

City of Greater Dandenong
ANNUAL REPORT
2007-2008



Our Vision:

Greater Dandenong is a great place to live, work and invest with great people for neighbours, colleagues and friends

- where people from all cultures and nations are welcomed, involved and well cared for;
- where everyone contributes to building a dynamic sustainable future as the regional capital of the south-east;
- where achievements are recognised and proudly celebrated.

Our Values:

We respect all members of our community, our Councillors and people we work with, actively building relationships to strengthen our shared desire for a better future.

We strive for excellence in customer service and courageously challenge everything we do as we seek to improve our services.

We act with integrity, professionalism and honesty to ensure everyone can rely on what we say and do.

Guiding Principles:

In all we do, we consider:

Cultural Diversity – as one of Australia's most multi-cultural communities we can build on our unique aspects which set us apart.

Opportunity for all – everyone has opportunities to achieve their own goals and positively change their situations through life long learning and employment.

Sustainability – longevity, prosperity, protection and growth for residents, businesses and the environment.

Advocacy – others will know what we want, why we want it and why it is in their best interest to help us achieve it.

Partnerships – strong working partnerships are built with those who can help us achieve shared goals.

Triple Bottom line +1 – balance is achieved between the need for economic growth, social connectedness, environmental stewardship and democratic civic decision making.

Great Place

- Dynamic and diverse city
- Recognised as the capital of the south-east
- Victoria's manufacturing heartland
- Home to 9000 businesses
- 170 parks and reserves
- Home to Sandown International Raceway
- Multi-million dollar Drum Theatre
- Land area of 129.5 square kilometres

Great Times

- Festivals held monthly
- Sandown Racing
– cars, horses and greyhounds
- Scenic bike paths stretching from Jells Park to Carrum beach
- 200 active sports clubs
- Indoor and outdoor swimming pools
- Largest basketball and volleyball stadium in the southern hemisphere
- Victoria's largest Lunar New Year festival

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Our Vision

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Great People

- Over 130,000 residents
- People from 156 nations
- More than half our residents born overseas
- Over 70,000 people employed locally
- 150 local community groups and service clubs
- An active and committed volunteer community
- National women's basketball champion team

Great Shops

- A thriving and bustling Dandenong Market
- Little India and Afghan precincts
- Modern shopping complexes at Dandenong and Keysborough
- Wide variety of fresh produce, seafood and meat
- Over 50 Asian restaurants and specialty supermarkets
- Extensive range of factory outlets

Message from the Mayor

Greater Dandenong was again at the forefront of development and innovation over the past twelve months, and I'm proud to report on another positive year for the city.

A central focus for Council has been the revitalisation of both central Dandenong and Springvale.

The revitalisation of central Dandenong in partnership with VicUrban and the Dandenong Development Board gained momentum, with plans now well underway for the redevelopment of Lonsdale Street. This will significantly change the face of this regional capital.

Work commenced on the \$50 million Dandenong Arkana Development, which will combine street level shops with a conference centre and 56 serviced apartments to be operated by Punt Hill Apartment Hotels. In addition it will contain approx 4,800 square meters of new office space and associated parking.

Grenda Corporation also relocated to its new 2.3 hectare site in Cheltenham Road after 54 years at its old Foster Street depot. The state-of-the-art \$14 million head office and bus depot is now the company's new home.

The Springvale Structure Plan was finalised and put out for public exhibition. This plan supports Council's strategic directions as well as the State Government's Melbourne 2030 strategy.

Extensive public art and street beautification projects were implemented right across the city, including the railway underpass public art project to brighten up Noble Park.

Council's City Improvement Program invested \$18.2 million in vital projects throughout the city, including the Dandenong market redevelopment, Tatterson Park improvements, and State Basketball and Volleyball centre, plus improvements to local buildings, drainage, footpaths, roads and streetscapes.

The Drum Theatre was again a highlight attraction throughout the year, hosting 46 major shows for visitors from right throughout the region. Some of the big name acts included The Australian Ballet, Bruce Mathiske in concert, Bell Shakespeare, Julie Anthony, and David Hobson.

