i>					
<i>Time taken to action food complaints</i>	N/A	1	1	1.00	Our Environmental Health Department action all food complaints within one working day of receipt of a complaint.
[Number of days between receipt and first response action for all food complaints / Number of food complaints]					
<i>Service standard</i>					
<i>Food safety assessments</i>	48.92%	100% ³	100.00%	100.00%	Mitchell Shire Council has completed 100% of all food assessments for 2017 calendar year.
[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					

³ Our previous year's result of 70.05% has been corrected to include assessments completed by Council and Kernow, where previously, the result reflected Kernow only.

<i>Service/indicator/measure</i>	<i>2014/15 Result</i>	<i>2015/16 Result</i>	<i>2016/17 Result</i>	<i>2017/18 Result</i>	<i>Comments</i>
Food Safety					
<i>Service cost</i>					
<i>Cost of food safety service</i>	\$521.06	\$795.21	\$463.69	\$392.16	Kernow Environmental Services was contracted to Mitchell in July 2015 to provide Environmental Health Services. Start-up costs associated with managing the back-log of work, and an increase in productivity (as evidenced in the number of food safety assessments and the follow-up of major and critical non-compliance notifications) impacted our initial cost. However, the ongoing cost for service has returned to an anticipated level more closely in line with similar councils.
[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]					
<i>Health and safety</i>					
<i>Critical and major non-compliance outcome notifications</i>	19.83%	100.00%	100.00%	100.00%	Kernow Environmental Services was contracted by Council in July 2015 and has consistently achieved a result of 100% for all reporting periods.
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premise] x100					

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Libraries					
<i>Utilisation</i>					
<i>Library collection usage</i>	3.10	2.78	2.57	2.63	Mitchell Shire Library Service collection comprises of a broad range of books, audio books, magazines and e-resources. These are distributed between our four library sites. Mitchell Shire Libraries have a total of 56,518 items in our collection with 148,384 loans during the 2017/18 Financial Year. Patrons are now demanding increased access of services such as public computers, free Wi-Fi, meeting rooms and multipurpose spaces to be made available for community use within our libraries. Due to patron demand, we will commit to increasing our e-resource catalogue. Our physical collection will see a greater emphasis on our special needs literature and a broader range of culturally diverse materials will be at the forefront of our strategic planning for the 2018/19 collection.
[Number of library collection item loans / Number of library collection items]					

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Libraries					
<i>Resource standard</i>					
<i>Standard of library collection</i>	49.72%	53.86%	53.77%	56.09%	Mitchell Shire Libraries continue to commit to a modern and relevant library collection which reflects our community's expectations to access current and high-quality material and resources. With the available budget, robust outsourcing of a shelf-ready items and obtaining the most competitive pricing for the purchasing of resources, we have been successful in sustaining the standard of the collection at an acceptable level. Due to the implementation of Radio-frequency identification (RFID), our collection has been scrutinised to ensure it is not 'dormant' and shelf life of materials is approximately 10 years or less. Our continued commitment to increase our digital items including e-audio, e-magazines and e-books has seen an increase of approximately 550 e-resources added to our collection since the 2016/17 Financial Year.
[Number of library collection items purchased in the last 5 years / Number of library collection items] x100					
<i>Service cost</i>					
<i>Cost of library service</i>	\$7.42	\$5.42	\$5.12	\$5.11	Mitchell Shire has provided four static libraries in the main town centres of Wallan, Kilmore, Broadford and Seymour during the 2017/18 Financial Year. These libraries service our population of 42,795. Our libraries had 193,021 visitors during the 2017/18 Financial Year compared with 192,240 in 2016/17 Financial Year.
[Direct cost of the library service / Number of visits]					

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Libraries					
<i>Participation</i>					
<i>Active library members</i>	15.00%	12.65% ⁴	11.80%	12.16%	<p>The Mitchell Shire Library Service had 5,204 active library members (borrow and renew) from the library collection during the 2017/18 Financial Year. It is pleasing to note that the number of active library users has increased during this reporting period. The traditional role of libraries in our community is changing at a rapid rate. The typical lending-culture at our libraries is now experiencing higher levels of library visitation but with decreased borrowing. This highlights that the library service is still being used, but the way in which it is being used is changing rapidly.</p> <p>The number of active library members is not a full reflection of community participation with our library service. This has been confirmed by Public Libraries Victoria Network recent statement that the LGPRF active library member figures are not a true reflection of library usage across the state. Our library and outreach programs are our strategic focus to ensure we remain relevant to the needs of our culturally expanding community. Mitchell Libraries continues to offer increased internal and outreach library programs to the community.</p>
[Number of active library members / Municipal population] x100					

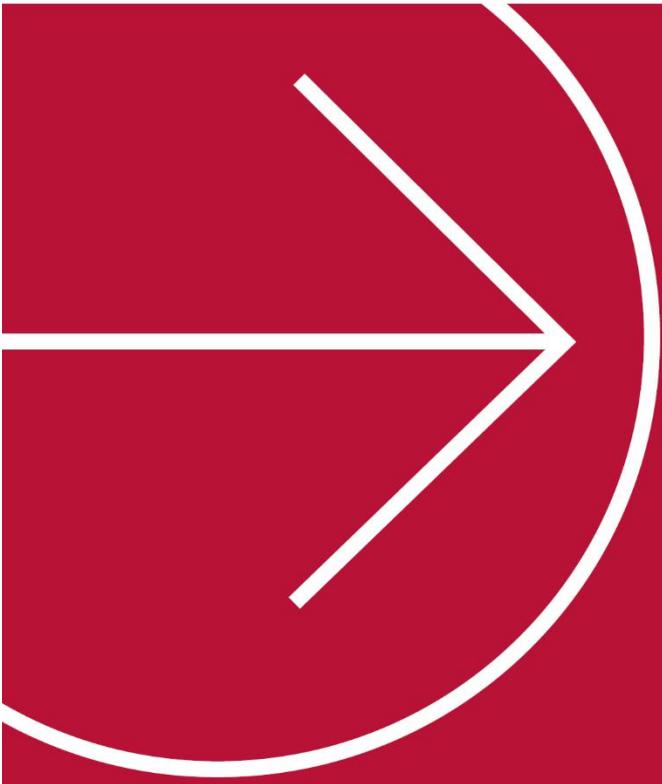
⁴ The original result of 12.57% has been updated after the production of the Annual report and corrected on the Know Your Council Website, due to a transposition error in the municipal population

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Maternal and Child Health (MCH)⁵					
Satisfaction					
<i>Participation in first MCH home visit</i>	103.20%	105.03%	100.56%	98.25%	Lower participation in the 2017/18 Financial Year was due to several babies being in hospital for an extended period, or a home visit was declined.
[Number of first MCH home visits / Number of birth notifications received] x100					
Service standard					
<i>Infant enrolments in the MCH service</i>	100.00%	100.00%	101.13%	101.75%	For the 2017/18 Financial Year there were 581 birth notifications received by Council, 561 home visits were conducted, and 1,799 children attended the Maternal and Child Health Service at least once in the reporting period. It should be acknowledged that participation in the Maternal and Child Health Service is not compulsory, and some families may seek physical and developmental assessments from other services, including General Practitioners and allied health organisations.
[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100					
Service cost					
<i>Cost of the MCH service</i>	\$0.00	\$74.29	\$81.86	\$70.49	In the 2017/18 Financial Year, the total number hours worked was 16,170.57 which equates to a cost per hour of service of \$70.49. Fewer Agency hours have resulted in a reduction in our costs compared to 2016/17 Financial Year.
[Cost of the MCH service / Hours worked by MCH nurses]					

⁵ This result was not available at the time of production of the Annual Report 2015/16 due to software issues with the Child Development Information System (CDIS)

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Maternal and Child Health (MCH)⁵					
Participation					
<i>Participation in the MCH service</i>	79.17%	79.00%	76.44%	77.29%	For the 2017/18 Financial Year there were 581 birth notifications received by Council, 561 home visits were conducted, and 1977 children attended the MCH service at least once in the reporting period. It should be acknowledged that participation in the Maternal and Child Health Service is not compulsory, and some new families may seek physical and developmental assessments from other services, including General Practitioners and allied health organisations.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
Participation					
<i>Participation in the MCH service by Aboriginal children</i>	81.13%	72.79%	74.80%	89.02%	In the 2017/18 Financial Year Council engaged an Aboriginal Maternal and Child Health Initiative worker. This has delivered an extraordinary result for participation rates in the 2017/18 Financial Year.
[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					

⁵ This result was not available at the time of production of the Annual Report 2015/16 due to software issues with the Child Development Information System (CDIS)



SUPPORTING LOCAL JOBS AND QUALITY INVESTMENT



STRATEGIC OBJECTIVE 5: SUPPORTING LOCAL JOBS AND QUALITY INVESTMENT

To identify, encourage and actively promote investment, business and tourism.

To achieve our objective, we will:

- > Facilitate a high level of civic pride in the presentation of public and private land in our towns and communities.
- > Foster economic growth through supporting new and existing businesses, industry, public sector investment, and events.
- > Provide support for existing businesses to connect and access opportunities to improve and grow their businesses.
- > Encourage local networks which support economic growth.
- > Support the development and enhancement of local tourist attractions.
- > Promote our region and towns as a destination for tourists and visitors.

CONTEXT

Mitchell Shire is strategically located to take advantage of Victoria's growing economy. It has a sound and sustainable local business base and great economic potential and opportunities for further growth and prosperity.

Mitchell Shire supports a total of 9483 jobs and has an estimated Gross Regional Product (GRP) of \$1.4 billion and total economic output of \$2.83 billion. With the inclusion of Beveridge and Wallan within Melbourne's urban growth boundary and anticipated growth across the rest of the Shire, our population will continue to grow strongly. This growth underscores the importance of and opportunity for creating jobs and attracting quality investment.

Council will work collaboratively with business, government and other organisations to create better conditions for job creation and business growth now and into the future. Our aim is to balance housing and job growth, diversify our local economy, advocate to government and create the conditions where economic growth can occur.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2017/18 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community with a focus on supporting local businesses and tourism.

SERVICE	DESCRIPTION
Economic Development and Tourism	This service is responsible for assisting Economic Development by supporting local businesses and tourism operators as well as regional tourism and marketing. The service also coordinates tourism and business support events and operates the Seymour Visitor Information Centre.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017-2021 Annual Action Plan 2017/18.

Strategy 5.1: Facilitate a high level of civic pride in the presentation of public and private land in our towns and communities

Measure of Success: Our community is proud to live in Mitchell Shire.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Plans to increase surveillance levels and where appropriate, issue infringements, are developed and implemented to improve the appearance of public and privately-owned land in the Shire.	Ongoing	n/a	n/a	<p>The Position of Civic Presentation Officer has been appointed. Key focus areas of the role are to ensure vacant land and buildings are used for the appropriate purposes, particularly in areas of high visibility by:</p> <ul style="list-style-type: none">> Ensuring adherence to the Planning Scheme and Planning Permit requirements and conditions.> Liaising with applicants, owners and the community to achieve voluntary compliance and improvements to amenity and appearance of privately owned land.> Where appropriate, the application of enforcement processes under the Planning and Environment Act 1987, relevant Local Laws and other Acts and Regulations.> Developing a proactive program that underpins the utilisation of public and private amenities

Strategy 5.2: Foster economic growth through supporting new and existing businesses, industry, public sector investment and events

Measure of Success: Mitchell Shire has created the environment for investment.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Year Two Actions under the Economic Development Strategy are completed.	Single year	100	75	Priority actions have been completed and reported to Council in April 2018. Several actions were added, reprioritised and deferred due to changing focus for economic development in the Shire.
A Mitchell Shire Investment Prospectus is developed.	Single year	100	75	All components of the investment prospectus have been developed. These documents will form the basis of the Investment Prospectus early in 2018/19. A Mitchell Shire Economy Profile report following the release of Census 2016 data by ABS (relevant data released Dec 2017). A Hume Corridor Employment Investment Readiness Assessment and Report. A Melbourne's North, including Mitchell Shire, Prospectus in collaboration with NORTH Link. An Investment Profile website, hosted by REMPLAN, showcasing the range of property and employment-creating investment opportunities available, as well as the related projects under development, across Mitchell Shire. Submission of a funding bid to State Government seeking funding to assist efforts to capitalise on Seymour's many positive attributes and commence the revitalisation of Seymour.
Regular engagement occurs with secondary schools to foster pathways between secondary and tertiary sectors.	Ongoing	n/a	n/a	Active engagement with a range of schools and education providers including the Seymour, Wallan and Broadford Secondary Colleges, Assumption College Kilmore, The Kilmore International School.

Strategy 5.2: Foster economic growth through supporting new and existing businesses, industry, public sector investment and events

Measure of Success: Mitchell Shire has created the environment for investment.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Regular engagement occurs with training providers incl. Adult Education providers, Central Ranges Local Learning and Employment Network (CRLLEN), and TAFEs to encourage development of courses suitable for Mitchell's residents.	Ongoing	n/a	n/a	Engagement has occurred throughout the year, with training partners. Strong attendance at the Economic Development focused Mitchell Leaders Forum from education providers. Council supported the development of the Goulburn River Valley Tourism/GoTAFE partnership to deliver a Certificate Based training program for local tourism operators which launched in March 2018.
Regular engagement occurs with training providers incl. Adult Education providers, Central Ranges Local Learning and Employment Network (CRLLEN), TAFEs and Universities to encourage development and provision of courses for Mitchell's residents Identify opportunities for advocacy to achieve investment in new and/or expanded specialist education.	Ongoing	n/a	n/a	Engagement has occurred throughout the year, with training partners. Strong attendance at the Economic Development focused Mitchell Leaders Forum from education providers. Council supported the development of the Goulburn River Valley Tourism/GoTAFE partnership to deliver a Certificate Based training program for local tourism operators which launched in March 2018.
Support the development of the local tourism accommodation sector	Ongoing	n/a	n/a	Engagement with local accommodation providers is ongoing. Investigation of Airbnb options has been undertaken and a training program identified for local application. Participated with Goulburn River Valley Tourism and neighbouring Shires in joint marketing campaigns have brought delegations to the Shire.
Opportunities are investigated to encourage the provision of quality B&B-style accommodation by existing home owners via online B&B-aggregator websites and booking apps.	Ongoing	n/a	n/a	This project will commence in 2018/19.

Strategy 5.2: Foster economic growth through supporting new and existing businesses, industry, public sector investment and events

Measure of Success: Mitchell Shire has created the environment for investment.

2017/18 Actions	Duration	Target %	% complete	Progress comment
A Rural & Small Towns for Success business forum is developed and supported.	Multi year	75	100	Three networking events were held since the inception of the forum. Attendance has been promising and the network has been effectively used to share relevant information and develop contacts across the sector.
Council partners with Goulburn River Valley Tourism in the development of an Equine Strategy for the region and the Shire.	Single year	100	n/a	Did not progress this year due to a change in Goulburn River Valley Tourism priorities.

Strategy 5.3: Provide support for existing businesses to connect and access opportunities to improve and grow their businesses

Measure of Success: There is growth and economic development in our existing business sector

2017/18 Actions	Duration	Target %	% complete	Progress comment
Business development programs are promoted and diversified.	Ongoing	n/a	n/a	Delivered a diverse program of business development training and other events, including: <ul style="list-style-type: none"> > Approximately 10 Small Business Victoria seminars, including three Small Business Festival workshops > Three business webinars Approximately 14 Small Business Bus and Mentoring Clinic day-long visits > Approximately five networking events including three Small Towns and Rural Forum events, presentations and Q&As to local businesses by the Victorian Commissioner to South East Asia and Food Melbourne's North (part of NORTH Link).
Partnerships with Business Development training providers are established, and participants are regularly surveyed.	Ongoing	n/a	n/a	Partnered with Small Business Victoria and local providers to deliver 10 training sessions; surveying occurred following each course - high level of participant satisfaction was achieved.

Strategy 5.4: Encourage local networks which support economic growth

Measure of Success: These are thriving business networks in Mitchell Shire

2017/18 Actions	Duration	Target %	% complete	Progress comment
Ongoing support and engagement occurs with the Chambers of Commerce for each town.	Ongoing	n/a	n/a	Regularly and actively attended and participated in monthly meetings held by Seymour Business and Tourism; Wallan Chamber of Commerce; and Mitchell Business Network - as well as supporting the formation of a Rural and Small Towns Forum.
Options are developed for a new Kilmore Chamber of Commerce with the business community.	Ongoing	n/a	n/a	Engagement with prospective Town Team members has occurred during the year; discussions about more formal options are continuing.
Support is provided to the Mitchell Business Network organisers to strengthen its development.	Ongoing	n/a	n/a	Continued regular liaison with the Mitchell Business Network including attending their business breakfasts and several of their monthly meetings, as well as discussing shared advocacy priorities for Council and the Business Network.

Strategy 5.5: Support the development and enhancement of local tourist attractions

Measure of Success: Mitchell Shire is on the tourism map

2017/18 Actions	Duration	Target %	% complete	Progress comment
Focus areas for a Tourism and Visitor Economy Plan are developed and adopted by Council.	Ongoing	n/a	n/a	Tourism and Visitor Economy Plan under development. Baseline study completed, Council and Expert Peer Review Panel consulted on findings, focus areas for the plan were developed and consultant appointed in May 2018 to prepare a Plan with consultation commenced in June 2018. Completion expected late 2018.
Engagement occurs with tourism operators, providers and sector to improve new and existing product development and promotion in the Shire.	Ongoing	n/a	n/a	Engaged and collaborated regularly with tourism operators, providers and stakeholders across the Shire including wine and food businesses; tourism attractions including military and rail history attractions; event organisers; and chambers of commerce. Worked closely with Goulburn River Valley Tourism and Murrindindi, Strathbogie and Shepparton Councils, including to promote the Shire and Heart of Victoria region in various publications and at events such as Seymour Expo and Melbourne Good Food and Wine Show.
Undertake promotion of events and visitor attractions Shire-wide to lift visitation and create demand for new tourist attractions & product.	Ongoing	n/a	n/a	Undertook various promotional campaigns and activities including securing major features in Wanderer Magazine and their associated online titles and social media platforms; website and Instagram coverage for four businesses in Mitchell Shire on 'One Hour Out'; listings in the Victorian Cultural Tourism Guide; promotion of the Shire at events such as Seymour Expo and the Melbourne Good Food and Wine Show; the MyMitchell photo competition, and printing postcards to promote the Explore Seymour community-built visitor information website.

Strategy 5.5: Support the development and enhancement of local tourist attractions

Measure of Success: Mitchell Shire is on the tourism map

2017/18 Actions	Duration	Target %	% complete	Progress comment
Regular engagement with private sector tourism operators to investigate and encourage investment in the Shire.	Ongoing	n/a	n/a	Council, through its planning concierge and investment facilitation services, has engaged regularly with several existing and future private sector tourism operators with a view to supporting them in making investments in tourism infrastructure, attractions and accommodation.
Identify potential projects and examine feasibility for connectivity and recreation along the Goulburn River. Work with Engineering and Major Projects to integrate walking trails within the Seymour Levee project.	Single year	100	45	Fishing Platform project for Goulburn Park successfully funded through Fisheries Victoria. Planning has commenced and will carry forward into year 2.

Strategy 5.6: Promote our region and towns as a destination for tourists and visitors

Measure of Success: Mitchell Shire is a tourism destination of choice

2017/18 Actions	Duration	Target %	% complete	Progress comment
Finalise the Event Management Framework Review.	Single year	100	100	Completed the event management review and adopted the revised Event Management Framework across Council.
Implement new Event Management Framework, including training for event organisers.	Single year	100	100	Training delivered for local event organisers.
Work with partner organisations including Goulburn River Valley Tourism (GRVT) to support and promote events in the Shire and to attract third party funding.	Ongoing	n/a	n/a	Collaborated with Goulburn River Valley Tourism (GRVT) on various marketing committee actions; promotional campaigns and attending tourism showcase events such as Melbourne Good Food and Wine Show and the Tourism Industry Council exhibition, as well as collaborating to showcase Mitchell shire and the Heart of Victoria region at Seymour Expo. Have also actively worked with GRVT and Regional Development Victoria to assist businesses and business and community groups to seek third party funding for events within the Shire.
Work with Goulburn River Valley Tourism (GRVT) and partner Councils to promote the Heart of Victoria Region and specific tourism attractions within the Shire of Mitchell and wider region.	Ongoing	n/a	n/a	Attended the Melbourne Tourism Industry Council exhibition, Seymour Expo and Melbourne Good Food and Wine Show to promote Mitchell Shire and the Heart of Victoria region. Collaborated with Goulburn River Valley Tourism on marketing committee actions and promotional campaigns including television commercials and on-line social media and web-magazine campaigns.

Strategy 5.6: Promote our region and towns as a destination for tourists and visitors

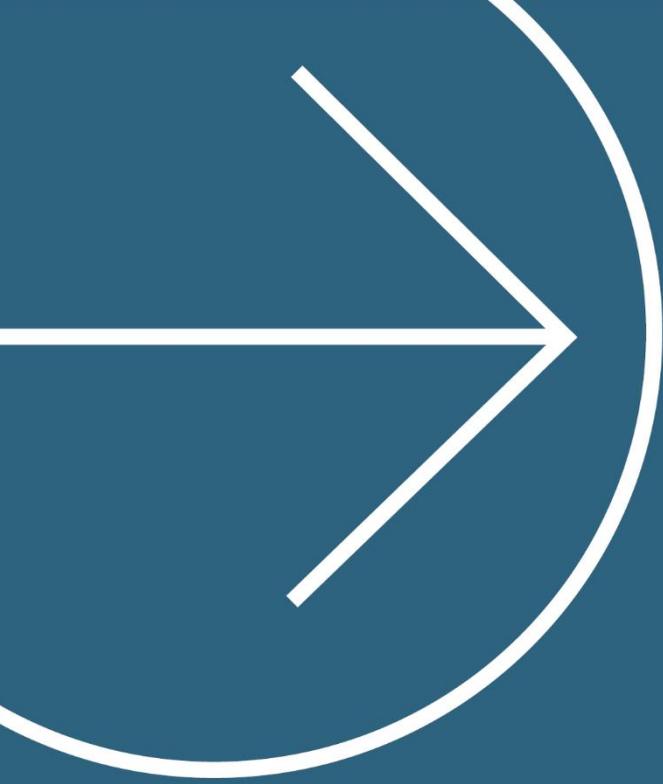
Measure of Success: Mitchell Shire is a tourism destination of choice

2017/18 Actions	Duration	Target %	% complete	Progress comment
Work with the Goulburn River Valley Tourism (GRVT) Board to lobby relevant ministers and state government bodies to obtain formal recognition for the Tourism Board. Include this action in the Advocacy Priorities and priorities for the Goulburn Partnership Assembly.	Ongoing	n/a	n/a	Hosted a visit by Heidi Victoria (Shadow Minister for Tourism), member for Northern Victoria Wendy Lovell to promote the partnership between GRVT and the Mitchell Shire. Hosted Minister for Tourism John Eren for the launch of the Heart of Victoria Military Trail. Hosted two visits by the Chair of the Premiers Tourism Advisory Council, Mr John Pandazopolous, to Mitchell Shire to speak with Councillors and to participate on a panel of tourism experts review baseline tourism research and help advise on the focus for the forthcoming Tourism and Visitor Economy Plan.
Undertake regular promotion of the Shire and its visitor attractions through various media including via events, print, on-line and social media.	Ongoing	n/a	n/a	Undertook various promotional campaigns and activities including securing major features in Wanderer Magazine and their associated online titles and social media platforms; website and Instagram coverage for four businesses in Mitchell Shire on 'One Hour Out'; listings in the Victorian Cultural Tourism Guide; promotion of the Shire at events such as Seymour Expo and the Melbourne Good Food and Wine Show; the MyMitchell photo competition, and printing postcards to promote the Explore Seymour community-built visitor information website.
Regular engagement occurs with visitor information centre networks and other operators to identify best practice methods and contemporary approaches to providing visitor services.	Ongoing	n/a	n/a	Supported Seymour Visitor Information Centre volunteers to participate in regional 'familiarisation' exercises; distributed information about Mitchell Shire to other Visitor Information Centres across the wider region; renovated the Seymour Visitor Information Centre to create an improved visitor experience and installed new visitor information shelving and brochures at Wallan, Broadford and Kilmore Libraries.