Council's ever-popular community grants program gave over \$1.1 million to around 200 community groups and individuals for local projects, events and activities. This continues to be one of the most generous local government grants programs in the state.

Once again our volunteers provided an invaluable service to the community. A total of 285 people gave a significant 34,162 hours of their time. During National Volunteer Week we thanked and congratulated these amazing people who work tirelessly for others in need.

Council made significant progress in planning new community facilities, including the new Springvale Children's service centre. This integrated facility will set a new standard in the provision of children's services across the country.

Almost 24,000 seedlings were planted at the 31 community tree planting events. This year saw 1482 residents get involved in these activities, a marked increase on previous years. Council also launched the Public Place Recycling program at the Dandenong Basketball Stadium, which is expected to have a significant impact on the amount of waste going to landfill.



Renowned as a city offering exciting festivals and events, council was again home to a variety of community festivals, ranging from the Dandenong Show to the Lunar New Year and Carols by Candlelight. The vibrancy and diversity of celebrations in Greater Dandenong is one of our key strengths in building community spirit and providing local entertainment.

Please take the time to read over the many highlights of 2007-08 throughout this report. These are the results of the combined efforts of councillors, the executive team, staff, residents and our strategic partners, who I thank and congratulate.

It's been an honour to be mayor of such an exciting and diverse city. I look forward to being an active part of Greater Dandenong's continued growth and development into the future.



Cr. John Kelly
Mayor

CEO Overview



I recognised when I accepted the position of CEO more than two years ago that the journey ahead would be both exciting and challenging.

This is a city that is undergoing significant change, and along with change comes new challenges and new opportunities.

2007/08 was a significant one for the city and its residents. An exciting mix of on-ground projects started taking shape, most notably the revitalisation of central Dandenong.

Our established partnership with VicUrban and the Department of Planning and Community Development continues to yield exciting results for the city.

Planning works for the George Street Bridge Project were finalised this year and tenders for commencement of works will be called in 2008/09. This will provide an important connection between Cheltenham Road and the Dandenong activity centre, linking the new home of Grendas bus lines, Metro 3175 and the revitalised activity centre.

The Dandenong Market redevelopment continues to progress well, with Stage 2 of construction due to commence in late 2008. The redevelopment will provide broad economic benefits to the entire city and ensure the market is a landmark regional shopping destination for the south-east.

Two significant projects were completed at the Hemmings Park youth precinct – a new BMX track and lighting upgrades. The track complements the other youth based activities in the area while the unique lighting system enhances both the park and the pedestrian bridge across Princes Highway, signifying the entrance to the activity centre.

Council has also delivered on a number of key initiatives this year which will lay the foundations for planning into the future.

These include the Springvale Structure Plan, Noble Park Structure Plan, Dandenong South Industrial Structure Plan, Keysborough South residential Planning Scheme Amendment C36 and a Residential Neighbourhood Character Policy.

The City of Greater Dandenong's status as a regional home for elite sports was further enhanced with the opening of the renovated and expanded Dandenong Basketball and State Volleyball Centre. This significant development was the result of a successful partnership between Council, the State Government and participating sports bodies and hopefully, will be replicated with other sport and development opportunities into the future.

Greater Dandenong's commitment to the revitalisation of Dandenong and Springvale will continue in 2008-09 when construction commences on the Springvale Integrated Children's Services Centre.

Much of last year was spent securing a site for this progressive service model which will set a benchmark for children's services well into the future.

In 2007-08 Council faced significant challenges in developing a long-term financial plan that provided sufficient funding to renew Council's ageing assets, while continuing to facilitate the revitalisation of all activity centres in the municipality.

Council continued its commitment to sustainability and sport for people at all levels with an investment of \$180,000 in the continuation of its warm season grass program. CGD is now a leading Council in the provision of grass surfaces that are more tolerant to drought conditions and therefore, remain playable for longer periods.

Council remains financially sound but is aware of the challenges which lie ahead. We recognise that costs are continuing to rise and community expectations are high.

Council's financial position improved markedly during 2007-08 with cash funds held at year end increasing from \$9.5 million to a balance of \$21.86 million at June 2008. This improved cash balance allows Council to fully fund its liabilities and has ensured Council's liquidity ratios are now appropriate.

In terms of financial operating results, Council recorded an underlying surplus of \$2.80 million which was an excellent result. Council had previously been incurring underlying deficit outcomes and to now reach a position where our annual operations is no longer eroding our net assets is very significant for long term financial sustainability.

Beyond the underlying operational result, other one-off accounting adjustments such as assets provided to Council by developers in the form of infrastructure, asset sale proceeds (net of the book value of the assets) and capital grants and contributions, took the final accounting surplus for the year to \$9.198 million.

It's important to note here that this increased surplus does not reflect a more favourable financial position. Operating surpluses are essential to meet our capital and infrastructure investment needs now and into the future.

Council spent \$17.87 million on capital expenditure during the year, \$10.54 million of which was on renewal and upgrades to existing infrastructure assets. \$7.33 million was spent on major projects, including the State Volleyball/Basketball Centre, acquisition of land towards a future child care centre in Springvale and drought related works such as setting up water tanks across the city's ovals and other recreational facilities. Council also invested \$2.49 million on replacing fleet and equipment essential in maintaining and cleaning the city's roads, drains and other infrastructure assets.

Another expenditure highlight was the \$1.9 million spent on municipal wide road patching. This significant investment underpins the importance of Council's maintenance and protection of current assets.

It is critical that Council remain vigilant in the management of activity and expenses to ensure we continue to successfully meet the growing demands of our community.

As we head into another exciting year, I look forward to leading the organisation in the pursuit of new challenges and opportunities. Together with my committed Executive team, we anticipate another strong year of growth and development in Greater Dandenong, reinforcing its status as the 'City of Opportunity'.



John Bennie
Chief Executive Officer



Performance at a Glance

Vibrant Healthy Supported Community

Highlights

- Volunteers provide an invaluable service to the community, supporting a range of Council managed activities. Over the year, 285 volunteers gave a significant 34,162 hours of their time.
- The Drum Theatre provided new opportunities to experience the arts in a range of forms. It is quickly becoming a strong regional attractor with 10,231 on the mailing list, an increase of 3,418 from 2006-2007. It attracted 90,106 attendances throughout the year, an increase of 14,059 attendances and 46 major touring shows were hosted, including Bell Shakespeare, Opera Australia and TV Star David Hobson, Bangarra Dance Theatre, The Fairies and many other popular and challenging works.
- An important community service provided by Council is Citizenship ceremonies. During 2007-2008, seventeen (17) ceremonies were held at which 2,231 Greater Dandenong residents became Australian citizens.
 - Throughout the year, 388,438 people visited the Springvale Library, 432,398 people visited the Dandenong Library and there were 133,555 visits to the library section on Council's website.
 - Diverse range of around 30 festivals and events were staged in Greater Dandenong in 2007-2008. Some of the larger annual events were Springvale Lunar New Year with 70,000 attendances and the Tet Festival which attracted 35,000 people.
 - Thirteen community festivals held, providing community members with a variety of vibrant and diverse events to get involved in.
 - Extensive progress made in planning the development of a range of community facilities, including the Dandenong Community Facilities Plan and the Springvale Children's Service Centre.
 - 17,867 immunisations administered at seven infant sessions and 23 schools. This significant increase resulted from the introduction of the cervical cancer vaccine.
- Council's Maternal and Child Health Service consulted 26,857 families, an increase of 4% from 2006-2007. The number of families seen by Enhanced (Outreach) team totalled 394, an increase of 18% from last financial year. Additionally, 147 English speaking baby parenting groups were held.



Challenges

Caring for our ageing community will require a focus on leisure and accommodation needs of people in retirement, concerns for the isolation that often affect older individuals and finding the right mix of professionals and volunteers to support them.