MAJOR BUDGET INITIATIVES

The following is a review of performance against the Major Initiatives set in the 2017/18 Budget.

BUDGET INITIATIVE	PROGRESS
Implementation of the Economic Development Strategy	Refer to the Council Plan Action on page 113.
Delivery of an enhanced program of regular capacity building workshops, seminars, and forums to provide training and to help support and mentor small and medium enterprises'	Refer to the Council Plan Action on page 115.
Undertake a review of the Shire's Tourism and Visitor Economy sector to identify strengths and opportunities to grow the visitor economy	Council has completed a review of the Shire's tourism and visitor economy to identify relevant strengths, weaknesses, opportunities and threats. Following this, a new Tourism and Visitor Economy Plan will be developed for consideration by Council. The four-year Plan will set out a series of strategies and actions to help foster growth and development within the Shire's tourism and visitor economy and also to help promote the Shire as a tourism and visitor destination.



FINANCIAL AND ORGANISATIONAL MANAGEMENT



STRATEGIC OBJECTIVE 6: FINANCIAL AND ORGANISATIONAL MANAGEMENT

To be leaders in financial and organisational management.

To achieve our objective, we will:

- > Ensure Councillors and Council staff work together to deliver the best for the community.
- > Deliver high quality projects that benefit our community.
- > Ensure a customer-first approach for responsive service delivery and communication.
- > Develop and adopt policies and procedures that reflect responsible, transparent and accountable management of Council finances.
- > Ensure appropriate and prioritised budgeting which meets the needs of our present and future communities.
- > Support and retain high quality Council staff.
- > Ensure a strong ethical culture that is intolerant of any form of corruption.
- > Use technology to support and enhance communications and service delivery.

CONTEXT

Our financial and organisational management focus supports the organisation to provide high quality frontline services and information to the community, to recruit and retain staff and to ensure that the organisation's structures, activities and operations are conducted with probity, transparency and accountability.

It is important that the organisation embraces digital technology and demonstrates leadership by continuously improving the way we deliver our services, provide information to the community and ensure sound and sustainable financial and organisational management.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2017/18 Budget and the people or sections of the community that the services are provided for.

The services are provided across the organisation, to Councillors and to the wider community.

SERVICE	DESCRIPTION
Councillors and Chief Executive Officer support	This service includes the Mayor, Councillors, and the Chief Executive Officer and associated support which cannot be otherwise attributed to the direct service provision areas.
Finance	This service is responsible for financial services such as financial accounting, management accounting, and accounts payable services. The costs include corporate expenses such as interest on borrowings, bad debt write off, and the payment of State Government fire services levy charged on Council properties.
Governance and Corporate Accountability	This service ensures that we meet our legislative responsibilities by providing an ethical basis for good governance which facilitates informed and transparent decision making.
Information Services	This service is responsible for the management, maintenance and disposal of all corporate information according to government legislation, Council strategy, policy, established procedures, and business rules.
Information Systems	This service delivers appropriate and cost-effective technology, which supports Mitchell Shire Council and its employees in delivering services to the community.
People and Culture	This service is responsible for human resources, learning and development, employee relations, human resource services and payroll.
Rates Revenue	This service is responsible for the rates revenue for the Council and manages the valuation contract, rating system, rates enquires, and the fire services levy.
Risk, Insurance, and Occupational Health and Safety	This service ensures a safe workplace and good risk management processes; and to provide services with a fair and consistent application of legislation and processes to ensure that employees and community enjoy a safe and sustainable environment.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017-2021 Annual Action Plan 2017/18.

Strategy 6.1: Ensure Councillors and Council staff work together to deliver the best for the community

Measure of Success: Good governance processes in place and maintained

2017/18 Actions	Duration	Target %	% complete	Progress comment
A review of the Meeting Procedure Local Law is completed.	Single year	100	n/a	The new Local Government Act, if passed, requires the Meeting Procedure Local Law be amended as Governance Rules. Guidelines will be produced, rendering a review of the Meeting Procedure Local Law redundant at this time.
The Community Satisfaction survey is completed.	Ongoing	n/a	n/a	Community satisfaction survey is complete and available on Council's website.
The Code of Conduct signed by all Councillors and staff.	Single year	100	100	All Councillors have signed the Councillor Code of Conduct. This will not be required again until October 2020. The Staff Code of Conduct has also been reviewed and updated following consultation and endorsed by the Executive Leadership Team.
A Councillor satisfaction survey is completed.	Single year	100	n/a	Deferred until Year 2
A Councillor and Officer Charter is adopted.	Single year	100	90	The Councillor and Officer Charter has been prepared to draft stage and is due to be presented to Council in July.

Strategy 6.2: Deliver high quality projects that benefit our community

Measure of Success: High quality projects provide community benefits

2017/18 Actions	Duration	Target %	% complete	Progress comment
The Project Management Framework is implemented.	Multi year	10	10	Draft Project Management Framework and Project Procedure Manual presented to Senior Management Team. All projects in the 2018/19 Capital Program to be delivered using this new framework. Presentations to individual teams being planned.
The Capital Works Board is established, and project prioritisation process endorsed.	Single year	100	75	Capital Program Board has been established and meetings are being held monthly. Prioritisation tools under development.

Strategy 6.3: Ensure a customer-first approach for responsive service delivery and communication.

Measure of Success: Customer service standards which reflect community expectations.

2017/18 Actions	Duration	Target %	% complete	Progress comment
A Customer Charter developed and implemented.	Single year	100	100	After extensive consultation with all stakeholders, The Customer Service Charter was endorsed by Council in October and rolled out across the organisation.
A Complaints Framework is endorsed by Council and implemented.	Single year	100	100	The Complaints Handling Framework was a component of the Customer Service Charter and was rolled out to the organisation in the same timeframe.
Complaints reporting, and tracking mechanisms are established, and training provided to staff.	Multi year	n/a	n/a	This action has been deferred to Year 2 and will be undertaken after the external stakeholder review in April.
The Customer Complaints Handling Framework is communicated to internal and external stakeholders.	Single year	100	100	The Customer Complaints Handling Framework has been communicated to internal staff. External communication initiated at time of implementation. To be continued during the review of the CRM and Customer Service Charter in the 2018/19 year.

Strategy 6.3: Ensure a customer-first approach for responsive service delivery and communication.

Measure of Success: Customer service standards which reflect community expectations.

2017/18 Actions	Duration	Target %	% complete	Progress comment
An internal Customer Experience Improvement Focus Group is established.	Single year	100	100	Focus Group established with the membership base representing all Council directorates.
A cohesive customer experience vision is developed and communicated to support the Improvement program.	Single year	100	100	Focus Group meetings held in Q3 & Q4 endorsing Council's commitment to provide a high-quality Customer Service oriented program, whilst focusing on continuous improvement. Customer Experience Improvement Project now endorsed by the Executive Leadership Group to complement Stage 2 of service improvement plan.
The Customer Request Management System is expanded to include high volume customer requests.	Single year	100	100	As Waste requests were identified as both important to our community and of high volume in the organisation, a commitment was made to include these as a priority in the Customer Request Management System. Early indicators show a significant time saving in response rates and escalation to our Waste contractor.
Council's top five customer facing business processes are reviewed and streamlined.	Single year	100	100	Waste, accessible parking permits, after hours report, cheques and complaints and compliments.
A training program is developed and implemented including the Contact Centre 'Walk in my shoes' program, customer service induction and regular engagement with Council departments to build a customer centric culture	Ongoing	n/a	n/a	With the implementation of the Customer Service Charter and the Customer Experience Improvement Project, there will be identified work surrounding Customer Service induction, inter-departmental engagement whilst focusing on a customer centric culture. This will include the ongoing 'Walk in my Shoes' program which is facilitated for all Council staff.

Strategy 6.4: Develop and adopt policies and procedures that reflect responsible, transparent and accountable management of Council finances and risks.

Measure of Success: Policies and procedures are current and reflect sound financial management practices.

2017/18 Actions	Duration	Target %	% complete	Progress comment
A centralised corporate Policy and Strategy database established and maintained.	Single year	100	100	Completed for presentation to the Executive Leadership Team.
The Procurement Policy is reviewed.	Single year	100	90	Draft Policy has been prepared in line with the changes in the Local Government Act, and the Probity Framework is being reviewed by our Executive Group.
The Procurement Guidelines are reviewed.	Single year	100	n/a	Guidelines will be developed and presented after the implementation of the new Local Government Act.

Strategy 6.5: Ensure appropriate and prioritised budgeting which meets the needs of our present and future communities.

Measure of Success: Council adopts the budget and Strategic Resource Plan in line with the Council Plan.

2017/18 Actions	Duration	Target %	% complete	Progress comment
The Budget and Strategic Resource Plan (SRP) are adopted by Council.	Ongoing	n/a	n/a	The Budget and Strategic Resource Plan were adopted by Council in June 2018.
Quarterly financial reports are adopted by Council.	Ongoing	n/a	n/a	Quarterly reports are presented to Council.
Council and the Executive Leadership Team are aware of the financial costs to undertake each Strategy presented for consideration.	Ongoing	n/a	n/a	All Strategies presented to council for endorsement include financial implications of implementation.
A Debt Recovery Policy is developed and endorsed by Council.	Single year	100	80	The Debt Recovery Policy is being reviewed in conjunction with the Sale of Land for Unpaid Rates policy which are both expected to be completed by August 2018.

Strategy 6.5: Ensure appropriate and prioritised budgeting which meets the needs of our present and future communities.

Measure of Success: Council adopts the budget and Strategic Resource Plan in line with the Council Plan.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Council and the Executive Leadership Team area informed about the financial implications of Council Reports.	Ongoing	n/a	n/a	All Reports presented to council include financial implications of implementation.
Councillor satisfaction is measured and increased.	Single year	100	25	Questions are being drafted. This project will carry forward into Year 2.
Collaboration and ongoing engagement occurs regarding opportunities for shared services and collaborative procurement.	Ongoing	n/a	n/a	Monthly meetings have been held with Council officers from 7 Northern Councils to discuss and advance collaborative procurement opportunities.
Service review planning commences.	Single year	100	90	The Service Planning and Review process has commenced, with full service profiles to be completed early in the new financial year.

Strategy 6.6: Support and retain high quality Council staff.

Measure of Success: Council provides a safe and positive work environment that attracts high quality staff, provides the tools to deliver on outcomes and enables healthy movement and retention.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Employee Value Proposition (EVP) is researched and scoped.	Single year	100	100	<p>An EVP can be defined as ‘a collection of reasons why a person or company should engage with your organisation’. It can be ‘an innovation, a positioning statement, a service or a feature that shows a target audience what benefit you provide and how you do it uniquely well’. Put simply, an EVP is the unique value that the organisation brings to employees.</p> <p>We have recently made changes and updates to our Recruitment website promoting the advantages of working here at Mitchell Shire Council. These include access to a variety of benefits such as local government corporate health plan, novated leasing, salary sacrifice, purchased leave arrangements, discounted corporate leisure centre membership, study leave and financial study assistance, corporate training, professional development, access to EAP services, One Mitchell Health and Wellbeing programs, an active Social Club, and the opportunity to work in a growth municipality.</p> <p>We continue to review our EVP and offer an annual ‘Employee Benefits Expo’ to ensure all staff are made aware of and have access to employee benefits.</p>
Internal business process improvements are identified and implemented.	Ongoing	n/a	n/a	The website redevelopment project is expected to be launched in September 2018, and a proof of concept is being developed for a Customer Relationship Management system.
A review of the Recruitment Policy and Recruitment Procedure for managers is undertaken and improvements implemented.	Single year	100	100	The Recruitment and Selection Policy has been reviewed following consultation with Staff Consultative Committee, the updated Policy has been endorsed by the Executive Leadership Group.

Strategy 6.6: Support and retain high quality Council staff.

Measure of Success: Council provides a safe and positive work environment that attracts high quality staff, provides the tools to deliver on outcomes and enables healthy movement and retention.

2017/18 Actions	Duration	Target %	% complete	Progress comment
The Reward and Recognition Program is reviewed.	Single year	100	n/a	The new One Mitchell Committee has committed to reviewing the Reward and Recognition Policy in the second half of 2018.
The One Mitchell Staff Culture Program Action Plan is delivered.	Single year	100	100	The One Mitchell Staff Culture Program is in progress and actions are being delivered via the new Committee.
A four-year Workforce Strategy is developed.	Single year	100	75	A four-year workforce strategy draft document has been developed in consultation with Managers and Coordinators across the organisation. Further work is being undertaken across the Local Government Industry Sector in this space following proposed changes to the Local Government Act. Mitchell Shire Council is participating in a Workforce Planning Working Group with several other Councils.
Training Needs Analysis is completed yearly.	Single year	100	100	Training Needs Analysis Surveys have been finalised and information gathered used to develop corporate training requirements.
A twelve-month training calendar is developed.	Single year	100	100	The information gathered via the Training Needs Analysis process has been consolidated and to inform Council's Corporate Training Offering.
The Learning and Development Policy is reviewed.	Single year	100	100	The Learning and Development Policy was updated in consultation with Staff Consultative Committee and endorsed by the Executive Leadership Team.
The Experienced Leader Development Program is delivered to all senior staff.	Single year	100	75	The Experienced Leader Development Program is tracking on schedule (12-month program) with positive feedback.

Strategy 6.6: Support and retain high quality Council staff.

Measure of Success: Council provides a safe and positive work environment that attracts high quality staff, provides the tools to deliver on outcomes and enables healthy movement and retention.

2017/18 Actions	Duration	Target %	% complete	Progress comment
All People and Culture policies are reviewed and updated as required.	Single year	100	100	After consolidation of many policies, it was identified that only the OHS Manual required a complete review, by end 2018.
A Culture survey undertaken.	Single year	100	100	The Culture Survey was undertaken in Q3. Results were collated and delivered to the Leadership groups.
A department level debriefs of the culture survey results undertaken.	Single year	100	100	A Departmental Level Debrief has been rolled out for each Team, including access to an online portal and dashboard.
Plans for consolidation and review of People and Culture policies are progressed.	Single year	100	100	A review of the People and Culture Policy Register has been undertaken. Several policies have been consolidated as part of this process, and numerous policies have been updated in conjunction with Staff Consultative Committee and endorsed by Executive Leadership Team.
Scoping for better utilisation of the electronic timesheets system is completed.	Single year	100	100	A consultant was engaged on-site to scope additional requirements to enable better utilisation of Employee Self Service and e-timesheets.
There is Increased utilisation of Employee Self Service systems.	Ongoing	n/a	n/a	A consultant engaged on-site provided a summary of additional requirements to enable better utilisation of Employee Self Service and e-timesheets.
A review of the Employee Assistance Program (EAP) provider is undertaken.	Single year	100	75	The Employee Assistance Program Service Provider has been chosen to be part of a collaborative procurement opportunity with the Northern Regional Procurement Group. The Scope has been determined and agreed across all Councils.

Strategy 6.6: Support and retain high quality Council staff.

Measure of Success: Council provides a safe and positive work environment that attracts high quality staff, provides the tools to deliver on outcomes and enables healthy movement and retention.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Business Continuity Plans (BCP) are developed.	Single year	100	100	Business Continuity framework signed off and implemented including creation of a Crisis Management team and Continuity Leadership Team to manage these processes for the organisation.
A job dictionary is developed.	Single year	100	100	Job dictionary process developed and implemented.
Emergency Planning is reported and facilitated.	Single year	100	100	Emergency diagrams complete for more than 50% of staffed buildings. On track to test emergency arrangements by December 2018. Ongoing monitoring of drills will be managed by new Reis/OHS software.

Strategy 6.7: Monitor, scrutinise and regularly report on the operation of Mitchell Shire Council.

Measure of Success: Fraud and Corruption Policy kept up to date, consistently reinforced with staff and compliance monitored.

2017/18 Actions	Duration	Target %	% complete	Progress comment
IBAC, Ombudsman, Victorian Auditor General's Office (VAGO) reports are provided as determined appropriate to the management team and Audit Committee.	Ongoing	n/a	n/a	Reports are presented to quarterly Audit Committee meetings and ELT, including a report focusing on the circumstances that contributed to the Administration of Central Goldfields Shire Council.
Training is delivered to staff in procurement, fraud and corruption and other legislative obligations.	Ongoing	n/a	n/a	Information is provided to all staff as a part of the corporate induction process. One on one training is provided to specialists who have a closer involvement in the Procurement Process.
Information is provided to regulators in line with statutory requirements.	Ongoing	n/a	n/a	Information is provided to all staff as a part of the corporate induction process. One on one training is provided to specialists who have a closer involvement in the Procurement Process.

Strategy 6.8: Use technology to support and enhance communications and service delivery.

Measure of Success: ICT Strategic initiatives are implemented resulting in improved customer experience.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Priority strategic and operational actions identified in the Information Communication and Technology (ICT) Strategic Plan are implemented.	Multi year	85	90	<p>There have been many projects over the past 12 months, each with their own set of challenges and achievements:</p> <ul style="list-style-type: none"> > Phone system – delays due to Telstra implementation of new phone lines. > User hardware rollout is nearing completion. > Network upgrade is nearing completion. > Microwave upgrade: revised scope to migrate DR site to Cloud and all sites to use Telstra private network allowing Microwave service to be decommissioned. > SharePoint integration / Record Keeping system update: revised scope to migrate record keeping system to Cloud. > User training schedule being planned to support user hardware, phone system, file management changes for all staff. > TechnologyOne upgrade > Migration to Cloud in progress. > Customer Relationship Management System – Proof of Concept project launched using Microsoft Dynamics365.

MAJOR BUDGET INITIATIVES

The following is a review of performance against the Major Initiatives set in the 2017/18 Budget.

BUDGET INITIATIVE	PROGRESS
Continual review of Governance policies and procedures to ensure compliance with government legislation and procurement policies to improve practices and accountability	Refer to the Council Plan Action on page 128.
Refine corporate reporting systems to deliver greater efficiencies	Having shifted our focus from a Customer Request Management System to a Customer Relationship Management System has delivered a first “proof of concept” for DynamicsCRM, with further alternatives being investigated in the new Financial Year.
Delivery of Council's records management system to support the organisation's record management needs and obligations whilst enabling increased mobile working	The oMail Project has been implemented enabling faster scanning and cataloguing of inwards correspondence.

SERVICE PERFORMANCE INDICATORS

The following statement provides the results of the prescribed Service Performance Indicators and measures in the Local Government Performance Reporting Framework.

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Governance					
<i>Transparency</i>					
<i>Council decisions made at meetings closed to the public</i>	12.75%	16.43%	16.20%	17.01%	There were fewer council resolutions in the 2017/18 Financial Year compared to 2016/17 Financial Year. Of 194 Council resolutions made, 33 were made at meetings closed to the public, these resolutions typically related to Tenders.
[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100					
<i>Consultation and engagement</i>					
<i>Satisfaction with community consultation and engagement</i>	53	42	47	53	The sudden drop in our result in the 2015/16 Financial Year, was influenced by the timing of the survey and Council considering applying for a Rate Cap exemption. Councillors and staff have continued to work on improving our performance within the State Government Rate Cap, and this year we have returned our result above our 2014/15 Financial year levels.
Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement					
Councillors and staff continue to work towards improving our performance.					

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Governance					
Attendance					
<i>Councillor attendance at council meetings</i>	94.10%	94.44%	97.78%	97.62%	Councillors maintain a very high rate of attendance.
[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100					
Service cost					
<i>Cost of governance</i>	\$36,735. 44	\$44,011. 83	\$40,696. 94	\$40,586. 39	These costs are per Councillor and are consistent with costs of Councillor allowances, training, attendance at conferences and seminars, IT equipment and other incidentals.
[Direct cost of the governance service / Number of Councillors elected at the last Council general election]					
Satisfaction					
<i>Satisfaction with council decisions</i>	49	41	46	50	The sudden drop in our result in the 2015/16 Financial Year, was influenced by the timing of the survey and Council considering applying for a Rate Cap exemption. Councillors and staff have continued to work on improving our performance within the State Government Rate Cap, and this year we have returned our result above our 2014/15 Financial year levels.
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					
Councillors and Staff continue to work towards improving our performance.					



CARING FOR OUR ENVIRONMENT



STRATEGIC OBJECTIVE 7: CARING FOR THE ENVIRONMENT

To be responsible custodians, by managing and enhancing our environment, minimising the impacts of development, waste, natural disasters and climate change.

To achieve our objective, we will:

- > Protect and enhance Mitchell Shire's rural landscape and natural assets.
- > Empower the community through partnerships and education.
- > Be prepared and proactive in responding to the effects of climate change on the community.
- > Investigate and initiate innovative practices in key aspects of environmental management.
- > Provide opportunities for the community to experience nature in their everyday lives.
- > Improve compliance with fire hazard removal, weed management and appropriate waste disposal.