The Year Ahead

- Continue work on the Lightwood Road Integrated Children's Services Centre and form new governance group to deliver quality and relevant children and family services.
- Develop the Library 2020 Strategy to ensure residents receive relevant and up to date library services.
- Adopt and implement an Animal Management Strategy.
- Develop and implement the Aquatic Feasibility Plan.

Environmentally Active City

Highlights

- Activities undertaken as part of the Local Waste Minimisation and Environment Education Plan included:
 - Collection calendars distributed to all householders during October 2007.
 - Kerbside recycling bin audits were conducted.
 - Signage installed at 20 multi-unit sites.
 - CALD group education sessions and Material Recovery Facility (MRF) tours conducted.
 - Classroom school sessions conducted.
 - Green Dream competition completed - Winner: Oakwood Park Primary School.
 - Developing waste & recycling fact sheets for CGD website.
 - Waste minimisation display at Dandenong Show & Dandenong, Springvale & Parkmore Shopping Centres.
 - Public Place Recycling (PPR) at Dandenong Basketball Stadium launched. Result: improved waste to landfill diversion rate of 66% after final waste audit in December 2007.
- A total of 23,923 seedlings planted, an increase of 5,703 in 2006-2007.
- Council organised 31 community tree planting events throughout the city, an increase of 20 in 2006-2007. Additionally, Council recorded an increase of 989 residents involved in these events this year. A total of 1,482 residents were involved in 2007-2008.

Challenges

Creating a sustainable balance between the need for economic growth and protection of the environment needs to be achieved by challenging ourselves, residents and industry to actively find ways to reduce reliance on finite natural resources, create infrastructure that supports clean energy, determine efficient ways to use land and implement changes to reduce pollution, waste and litter.

The Year Ahead

- Develop environmentally sensitive design guidelines for residential and non-residential developments.
- Reduce water usage on sports fields.
- Implement Council's Sustainable Water Plan.



Well Planned Liveable City

Highlights

- Council began the process of gazetting the Springvale and Noble Park Structure Plans.
- Development and implementation of an on-line statutory planning application system.
- Design and construction improvements to 10 local neighbourhood parks across the city.
- Leisure Strategy 2007-2008 action plan implemented:
 - Lawn Bowls/Croquet Plan - Adopted by Council on 26 May 2008.
 - Tennis Plan - Adopted by Council on 26 May 2008.
 - Sport and Recreation Victoria Minor Facilities Grants 2008-2009 - EastLink Shared Trail; Noble Park Tennis Club Court Upgrade; Springvale North Tennis Club Court Surface Upgrade successful.
- A number of improvements and installations at Tattersson Park.
- 1,611 trees planted in line with the Leafy Legacy Strategy.
- Several significant and interesting arts projects:
 - Installation of the Oakwood Park project.
 - Railway Art Treatments - Proposal developed for a series of art treatments along the Dandenong Rail corridor.
 - Public Art Strategy - Review undertaken with the Public Art Reference Group.
 - Noble Park Underpass - Official launch by the Minister for Public Transport Lynne Kosky MP on Thursday 24 April 2008.
 - Table of Knowledge Restoration - Restoration of the artwork with a new rendered and painted finish.

Challenges

The community's need for infrastructure and buildings that have capacity to handle current and future demands requires all levels of government working together to plan and design assets that allow for future growth, develop assets with whole of life costing considered and maintain assets to a safe and presentable standard.

The Year Ahead

- Develop a Greater Dandenong Housing Strategy which also addresses the issue of affordable housing.
- Redevelop community and civic buildings (libraries and civic offices) for improved service delivery.
- Review the 2008-2011 City Improvement Program and adopt and publish the 2009-2010 program.
- Investigate a closed circuit television (CCTV) proposal to promote community safety.