CONTEXT

Council plays an important role in environmental management through our controls over strategic land use planning, environmental health and in our role as a public land manager. We recognise that the environment underpins prosperity and we recognise the importance of working in partnership with environmental and land management organisations and responsible landholders.

There is a need to ensure that the rural landscape, natural assets and biodiversity are adequately protected, while planning for managed growth in our Shire.

There are significant challenges in planning for sustainable waste and resource recovery services, ensuring the rural landscape is protected.

Council seeks to increase the level of community participation and education in the management of the natural environment and empower residents to prepare for the impacts of climate change. It is committed to integrating innovative and sustainable practices into our operations to reduce energy and water usage and costs.

With an environment that is increasingly subject to climatic extremes, Council will work with communities and agencies to reduce the impacts of climate change, prepare for, and respond to, natural disasters and emergency events such as fire and flood.

SERVICES FUNDED

The following statement provides information in relation to the services funded in the 2017/18 Budget and the people or sections of the community that the services are provided for.

These services are provided for the whole community as well as commercial operators and people from outside the municipality who access Council's landfill.

SERVICE	DESCRIPTION
Environmental Sustainability	This service is responsible for conservation and achieving an environmentally healthy and sustainable Council including environmental planning, community planting and encouraging sustainable resource management.
Fire prevention and emergency management	This service is responsible for fire prevention activities and community education as well as emergency management planning, including the Municipal Emergency Management Plan.
Waste Management	This service is responsible for the provision of waste management services at Seymour Landfill plus four resource recovery centres. This service also manages the kerbside waste collection service.

COUNCIL PLAN – ANNUAL ACTION PLAN

The following is a review of the progress of the Council Plan 2017-2021 Annual Action Plan 2017/18.

Strategy 7.1: Protect and enhance Mitchell Shire's rural landscape and natural assets.

Measure of Success: Evidence of improved land management practices in rural areas.

2017/18 Actions	Duration	Target %	% complete	Progress comment
The 2017 Mitchell Shire Community Environment Survey project is completed which will provide baseline data for measuring community environmental values and actions change over time.	Single year	100	100	Community Environment Survey completed, summary paper adopted by Council and published on Council's website. This included visitation to environmental reserves.
Environmental information kits are regularly distributed to landholders.	Ongoing	n/a	n/a	A total of 111 environmental information kits have been distributed this year. In addition, a further 220 pieces of environmental information have been distributed.
The Conservation Covenant Grant Program is implemented.	Single year	100	100	Program completed
Council continues to partner with community groups such as Landcare for regional based projects.	Ongoing	n/a	n/a	14 collaborative projects undertaken from January - June 2018 with Landcare, government agencies, CFA volunteers and local schools including field days, Gardens for Wildlife Program, facilitating school excursions, planned burns, support for Landcare grants, gorse taskforce meeting and Seymour Alternative Farming Expo.

Strategy 7.2: Empower the community through partnerships and education.

Measure of Success: There is community ownership of environmental issues impacting Mitchell Shire.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Undertake at least five community waste education initiatives with a focus on waste minimisation and litter prevention.	Single year	100	100	<p>The following Waste education initiatives have been undertaken:</p> <ul style="list-style-type: none"> > Wallan Resource Recovery Centre School Group Tour - The Kilmore International School > Wallan Resource Recovery Centre School Group Tour - Tallarook Primary School <p>Development of social media collateral to advise of Resource Recovery service delivery over Christmas</p> <ul style="list-style-type: none"> > Development of waste minimisation education material for social media/ local papers to educate residents on what items can be placed in the recycling bin > Approval granted to proceed with the employment of a Southern Waste and Resource Recovery Education officer supporting Mitchell, Strathbogie and Murrindindi Councils - funded through contract income and grant funding from the GVVRRG for 3 years. Recruitment of this position will occur early in the new Financial Year and aims to develop a regional education plan to reduce waste and improve resource recovery.
Year One actions under the Community Waste Education Program are implemented.	Single year	100	100	<p>Support of Clean Up Australia Day and increased waste education material relating to recycling have been conducted.</p> <p>Hosted Detox Your Home event in Seymour in June.</p> <p>Compost Bin and Worm Farm Subsidy Program (September).</p> <p>Production of an annual Waste Calendar.</p>

Strategy 7.2: Empower the community through partnerships and education.

Measure of Success: There is community ownership of environmental issues impacting Mitchell Shire.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Work with community groups to increase the number of volunteers supported by Council to undertake Clean Up Australia Day and National Tree Day each year.	Ongoing	n/a	n/a	National Tree Day 2018 successfully delivered. 1219 volunteers involved (66% increase from last year) 4,000 plants, 15 public sites, 95% of participants who completed the evaluation survey reported an increase in knowledge and skills and 71% reported an intention to change practices/behaviours. 11 Clean Up Australia day sites supported throughout the shire with over 100 participants taking part in the activity.
Ensure the Environment Advisory Committee regularly reports to Council.	Ongoing	n/a	n/a	Assembly of councillor and delegates reports submitted after every meeting. Also, an evaluation of the 2016-2028 Mitchell Environment Advisory Committee was undertaken and distributed to councillors.
Regular community engagement on environmental issues occurs.	Ongoing	n/a	n/a	At least 1,774 participants in 36 environmental events. Average of 49 participants per event. Events include Large animal management field day, Retro Suburbia book launch, Seymour Alternative Farming Expo. Communications plans for the Beveridge Spring planned burn and Monument Hill Pine removal delivered, regular meetings of the Mitchell Environment Advisory Committee, regular Facebook posts, attendance at Bushland Park and South West Goulburn Landcare Group meetings.

Strategy 7.3: Investigate and initiate practices in key aspects of environmental management.

Measure of Success: Council has strategies and plans in place to mitigate the impacts of climate change on the community.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Year four actions under the Mitchell Environment Strategies Action Plan is implemented.	Single year	100	100	18 of the 19 actions were completed.
A review of the Sustainable Resource Management Strategy 2011 is commenced.	Single year	100	40	Project has commenced, but not progressed as much as endeavoured due to resourcing constraints. Project will be completed in 2018/19.
Feasibility studies into the future Resource Recovery Centre Upgrades are completed and presented to Council.	Single year	100	100	This study was completed in November 2017 and endorsed by Council in December 2017. A further study of Resource Recovery needs for the Broadford and Kilmore communities will be undertaken in the 2018/19 Financial year.
Funding submissions to the Resource Recovery Infrastructure fund are submitted for capital improvement works to all Resource and Recovery Centres (RRC).	Single year	100	100	Completed a submission for the Development of a new Seymour RRC and are awaiting the outcome of the grant submission.
Collaboration is undertaken with water management authorities to investigate the feasibility of water re-use in rural areas commences.	Ongoing	n/a	n/a	Council officers have been liaising regularly with the likes of DELWP and Goulburn Valley Water (GVW) to facilitate future water re-use in our townships. Presently, Council officers are working closely with GVW on a proposed water reuse scheme for Kilmore.

Strategy 7.4: Be prepared and proactive in responding to the effects of climate change on the community.

Measure of Success: Council is recognised for innovation in environmental and waste management practices.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Actions to reduce corporate greenhouse gas emissions and water use as identified in the Mitchell Shire Sustainable Resource Management Strategy (2011) are undertaken.	Ongoing	n/a	n/a	Not yet commenced.
Continue Mitchell Shire Council's membership of the Goulburn Broken Greenhouse Alliance (GBGA).	Ongoing	n/a	n/a	Membership and participation in the Goulburn Broken Greenhouse Alliance has continued.

Strategy 7.5: Provide opportunities for the community to experience nature in their everyday lives.

Measure of Success: There is a visible increase in the communities use of Mitchell Shire's open spaces.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Plans to promote Mitchell's Environmental Reserves are developed and implemented.	Single year	100	100	Promotion of reserves undertaken online, through social media and events. The 2017 Mitchell Community Environment Survey also included information on visitation and feedback of our environmental reserves.
Work is progressed to improve knowledge of current visitation to environmental reserves through a benchmark data survey. Survey data is used to inform improvements to visitation through ongoing environmental and visitor enhancement works.	Single year	100	100	The 2017 Mitchell Community Environment Survey included a question on visitation to environmental reserves, this survey has now closed, and the data is being analysed.
Feasibility plans for the establishment of new bushland reserves are developed for priority areas.	Ongoing	n/a	n/a	Ongoing participation in strategic and statutory planning processes, this includes advocacy for new bushland reserves.

Strategy 7.5: Provide opportunities for the community to experience nature in their everyday lives.

Measure of Success: There is a visible increase in the communities use of Mitchell Shire's open spaces.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Planning commences, and advocacy material is developed for a feasibility study into establishing a Southern Regional Park based on the old Herne's Swamp.	Multi year	10	n/a	Not commenced - will be initiated in 2018/19
The Wallan To Heathcote Rail Trail feasibility study findings, including recommendations are reported to Council. Agreed recommendations are communicated to all stakeholders.	Single year	100	100	Council Report adopted. Recommendations communicated to stakeholders. Council resolution to proceed with second stage of investigations.

Strategy 7.6: Improve compliance with fire hazard removal, weed management and appropriate waste.

Measure of Success: Council's fire hazard, weed management and waste management meet with community expectations and regulatory obligations.

2017/18 Actions	Duration	Target %	% complete	Progress comment
The annual roadside fire hazard removal program is delivered.	Single year	100	100	Full service has been delivered.
The rural roadside weeds program implemented.	Single year	100	100	The Roadside Rural Weed program has been completed for 2017/18.
The Annual review of the fire prevention program is completed.	Single year	100	100	Completed at half year. Further works are being undertaken to improve the deliverable and effectiveness of this program. The Local laws unit is currently investigating a new system to manage Fire Prevention Notices. Slashing tender is going to be tendered out for a 3 year plus 4 x 1-year extensions. Spraying for fire prevention is currently being re worked to ensure effectiveness and ensure deliverables are met.

Strategy 7.6: Improve compliance with fire hazard removal, weed management and appropriate waste.

Measure of Success: Council's fire hazard, weed management and waste management meet with community expectations and regulatory obligations.

2017/18 Actions	Duration	Target %	% complete	Progress comment
Waste Implementation Actions under the Mitchell Waste Management Strategy are reviewed to ensure alignment with current priorities and the Goulburn Valley Waste and Resource Recovery Group (GWRRG) Implementation Plan.	Single year	100	100	A high-level review will be completed to ensure Council's Waste Strategy Actions, the GWRRG Implementation Plan are aligned. Works undertaken to date include the following: <ul style="list-style-type: none"> > Review of 10-year Waste and Resource Recovery Implementation Plan > Strategic Planning "Advancing Major Infrastructure in Mitchell Shire Council" completed and endorsed by Council in December 2017. Further work will continue next financial year in determining future resource recovery needs for the Broadford and Kilmore communities.
Planning is completed for the Seymour Landfill and capping project.	Single year	50	100	Completed. Tender awarded and works on the Mitchell Landfill are approximately 80% complete and works have commenced on the former Seymour landfill.
Mitchell and Seymour Landfill rehabilitation projects commence.	Single year	75	100	Works on the Mitchell Landfill are 90 % complete and works have commenced on the former Seymour landfill.
Planning for the waste service standard review commences.	Single year	100	50	Planning on the service standard review has commenced. This project will be carried forward into 2018/19.

MAJOR BUDGET INITIATIVES

The following is a review of performance against the Major Initiatives set in the 2017/18 Budget.

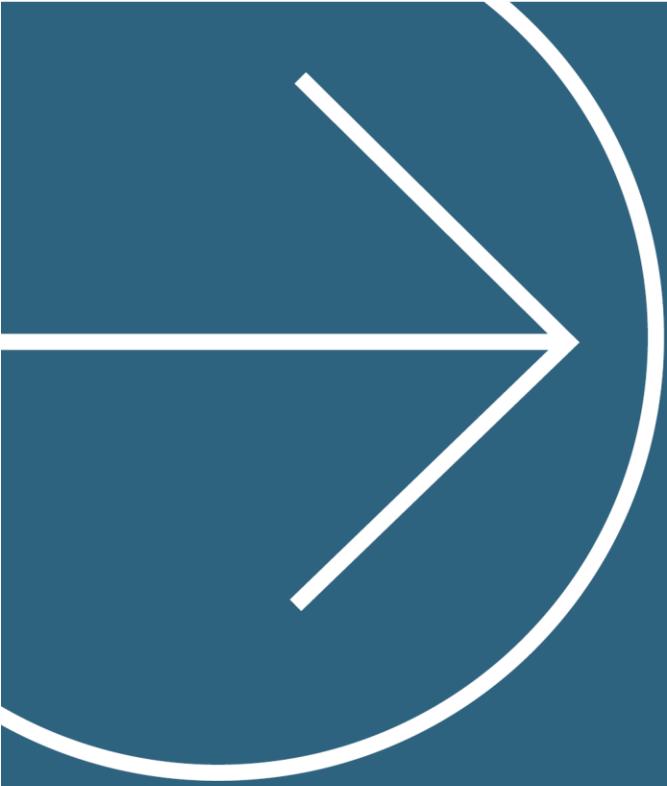
BUDGET INITIATIVE	PROGRESS
Renewed focus on energy and water sustainability, including a review and implementation of the Sustainable Resource Management Strategy	Refer to the Council Plan Action on page 144.
Service level planning and review of maintenance standards for Waste Management	This initiative has been delayed due to resourcing issues.
Rehabilitation and capping of closed Seymour Landfill	Refer to the Council Plan Action on page 147.
Capping of cells 1-4 of Mitchell Landfill	Refer to the Council Plan Action on page 147.

SERVICE PERFORMANCE INDICATORS

The following statement provides the results of the prescribed Service Performance Indicators and measures in the Local Government Performance Reporting Framework.

Service/indicator/measure	2014/15 Result	2015/16 Result	2016/17 Result	2017/18 Result	Comments
Waste Collection					
Satisfaction					
<i>Kerbside bin collection requests</i>	126.97	153.57	162.35	71.16	On 1 January 2018 the Waste and Resource Recovery Department changed the way that that it manages kerbside collection service requests. Prior to 1 January 2018 residents contacted Cleanaway directly to report their request. From 1 January 2018 all requests are now lodged with Council instead. Requests are now entered into Council's Customer Request Management System and then forwarded to Cleanaway for action. It is likely that change may have impacted on data, however it is anticipated that this will improve Council's ability to manage waste related enquiries and complaints in the future.
[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000					
Service standard					
<i>Kerbside collection bins missed</i>	2.50	3.09	2.65	7.59	On 1 January 2018 the Waste and Resource Recovery Department changed the way that that it manages kerbside collection service requests. Prior to 1 January 2018 residents contacted Cleanaway directly to report their request. From 1 January 2018 all requests are now lodged with Council instead. Requests are now entered into Council's Customer Request Management System and then forwarded to Cleanaway for action. It is likely that change may have impacted on data, however it is anticipated that this will improve Council's ability to manage waste related enquiries and complaints in the future.
[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000					
Service cost					
<i>Cost of kerbside garbage bin collection service</i>	\$55.23	\$53.71	\$57.70	\$58.72	Costs of Refuse collection costs have remained consistent in the 2017/18 Financial Year.
[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]					

<i>Service/indicator/measure</i>	<i>2014/15 Result</i>	<i>2015/16 Result</i>	<i>2016/17 Result</i>	<i>2017/18 Result</i>	<i>Comments</i>
<i>Service cost</i>					
<i>Cost of kerbside recyclables collection service</i>	\$48.25	\$47.60	\$45.56	\$41.86	Costs of Recycling collection have remained consistent in the 2017/18 Financial Year; however, it is anticipated that this cost will increase next financial year.
[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]					
<i>Waste diversion</i>					
<i>Kerbside collection waste diverted from landfill</i>	33.34%	33.85%	33.05%	32.88%	Our result for 2017/18 financial year has decreased slightly from the previous year. Mitchell Shire Council does not currently have a kerbside green organics collection. The shift is in the proportion of recyclables collected.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					



CORPORATE GOVERNANCE



GOVERNANCE

Mitchell Shire Council is constituted under the *Local Government Act 1989* to provide leadership for the good governance of Mitchell Shire 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 for the interests of the local community to other communities and governments
- > Fostering community cohesion and encouraging active participation in civic life.

Community input is sought on a range of matters in accordance with Council's Engagement Framework and through Advisory Committees.

Council's formal decision-making processes are conducted through Council meetings and special Committees of Council. Council staff also have delegated authority for some decision-making. These delegations are exercised in accordance with adopted Council policies.

COUNCIL MEETINGS

Council decisions are made at scheduled meetings of Council. Meetings are open to the public unless Council resolves to close the meeting to consider confidential matters. Meetings are usually held on the third Monday of each month. There were no scheduled meetings in January. Council can also hold Special Council Meetings as needed.

Council also has a Community Questions and Hearings Committee which meets to hear and report to Council on submissions received under the *Local Government Act 1989* and on objections and submissions received in relation to planning permit applications and strategic planning matters under the *Planning and Environment Act 1987*.

The delegation to the Community Questions and Hearings Committee also provides the opportunity for members of the public to ask questions on issues in which Council has a direct interest or responsibility, and for community organisations to present on matters of interest.

Ordinary Council and Community Questions and Hearings Committee meetings are conducted in accordance with *Local Law No. 1 – Meeting Procedure Local Law 2014*. Reports are prepared independently by officers for both the decision and information of the Council.

Disclosure of interest provisions require a Councillor to disclose any conflicts of interest they have in matters being considered at Council meetings. These provisions also apply to meetings closed to the public. Conflict of interest disclosures are recorded in the meeting minutes.

Meeting attendance

There were 11 Council meetings, 3 Special Council meetings, 11 Community Questions and Hearings Committee meetings and 1 Special Community Questions and Hearings Committee meeting for the period in July 2017 – June 2018.

Councillor	Council Meeting	Special Council Meeting	Community Questions and Hearings Committee	Special Community Questions and Hearings Committee	Total
Cr David Atkinson	11	3	11	1	26
Cr Bill Chisholm	11	3	11	1	26
Cr Bob Cornish	11	3	11	1	26
Cr Rob Eldridge	10	3	10	0	23
Cr Bob Humm	10	3	9	1	23
Cr Annie Goble	10	3	11	1	25
Cr David Lowe	10	3	11	1	25
Cr Rhonda Sanderson	10	3	11	1	25
Cr Fiona Stevens	11	3	11	1	26

Notes: Councillor Rhonda Sanderson was elected Mayor for a second term in November 2017.

COUNCILLOR CODE OF CONDUCT

The *Local Government Act 1989* requires every council to adopt a Councillor Code of Conduct. Mitchell Shire Council adopted a revised Councillor Code of Conduct at a Special Council Meeting on 6 February 2017. The Code applies the principles of good governance and accountability and sets agreed standards of behaviour.

CONFLICT OF 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 procedures to accommodate disclosure and declarations of a conflict of interest are a standard agenda item for all Council and Committee meetings. If a person has a conflict of interest, they disclose it and, if necessary, step aside from the decision-making process relating to that matter. A register of declared interests is maintained and the following table provides a summary of the conflict of interest disclosures made by Councillors during 2017/18.

Conflict of Interest	Council Meetings	Community Questions and Hearings Committee
Direct Interest	1	0
Indirect Interest	7	1
Total	8	1

COUNCILLOR ALLOWANCES

In accordance with section 74 of the *Local Government Act 1989*, Councillors are entitled to receive an allowance while performing their duty as a Councillor. The Mayor is also entitled to receive a higher allowance. The State Government sets the upper and lower limits for these allowances based on the income and population of each Council. Mitchell Shire Council is a category two council.

For the period for 1 July to 1 December 2017, the councillor annual allowance for a category 2 council (as defined by the Act) ranged from \$10,284 to \$24,730 per annum, and Mayors up to \$76,521 per annum.

The Minister for Local Government approved an annual adjustment of 2 per cent to take effect from 1 December 2017, ranging from at \$10,490-\$25,225 per annum for the Councillor allowance and up to \$78,051 per annum for the Mayoral allowance.

Councillor	Allowance \$	Superannuation \$	Mobile Phone \$	Education \$	Accommodation and Travel \$	Total \$
Councillor Term 2016-2020						
Cr Atkinson	25,019	2,377	900	626	309	29,231
Cr Chisholm	25,019	2,377	797	568	2,971	31,732
Cr Cornish	25,019	2,377	537	-	-	27,933
Cr Eldridge	25,019	2,377	537	-	-	27,933
Cr Goble	25,019	2,377	244	583	282	28,505
Cr Humm	25,019	2,377	979	55	-	28,430
Cr Lowe	25,019	2,377	240	215	4,536	32,387
Cr Sanderson*	77,413	7,355	918	4,828	3,898	94,412
Cr Stevens	25,019	2,377	1,058	53	-	28,507
Total	277,565	26,371	6,210	6,928	11,996	329,070

Note: All figures have been rounded.

Cr Rhonda Sanderson was elected Mayor in November 2017.

COUNCILLOR EXPENSES AND SUPPORT

Section 75 of the *Local Government Act 1989* also provides for the reimbursement of necessary out of pocket expenses incurred while performing the duties of a Councillor.

Mitchell's Councillor Expense and Support Policy provides for reimbursement of a range of expenses related to approved training, registration fees, conference and functions, travel and child care. The policy also identifies the facilities, services and resources which are made available to Councillors.

A copy of this policy is available for inspection, as required under section 75b of the *Local Government Act 1989* and is available on Council's website.

In line with the policy, support is provided to the Mayor in the form of a Council vehicle, mobile telephone and computer equipment. Mobile telephones and a selection of computer equipment are also made available to all Councillors.

The following tables shows what equipment has been provided to each Councillor and what reimbursements have been provided in 2017/18.

Councillor	Mobile Phone	Tablet	Printer
Cr Atkinson	✓	✓	✓
Cr Chisholm	✓	✓	✓
Cr Cornish	✓	✓	✓
Cr Eldridge	✓	✓	✓
Cr Goble	✓	✓	
Cr Humm	✓	✓*	
Cr Lowe	✓	✓	
Cr Sanderson	✓	✓	✓
Cr Stevens	✓	✓	✓

*Cr Bob Humm returned his tablet in 2018

Expense Categories

Councillor Allowances and Superannuation

The Victorian Government sets upper and lower limits for all allowances paid to Councillors and Mayors. Mitchell Shire Council is classified as a category two Council. Allowances are paid in accordance with section 74 of the *Local Government Act 1989*.

Telecommunication

Councillors are supplied with an iPhone, tablet and printer (see table on page 156). The provision of these telecommunications services are paid for by Council. Any expenses associated with private use, including any use exceeding the download capacity provided, of these services and facilities, must be reimbursed to Council.

Councillor Education

This category covers registration fees associated with attendance by Councillors within Victoria at one-off or short-term training, conferences and/or functions held by local government related organisations, professional bodies or institutions.

This category also covers fees associated with specialised group training for elected Councillors.

Accommodation and Travel

This category covers expenses associated with attendance by Councillors within Victoria at approved short-term training, conferences and/or functions. The Councillor Expense and Support Policy provides for the reimbursement of car parking fees, e-tags and use of private vehicles while conducting Council business.

COUNCIL REPRESENTATION

Councillors represent the interests of our community through direct contact with residents, representation on local interest groups and involvement in broader scale agency and government committees. In addition to participation in Council meetings and engagement in direct community and individual consultation, Councillors are appointed to a variety of bodies to represent the various interests of Mitchell Shire Council and its people.

The appointments for 2017/18 are listed in the following tables. Appointments were updated at the Special Council Meeting on 8 November 2017.

Regional, State-Wide and Local Organisations

Organisation	Appointments (as at 8 November 2017)
Australian Local Government Women's Association – Victorian Branch	Cr Sanderson
Goulburn Broken Greenhouse Alliance	Cr Atkinson
Goulburn Valley Regional Waste Management Group	Cr Humm
Hume Region Local Government Network	Mayor Chief Executive Officer
Interface Council Group	Mayor Chief Executive Officer
L2P	Cr Stevens
Merri Creek Management Committee Inc.	Cr Eldridge
Municipal Association of Victoria	Mayor Deputy Mayor**
Municipal Emergency Management Planning Committee	Cr Chisholm
Municipal Fire Management Planning Committee	Cr Humm Cr Chisholm (Substitute)
RoadSafe Goulburn Valley Committee	Cr Stevens Director Development and Infrastructure or delegate
Rural Council Victoria	Cr Sanderson
Victorian Local Governance Association	Cr Lowe
Melbourne Northern Metropolitan Forum	Mayor Chief Executive Officer
Mitchell Honebetsu Sister City Association	Cr Goble (as of June 2018)

Legend: ** Substitute Representative, CEO – Chief Executive Officer

Incorporated Associations

Central Ward

Organisation	Appointments (as at 8 November 2017)
Broadford Land Management Group	Cr Atkinson
Harley Hammond Reserve Committee	Cr Atkinson
JJ Clancy Reserve Committee	Cr Humm
Kilmore Soldiers Memorial Hall Inc.	Cr Humm
Broadford Living & Learning Centre	Cr Goble

North Ward

Organisation	Appointments (as at 8 November 2017)
Australian Light Horse Memorial Park	Cr Sanderson
Kings Park Recreation Reserve Committee	Cr Sanderson
Pyalong Recreation Reserve Committee	Cr Chisholm
Seymour Bushland Park Committee	Cr Sanderson
Seymour Old Courthouse Committee	Cr Stevens
Seymour Tennis Complex Committee	Cr Stevens
Tallarook Mechanics Institute Committee	Cr Chisholm
Tallarook Recreation Reserve Committee	Cr Stevens
Tooborac Mechanics Hall and Reserve Committee	Cr Chisholm

South Ward

Organisation	Appointments (as at 8 November 2017)
Beveridge Recreation Reserve Committee Inc.	Cr Cornish
Greenhill Social Club Inc.	Cr Eldridge
Committee of Management RB Robson Stadium Committee Inc.	Cr Cornish
Wandong Sports and Community Inc.	Cr Eldridge
Wandong Public Hall Inc.	Cr Lowe

COUNCIL AND ADVISORY COMMITTEES

Council has established three formal Committees to assist the Council in decision making on specific areas of Council's functions and responsibilities.

Depending on their role and the need for delegated powers, these Committees are either special committees or advisory committees as defined in the *Local Government Act 1989*. Each of these Committees has a Charter adopted by Council resolution and their meetings are governed by Council's *Local Law No. 1 – Meeting Procedure Local Law 2014*.

Council Committees

Organisation	Appointments (as at 8 November 2017)
Audit (Advisory) Committee	Cr Lowe Cr Atkinson
CEO Performance Review Advisory Committee	Mayor Cr Sanderson Cr Chisholm Cr Cornish
Community Questions and Hearings Committee	All Councillors

Advisory Committees

Organisation	Appointments (as at 8 November 2017)
Mitchell Youth Advisory Committee	Cr Cornish
Social Justice Advisory Committee	Cr Goble Cr Cornish (Substitute)
Mitchell Environment Advisory Committee	Cr Eldridge
Mitchell Fire Consultative Committee	Cr Humm Cr Chisholm
Mitchell Heritage Advisory Committee	Cr Humm
Mitchell Early Years Advisory Committee	Cr Stevens Cr Cornish (Substitute)
Australia Day Awards Committee	Mayor Cr Sanderson Cr Chisholm Cr Cornish Cr Goble

AUDITING

AUDIT AND RISK COMMITTEE

The Audit and Risk Committee is an independent advisory committee of Council established under Section 139 of the *Local Government Act 1989*.

The primary objective of Mitchell's Audit and Risk Committee is to assist Council in the effective conduct of its responsibilities for managing risk and maintaining a reliable system of internal controls and associated reporting.

The Audit and Risk Committee monitors and provides advice to Council on:

- > External financial reporting
- > Internal and external audit
- > Internal control and risk management
- > Compliance and ethics
- > Fraud prevention
- > Good governance

Membership

The Audit and Risk Committee comprises three independent members, one of whom is appointed Chair, and two Councillors. Council members are appointed annually while independent members are appointed through a recruitment process for up to three years.

Councillor Members November 2016 – 2020

Cr David Atkinson and Cr David Lowe.

Independent Members

Michael Ulbrick (Chair)

Michael has held numerous executive positions to the level of Chief Executive within the public and local government sectors and has significant experience working in regional and metropolitan councils. He has been appointed as an independent member to a number of local councils' Audit Committees and holds the position of Commissioner with the Victoria Grants Commission. Michael is a qualified Company Director and holds tertiary qualifications in economics, mathematics, education, accounting and applied information systems.

Theresa Glab

Theresa is the director of a governance, risk and compliance consulting business, sits on public and private sector boards and is currently the independent member for two council Audit Committees. She is an Accountant (CPA) and holds qualifications in economics, banking and finance. She is also a graduate of the Australian Institute of Company Directors. Theresa has a well-developed knowledge of local government, its key operations, quality assurance systems, internal and external audit functions and associated risks.

Bruce Potgieter

Bruce has over 20 years' involvement with local government as auditor and consultant and is currently an independent member of five Audit Committees. Bruce is a Chartered Accountant and was previously Council's Auditor-general's agent. He is a former member of the local government taskforce which developed the model budget for the sector and chaired the Municipal Association of Victoria's Annual Reporting Awards Committee.

Other participants

Council's Chief Executive Officer, Director Governance and Corporate Performance, Manager Finance and Assets, Manager People and Culture and the Internal Auditor (Pitcher Partners) attend all meetings by invitation of the Committee. The External Auditor (LD Assurance) attended meetings to present the external audit plan and the statutory audit for the 2017/18 Annual Statements.

Attendance

The Audit Committee met four times during the 2017/18 financial year. The meetings were held on 7 September 2017, 30 November 2017, 15 February 2018 and 10 May 2018.

Council Members	Meetings attended	Independent Members	Meetings attended
Cr David Atkinson	4	Theresa Glab	4
Cr David Lowe	4	Bruce Potgieter	4
		Michael Ulbrick (Chair)	4

Internal Audit

Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve the operations of Council. A 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 annually.

This year, Council's internal auditor, Pitcher Partners, conducted comprehensive audits of Fraud & Corruption, Rates Revenue and completed the field work for Capital Works Planning.

External Audit

Council's external auditor is selected by the Victorian Auditor General's Office with LD Assurance appointed as Council's external auditor for a five-year period. The Audit Committee reviewed the 2017/18 Financial and Performance Statements and also considered responses prepared by management in the annual statutory audit along with monitoring progress of management in implementing agreed actions. During the course of review of annual statements, the Audit Committee is also provided an opportunity to meet with the external auditors without management to discuss any issues of relevance.

RISK MANAGEMENT

RISK FRAMEWORK

Council is committed to pro-active risk management to help provide a safe environment and facilities for the community and for employees. Council manages risk through a framework developed using the International Standard ISO 31000. The Risk Management framework was reviewed in 2017 and updated to reflect the risk appetite of the organisation.

RISK AUDIT

Council is regularly audited on many aspects of risk management as part of a wider insurance framework. The audits are scored and benchmarked against other councils and specific regions within the state. The level of performance also has an impact on the premiums for Public Liability, Commercial Crime and Asset Protection.

BUSINESS CONTINUITY PLAN

Business Continuity planning helps the organisation respond to events which could impact on Council's ability to meet the needs of the community. The Business Continuity framework identifies opportunities to prevent or minimise business disruption and encourages a culture of resilience and preparedness. The newly developed Business Continuity Framework includes processes to identify and manage each area of Council through Business Impact Analysis. The development of the Business Continuity framework led to the development of a Crisis Management Team within Council led by the Executive team as a Continuity Leadership Team to manage events which may occur. Testing of the organisation's preparedness in relation to the Business Continuity framework was undertaken and is now an annual requirement.

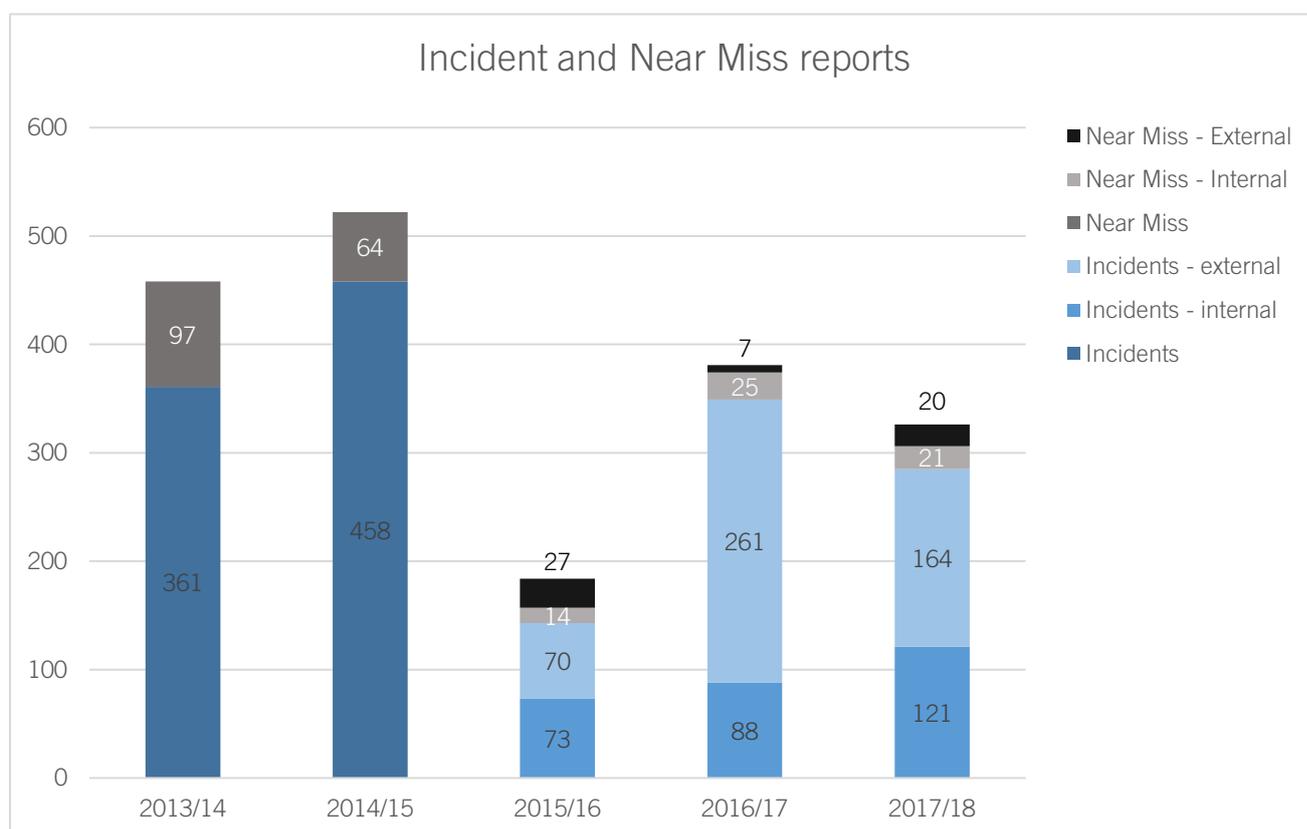
OCCUPATIONAL HEALTH AND SAFETY

Mitchell Shire is committed to ensuring the health and safety of employees, contractors and the public. This is achieved through the use of procedures, guidelines and management tools which develop an informed safety culture and meet our legislative requirements.

REPORTED INCIDENTS AND NEAR MISS REPORTS

All incidents, including near misses must be reported and then actioned by the manager or supervisor in the relevant area.

The following graph indicates the number of incidents and near misses reported over the last five years. A focus on incident reporting has led to an analysis of incidents in terms of whether they are internal (involves an employee, volunteer or contractor) or external (involves a public person). This led to an increase in the number of incidents reported internally. The number of external incidents has dropped in 2017/18.



Overall, the severity of incidents has improved which has resulted in a reduction in the WorkCover premium for 2018/19.

ASSET MANAGEMENT

Council is responsible for approximately \$568 million (fair value) and \$375 million (written down value) of infrastructure assets including roads, drainage, footpaths, bridges, parks, play equipment, sporting grounds and buildings.

A key objective of the Asset Management Policy is to ensure that assets used to support the services delivered by Mitchell Shire Council are appropriately managed to guarantee that quality services continue to be available to the community for the long-term future.

Council faces new challenges with contrasting demands across the Shire. Some areas are facing rapid growth so demand for new services and associated assets are increasing. At the same time Council's long-established townships have aging infrastructure that must be renewed in a timely fashion to maintain service continuity.

Council is taking a long term strategic focus to ensure it is positioned to address new, upgrade and renewal requirements of assets so that the services Council delivers continue to meet the expectations of the community.

ASSET MANAGEMENT PLANS

In 2017/18 Council commenced a process to review its asset management strategy and asset plans for all major asset classes. This process will be finalised in 2018/19. Asset management plans inform Council of the investment it will need to make in our roads, bridges, buildings, sporting and recreation, and drainage assets to ensure our levels of service to the community are being maintained. The plans will generate a 10-year estimate of cost which will assist Council as part of the development of the Long Term Financial Plan. The asset plans will also capture our future investment requirements as they have been mapped out in Township Plans, Structure Plans, Master Plans and any other short to medium term infrastructure plans.

ASSET RENEWAL

Mitchell Shire spent \$7.4 million on infrastructure asset renewal in 2017/18. Council will endeavour to maintain a high level of investment in asset renewal as part of its commitment to delivering quality services to Mitchell Shire residents. Council's asset management plans will assist Council priorities investment in renewal of its aging assets.

NEW FACILITIES AND AMENITIES

Each year a range of capital assets are developed in relation to new and upgraded facilities to meet community needs and expectations, ranging from traffic management works to parks and new or upgraded buildings.

In 2017/18, Council expended \$10.24 million on new and upgraded assets, including the Broadford Learning and Living Centre Revitalisation (\$0.7M), Kings Park Seymour Netball Amenities Facility (\$0.44M), Mount Piper Kindergarten Maternal and Child Health Centre (\$0.32M), Seymour Library Outdoor Space (\$0.12M), and CCTV and Solar Lighting of Hadfield Park (\$.08M).

NEW SUBDIVISIONS

As new subdivisions are completed by developers, Council acquires the civil infrastructure and open space assets as part of Council's asset portfolio, and ongoing management become Council's responsibility. In 2017/18 the total value of assets handed over to Council by developers was \$9.64M.

While gifted assets come to Council in excellent condition, over time they will impact Council's capital and maintenance costs, so planning for this is an essential part of the asset management framework. By ensuring Council is tracking its assets through data collection, it can continue to develop long range forecasting to assist Council position itself for a financially sustainable future.

OTHER 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. Copies of the documents can be obtained for the purposes of section 222 of the Act at 113 High Street Broadford, or by contacting our Governance Department on 5734 6200:

- a) 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 councillor or any member of council staff in the previous 12 months
- b) 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
- c) 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
- d) 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
- e) 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
- f) a register maintained under section 224(1A) of the Act of authorised officers appointed under that section
- g) a list of donations and grants made by the council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

BEST VALUE

In accordance with section 208B(F) of the *Local Government Act 1989*, Council is required to report annually on initiatives carried out in relation to best value principles:

- > Specific quality and cost standards for council services
- > Responsiveness to community needs
- > Accessibility and appropriately targeted services
- > Continuous improvement
- > Regular community consultation on all service and activities
- > Frequent community reporting.

While no formal best value service reviews were conducted in 2017/18, Council remain committed to a culture of continuous improvement.

Council sought community input on a number of projects, services and activities; took part in the State Government's Community Satisfaction Survey and provided regular reports on the Local Government Reporting Framework and Council Plan activities throughout the year.

CARERS RECOGNITION

In accordance with the *Carers Recognition Act 2012*, Council is required to report annually on its care measurement obligations under section 11 of that Act.

Council has promoted the principles of that Act to people in care relationships who receive council services, to people in care relationships, and to the wider community by:

- > Distributing printed material through relevant council service
- > Providing information to organisations represented in council/community networks.

Council has taken all practicable measures to ensure staff, council agents and volunteers working for council are informed about the principles and obligations of the Act by including information on the care relationship in Council induction and training programs for staff working in Community Services and front-line positions.

CONTRACTS

In accordance with the *Local Government Act 1989*, Council is required to disclose any contracts valued at more than \$200,000 that were not engaged via a public tender process. During the year, Council did not enter into any contracts over \$200,000 outside of the tender process.

DISABILITY ACTION PLAN

In accordance with Section 38 of the *Disability Act 2006*, Council is required to report on the implementation of the Disability Action Plan in its annual report.

2016/17 was the final year of the Access and Inclusion disAbility Plan. The new Social Justice Framework was endorsed by Council this year, and the Year 1 Action Plan is in progress. Refer to page 92 for further information.

DOMESTIC ANIMAL MANAGEMENT PLAN

The Domestic Animal Management Plan (DAMP) 2013-2017 guides Council's planning for animal management under specific areas and lists 80 actions to be completed over the four-year plan. *The Domestic Animal's Act 1994* requires Council to prepare a DAMP at four-year intervals, in consultation with the Secretary of the Department of Economic Development, Jobs, Transport and Resources.

Council's Local Laws Team have undertaken extensive community consultation at all stages of the Draft DAMP development, and, in line with best practice, the Draft Plan has highlighted the importance of responsible pet ownership, the importance of keeping dogs under effective control and effective cat management.

The Plan will ensure that Mitchell Shire Council is able to effectively deal with animal management issues in a way that meets community expectations.

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

The *Freedom of Information Act 1982* grants the community the right to access certain Council documents. This general right of access is limited by exceptions and exemptions which have been prescribed to protect public interests and the private and business affairs of people about whom Council holds information. The Act has four principles:

1. The public has the right of access to information.
2. Local governments are required to publish information on the documents they hold.
3. People may request that inaccurate, incomplete, out-of-date or misleading information in their personal records be amended.
4. People may appeal against a decision not to give access to the information or not to amend a personal record.

In accordance with section 7(4AA)(a) and 7(4AA)(b) of the *Freedom of Information Act 1982*, council is required to publish certain statements in their annual report or separately such as on its website, concerning its functions and information available. Following is the summary of the application and operation of the *Freedom of Information Act 1982*.

FOI Requests received	2013/14	2014/15	2015/16	2016/17	2017/18
New requests	12	9	7	24	10
Access granted in Full	1	2	3	2	5
Access granted in part	5	0	1	16	4
Access denied in full	1	0	0	0	0
Requests withdrawn	1	3	0	2	0
Requests determined not to be FOI requests	2	1	0	1	1
Requests still under consideration	1	3	5	0	0
Requests, no documents existed	1	0	0	3	0
Number of internal reviews sought	0	0	0	0	0
Appeals lodged with VCAT	0	0	0	0	0

Access to documents may be obtained through written request to the Freedom of Information Officer, as detailed in section 17 of the *Freedom of Information Act 1982* and in summary as follows:

- > it should be in writing
- > it should identify as clearly as possible which document is being requested
- > it should be accompanied by the appropriate application fee (the fee may be waived in certain circumstances).

Requests for documents in the possession of council should be addressed to the Freedom of Information Officer. Requests can be made by email to mitchell@mitchellshire.vic.gov.au or in writing addressed to the Freedom of Information Officer, Mitchell Shire Council 113 High Street Broadford 3658.

Access charges may also apply once documents have been processed and a decision on access is made (e.g. photocopying and search and retrieval charges).

Further information regarding FOI can be found at www.foi.vic.gov.au.

INFORMATION PRIVACY

The responsible handling of personal information is a key aspect of democratic governance and Council is committed to protecting an individual's right to privacy. Council will take the necessary steps to ensure that the personal information that people share with us remains confidential.

Accordingly, Council is committed to full compliance with its obligations under the *Privacy and Data Protection Act 2014* and the *Health Records Act 2001*. Council's Information Privacy Policy is available on our website.

A complaint process is available if any person feels aggrieved by Council's collection or handling of their personal information. An individual may make a complaint to Council's Privacy Officer by emailing mitchell@mitchellshire.vic.gov.au calling (03) 5734 6200 or by sending written correspondence to Mitchell Shire Council, 113 High Street, Broadford, Vic, 3658.

Mitchell Shire Council received two privacy complaints in 2017/18. None of those complaints was deemed a privacy breach.

LOCAL LAWS

Local Law No. 1 Community and Environment 2013

Local Law No. 1 Community and Environment 2013 was last reviewed and adopted by Council in June 2013. It covers alcohol, animals, asset protection, firewood collection, fireworks, open air vehicles, recreational vehicles, road closures, skip bins and trading. It outlines permits and procedures required, as well as the relevant fines for infringement of these procedures.