Prosperous Dynamic City

Highlights

- New investment in residential, commercial, and industrial properties by building approvals reached \$377,670,128.
- Council attracted business investments and fostered promotional activities, publications and partnerships through the following:
 - Four editions of Stakeholder magazine were produced and distributed.
 - A number of forums for developers and real estate agents were held. A wrap feature “Futuremakers” was produced in conjunction with The Star and targeted local employment opportunities for residents.
 - The business pages of Council’s website had nearly 30,000 visits during the year with the most visited pages being shopping and the local business directory.
- Council completed an occupancy review of licensed and BYO restaurants operating in central Dandenong. Data collated showed that there were 28 dining, 55 speciality and cafe premises and 16 hotels/clubs and bars.
- Under Council’s Shop Front Improvement Scheme two projects were initiated: The Walker Street Shop Front Improvement Scheme (SFIS) as part of Revitalising Central Dandenong; and a new shop front program was trialed in Noble Park that offered business owners’ access to Visual Merchandising training and resources to improve the overall appearance and presentation of their stores. An initial 11 Noble Park shop owners participated in the program and a further eight participated in the second stage of the program.
- Food Lovers Tour - promoted on Council’s website and brochures printed for general distribution and through Customer Service Centres. Promotional support was provided for Little India and Afghan precincts, Bridal group and Noble Park traders.

Challenges

Encourage manufacturing, trades and service industries to re-invent their organisations with new business models that will assist them to address emerging skills shortages and develop abilities to remain relevant and grow in increasingly competitive global markets.

The Year Ahead

- Business investment attracted and fostered through promotional activities, publications and partnerships.
- Establish a system of recording and monitoring occupancy levels in commercial and retail activity centres.
- ‘Manufacturing Week in Greater Dandenong’ to be organised and promoted.
- Greater Dandenong will sponsor the South East Architecture Awards.

Regional Capital of the South-East

Highlights

- Revitalising Central Dandenong 'Refresh' 2007-2008 program achieved the following:
 - Little India Tours held monthly. Coxy's Big Break filmed in June to be screened in 2008-09.
 - Afghan Bazaar held monthly.
 - Alfresco Dining - New Urban Space Guidelines presented to Council and now being developed into coloured publication.
 - Floral Displays throughout the city.
 - Walker Street Improvements with Visual Merchandiser and selected shops. Pavement repairs complete, traffic signage consolidated and street furniture repainted.
 - Art in the City projects undertaken in Ewart Lane, Pearce Lane, Thomas Street car park, Walker Street, Dandenong Station, Lonsdale Street and Palm Plaza.
 - Gateway Lighting completed and fully operational in April 2008.
 - Grenda's project completed. ABC Sunday Arts show screened the project on 20 April 2008.
- Major Infrastructure Projects
 - EastLink - The tollway opened to traffic in June.
 - George Street Bridge planning continued.
 - Metro 3175 - Cheltenham Road re-alignment close to completion.

Challenges

Creating positive images and perceptions about Greater Dandenong and inspiring confidence in everyone about how great our city is, will require a marketing focus aimed at minimising potentially damaging press and maximising constructive media coverage.

The Year Ahead

- Ongoing implementation of Strategic Marketing and Media plan promoting Greater Dandenong in conjunction with VicUrban and Dandenong Development Board.
- Revitalising Dandenong centre through the implementation of the Urban Master Plan initiatives.
- Reinforcing Council's pivotal role in the partnership to ensure key projects are advanced.



Recognised Leading Organisation

Highlights

- The Budget 2008-2009, revised Council Plan 2006-2010, Corporate Plan 2008-2009 and Strategic Resource Plan 2008-2012 were presented to Council and adopted.
- Positive results for Greater Dandenong in the Local Government Sector Annual Community Satisfaction Survey.
- Two 'Councillor Community Networking' activities held. The Mayor and Councillors met with community members to discuss issues of interest at six shopping venues.
- Council completed and reported on 22 audits on external contracts.

Challenges

Prioritising the needs and growing demands of our community against the limited resources available will require us to re-design our services to ensure they remain relevant in meeting the changing needs of the community.

The Year Ahead

- Ten year financial plan review and implement.
- Develop and adopt a Community Vision and Council Plan.
- Manage the Council elections and establish a new Council.
- Investigate and develop Service Improvement model and framework.