The objectives of the local law are to:

- > Provide for the peace, order and wellbeing of people in the municipal district by enhancing public safety and community amenity
- > Provide for the safe and equitable use and enjoyment of public places
- > Protect and enhance the environment and amenity of the municipality
- > Regulate and control activities and behaviours which may be regarded as dangerous, unsafe or detrimental
- > Allow uniform and fair administration of this local law

Local Law No. 1 Meeting Procedures 2014

Local Law No. 1 Meeting Procedures 2014 was gazetted in December 2014. The objectives of the meeting procedures local law are to:

- > Provide for the election of the Mayor and Deputy Mayor
- > Regulate the use of the common seal
- > Prohibit unauthorised use of the common seal or any device resembling the common seal
- > Provide for the procedures governing the conduct of Council meetings and Special Committee and Advisory Committee meetings
- > Set the rules of behaviour for those participating in or present at Council meetings and Special Committee and Advisory Committee meetings

NATIONAL COMPETITION POLICY COMPLIANCE

The National Competition Policy promotes efficient public resource allocation. Its underpinning principles are intended to ensure reform of monopolies; that there is separation of regulatory and business functions; that legislative restrictions on competition are removed; and that price reforms are adopted to offset any public ownership advantages enjoyed by government businesses.

Mitchell Shire Council is required to comply in three areas:

1. Trade Practices (Competition Code, *Competition Policy Reform Act 1995*)
2. Local Laws
3. Competitive Neutrality

Mitchell Shire Council continues to recognise its obligations to comply with the *Trade Practices Act 1974* Part IV (Competition Code in Victoria). There were no complaints to Council or any referrals or investigations by the Australian Competition and Consumer Commission related to Trade Practices in 2017/18.

Council is also required to review its Local Laws to ensure they do not restrict competition.

Council recognises its obligations towards competitive neutrality in accordance with the requirements of Victorian Government Policy, National Competition Policy and Local Government. Council takes public interest considerations into account in deciding whether competitive neutrality should apply and believes that all principles of competitive neutrality have been correctly applied.

No complaints were received in 2017/18.

PROTECTED DISCLOSURE

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 disclosures 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 council's website.

During the 2017/18 year no disclosures were notified to council officers appointed to receive disclosures, or to Independent Broad-based Anti-Corruption Commission (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.

DEVELOPER CONTRIBUTION PLAN

Infrastructure and development contributions.

In accordance with section 46GM and 46QD of the *Planning and Environment Act 1987*, a council that is a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. The report must be published in a council's annual report.

For the 2017/18 year the following information about infrastructure and development contributions is disclosed.

Infrastructure contributions.

For the period 2017/18, Council did not have any relevant information to report regarding Infrastructure Contributions Plans under section 46GM of the *Planning and Environment Act 1987*.

Development contributions.

DCP name	Year approved	DCPO#	Levies received in 2017/18	Levies Received in Total
Lockerbie	2012	DCP01	\$1,954,349.11	\$5,681,558.75
Lockerbie North	2012	DCP02	\$0	\$0

Table 1 - Total Development Contributions Plans (DCP) levies received in 2017/18

DCP land, works, services or facilities accepted as works-in-kind in 2017/18

- > No land, works, services or facilities were accepted as works-in-kind in 2017/18.

Total DCP contributions received and expended to date (for DCPs approved after 1 June 2016)

- > No levies, contributions or works were received in 2017/18.

Land, works, services or facilities delivered in 2017/18 from DCP levies collected

- > No land, works, services or facilities were delivered in 2017/18.

GOVERNANCE AND MANAGEMENT CHECKLIST

The following are the results in the prescribed form of Council's assessment against the prescribed Governance and Management Checklist.

Column 1	Column 2
Governance and Management items	Assessment
1. Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Current policy in operation ✓ Date of adoption/operation of current policy: 13/10/2014
2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation ✓ Date of operation of current guidelines: 13/10/2014
3. Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next four financial years)	Plan adopted in accordance with section 126 of the Act ✓ Date of adoption: 25/06/2018
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: 25/06/2018
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: Bridges 28/10/2013, Buildings 28/10/2013, Parks and Open Spaces 01/12/2012, Roads 28/10/2013, Stormwater Drainage 01/12/2012
6. Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Strategy ✓ Date of operation of current strategy: 05/04/2016

Column 1	Column 2
Governance and Management items	Assessment
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: 24/09/2017
8. Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Policy ✓ Date of operation of current policy: 01/05/2017
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: 05/05/2015
10. Procurement policy (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the Local Government Act ✓ Date of approval: 19/06/2017
11. Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Plan ✓ Current plan in operation: 13/02/2018
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 ✓ Current plan in operation: 13/02/2018
13. Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Framework ✓ Current framework in operation: 14/09/2017

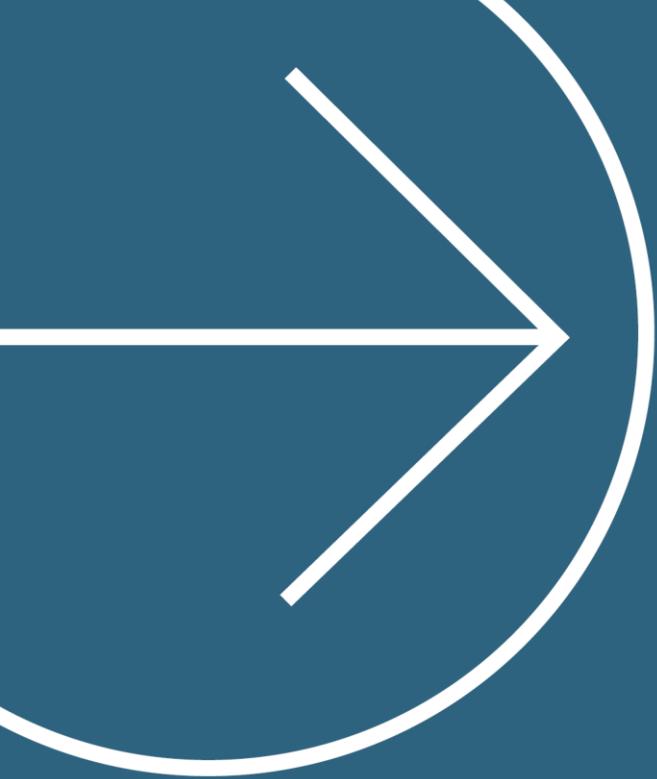
Column 1	Column 2
Governance and Management items	Assessment
<p>14. Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)</p>	<p>Committee established in accordance with section 139 of the Act ✓ Date of establishment: 15/04/2004</p>
<p>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)</p>	<p>Engaged ✓ Date of engagement of current provider: 01/03/2017</p>
<p>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)</p>	<p>Framework ✓ Current framework in operation: 15/05/2018</p>
<p>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)</p>	<p>Report ✓ Date of current report: 16/04/2018</p>
<p>18. Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)</p>	<p>Quarterly statements presented to Council in accordance with section 138(1) of the Act ✓ Date statements presented: 18/09/2017, 20/11/2017, 19/02/2018, 14/05/2018</p>
<p>19. Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)</p>	<p>Report ✓ Date of reports: 07/09/2017, 30/11/2017, 15/02/2018, 10/05/2018</p>

Column 1	Column 2
Governance and Management items	Assessment
<p>20. Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)</p>	<p>Report ✓</p> <p>Date of reports: 16/10/2017, 16/04/2018</p>
<p>21. Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)</p>	<p>Annual report considered at a meeting of Council in accordance with section 134 of the Act ✓</p> <p>Date of report: 17/10/2016</p>
<p>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)</p>	<p>Code of conduct reviewed in accordance with section 76C of the Act ✓</p> <p>Date reviewed: 06/02/2017</p>
<p>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)</p>	<p>Delegations reviewed in accordance with section 98(6) of the Act ✓</p> <p>Date of review: 16/10/2017</p>
<p>24. Meeting procedures (a local law governing the conduct of meetings of Council and special committees)</p>	<p>Meeting procedures local law made in accordance with section 91(1) of the Act ✓</p> <p>Date local law made: 25/12/2014</p>

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

Laurie Ellis
Acting Chief Executive Officer
Dated: 17 September 2018

Cr Rhonda Sanderson
Mayor
Dated: 17 September 2018



PERFORMANCE STATEMENTS



DESCRIPTION OF MUNICIPALITY

Strategically located 40 kilometres north of Melbourne, Mitchell Shire is one of Victoria's fastest growing municipalities.

As an interface growth area, Mitchell offers a mix of rural and urban living with a diversity of lifestyle and housing choices.

We have an estimated population of 45,000¹ in 2018. In the next 25-30 years we expect that 230,000 people will call Mitchell home. Many of these will be families with young children and teenagers. It is anticipated that most of this growth will occur in and around the southern townships of Beveridge, Kilmore/Kilmore East and Wallan.

We have a high commuter workforce and our community relies heavily on regional rail and road networks to travel to and from work and for day to day community activities and access to services outside of the municipality.

Key employers within the Shire include Puckapunyal Military Area, Council, hospitals, health services, schools and child care, supermarkets, Ralphs Meats and Nestlé. Our agricultural, equine and tourism industries are also important contributors to our local economy.

Our rolling foothills, open farmland, mountain ranges, rivers, creeks and natural environment are key attributes of our landscape amenity. This also means parts of our municipality are subject to natural disasters such as fires, storms and floods.

At 2,864 square kilometres, we are a large municipality with many larger and smaller townships and communities. These include Beveridge, Broadford, Bylands, Clonbinane, Forbes, Glenaroua, Glenhope, Glenhope East, Heathcote Junction, Heathcote South, High Camp, Hilldene, Hughes Creek, Kilmore, Kilmore East, Mia Mia, Moranding, Northwood, Nulla Vale, Puckapunyal, Pyalong, Reedy Creek, Seymour, Sugarloaf Creek, Sunday Creek, Tallarook, Tooborac, Trawool, Tyaak, Upper Plenty, Wallan, Wallan East, Wandong, Waterford Park, Whiteheads Creek and Willowmavin.

We also cover parts of Avenel, Donnybrook, Flowerdale, Highlands, Mangalore, Strath Creek, and Tarcombe.

As at 30 June 2018, our total population stood at 42,795.²

¹ ID Data - 2018 Population Forecast <http://forecast.id.com.au/mitchell/home>

² Australian Bureau of Statistics 3218.0 Regional Population Growth - Estimated Resident Population by Local Government Area

Sustainable Capacity Indicators

For the year ended 30 June 2018

Service/indicator[measure]	Results				Material variations
	2015	2016 ³	2017	2018	
Population					
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,428.56	\$1,473.03	\$1,361.84	\$1,485.99	No material variation.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$10,567.60	\$11,313.75	\$10,083.38	\$9,277.93	No material variation.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	28.40	28.64	29.27	30.76	No material variation.
Own-source revenue					
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,065.20	\$1,108.60	\$1,142.70	1,158.99	No material variation.

³ The 2015/16 result was updated after the production of the Annual Report and corrected on the Know Your Council Website, due to a transposition in the municipal population.

Service/indicator[measure]	Results				Material variations
	2015	2016 ³	2017	2018	
Recurrent grants					
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$388.97	\$187.88	\$351.25	\$267.98	The change of \$83.27 per head of municipal population is a combination of a 23.53% reduction in recurrent grants recognised during 2017/18, and a population growth of 5.42%. In 2014/15, 2016/17 and 2017/18 Financial Assistance Grant funding was partially paid in advance which has the effect of substantially increasing the result in this area, when compared to a year (e.g. 2015/16) when no advance payment is received.
Disadvantage					
<i>Relative Socio-Economic Disadvantage</i> [Index of Relative Socio-Economic Disadvantage by decile]	6	6	6	6	No material variation.

³ The 2015/16 result was updated after the production of the Annual Report and corrected on the Know Your Council Website, due to a transposition in the municipal population.

Definitions

“adjusted underlying revenue” means total income other than —

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

“infrastructure” means non-current property, plant and equipment excluding land.

“local road” means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004.

“population” means the resident population estimated by council.

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

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

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

“unrestricted cash” means all cash and cash equivalents other than restricted cash.

Service Performance Indicators

For the year ended 30 June 2018

Service/indicator[measure]	Results				Material variations
	2015	2016	2017	2018	
Aquatic facilities					
<i>Utilisation</i>					
<i>Utilisation of aquatic facilities</i>	5.55	6.46 ⁴	5.81	5.53	No material variation.
[Number of visits to aquatic facilities / Municipal population]					
Animal management					
<i>Health and safety</i>					
<i>Animal management prosecutions</i>	10.00	19.00	14.00	17.00	The number of prosecutions increased in 2017/18 Financial Year, returning to levels similar to 2015/16 Financial year. The number of prosecutions can vary significantly between years and is impossible to predict. Due to the nature of our processes and investigation procedures, all matters are examined for quality of evidence before being prepared for Court. This results in a very high rate of successful prosecutions. This then translates to minimal waste of resources and good quality investigations.
[Number of successful animal management prosecutions]					

⁴ The 2015/16 result was updated after the production of the Annual Report and corrected on the Know Your Council Website, due to a transposition in the municipal population.

Service/indicator[measure]	Results				Material variations
	2015	2016	2017	2018	
Food safety Health and safety <i>Critical and major non-compliance outcome notifications</i>	19.83%	100.00%	100.00%	100.00%	Kernow Environmental Services was contracted by Council in July 2015 and has consistently achieved a result of 100% for all reporting periods.
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100					
Governance Satisfaction <i>Satisfaction with council decisions</i>	49	41	46	50	The sudden drop in our result in the 2015/16 Financial Year, was influenced by the timing of the survey and Council considering applying for a Rate Cap exemption. Councillors and staff have continued to work on improving our performance within the State Government Rate Cap, and this year we have returned our result above our 2014/15 Financial year levels.
[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]					

Service/ <i>indicator</i> [measure]	Results				Material variations
	2015	2016	2017	2018	
Libraries					
<i>Participation</i>					
<i>Active library members</i>	15.00% ⁵	12.65% ⁶	11.80%	12.16%	No material variation
[Number of active library members / Municipal population] x100					
<hr/>					
Maternal and child health⁷					
<i>Participation</i>					
<i>Participation in the MCH service</i>	79.17%	79.00% ⁷	76.74%	77.29%	No material variation
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
<i>Participation</i>					
<i>Participation in the MCH service by Aboriginal children</i>	81.13%	72.78% ⁷	74.80%	89.02%	In the 2017/18 Financial Year Council engaged an Aboriginal Maternal and Child Health Initiative worker. This has delivered an extraordinary result for participation rates in the 2017/18 Financial Year.
[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					

⁵ This figure has been altered from the previous year's result of 19.04%, due to a data error

⁶ The 2015/16 result was updated after the production of the Annual Report and corrected on the Know Your Council Website, due to a transposition in the municipal population.

⁷ The 2015/16 result of "No data" was reported at certification as the CDIS Issues were not yet resolved. Results were updated on KYC website.

Service/indicator[measure]	Results				Material variations
	2015	2016	2017	2018	
Roads					
Satisfaction					
<i>Satisfaction with sealed local roads</i>	43	37	38	43	The sudden drop in our result in the 2015/16 Financial Year, was influenced by the timing of the survey and Council considering applying for a Rate Cap exemption. Councillors and staff have continued to work on improving our performance within the State Government Rate Cap, and this year we have returned our result above our 2014/15 Financial year levels.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					
Statutory Planning					
Decision making					
<i>Council planning decisions upheld at VCAT</i>	44.44%	50.00%	100.00%	33.33%	In 2015/16 2 of 4 decisions were upheld at VCAT. In 2016/17, 2 of 2 decisions were upheld. In 2017/18 1 of 3 were upheld. Any change in the results of such a small number of decisions has a significant impact on our % result.
[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					
Waste Collection					
Waste diversion					
<i>Kerbside collection waste diverted from landfill</i>	33.34%	33.85%	33.05%	32.88%	No material variation.
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100					

Definitions

“Aboriginal child” means a child who is an Aboriginal person.

“Aboriginal person” has the same meaning as in the *Aboriginal Heritage Act 2006*.

“active library member” means a member of a library who has borrowed a book from the library.

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

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

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

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

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

“food premises” has the same meaning as in the *Food Act 1984*.

“HACC program” means the Home and Community Care program established under the Agreement entered into for the purpose of the *Home and Community Care Act 1985* of the Commonwealth.

“HACC service” means home help, personal care or community respite provided under the HACC program.

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

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

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

“population” means the resident population estimated by council.

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

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

Financial Performance Indicators

For the year ended 30 June 2018

Dimension / indicator / measure	Results				Forecasts				Material variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Efficiency									
Revenue level									
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,698.74	\$1,805.45	\$1,840.00	\$1,845.56	\$1,976.88	\$1,957.70	\$1,938.72	\$1,919.87	No material variation.
Expenditure level									
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$2,988.65	\$3,052.38	\$2,909.68	\$3,179.65	\$2,950.13	\$3,054.37	\$3,104.26	\$3,116.18	No material variation.

Dimension / indicator / measure	Results				Forecasts				Material variations
	2015	2016	2017	2018	2019	2020	2021	2022	
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	19.55%	20.54%	18.41%	12.70%	13.70%	13.69%	13.71%	13.70%	Staff turnover has decreased again from 18.41% in 2016/17 to 12.70% in 2017/18 Financial Year. This was a much greater result than anticipated however it brings us within our forecast turnover rate of less than 14%. The implementation of the One Mitchell positive culture project has resulted in numerous benefits and improvements across the organisation, and the achievement of these actions has coincided with a continued downward trend in turnover. In addition, the senior management team have undertaken an extensive development program targeted at increasing leadership capacity. Stability within the Leadership Team has improved the organisation's capacity to respond to issues and reinforce the positive reasons why staff have chosen to make a difference at Mitchell Shire Council.

Dimension / indicator / measure	Results				Forecasts				Material variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Liquidity									
Working capital									
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	155.13%	189.96%	257.32%	278.69%	237.32%	278.84%	283.14%	283.01%	Current assets will sufficiently cover Council operations and current liabilities. At 30 June 2018, current assets include cash held for capital works of \$4.17M, unspent capital grants received in advance \$5.83M and unspent operating grants of \$545K which skews the year end result.
Unrestricted cash									
<i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	35.66%	39.14%	108.10%	121.92%	119.65%	143.78%	141.44%	141.26%	Council's unrestricted cash is more favourable than expected due to operational projects that were not completed during the year that will now be completed during 2018/19 in addition to the prepayment of 50% (\$3.64M) of the Finance Assistance Grant funding. Council's unrestricted cash also includes Term Deposit >90 days.

Dimension / indicator /measure	Results				Forecasts				Material variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Obligations									
Asset renewal									
<i>Asset renewal compared to depreciation</i> [Asset renewal expense / Asset depreciation] x100	52.82%	34.95%	53.49%	61.40%	97.50%	53.52%	61.70%	68.35%	The 2017/18 asset renewal indicator is lower than planned due to higher than budgeted depreciation expenditure and carried forward renewal capital expenditure of \$4.69M into 2018/19. This indicator shows whether Council is spending sufficient funds on the renewal of existing assets and is one of the key priority areas for improvement in Council's long term financial plan. Mitchell Shire Council is faced with the challenge of renewing assets whilst experiencing growth, which necessitates the investment in new assets.
Loans and borrowings									
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	44.38%	36.81%	46.14%	39.51%	35.00%	34.77%	33.05%	31.91%	No material variation.

Dimension / indicator / measure	Results				Forecasts				Material variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Loans and borrowings									
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	6.91%	6.37%	5.32%	6.24%	6.06%	6.53%	6.88%	7.04%	No material variation.
Indebtedness									
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	50.34%	41.00%	41.86%	31.60%	28.00%	28.32%	27.81%	25.00%	The improvement in result is mainly attributable to the reduction of \$3.97M in non-current provision liability. The result of 31.60% is outside the expected range for this measure but is within the Council's Loan Borrowing Policy.

Dimension / indicator / measure	Results				Forecasts				Material variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Operating position									
Adjusted underlying result									
<i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	1.76%	-13.43%	12.19%	2.06%	-2.78%	1.22%	0.27%	0.58%	The 2017/18 underlying surplus is impacted by the one-off timing effect of the prepayment of 2018/19 Financial Assistance Grant of \$3.64M in June 2018, which accounts for approximately 5.81% of the adjusted underlying result. Therefore, without the prepayment of income the adjusted underlying result would have been a deficit of 3.75%
									The adjusted underlying result is an indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. Council is focused on achieving a sustainable adjusted underlying surplus in the medium to long term.
Stability									
Rates concentration									
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	60.14%	72.49%	60.60%	62.19%	72.51%	69.00%	69.22%	69.51%	No material variation.
Rates effort									
<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.50%	0.54%	0.52%	0.54%	0.47%	0.46%	0.39%	0.37%	No material variation.

Definitions

“adjusted underlying revenue” means total income other than—

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

“adjusted underlying surplus (or deficit)” means adjusted underlying revenue less total expenditure.

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

“current assets” has the same meaning as in the AAS.

“current liabilities” has the same meaning as in the AAS.

“non-current assets” means all assets other than current assets.

“non-current liabilities” means all liabilities other than current liabilities.

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

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

“population” means the resident population estimated by council.

“rate revenue” means revenue from general rates, municipal charges, service rates and service charges.

“recurrent grant” means a grant other than a non-recurrent grant.

“residential rates” means revenue from general rates, municipal charges, service rates and service charges levied on residential properties.

“restricted cash” means cash and cash equivalents, within the meaning of the AAS, that are not available for use other than for a purpose for which it is restricted, and includes cash to be used to fund capital works expenditure from the previous financial year.

“unrestricted cash” means all cash and cash equivalents other than restricted cash

Other Information

For the year ended 30 June 2018

1. Basis of preparation

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 require explanation of any material variations outside of set thresholds in the results contained in the performance statement. These variations were received and noted by the Audit Committee on 10 May 2018.

The forecast figures included in the performance statement are those adopted by Council in its Strategic Resource Plan on 25 June 2018 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 is available on Council's website at www.mitchellshire.vic.gov.au or 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.

Nicole Maxwell
Manager Finance and Assets

17 September 2018
Mitchell Shire Council, Broadford, VIC

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

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

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

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

David Atkinson
Councillor

17 September 2018
Mitchell Shire Council, Broadford, VIC

David Lowe
Councillor

17 September 2018
Mitchell Shire Council, Broadford, VIC

Laurie Ellis
Acting Chief Executive Officer

17 September 2018
Mitchell Shire Council, Broadford, VIC

Insert VAGO certifications

Insert VAGO certifications

Mitchell Shire Council

ANNUAL FINANCIAL REPORT
for the year ended 30 June 2018

**TOGETHER WITH THE COMMUNITY,
CREATING A SUSTAINABLE FUTURE.**



Mitchell Shire Council

Annual Financial Report

for the year ended 30 June 2018

Contents		Page
1. Certification of the Financial Statements		3
2. Victorian Auditor-General's Office Report		4
3. Understanding Council's Financial Statements		6
4. Primary Financial Statements:		
- Comprehensive Income Statement		7
- Balance Sheet		8
- Statement of Changes in Equity		9
- Statement of Cash Flows		10
- Statement of Capital Works		11
5. Overview		12
6. Notes to the Financial Report		
Note	Details	
1	Performance against budget	
	1.1. Income and expenditure	13
	1.2. Capital works	15
2	Funding for the delivery of our services	
	2.1. Rates and charges	17
	2.2. Statutory fees and fines	17
	2.3. User fees	18
	2.4. Funding from other levels of government	18
	2.5. Contributions	20
	2.6. Net gain/(loss) on disposal of property, infrastructure, plant & equipment	21
	2.7. Other income	21
3	The cost of delivering services	
	3.1. Employee costs	22
	3.2. Materials and services	23
	3.3. Depreciation and amortisation	23
	3.4. Bad and doubtful debts	24
	3.5. Borrowing costs	24
	3.6. Other expenses	24
4	Our financial position	
	4.1. Financial assets	25
	4.2. Non-financial assets	28
	4.3. Payables	29
	4.4. Interest bearing liabilities	30
	4.5. Provisions	31
	4.6. Financing arrangements	33
	4.7. Commitments	34
5	Assets we manage	
	5.1. Property, Infrastructure, Plant & Equipment	36

Mitchell Shire Council

Annual Financial Report for the year ended 30 June 2018

Contents (continued)		Page
6	People and relationships	
	6.1. Council and key management remuneration	44
	6.2. Related party disclosure	46
7	Managing uncertainties	
	7.1. Contingent assets and liabilities	47
	7.2. Change in accounting standards	49
	7.3. Financial instruments	50
	7.4. Fair value measurement	52
	7.5. Events occurring after balance date	54
8	Other matters	
	8.1. Reserves	55
	8.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	57
	8.3. Superannuation	57

Overview

- (i) These financial statements are General Purpose Financial Statements and cover the consolidated operations for Mitchell Shire Council.
 - (ii) All figures presented in these financial statements are presented in Australian Currency.
 - (ii) These financial statements were authorised for issue by the Council on 17/09/18. Council has the power to amend and reissue these financial statements.
-

Mitchell Shire Council

Annual Financial Report for the year ended 30 June 2018

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.

Laurie Ellis

Principal Accounting Officer

Date :

Mitchell Shire Council, Broadford VIC

In our opinion the accompanying financial statements present fairly the financial transactions of Mitchell Shire Council for the year ended 30 June 2018 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.

David Atkinson

Councillor

Date :

Mitchell Shire Council, Broadford VIC

David Lowe

Councillor

Date :

Mitchell Shire Council, Broadford VIC

David Turnbull

Chief Executive Officer

Date :

Mitchell Shire Council, Broadford VIC

Mitchell Shire Council

Annual Financial Report
for the year ended 30 June 2018

Victorian Auditor-General's Office Report

Insert VAGO Report here

Mitchell Shire Council

Annual Financial Report for the year ended 30 June 2018

Victorian Auditor-General's Office Report

Insert VAGO Report here

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Understanding Council's Financial Report

Introduction

Each year, individual Local Governments across Victoria are required to present a set of audited financial statements to their Council & Community.

What you will find in the Report

The financial report sets out the financial performance, financial position & cash flows of Council for the financial year ended 30 June 2018.

The format of the financial report is standard across all Victorian Councils and complies with both the accounting & reporting requirements of Australian Accounting Standards and requirements as set down by Local Government Victoria.

About the Certification of the Financial Statements

The financial statements must be certified by senior staff and Councillors as "presenting fairly" the Council's financial results for the year as well as Council's financial position and are required to be adopted by Council - ensuring both responsibility for & ownership of the financial statements.

About the Primary Financial Statements

The financial statements incorporate 5 "primary" financial statements:

1. Comprehensive Income Statement

Summarises Council's financial performance for the year, listing all income & expenses.

Includes Other Comprehensive Income which primarily records changes in the fair values of Council's Property, Infrastructure, Plant & Equipment.

2. Balance Sheet

A 30 June snapshot of Council's financial position indicating its Assets, Liabilities & "Net Wealth".

3. Statement of Changes in Equity

The overall change for the year (in dollars) of Council's "Net Wealth".

4. Statement of Cash Flows

Indicates where Council's cash came from and where it was spent.

5. Statement of Capital Works

This statement details all amounts expended by Council on capital works.

About the Notes to the Financial Report

The Notes to the financial statements provide greater detail and additional information on the 5 primary financial statements.

About the Auditor's Reports

Council's financial statements are required to be audited by the Victorian Auditor General's Office.

The Auditor provides an audit report which gives an opinion on whether the financial statements present fairly the Council's financial performance & position.

Who uses the Financial Report?

The Financial Report is a publicly available document and is used by (but not limited to) Councillors, Residents and Ratepayers, Employees, Suppliers, Contractors, Customers, Local Government Victoria, State and Federal Governments, and Financiers including Banks and other Financial Institutions.

The financial statements must be presented at a Council meeting no later than 1 month after submitting the annual report to the Minister.

Mitchell Shire Council

Comprehensive Income Statement for the year ended 30 June 2018

	Notes	2018 \$000 Actual	2017 \$000 Actual
Income			
Rates & Charges	2.1	40,382	38,153
Statutory Fees & Fines	2.2	1,019	810
User Fees	2.3	6,632	6,503
Grants - Operating	2.4	11,807	14,173
Grants - Capital	2.4	5,517	9,155
Contributions - Monetary	2.5	5,057	1,950
Contributions - Non Monetary	2.5	9,639	7,469
Other Income	2.7	1,508	1,150
Total Income		81,561	79,363
Expenses			
Employee Costs	3.1	23,135	21,538
Materials & Services	3.2	18,702	18,958
Depreciation & Amortisation	3.3	12,157	12,354
Bad & Doubtful Debts	3.4	7	89
Borrowing Costs	3.5	874	715
Net Loss on Disposal of PIP&E	2.6	1,588	228
Revaluation Decrement	5.1	5,591	-
Other Expenses	3.6	1,528	1,630
Total Expenses		63,582	55,512
Surplus/(Deficit) for the Year		17,979	23,851
Other Comprehensive Income:			
Items that will not be reclassified to Surplus or Deficit in future periods			
Net Asset Revaluation (Decrement)	5.1	(16,072)	(3,819)
Total Other Comprehensive Deficit for the year		(16,072)	(3,819)
Total Comprehensive Result		1,907	20,032

Mitchell Shire Council

Balance Sheet as at 30 June 2018

	Notes	2018 \$000 Actual	2017 \$000 Actual
ASSETS			
Current Assets			
Cash & Cash Equivalents	4.1	5,420	10,538
Trade & Other Receivables	4.1	6,831	7,389
Other Financial Assets	4.1	40,000	24,063
Inventories	4.2	186	112
Other Assets	4.2	419	360
Total Current Assets		52,856	42,462
Non-Current Assets			
Trade & Other Receivables	4.1	23	25
Other Financial Assets	4.1	2,005	5
Property, Infrastructure, Plant & Equipment	5.1	441,074	453,003
Intangible Assets	4.2	367	320
Total Non-Current Assets		443,469	453,353
TOTAL ASSETS		496,325	495,815
LIABILITIES			
Current Liabilities			
Trade & Other Payables	4.3	7,795	5,504
Trust Funds & Deposits	4.3	3,087	2,826
Provisions	4.5	6,357	6,649
Interest-Bearing Loans & Borrowings	4.4	1,735	1,647
Total Current Liabilities		18,974	16,626
Non-Current Liabilities			
Provisions	4.5	1,450	3,460
Interest-Bearing Loans & Borrowings	4.4	14,221	15,956
Total Non-Current Liabilities		15,671	19,416
TOTAL LIABILITIES		34,645	36,042
Net Assets		461,680	459,773
EQUITY			
Accumulated Surplus		251,657	233,877
Reserves	8.1	210,023	225,896
Total Equity		461,680	459,773

Mitchell Shire Council

Statement of Changes in Equity
for the year ended 30 June 2018

	Notes	Total \$000	Accumulated Surplus \$000	Revaluation Reserve \$000	Other Reserves \$000
2018					
Opening Balance (as per Last Year's Audited Accounts)		459,773	233,877	212,825	13,071
a. Net Operating Result for the Year		17,979	17,979	-	-
b. Other Comprehensive Income					
- Net Asset Revaluation Increment/(Decrement)	8.1	(16,072)	-	(16,072)	-
Other Comprehensive Income		(16,072)	-	(16,072)	-
Total Comprehensive Income (a&b)		1,907	17,979	(16,072)	-
c. Transfers to Other Reserves	8.1	-	(4,884)	-	4,884
d. Transfers from Other Reserves	8.1	-	4,685	-	(4,685)
Equity - Balance at end of the reporting period		461,680	251,657	196,753	13,270

	Notes	Total \$000	Accumulated Surplus \$000	Revaluation Reserve \$000	Other Reserves \$000
2017					
Opening Balance (as per Last Year's Audited Accounts)		439,741	213,048	216,644	10,049
a. Net Operating Result for the Year		23,851	23,851	-	-
b. Other Comprehensive Income					
- Net Asset Revaluation Increment/(Decrement)	8.1	(3,819)	-	(3,819)	-
Other Comprehensive Income		(3,819)	-	(3,819)	-
Total Comprehensive Income (a&b)		20,032	23,851	(3,819)	-
c. Transfers to Other Reserves	8.1	-	(3,022)	-	3,022
Equity - Balance at end of the reporting period		459,773	233,877	212,825	13,071

Mitchell Shire Council

Statement of Cash Flows for the year ended 30 June 2018

		2018	2017
		\$000	\$000
	Notes	Actual	Actual
Cash Flows from Operating Activities			
Rates & Charges		41,063	38,141
Statutory Fees & Fines		1,300	688
User Fees		7,453	7,275
Grants - Operating		11,750	14,174
Grants - Capital		6,483	9,629
Contributions - Monetary		4,989	1,950
Interest Received		742	452
Trust Funds & Deposits Taken		261	(314)
Other Receipts		639	796
Net GST Refund		2,985	2,348
Employee Costs		(23,954)	(21,926)
Materials & Services		(22,538)	(22,231)
Other Payments		(1,945)	(1,751)
Net Cash provided by/(used in) Operating Activities	8.2	29,228	29,232
Cash Flows from Investing Activities			
Payments for Property, Infrastructure, Plant & Equipment		(14,947)	(18,961)
Proceeds from Sale of Property, Infrastructure, Plant & Equipment		1,059	1,102
Payments for Investments		(17,937)	(14,063)
Net Cash provided by/(used in) Investing Activities		(31,825)	(31,922)
Cash Flows from Financing Activities			
Finance Costs		(874)	(716)
Proceeds from Borrowings		-	5,400
Repayment of Borrowings		(1,647)	(1,311)
Net Cash provided by/(used in) Financing Activities		(2,521)	3,373
Net Increase (Decrease) in Cash & Cash Equivalents		(5,118)	683
Cash & Cash Equivalents at the beginning of the financial year		10,538	9,855
Cash & Cash Equivalents at the end of the financial year		5,420	10,538
Restrictions on Cash Assets	4.1	11,619	8,718

Mitchell Shire Council

Statement of Capital Works
for the year ended 30 June 2018

	Notes	2018 \$000 Actual	2017 \$000 Actual
Property			
Land		414	5,585
Total Land		414	5,585
Buildings			
		6,228	3,504
Total Buildings		6,228	3,504
Total Property		6,642	9,089
Plant & Equipment			
Plant, Machinery & Equipment		679	2,145
Fixtures, Fittings & Furniture		265	-
Computers & Telecommunications		982	738
Library Books		159	160
Total Plant & Equipment		2,085	3,043
Infrastructure			
Roads		1,433	2,822
Bridges		339	884
Footpaths & Cycleways		731	308
Drainage		68	129
Recreational, Leisure & Community Facilities		1,230	2,739
Waste Management		3,288	987
Parks, Open Space & Streetscapes		1,583	54
Off Street Car Parks		7	-
Other Infrastructure		301	163
Total Infrastructure		8,980	8,086
Total Capital Works Expenditure		17,707	20,218
Represented by:			
New Asset Expenditure		6,222	11,684
Asset Renewal Expenditure		7,464	6,608
Asset Expansion Expenditure		337	151
Asset Upgrade Expenditure		3,684	1,775
Total Capital Works Expenditure		17,707	20,218

Mitchell Shire Council

Notes to the Financial Report

for the year ended 30 June 2018

Overview

Introduction

The Mitchell Shire Council was established by an Order of the Governor in Council on 11 November 1994 and is a body corporate.

The Council's main office is located at 113 High Street, Broadford, Victoria.

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 (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

Significant accounting policies

(a) Basis of Accounting

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

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

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

- (i) the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 5.1.)
- (ii) the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 5.1.)
- (iii) the determination of employee provisions (refer to Note 4.5.)
- (iv) the determination of landfill provisions (refer to Note 4.5.)
- (v) other areas requiring judgements

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

Mitchell Shire Council

Notes to the Financial Report

for the year ended 30 June 2018

Note 1. Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$500k 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 19 June 2017. 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.

	Ref	2018 \$000 Budget	2018 \$000 Actual	2018 \$000 Variance
1.1. Income & Expenditure				
Income				
Rates & Charges	1	39,279	40,382	1,103
Statutory Fees & Fines	2	821	1,019	198
User Fees		6,387	6,632	245
Grants - Operating	3	6,620	11,807	5,187
Grants - Capital	4	6,986	5,517	(1,469)
Contributions - Monetary	5	3,189	5,057	1,868
Contributions - Non Monetary	6	10,000	9,639	(361)
Other Income	7	1,005	1,508	503
Total Income		74,287	81,561	7,274
Expenses				
Employee Costs	8	23,681	23,135	546
Materials & Services	9	18,113	18,702	(589)
Bad & Doubtful Debts		18	7	11
Depreciation & Amortisation	10	15,313	12,157	3,156
Borrowing Costs		878	874	4
Net Gain/(Loss) on Disposal of IPP&E	11	-	1,588	(1,588)
Revaluation Decrement	12	-	5,591	(5,591)
Other Expenses		1,474	1,528	(54)
Total Expenses		59,477	63,582	4,105
Surplus/(Deficit) for the Year		14,810	17,979	3,169

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 1. Performance against budget (continued)

1.1. Income & Expenditure (continued)

Explanation of Material Variations

Item	Explanation
------	-------------

1. Budgeted rates and charges income was \$1.1M higher mainly due to higher than anticipated supplementary rates and charges raised throughout the year and interest on outstanding rates.
2. Income from statutory fees and fines was \$198K higher than budget due to an increased volume of town planning fees, planning enforcement fines, and delayed receipt of council election voting fines.
3. Operating grant income was \$5.19M higher than budget mainly due to a 50% (\$3.69M) advance payment of the Financial Assistance Grant relating to the 2018/19 financial year. Also contributing to the favourable grant income result is higher than anticipated kindergarten funding due to increased enrolment numbers and a change to the fee subsidy structure from the funding body.
4. Capital grants were higher than budget by \$1.47M due to:
 - Successful grant applications throughout the financial year (\$1.29M), including Shared Path Wallan, Hadfield Park Changing Facility, Seymour Fishing Platform, Wallan Secondary College Oval, and Broadford Men's Shed
 - Income that was due to be received in 2016/17, however was received during 2017/18 (\$2.10M) including Greater Beveridge Community Centre, Blackspot safety program and Wallan Early Learning Centre; offset by,
 - Identified carry forward income (\$2.38M) into 2018/19, including Wallan Town Centre Redevelopment, Roads to Recovery and Blackspot safety program.
5. Monetary Contributions were \$1.87M higher than budgeted due to additional development contributions as a result of the growth in the south of the shire.
6. Non-monetary contributions represent assets such as roads, drains and open space, transferred to Council from developers. It is difficult to estimate the value and timing of these contributions. In 2017/18 transferred assets were \$361K lower than budget.
7. Other income was higher than budget by \$503K. This was mainly due to higher interest from investments and a refund relating to the workers compensation premium.
8. Employee costs were \$546K lower than budgeted primarily due to reduced workcover premium, reduced fringe benefits tax, and staff vacancies. Staff vacancies were offset by an increase to materials and services, recruitment costs and for backfill via labour hire and contractors.
9. Materials and services expenditure is \$589K higher than budgeted primarily due to backfill of staff vacancies via labour hire and contractors, increased legal consultants costs primarily relating to VCAT hearings and cases, increased recruitment costs and the rollout of the kerbside bin renewal program.
10. Depreciation is an accounting measure which attempts to allocate the value of assets over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. The 2018/19 depreciation is \$3.16M lower than budget mainly due to depreciation charge for Buildings being lower by \$2.3M following a revaluation in 2016/17 and depreciation charge for Roads lower by \$1.3M based on the revaluation this year.
11. Gain/(Loss) on disposal of assets is budgeted at \$0. It is assumed that the book value of the assets to be sold are a reasonable estimate of sale proceeds. However, the year end result shows a loss on disposal of assets of \$1.60M, primarily relating to the Tallarook Mechanics Institute building that was destroyed by fire \$545K and Roads of \$500K
12. During the year, Council revalued the footpaths and cycleways resulting in a devaluation of \$6.5M. Out of the total \$6.5M revaluation decrement, \$5.6M was put through the Income Statement due to lack of sufficient Revaluation Reserves for this class.

Mitchell Shire Council

Notes to the Financial Report
for the year ended 30 June 2018

Note 1. Performance against budget (continued)

	Ref	2018 \$000 Budget	2018 \$000 Actual	2018 \$000 Variance
1.2. Capital Works				
Property				
Land	1	2,393	414	(1,979)
Total Land		2,393	414	(1,979)
Buildings	2	7,985	6,228	(1,757)
Total Buildings		7,985	6,228	(1,757)
Total Property		10,378	6,642	(3,736)
Plant & Equipment				
Plant, Machinery & Equipment	3	1,577	679	(898)
Fixtures, Fittings & Furniture	4	195	265	70
Computers & Telecommunications	5	1,332	982	(350)
Library Books		150	159	9
Total Plant & Equipment		3,254	2,085	(1,169)
Infrastructure				
Roads	6	4,023	1,433	(2,590)
Bridges	7	1,078	339	(739)
Footpaths & Cycleways	8	1,123	731	(392)
Drainage		300	68	(232)
Recreational, Leisure & Community Facilities		1,098	1,230	132
Waste Management	9	3,785	3,288	(497)
Parks, Open Space & Streetscapes	10	4,245	1,583	(2,662)
Off Street Car Parks		200	7	(193)
Other Infrastructure		240	301	61
Total Infrastructure		16,092	8,980	(7,112)
Total Capital Works Expenditure		29,724	17,707	(12,017)
Represented By:				
New Asset Expenditure		12,624	6,222	(6,402)
Asset Renewal Expenditure		11,987	7,464	(4,523)
Asset Expansion Expenditure		100	337	237
Asset Upgrade Expenditure		5,013	3,684	(1,329)
Total Capital Works Expenditure		29,724	17,707	(12,017)

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 1. Performance against budget (continued)

1.2. Capital Works (continued)

Explanation of Material Variations

Item Explanation

The variance between the actuals and the budgets are impacted by:

- an increase to the budgets due to finalised carried forward projects from 2016/17 financial year;
- successful grant applications; and
- a reduction due to projects been carried forward into 2018/19.

Projects are carried forward for a variety of reasons, such as:

- multi-year projects.
- internal resourcing issues.
- delays relating to stakeholder involvement.
- delays in procurement or re-tending of works.
- funding being received later in the financial year.

1. The \$1.98M reduction in Land is mainly due to \$2.21M for land acquisition relating to the Seymour Flood Levee project being deferred to 2018/19.
2. The \$1.76M reduction in Buildings is due mainly to additional finalised carry forwards from 2016/17 (\$464K) and carry forwards into 2018/19 financial year (\$2.53M), primarily relating to the Greater Beveridge Community Centre project.
3. The \$898K reduction in Plant, Machinery and Equipment is primarily due to the redirection of project budget to the Seymour Landfill Capping and Rehabilitation project. The 2018/19 capital works budget for this project was amended in the 2018/19 adopted budget process.
4. The \$70K increase in Fixtures, Fittings and Furniture is mainly due to unscheduled purchases carried out during the year funded through the savings in the operating budget.
5. The \$350K reduction in Computers and Telecommunications is mainly due to identified carry forward into 2018/19, primarily for Web design, TechOne upgrades and AvePoint implementation
6. The \$2.59M reduction in Roads is mainly due to identified carry forwards into 2018/19, including Roads to Recovery and Blackspot safety program.
7. The \$739K reduction in Bridges is mainly due to identified carry forwards into 2018/19.
8. The \$392K reduction in Footpath and Cycleways is mainly due to identified carry forwards into 2018/19.
9. The \$497K reduction in Waste Management is due to the redirection of \$950K from the Plant Renewal program, offset by identified carry forward works of \$1.44M into 2018/19.
10. The \$2.66M reduction in Parks, Open Space and Streetscapes is mainly due to identified carry forwards into 2018/19, primarily relating to the Wallan Town Heart and Revitalisation projects.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 2. Funding for the delivery of our services

	2018	2017
	\$000	\$000
Notes	Actual	Actual

2.1. Rates and charges

Council uses Capital Improved Value as the basis of valuation of all properties within the municipal district. The Capital Improved Value of a property is the amount which that property might be expected to realise at the time of valuation if offered for sale on reasonable terms and conditions.

The valuation base used to calculate general rates for 2017/18 was \$7,267 million (2016/17: \$7,140 million).

	2017-2018	2016-2017
	cents in the dollar	cents in the dollar
General Rates	0.3775	0.3701
Vacant / Subdivisional	0.7550	0.7402
Rural Agricultural 40-100ha	0.3398	0.3331
Rural Agricultural >100ha	0.3020	0.2961
Vacant Commercial / Vacant Industrial	0.8305	0.7772
General Rates	28,131	27,322
Municipal Charge	5,783	5,600
Waste Management Charge	5,034	4,588
Supplementary Rates & Rate Adjustments	1,138	356
Interest on Rates	296	287
Total Rates & Charges	40,382	38,153

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

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

2.2. Statutory Fees & Fines

Infringements & Costs	465	417
Town Planning Fees	554	393
Total Statutory Fees & Fines	1,019	810

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.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 2. Funding for the delivery of our services (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
2.3. User fees		
Aged Services Fees	1	1
Leisure Centre Fees	2,324	2,222
Building Services Fees	379	300
Waste Management Services	1,469	1,771
Design and Supervision Fees	642	529
Kindergarten Fees	362	344
Library Fees and Fines	64	66
Animal Registration Fees and Fines	365	417
Ex Gratia Revenue	191	188
Environmental Health Fees	153	152
Legal Fees recovered	128	263
Other Fees & Charges	554	250
Total User Fees	6,632	6,503

User fees are recognised as revenue when the service has been provided or Council has otherwise earned the income.