Corporate Governance

The Council

The City of Greater Dandenong's 11 Councillors are elected as representatives of all residents and ratepayers within the city. Their key responsibilities include:

- establishing the strategic direction of the city
- advocating a broad range of issues
- management of the community's assets
- ensuring the delivery of quality services
- providing fair and equitable representation of all constituents
- enforcement of local laws

Greater Dandenong Council was elected on 26 November 2005 and will retire in November 2008.



CLEELAND

Cr Paul Donovan

Phone: 0408 251 926

Cr Paul Donovan joined the Greater Dandenong Council in 1997 and served as Mayor in 2002-2003. Cr Donovan is committed to improving his local area and to the continued growth of Greater Dandenong.



KEYSBOROUGH

Cr Roz Blades

Phone: 0417 053 612

Cr Blades served as Mayor of the former City of Springvale in 1992 and was elected Mayor of Greater Dandenong in 1998-1999. Currently serving her fifth term, Cr Blades has always been an active participant in community programs and her greatest passion is people.



DANDENONG

Cr Jim Memeti

Phone: 0434 560 239

Cr Memeti was motivated to stand for Council in 2005 in an effort to improve perceptions of Dandenong. He believes it is important to work together with fellow Councillors to get excellent results for our city.



KEYSBOROUGH SOUTH

Cr Peter Brown

Phone: 0408 138 939

Having served as a Councillor with the former City of Springvale for seven years, Cr Brown was elected to the City of Greater Dandenong in 2003 and served as Mayor in 2005-2006. He is motivated by a desire to improve the quality of life for residents in terms of care and management of the physical environment.



DANDENONG NORTH

Cr John Kelly

Mayor, December 2007 – December 2008

Phone: 0418 350 743

Cr Kelly is the current Mayor and has served as a Councillor for more than 14 years. He is committed to ensuring the Greater Dandenong Council is open and transparent in its operations, and encourages increased community consultation in decision-making.

**LYNDALE****Cr Sue Walton**

Phone: 0434 560 240

As a resident of Greater Dandenong for more than 20 years, Cr Walton is passionate about life and people in general. She hopes to see the development of better roads and more facilities to meet residents' needs in Greater Dandenong.

**SPRINGVALE NORTH****Cr Alan Gordon**

Phone: 0434 560 238

Cr Gordon has lived in Greater Dandenong for over 23 years and becoming a Councillor has been a life long dream. He works to serve the city by improving communications with residents and identifying new funding opportunities.

**NOBLE PARK****Cr Pinar Yesil**

Phone: 0434 560 242

Cr Pinar Yesil lives in Keysborough and works locally. She has lived in Greater Dandenong for over four years and is particularly passionate about the protection of animals.

**SPRINGVALE SOUTH****Cr Yvonne Herring**

Phone: 0434 560 241

Having already served as a Councillor between 1997 and 2003, Cr Herring returned in 2005 with a desire to continue offering Greater Dandenong good governance and to provide a voice for residents. She has lived in the city with her family for 26 years.

**NOBLE PARK NORTH****Cr Maria Sampey**

Phone: 0438 800 027

A perseverance to achieve positive results and the ability to listen to residents resulted in Cr Sampey joining the Council in 2000 and being elected Mayor of the city in 2004-2005. She is passionate about ensuring local parkland is retained and upgraded to be more user-friendly for families and youths.

COUNCILLOR'S OFFICE

Tel: 9239 5230 Fax: 9239 5369

**SPRINGVALE CENTRAL****Cr Youhorn Chea**

Mayor, July – December 2007

Phone: 0417 320 645

Cr Chea has been a Councillor since 1997 and has held the office of Mayor in 2001-2002 and 2006-2007. He believes it is important for Council to maintain a strong focus on facilities for young people, job creation and increased community safety.

Council's Role

The City of Greater Dandenong is committed to good corporate governance. The development of policies, codes of practice and systems together with adherence to legislative requirements and transparent reporting are all part of Greater Dandenong's commitment to open and accountable government.