2.4. Funding from other levels of government

Grants were received in respect of the following :

Summary of grants

Commonwealth funded grants	8,898	12,282
State funded grants	8,426	11,046
Total	17,324	23,328

(a) Operating Grants

Recurrent - Commonwealth Government

Financial Assistance Grants - General Purpose Funding	5,399	7,642
Financial Assistance Grants - Roads Funding	1,759	2,616
Aged and Disability Services	29	28
Community Development	14	14
Public Health	4	4
Road Maintenance	47	46

Recurrent - State Government

Aged and Disability Services	-	2
Children Services	2,245	2,134
Community Development	52	51
Emergency Management	77	78
Library and Customer Services	305	294
Local Laws	108	16
Public Health	556	474
Youth Services	40	27

Total Recurrent Operating Grants

10,635	13,426
---------------	---------------

Mitchell Shire Council

Notes to the Financial Report
for the year ended 30 June 2018

Note 2. Funding for the delivery of our services (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
2.4. Funding from other levels of government (continued)		
(a) Operating Grants (continued)		
<i>Non-recurrent - Commonwealth Government</i>		
Community Development	1	45
<i>Non-recurrent - State Government</i>		
Department of Human Services Grant	10	-
Department of Education and Training	7	-
Aged and Disability Services	2	3
Children Services	138	97
Youth Services	36	30
Waste Management	41	62
Strategic Planning	295	56
Statutory Planning	-	63
Recreation and Open Space	10	90
Local Laws	16	67
Infrastructure Development	-	49
Environmental Programs	129	46
Economic Development and Tourism	15	-
Road Maintenance	214	-
Public Health	100	-
Community Development	158	139
Total Non-Recurrent Operating Grants	1,172	747
Total Operating Grants	11,807	14,173
(b) Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to Recovery	823	823
<i>Recurrent - State Government</i>		
Libraries	10	10
Total Recurrent Capital Grants	833	833
<i>Non-recurrent - Commonwealth Government</i>		
Roads to Recovery	819	623
Bridges	3	441
<i>Non-recurrent - State Government</i>		
Buildings	1,753	4,038
Footpaths & Kerb & Channel	670	25
Parks, Open Space & Streetscapes	981	2,192
Recreation Leisure & Community	257	670
Road Safety Projects	131	190
Roads	-	107
Early Years	59	36
Transport Development	11	-
Total Non-Recurrent Capital Grants	4,684	8,322
Total Capital Grants	5,517	9,155

Mitchell Shire Council

Notes to the Financial Report

for the year ended 30 June 2018

Note 2. Funding for the delivery of our services (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
2.4. Funding from other levels of government (continued)		
(c) Unspent Grants received on Condition that they be spent in a Specific Manner:		
Balance at start of year	6,319	4,837
Received during the financial year and remained unspent at balance date	5,523	5,681
Received in prior years and spent during the financial year	(5,470)	(4,199)
Balance at Year End	6,372	6,319

Grant income is recognised when Council obtains control of the contribution. Control is normally obtained upon receipt (or acquittal) or upon earlier notification that a grant has been secured.

2.5. Contributions

Monetary Contributions

Community Development	383	101
Recreational Land	171	118
Contributions to Infrastructure Works	2,136	1,342
Capital Works Project Contributions	2,367	389
Total Monetary Contributions	5,057	1,950

Non-Monetary Contributions

Land Under Roads	369	348
Roads	4,544	3,152
Footpaths	1,601	1,117
Bridges	56	342
Drainage	2,637	2,510
Recreation	432	-
Total Non-Monetary Contributions	9,639	7,469

Total Contributions

14,696	9,419
---------------	--------------

Contributions of non monetary assets were received in relation to the following asset classes.

Land	369	348
Roads	4,544	3,152
Other Infrastructure	4,726	3,969
Total Non-Monetary Contributions	9,639	7,469

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

Mitchell Shire Council

Notes to the Financial Report

for the year ended 30 June 2018

Note 2. Funding for the delivery of our services (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
2.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Land and Buildings		
Proceeds of Sale - Land and Buildings	535	634
Write Down Value of Assets Disposed - Land and Buildings	(1,005)	(763)
Total Net Gain/(Loss) on Disposal of Land and Buildings	(470)	(129)
Plant and Equipment		
Proceeds of Sale - Plant and Equipment	524	468
Write Down Value of Assets Disposed - Plant and Equipment	(661)	(246)
Total Net Gain/(Loss) on Disposal of Plant and Equipment	(137)	222
Infrastructure Assets		
Proceeds of Sale - Infrastructure Assets	-	-
Write Down Value of Assets Disposed - Infrastructure Assets	(981)	(321)
Total Net Gain/(Loss) on Disposal of Infrastructure Assets	(981)	(321)
Total Net Gain/(Loss) on Disposal of Property, Infrastructure, Plant & Equipment	(1,588)	(228)

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

2.7. Other income

Interest	919	461
Other Rent	219	238
Reimbursements	292	243
Fuel Rebate	73	203
Other	5	5
Total Other Income	1,508	1,150

Interest is recognised as it is earned.

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.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 3. The cost of delivering services

	Notes	2018 \$000 Actual	2017 \$000 Actual
3.1. Employee costs			
Wages & Salaries		18,587	17,251
Work Cover		268	341
Casual Staff		2,166	1,871
Superannuation		1,818	1,733
Fringe Benefits Tax		225	295
Other		71	47
Total Employee Costs		23,135	21,538
(a). Superannuation			
Council made contributions to the following funds:			
Defined Benefit Fund			
Employer Contributions to Local Authorities Superannuation Fund (Vision Super)		73	95
		73	95
Accumulation Funds			
Employer Contributions to Local Authorities Superannuation Fund (Vision Super)		1,207	1,200
Employer Contributions - Other Funds		539	438
		1,746	1,638
Total Superannuation Costs		1,819	1,733

Refer to Note 8.3. for further information relating to Council's superannuation obligations.

Council account for its obligations under the defined benefit fund as if it was a defined contribution plan. The reason for this is that the fund manager, Vision Super, is unable to provide accurate information to each employer in a timely manner.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 3. The cost of delivering services (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
3.2. Materials and services		
Utilities	1,269	1,229
Information Technology	985	768
Insurance	531	507
Contractors and Consultants	10,668	10,689
Materials	2,074	2,036
Motor Vehicles	1,370	1,469
Lease Payments	314	231
Education and Training	336	357
General Expenses	1,155	1,672
Total Materials & Services	18,702	18,958
3.3. Depreciation and amortisation		
Property		
Heritage Buildings	4	3
Buildings - Specialised	284	300
Buildings - Non Specialised	890	923
Building Improvements	124	119
Total Depreciation & Amortisation - Property	1,302	1,345
Plant & Equipment		
Library Books	246	248
Plant and Machinery	656	707
Motor Vehicles	694	534
Equipment and Furniture	129	108
IT Equipment	518	586
Total Depreciation & Amortisation - Plant & Equipment	2,243	2,183
Infrastructure		
Roads	4,883	5,634
Bridges	578	506
Footways & Cycleways	587	633
Drainage	789	742
Recreational, Leisure & Community	1,214	748
Waste Management	473	482
Parks Open Spaces & Streetscapes	36	32
Other Infrastructure	52	49
Total Depreciation & Amortisation - Infrastructure	8,612	8,826
Total Depreciation & Amortisation	12,157	12,354

Refer to Note 4.2(c) and 5.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 3. The cost of delivering services (continued)

	Notes	2018 \$000 Actual	2017 \$000 Actual
3.4. Bad and doubtful debts			
Rates Debtors		7	3
Other Debtors		-	86
Total Bad & Doubtful Debts		7	89
Movement in provisions for doubtful debts			
Balance at the beginning of the year		238	215
New Provisions recognised during the year		-	86
Amounts already provided for and written off as uncollectible		(100)	(63)
Balance at end of year		138	238
Provision for doubtful debt is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.			
3.5. Borrowing costs			
Interest - Borrowings		874	715
Total Borrowing Costs		874	715
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.			
3.6. Other expenses			
Auditors' Remuneration - VAGO - Audit of the Financial Statements, Performance Statement & Grant Acquitals		46	67
Auditors' Remuneration - Internal		54	78
Councillors' Allowances and Superannuation		304	288
Electronic Payment Fees		39	45
Bank Fees		91	75
Grants to Community Bodies		486	489
Landfill Levy		502	579
Other		6	9
Total Other Expenses		1,528	1,630

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 4. Our financial position

	Notes	2018 \$000 Actual	2017 \$000 Actual
4.1. Financial assets			
(a) Cash and cash equivalents			
Current			
Cash at Bank and on Hand		5,420	6,538
Term Deposits		-	4,000
Total Current Cash & Cash Equivalents		5,420	10,538
(b) Other financial assets			
Current			
Term Deposits		40,000	24,063
Total Other Financial Assets		40,000	24,063
Non-Current			
Term Deposits		2,000	-
Municipal Association Purchasing Scheme		5	5
Total Other Financial Assets		2,005	5
External Restrictions			
Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:			
Trust Funds & Deposits	4.3	3,087	2,826
Reserve funds and deposits	8.1	8,532	5,892
Total Restricted Funds		11,619	8,718
Total Unrestricted Cash & Cash Equivalents *		(6,199)	1,820
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		4,166	1,592
Unspent Capital Grants received in advance for 2017/18 capital works		5,826	6,001
Unspent Grants (operating)		545	332
Council contributions relating to unspent grant projects		91	85
Cash held to fund strategic planning projects carried forward		49	104
Waste Reserve		4,544	7,067
Property Proceeds Reserve		194	113
Total Funds Subject to Intended Allocations *		15,415	15,294

Mitchell Shire Council

Notes to the Financial Report

for the year ended 30 June 2018

Note 4. Our financial position (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
4.1. Financial assets (continued)		
(b) Other financial assets (continued)		
Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.		
Other financial assets are valued at fair value, at balance date. Term deposits are measured at original cost. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.		
*Mitchell Shire Council holds financial assets that are highly liquid in nature and sufficient to cover cash restrictions. As at 30 June 2018, Mitchell Shire Council held \$42M in Financial Assets (2017: \$24 million).		
(c) Trade and other receivables		
Current		
<i>Statutory Receivables</i>		
Rates Debtors	3,453	3,953
Goods and Service Tax Paid	1,397	853
<i>Non-Statutory Receivables</i>		
Sundry Receivables	2,013	2,716
Infringement Debtors	106	105
Provisions for Doubtful Debts		
Nil		
Provision for Doubtful Debts - Other Debtors	(107)	(219)
Provision for Doubtful Debts - Infringements	(31)	(19)
Total Current Trade & Other Receivables	6,831	7,389
Non-Current		
<i>Non-Statutory Receivables</i>		
Car Park and Footpath Schemes	23	25
Total Non-Current Trade & Other Receivables	23	25
Total Trade & Other Receivables	6,854	7,414

Mitchell Shire Council

Notes to the Financial Report

for the year ended 30 June 2018

Note 4. Our financial position (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual

4.1. Financial assets (continued)

(c) Trade and other receivables (continued)

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

a) Ageing of Receivables

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

Current (not yet due)	1,798	2,194
Past due by up to 30 days	168	226
Past due between 31 and 180 days	56	208
Past due between 181 and 365 days	8	66
Past due by more than 1 year	89	127
Total Trade & Other Receivables	2,119	2,821

b) Ageing of Individually Impaired Receivables

At balance date, Sundry Receivables representing financial assets with a nominal value of \$2.119 million (2017: \$2.821 million) were partly impaired. The amount of the provision raised against these debtors was \$0.138 million (2017: \$0.238 million). 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	28	16
Past due between 181 and 365 days	22	98
Past due by more than 1 year	88	124
Total Trade & Other Receivables	138	238

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 4. Our financial position (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
4.2. Non-financial assets		
(a) Inventories		
Current		
Inventories Held for Sale	20	18
Inventories Held for Own Use	166	94
Total Inventories	186	112
<p>Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, are measured at the lower of cost and net realisable value.</p> <p>Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.</p>		
(b) Other assets		
Current		
Prepayments	419	360
Total Other Assets	419	360
(c) Intangible assets		
Landfill Air Space	367	320
Total Intangible Assets	367	320
Opening Balance	320	-
Additions during the year	553	320
Amortisations	(506)	-
Closing Balance	367	320

Airspace assets are calculated based on the capping costs of the unused airspace of the current landfill cell. The amortisation of the airspace asset is based on the proportion of the airspace used up during the financial year.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 4. Our financial position (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
4.3. Payables		
(a) Trade and other payables		
Current		
Trade Payables	7,753	4,694
Accrued Interest	42	22
Accrued Salaries and Wages	-	788
Total Trade & Other Payables	7,795	5,504
(b) Trust funds and deposits		
Current		
Fire Services Levy	478	531
Other Refundable Deposits	248	272
Refundable Crossing Deposits	83	104
Refundable Contract Retentions	127	115
Refundable Developer Bonds	1,999	1,296
Town Planning Deposits	15	255
Deposits in lieu of Bank Guarantee	-	153
Non Standard Lighting Deposits	137	101
Total Trust Funds & Deposits	3,087	2,826

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

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.

Fire Service Levy - Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the state government in line with that process.

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.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 4. Our financial position (continued)

	Notes	2018 \$000 Actual	2017 \$000 Actual
4.4. Interest-bearing liabilities			
Current			
Borrowings - Secured		1,735	1,647
		1,735	1,647
Non-Current			
Borrowings - Secured		14,221	15,956
		14,221	15,956
		15,956	17,603
Total Interest-Bearing Loans & Borrowings		15,956	17,603

Borrowings are secured by a charge on the general rates revenue of the Council.

a) The Maturity Profile for Council's Borrowings is:

Not later than one year	1,735	1,647
Later than one year and not later than five years	7,477	7,356
Later than five years	6,744	8,600
	15,956	17,603

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.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 4. Our financial position (continued)

	Employee Provisions \$000	Landfill Restoration \$000	Total \$000
4.5. Provisions			
2018			
Balance at the Beginning of the Financial Year	3,538	6,570	10,108
Additional Provisions	1,839	354	2,193
Amounts Used	(1,431)	(3,063)	(4,494)
Balance at the End of the Financial Year	3,946	3,861	7,807
2017			
Balance at the Beginning of the Financial Year	3,892	6,951	10,843
Additional Provisions	1,538	25	1,563
Amounts Used	(1,892)	(406)	(2,298)
Balance at the End of the Financial Year	3,538	6,570	10,108
	Notes	2018 \$000 Actual	2017 \$000 Actual
(a) Employee Provisions			
Current Provisions Expected to be wholly Settled within 12 Months			
Annual Leave		1,226	1,286
Long Service Leave		334	387
		1,560	1,673
Current Provisions Expected to be wholly Settled after 12 Months			
Annual Leave		312	32
Long Service Leave		1,568	1,363
		1,880	1,395
Total Current Employee Provisions		3,440	3,068
Non-Current			
Long Service Leave		506	470
Total Non-Current Employee Provisions		506	470
Aggregate Carrying Amount of Employee Provisions:			
Current		3,440	3,068
Non-Current		506	470
Total Aggregate Carrying Amount of Employee Provisions		3,946	3,538

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 4. Our financial position (continued)

	Actual 2018	Actual 2017
--	----------------	----------------

4.5. Provisions (continued)

(a) Employee Provisions (continued)

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 the 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. LSL is measured at present value. Unconditional LSL is disclosed as a 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.

Key assumptions:

- discount rate	2.647%	2.612%
- inflation rate	3.875%	3.813%
- average period to settlement	12 months	12 months

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 4. Our financial position (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
4.5. Provisions (continued)		
(b) Land Fill Restoration		
Current		
Current	2,917	3,581
	2,917	3,581
Non-Current		
Non-Current	944	2,990
	944	2,990

Council is obligated to restore Kilmore and Seymour landfill to a particular standard and to cap the Hildene landfill. The forecast life of the landfill is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Key assumptions:

- discount rate	2.647%	2.612%
- inflation rate	3.875%	3.813%
- average period to settlement	12 months	12 months

Total Provisions

Current	6,357	6,649
Non-Current	1,450	3,460
	7,807	10,109

4.6. Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2018

Credit Card Facilities	250	250
Total Facilities	250	250
Used Facilities	20	25
Unused Facilities	230	225

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 4. Our financial position (continued)

	Not later than 1 year \$000	Later than 1 year & not later than 2 years \$000	Later than 2 years & not later than 5 years \$000	Later than 5 years \$000	Total \$000
--	-----------------------------------	--	---	--------------------------------	----------------

4.7. Commitments

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

2018

Operating

Waste Collection and Garbage	2,359	2,531	7,140	1,783	13,813
Street Cleaning Services	185	45	-	-	230
Cleaning of Council Buildings	206	12	-	-	218
Internal Audit Services	69	71	-	-	140
Aquatic Plant Maintenance	5	-	-	-	5
Environmental Health Service	526	538	1,650	-	2,714
Security Patrols	84	-	-	-	84
Oval Maintenance	231	231	1,155	-	1,617
Website Design and Developer	151	-	-	-	151
Essential Services	18	-	-	-	18

Total	3,834	3,428	9,945	1,783	18,990
--------------	--------------	--------------	--------------	--------------	---------------

Capital

Construction Works	3,730	-	-	-	3,730
Total	3,730	-	-	-	3,730

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 4. Our financial position (continued)

	Not later than 1 year \$000	Later than 1 year & not later than 2 years \$000	Later than 2 years & not later than 5 years \$000	Later than 5 years \$000	Total \$000
4.7. Commitments (continued)					
2017					
Operating					
Waste Collection and Garbage	2,300	2,300	6,900	3,833	15,333
Street Cleaning Services	179	185	-	-	364
Cleaning of Council Buildings	390	194	-	-	584
Internal Audit Services	67	69	71	-	207
Aquatic Plant Maintenance	11	5	-	-	16
Mechanical Services	40	-	-	-	40
Environmental Health Service	385	-	-	-	385
Security Patrols	68	-	-	-	68
Banking Services	90	-	-	-	90
e-Tendering	5	-	-	-	5
Essential Services	37	18	-	-	55
Road and Pathway Line Marking Services	50	-	-	-	50
Total	3,622	2,771	6,971	3,833	17,197
Capital					
Construction Works	6,717	-	-	-	6,717
Total	6,717	-	-	-	6,717

	2018 \$000	2017 \$000
Notes	Actual	Actual

(a) Operating Lease Commitments

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

Not later than one year	283	266
Later than one year & not later than five years	391	340
Later than five years	18	27
	692	633

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.

Mitchell Shire Council

Notes to the Financial Report
for the year ended 30 June 2018

Note 5. Assets we manage

5.1. Property, Infrastructure, Plant & Equipment

Summary of property, infrastructure, plant and equipment	At Fair Value 30 June 2017	Additions	Contributions	Revaluation	Depreciation	Disposal	Expensed	Transfers	At Fair Value 30 June 2018
	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
Plant and equipment	7,743	1,629	-	-	(2,243)	(662)	-	459	6,926
Infrastructure	330,718	1,789	9,270	(21,663)	(8,612)	(4,044)	-	1,147	308,605
Work in progress	2,850	12,625	-	-	-	-	(46)	(1,810)	13,619
Land	43,669	413	369	-	-	(461)	-	18	44,008
Buildings	68,023	1,554	-	-	(1,302)	(545)	-	186	67,916
	453,003	18,010	9,639	(21,663)	(12,157)	(5,712)	(46)	-	441,074

Summary of Work in Progress	Opening WIP	Additions	Expensed	Transfers	Closing WIP
	\$000	\$000	\$000	\$000	\$000
Plant and equipment	136	797	21	(190)	764
Infrastructure	2,666	6,369	(67)	(1,602)	7,366
Buildings	48	5,459	-	(18)	5,489
Total	2,850	12,625	(46)	(1,810)	13,619

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 5. Assets we manage

\$ '000

5.1. Property, Infrastructure, Plant & Equipment (continued)

Asset recognition thresholds and depreciation periods

	Depreciation Period	Threshold Limit
Land & land improvements		
Land	Not depreciated	\$1,000
Land Improvements	40 to 60 years	\$1,000
Buildings		
Heritage Buildings	50 to 200 years	\$10,000
Buildings	5 to 170 years	\$10,000
Building and Leasehold Improvements	0 to 50 years	\$10,000
Plant and Equipment		
Plant, Machinery and Equipment	10 to 15 years	\$1,000
Furniture and Equipment	3 to 10 years	\$1,000
Computers and Telecommunications	3 years	\$1,000
Library Books	6.5 years	\$1
Motor Vehicles	4 years	\$1,000
Infrastructure		
Road Seals	10 to 50 years	\$20,000
Road Pavements	12 to 80 years	\$20,000
Road Formation and Earthworks	Not depreciated	\$20,000
Road Kerb Channel and Minor Culverts	50 to 70 years	\$5,000
Bridges - Deck and Substructure	50 to 150 years	\$20,000
Bridges - Other (culverts)	50 to 150 years	\$5,000
Footpaths and Cycleways	15 to 60 years	\$5,000
Drainage	25 to 150 years	\$5,000
Recreational Leisure and Community Facilities	5 to 60 years	\$5,000
Waste Management	15 years	\$20,000
Parks, Open Space and Streetscapes	10 to 150 years	\$5,000
Off Street Carparks	10 to 80 years	\$1,000
Intangible assets		
Airspace Asset	2 - 5 years	\$1,000

Roads, Footpaths, Cycleways and other road related assets were revalued during 2017/18. Council sought external support with the process and review of the data. The revaluation process included condition audits, unit rate revision and useful life revision for individual categories within the Roads, Footpath and Cycleway Asset Class. Where the assets resulted in a revaluation increment the asset revaluation reserve has been credited. Where the result was a decrement this has been debited to the asset revaluation reserve balance however, where no balance was available within the asset.

revaluation reserve an expense was recognised within the Comprehensive Income Statement. The review resulted in an expense of \$5.6M being recognised in the Comprehensive Income Statement and a \$16.1M decrement to the asset revaluation reserve, revaluation and revaluation reserve details are seen within note 5.1 and note 8.1. A total revaluation adjustment of \$21.7M. The condition data together with the unit rate revision and the revised useful lives have all contributed to the decremental revaluation with the main driver being the condition audit data.

The useful life review has also impacted the annual depreciation for the Roads and Footpath Network where the outcome has resulted in an estimated reduction in annual depreciation of \$980K.

Mitchell Shire Council

Notes to the Financial Report
for the year ended 30 June 2018

Note 5. Assets we manage (continued)

5.1. Property, Infrastructure, Plant & Equipment (continued)

Property	Note	Land	Land Under Roads	Total Land	Heritage Buildings	Buildings - Specialised	Buildings - Non Specialised	Building Improvements	Total Buildings	Total Work In Progress	Total Property
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
At Fair Value 1 July 2017		39,030	4,639	43,669	256	33,411	84,358	2,567	120,592	48	164,309
Accumulated Depreciation at 1 July 2017		-	-	-	(110)	(12,945)	(38,630)	(884)	(52,569)	-	(52,569)
Carrying Value - 1 July 2017		39,030	4,639	43,669	146	20,466	45,728	1,683	68,023	48	111,740
Movements in Fair Value											
Additions		413	-	413	-	29	1,453	72	1,554	5,459	7,426
Contributions		-	369	369	-	-	-	-	-	-	369
Disposal		(461)	-	(461)	-	-	(1,053)	-	(1,053)	-	(1,514)
Transfers		18	-	18	-	-	186	-	186	(18)	186
Total Movements in Fair Value		(30)	369	339	-	29	586	72	687	5,441	6,467
Movements in Accumulated Depreciation											
Depreciation and Amortisation		-	-	-	(4)	(284)	(890)	(124)	(1,302)	-	(1,302)
Accumulated Depreciation of Disposals		-	-	-	-	-	508	-	508	-	508
Total Movements in Accumulated Depreciation		-	-	-	(4)	(284)	(382)	(124)	(794)	-	(794)
At Fair Value 30 June 2018		39,000	5,008	44,008	256	33,440	84,944	2,639	121,279	5,489	170,776
Accumulated Depreciation at 30 June 2018		-	-	-	(114)	(13,229)	(39,012)	(1,008)	(53,363)	-	(53,363)
Carrying Value - 30 June 2018		39,000	5,008	44,008	142	20,211	45,932	1,631	67,916	5,489	117,413

Mitchell Shire Council

Notes to the Financial Report
for the year ended 30 June 2018

Note 5. Assets we manage (continued)

5.1. Property, Infrastructure, Plant & Equipment (continued)

Plant & Equipment	Note	Library Books	Plant and Machinery	Motor Vehicles	Equipment and Furniture	IT Equipment	Total Plant & Equipment (excl. Work in Progress)	Total Work In Progress	Total Plant & Equipment (incl. Work in Progress)
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
At Fair Value 1 July 2017		2,783	7,850	2,728	2,952	4,946	21,259	136	21,395
Accumulated Depreciation at 1 July 2017		(2,031)	(3,893)	(1,238)	(2,496)	(3,858)	(13,516)	-	(13,516)
Carrying Value - 1 July 2017		752	3,957	1,490	456	1,088	7,743	136	7,879
Movements in Fair Value									
Additions		159	119	661	399	291	1,629	797	2,426
Disposal		-	(962)	(892)	(399)	(160)	(2,413)	-	(2,413)
Expensed		-	-	-	-	-	-	21	21
Transfers		-	679	-	-	280	959	(190)	769
Total Movements in Fair Value		159	(164)	(231)	-	411	175	628	803
Movements in Accumulated Depreciation									
Depreciation and Amortisation		(246)	(656)	(694)	(129)	(518)	(2,243)	-	(2,243)
Accumulated Depreciation of Disposals		-	761	668	292	30	1,751	-	1,751
Transfers		-	(455)	-	-	(45)	(500)	-	(500)
Total Movements in Accumulated Depreciation		(246)	(350)	(26)	163	(533)	(992)	-	(992)
At Fair Value 30 June 2018		2,942	7,686	2,497	2,952	5,357	21,434	764	22,198
Accumulated Depreciation at 30 June 2018		(2,277)	(4,243)	(1,264)	(2,333)	(4,391)	(14,508)	-	(14,508)
Carrying Value - 30 June 2018		665	3,443	1,233	619	966	6,926	764	7,690

Mitchell Shire Council

Notes to the Financial Report
for the year ended 30 June 2018

Note 5. Assets we manage (continued)

5.1. Property, Infrastructure, Plant & Equipment (continued)

Infrastructure	Note	Roads	Bridges	Footways & Cycleways	Drainage	Recreational, Leisure & Community	Waste Management	Parks Open Spaces & Streetscapes	Other Infrastructure	Total Infrastructure (excl. Work in Progress)	Total Work In Progress	Total Infrastructure (incl. Work in Progress)
		\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000	\$000
At Fair Value 1 July 2017		264,638	60,373	34,205	61,787	17,895	13,756	2,017	610	455,281	2,666	457,947
Accumulated Depreciation at 1 July 2017		(59,945)	(27,394)	(13,895)	(13,311)	(6,707)	(2,741)	(364)	(206)	(124,563)	-	(124,563)
Carrying Value - 1 July 2017		204,693	32,979	20,310	48,476	11,188	11,015	1,653	404	330,718	2,666	333,384
Movements in Fair Value												
Additions		683	30	447	42	53	406	128	-	1,789	6,369	8,158
Contributions		4,544	56	1,601	2,637	432	-	-	-	9,270	-	9,270
Revaluation		(1,827)	-	(5,619)	-	-	-	-	-	(7,446)	-	(7,446)
Disposal		(733)	(242)	(203)	(45)	(153)	(3,064)	(9)	-	(4,449)	-	(4,449)
Expensed		-	-	-	-	-	-	-	-	-	(67)	(67)
Transfers		766	-	259	-	(388)	10	-	-	647	(1,602)	(955)
Total Movements in Fair Value		3,433	(156)	(3,515)	2,634	(56)	(2,648)	119	-	(189)	4,700	4,511
Movements in Accumulated Depreciation												
Depreciation and Amortisation		(4,883)	(578)	(587)	(789)	(1,214)	(473)	(36)	(52)	(8,612)	-	(8,612)
Accumulated Depreciation of Disposals		134	85	73	3	102	-	8	-	405	-	405
Revaluation Increments/(Decrements)		(13,298)	-	(919)	-	-	-	-	-	(14,217)	-	(14,217)
Transfers		-	-	-	-	500	-	-	-	500	-	500
Total Movements in Accumulated Depreciation		(18,047)	(493)	(1,433)	(786)	(612)	(473)	(28)	(52)	(21,924)	-	(21,924)
At Fair Value 30 June 2018		268,071	60,217	30,690	64,421	17,839	11,108	2,136	610	455,092	7,366	462,458
Accumulated Depreciation at 30 June 2018		(77,992)	(27,887)	(15,328)	(14,097)	(7,319)	(3,214)	(392)	(258)	(146,487)	-	(146,487)
Carrying Value - 30 June 2018		190,079	32,330	15,362	50,324	10,520	7,894	1,744	352	308,605	7,366	315,971

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 5. Assets we manage (continued)

5.1. Property, infrastructure, plant and equipment (continued)

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value (Refer Note 7.4) of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value (Refer Note 7.4) is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

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

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

Land under roads

Council recognises land under roads it controls, acquired after the 30 June 2008 at fair value (Refer Note 7.4).

Depreciation and amortisation

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

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

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

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

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

Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 5. Assets we manage (continued)

5.1. Property, infrastructure, plant and equipment (continued)

Valuation of Land and Buildings

Valuation of buildings were undertaken by a qualified independent valuer (PW Newman, API 62050 at 30 June 2016). The valuation of land and buildings is at fair value (Refer Note 7.4), 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 (Refer Note 7.4) 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 (Refer Note 7.4) 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 (Refer Note 7.4) as at 30 June 2018 are as follows:

	Date of valuation	Level 1 \$000	Level 2 \$000	Level 3 \$000
Land	30/06/14	-	39,000	-
Specialised Land	30/06/14	-	-	5,008
Specialised Buildings	30/06/16	-	-	20,211
Heritage Buildings	30/06/16	-	142	-
Buildings	30/06/16	-	45,932	-
Building Improvements	30/06/14	-	1,631	-
Total		-	86,705	25,219

Valuation of Infrastructure

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Infrastructure Management Group and Peter Moloney with processing support provided by C T Management.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 5. Assets we manage (continued)

5.1. Property, infrastructure, plant and equipment (continued)

Valuation of Infrastructure (continued)

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

The valuation is at fair value (Refer Note 7.4) 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 (Refer Note 7.4) as at 30 June 2018 are as follows:

	Date of valuation	Level 1 \$000	Level 2 \$000	Level 3 \$000
Roads	30/06/18	-	-	190,079
Bridges	30/06/17	-	-	32,330
Footpaths & Cycleways	30/06/18	-	-	15,362
Drainage	30/06/14	-	-	50,324
Recreational, Leisure & Community Facilities	30/06/17	-	-	10,520
Waste Management	30/06/17	-	-	7,894
Parks, Open Space & Streetscapes	30/06/14	-	-	1,744
Other Infrastructure	30/06/14	-	-	352
Total		-	-	308,604

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique.

Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 46% and 65%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values are \$4 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement cost is calculated on a square metre basis and ranges from \$33 to \$2,461 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 5 years to 200 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 5 years to 200 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.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 5. Assets we manage (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
5.1. Property, infrastructure, plant and equipment (continued)		
<i>Valuation of Infrastructure (continued)</i>		
Reconciliation of Specialised Land		
Land under Roads	5,008	4,639
Total Specialised Land	5,008	4,639

Note 6. People and relationships

6.1. Council and key management remuneration

(a) Related Parties

Parent entity

Mitchell Shire Council is the parent entity.

(b) Key Management Personnel

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

Councillors	R Sanderson (Mayor)
	A Goble
	B Chisholm
	B Cornish
	B Humm
	D Atkinson
	D Lowe
	F Stevens
	R Eldridge

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 6. People and relationships (continued)

		2018	2017
		\$000	\$000
	Notes	Actual	Actual
6.1. Council and key management remuneration (continued)			
(b) Key Management Personnel (continued)			
Total Number of Councillors		9	15
Chief Executive Officer	D Turnbull	1	1
Director - Development and Infrastructure	J Saker (to 19/12/2017)	1	1
Director - Governance and Corporate Performance	L Ellis	1	1
Director - Advocacy and Community Services	M Agostino (from 31/07/2017)	1	-
Director - Development and Infrastructure	M McIntosh (from 19/02/2018)	1	-
Acting Director - Development and Infrastructure	Niall Sheehy (20/12/2017 to 18/02/2018)	1	-
Acting Director - Advocacy and Community Services	Kellie Vise (25/02/2017 to 30/07/2017)	1	1
Director - Advocacy and Community Services	Travis Heeney (to 24/02/2017)	-	1
Total Number of Key Management Personnel		16	20

(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

Short-term benefits	1,311	1,422
Long-term benefits	5	2
Termination benefits	34	81
	1,350	1,505

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

\$1 - \$9,999	-	5
\$10,000 - \$19,999	-	1
\$20,000 - \$29,999	9	8
\$50,000 - \$59,999	1	-
\$60,000 - \$69,999	-	1
\$80,000 - \$89,999	2	-
\$110,000 - \$119,999	-	1
\$120,000 - \$129,999	1	-
\$200,000 - \$209,999	-	1
\$210,000 - \$219,999	1	-
\$230,000 - \$239,999	1	-
\$240,000 - \$249,999	-	1
\$320,000 - \$329,999	-	1
\$340,000 - \$349,999	1	1
	16	20

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 6. People and relationships (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
6.1. Council and key management remuneration (continued)		
(d) Senior Officer Remuneration		
A Senior Officer is an officer of Council, other than Key Management Personnel, who:		
a) has management responsibilities and reports directly to the Chief Executive; or		
b) whose total annual remuneration exceeds \$145,000.		
The number of Senior Officers are shown below in their relevant income bands:		
Income Range:		
\$150,000 - \$159,999	2	8
\$160,000 - \$169,999	2	-
\$170,000 - \$179,999	3	-
	<u>7</u>	<u>8</u>
Total Remuneration for the reporting year for Senior Officers included above amounted to:	<u>1,320</u>	<u>1,185</u>

6.2. Related party disclosure

(a) Transactions with Related Parties

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

(b) Outstanding Balances with Related Parties

There are no outstanding balances with any of the above mentioned related parties as at 30 June 2018.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 6. People and relationships (continued)

\$ '000

6.2. Related party disclosure (continued)

(c) Loans to/from Related Parties

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

(d) Commitments to/from Related Parties

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

Note 7. Managing uncertainties

	2018	2017
	\$000	\$000
Notes	Actual	Actual
7.1. Contingent assets and liabilities		
(a) Contingent Assets		
Operating Lease Receivables		
The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.		
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	24	139
Later than one year & not later than five years	88	151
Later than five years	103	115
	215	405

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 7. Managing uncertainties

7.1. Contingent assets and liabilities (continued)

(b) Contingent Liabilities

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Future superannuation contributions

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2018 are \$98,501.

Landfill

Council operates a landfill. Council will have to carry out site rehabilitation works in the future. At balance date Council is unable to accurately assess the financial implications of such works.

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

(c) Guarantees for Loans to Other Entities

Mitchell Shire Council entered into a guarantor agreement with the Bendigo Bank in 2017 for a loan that the Wallan Bowling Club has drawn down. This was for the installation of a synthetic bowling green for which the Wallan Bowling Club also received a grant from the Community Sports Infrastructure Fund 2016-2017 and provided their own contribution, along with the loan. The guarantee is for \$60,000 for a period of ten years (current balance outstanding \$43,100.73), subject to the Wallan Bowling Club satisfactorily meeting the loan guarantee criteria and reporting obligations as set out in the guarantee agreement. At the date of this report, the possible obligation to Mitchell Shire Council under the guarantee is not considered probable hence, as such is reported as a contingent liability under AASB 137 under AASB 137 Provisions, Contingent Liabilities and Contingent Assets.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 7. Managing uncertainties (continued)

7.2. Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2018 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.

Financial Instruments - Disclosures (AASB 7) (applies 2018/19)

This Standard requires entities to provide disclosures in their financial statements that enable users to evaluate:

- (a) the significance of financial instruments for the entity's financial position and performance; and
- (b) the nature and extent of risks arising from financial instruments to which the entity is exposed.

Financial Instruments (AASB 9) (applies 2018/19)

The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.

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

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

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

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

Leases (AASB 16) (applies 2019/20)

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

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

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

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 7. Managing uncertainties (continued)

7.3. Financial instruments

(a) Objectives & 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 Notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market Risk

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

Interest Rate Risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

- diversification of investment product;
- monitoring of return on investment; 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.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 7. Managing uncertainties (continued)

7.3. Financial instruments (continued)

(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 has a policy for establishing credit limits for the entities Council deals with;
- Council may require collateral where appropriate; and
- Council only invests 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 provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 7.1(b).

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

(d) Liquidity Risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 7.1(c) and is deemed insignificant based on prior periods' data and current assessment of risk.

Mitchell Shire Council

Notes to the Financial Report

for the year ended 30 June 2018

Note 7. Managing uncertainties (continued)

7.3. Financial instruments (continued)

(d) Liquidity Risk (continued)

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 4.4.

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

(e) Sensitivity Disclosure Analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes that a parallel shift of + 0.5% and -0.5% in market interest rates (AUD) from year-end rates of 2.50% - 2.85% are 'reasonably possible' over the next 12 months.

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.

7.4. Fair value measurement

Fair Value Hierarchy

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

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

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

Mitchell Shire Council

Notes to the Financial Report

for the year ended 30 June 2018

Note 7. Managing uncertainties (continued)

7.4. Fair value measurement (continued)

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

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

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

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

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the amount for which the assets could be exchanged subsequent to initial recognition. At reporting date each year, Council reviews the carrying value of the individual classes of assets to ensure that each asset materially approximates their fair value. Where the carrying value materially differs from the fair value, the class of assets is 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 on the use of an asset result in changes to the permissible or practical highest and best use of the asset. Further details of the fair value hierarchy are explained below for each class of asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 5 years. The valuation is performed either by experienced council officers or independent experts.

Where assets are revalued, the revaluation increments arising from the valuations 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 debited 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.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 7. Managing uncertainties (continued)

7.4. Fair value measurement (continued)

Impairment of assets

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

7.5. Events occurring after balance date

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

Mitchell Shire Council

Notes to the Financial Report
for the year ended 30 June 2018

Note 8. Other matters

	Balance at Beginning of Reporting Period \$000	Increment (Decrement) \$000	Balance at End of Reporting Period \$000
8.1. Reserves			
(a) Asset Revaluation Reserves			
2018			
Property			
Land - Specialised	17,501	-	17,501
Buildings	42,385	-	42,385
Plant and Machinery	927	-	927
	60,813	-	60,813
Infrastructure			
Roads	56,850	(15,124)	41,726
Bridges	4,275	-	4,275
Footpaths & Cycleways	947	(947)	-
Drainage	4,527	-	4,527
Waste Management	237	-	237
Other Infrastructure	85,175	-	85,175
	152,011	(16,071)	135,940
Total Asset Revaluation Reserves	212,824	(16,071)	196,753
2017			
Property			
Land - Specialised	17,501	-	17,501
Buildings	51,089	(8,704)	42,385
Plant and Machinery	927	-	927
	69,517	(8,704)	60,813
Infrastructure			
Roads	56,850	-	56,850
Bridges	747	3,528	4,275
Footpaths & Cycleways	947	-	947
Drainage	4,527	-	4,527
Waste Management	237	-	237
Other Infrastructure	83,818	1,357	85,175
	147,126	4,885	152,011
Total Asset Revaluation Reserves	216,643	(3,819)	212,824

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

Mitchell Shire Council

Notes to the Financial Report
for the year ended 30 June 2018

Note 8. Other matters (continued)

	Balance at Beginning of Reporting Period \$000	Transfer from Accumulated Surplus \$000	Transfer to Accumulated Surplus \$000	Balance at End of Reporting Period \$000
8.1. Reserves (continued)				
(b) Other Reserves				
2018				
Restricted Reserves				
Recreational Land	3,573	217	(1,952)	1,838
Community Development	2,236	481	(5)	2,712
Car Park	1	-	(1)	-
Development Infrastructure	14	3,919	-	3,933
Subdivision Development	68	-	(19)	49
Total Restricted Reserves	5,892	4,617	(1,977)	8,532
Discretionary Reserves				
Waste Management	7,067	47	(2,570)	4,544
Property Proceeds	113	220	(139)	194
Total Discretionary Reserves	7,180	267	(2,709)	4,738
Total Other Reserves	13,072	4,884	(4,686)	13,270
2017				
Restricted Reserves				
Recreational Land	2,127	1,446	-	3,573
Community Development	2,135	101	-	2,236
Car Park	1	-	-	1
Development Infrastructure	-	14	-	14
Subdivision Development	68	-	-	68
Total Restricted Reserves	4,331	1,561	-	5,892
Discretionary Reserves				
Waste Management	5,719	1,348	-	7,067
Property Proceeds	-	113	-	113
Total Discretionary Reserves	5,719	1,461	-	7,180
Total Other Reserves	10,050	3,022	-	13,072
Summary of Reserves				
Asset Revaluation Reserves				196,753
Other Reserves				13,270
Total Reserves				210,023

Council maintains Restricted Reserves for the creation and/or development of recreation facilities, public open space infrastructure and other infrastructure works throughout the Municipality. The balance of the reserve equals the total of contributions received from property developers less expenditure on related development of recreational facilities, open space and infrastructure works. Property Proceeds Reserve has been established to fund land acquisition, new capital works or debt reduction from proceeds derived from property realisation. Council also maintains a Waste Management Reserve to provide for the replacement and expansion of waste management infrastructure throughout the Municipality.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 8. Other matters (continued)

	2018	2017
	\$000	\$000
Notes	Actual	Actual
8.2. Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(Deficit) for the Year	17,979	23,851
Depreciation/Amortisation	12,157	12,354
Profit/(Loss) on Disposal of Property, Infrastructure, Plant & Equipment	1,588	228
Revaluation Decrement	5,591	-
Contributions - Non-monetary Assets	(9,639)	(7,469)
Borrowing Costs	874	715
Change in Assets & Liabilities:		
(Increase)/Decrease in Trade & Other Receivables	560	688
(Increase)/Decrease in Inventories	(74)	38
(Increase)/Decrease in Prepayments	(59)	(19)
Increase/(Decrease) in Trade & Other Payables	2,291	(105)
Increase/(Decrease) in Provisions	(2,302)	(735)
(Decrease)/Increase in Other Liabilities	262	(314)
Net Cash Provided by/(used in) Operating Activities	29,228	29,232

8.3. Superannuation

Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. 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 2018, 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 Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

Mitchell Shire Council

Notes to the Financial Report for the year ended 30 June 2018

Note 8. Other matters (continued)

8.3. Superannuation (continued)

Defined Benefit (continued)

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 2017, a full triennial actuarial investigation was completed.

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 103.1%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns 6.5% pa

Salary information 3.5% pa

Price inflation (CPI) 2.5% pa.

Vision Super has advised that the estimated VBI at 30 June 2018 was 106%

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2017 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 2017 triennial 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 2018, this rate was 9.5% of members' salaries (9.5% in 2016/2017). This rate will increase in line with any increases in the Superannuation Guarantee 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.

Mitchell Shire Council

Notes to the Financial Report

for the year ended 30 June 2018

Note 8. Other matters (continued)

\$ '000

8.3. Superannuation (continued)

Employer Contributions (continued)

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%.

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.

2017 triennial actuarial investigation surplus amounts

The Fund's triennial investigation as at 30 June 2017 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$69.8 million; and*
- A total service liability surplus of \$193.5 million.*
- A discounted accrued benefits surplus of \$228.8 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 2017.

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 as at 30 June 2017.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2017.

Council was notified of the 30 June 2017 VBI during August 2017.

2018 interim actuarial investigation

An interim actuarial investigation will be conducted for the Fund's position as at 30 June 2018, as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2018.



MITCHELL SHIRE COUNCIL

113 High Street, Broadford 3658

t: (03) 5734 6200

f: (03) 5734 6222

e: mitchell@mitchellshire.vic.gov.au

w: www.mitchellshire.vic.gov.au

CUSTOMER AND LIBRARY SERVICE CENTRES

113 High Street, Broadford

12 Sydney Street, Kilmore

125 Anzac Ave, Seymour

12/81 High Street, Wellington Square, Wallan

**MITCHELL
SHIRE COUNCIL**