The Chief Executive Officer (CEO) is appointed by Council for the purpose of managing the operations of the organisation. The CEO will then delegate to Council officers operational functions that will be undertaken in an accountable, efficient and effective manner.

Council Meetings

Council conducts its business in open and publicly advertised meetings. In 2007-2008 there were 22 ordinary meetings and one special meeting of Council. Listed below is the number of meetings attended by individual Councillors.

COUNCILLORS FROM 1 JULY 2007 – 30 JUNE 2008	ORDINARY MEETINGS	SPECIAL MEETINGS
Number of Meetings Held	22	1
Cr Roz Blades	20	1
Cr Peter Brown	20	1
Cr Youhorn Chea	20	1
Cr Paul Donovan	21	1
Cr Alan Gordon	22	1
Cr Yvonne Herring	21	1
Cr John Kelly	22	1
Cr Jim Memeti	17	1
Cr Maria Sampey	22	1
Cr Sue Walton	21	1
Cr Pinar Yesil	19	1

Council Meetings Online

As part of Council's commitment to open and accountable government, all ordinary and special meetings of Council are webcast on greaterdandenong.com. During 2007-2008 the average number of 'log-ins' to the live webcast was 40, with 3108 people accessing archived (non-live) webcast Council meetings. The Council has been pleased with the results and will continue to webcast meetings during 2008-2009. The City of Greater Dandenong is one of only a few municipalities in Victoria to webcast Council meetings.

Councillors Code of Conduct

The City of Greater Dandenong's 'Code of Conduct – Councillors' sets out guidelines within which Councillor representatives must operate. It outlines behaviours and actions, which will reduce the risk of corruption or misuse of Council assets, including information. The 'Code of Conduct – Councillors' is a key component of Greater Dandenong's commitment to open and accountable government. No breaches were reported during 2007-2008.

Councillor Remuneration

The Mayoral annual allowance for 2007-2008 was \$57,500 with the use of a fully maintained vehicle. The Councillor annual allowance for 2007-2008 was \$18,000.

Representation

Councillors have been appointed as representatives of the following organisations/committees that assist the Council and the community in the provision of services to the people of Greater Dandenong:

Organisation	Councillors 30 June 2007 – 6 December 2007	Councillors 6 December 2007 – 30 June 2008
Advisory Committees		
Audit Committee	Cr Youhorn Chea Cr Sue Walton	Cr John Kelly Cr Sue Walton
Reference Groups		
Community Road Safety Reference Group	Cr Alan Gordon Cr Sue Walton	Cr Alan Gordon Cr Sue Walton
Dandenong Basketball Stadium Management Committee	Cr John Kelly Cr Roz Blades Cr Paul Donovan	Cr John Kelly
Disability Reference Group	Cr Maria Sampey Cr Sue Walton	Cr Maria Sampey
Oasis Reference Group	Cr John Kelly Cr Paul Donovan	Cr John Kelly Cr Youhorn Chea
Springers Reference Group	Cr Roz Blades Cr Peter Brown Cr Youhorn Chea	Cr Roz Blades Cr Peter Brown Cr Youhorn Chea
Community Safety Committee	Cr Paul Donovan Cr Maria Sampey	Cr Maria Sampey
Cyrene Centre	Cr Roz Blades Cr Youhorn Chea	No representative appointed
Dandenong Benevolent Society	Cr Maria Sampey	No representative appointed
Dandenong Community Advisory Bureau	Cr Jim Memeti	Cr Jim Memeti
Dandenong and District Historical Society Inc	Cr Maria Sampey	No representative appointed
Dandenong Drug Action Committee	Cr Maria Sampey Cr Sue Walton	No representative appointed
Dandenong Fire Brigade	Cr Jim Memeti	No representative appointed
Disability Reference Group	Cr Maria Sampey Cr Sue Walton	Cr Maria Sampey
Eastern Transport Coalition	Cr Yvonne Herring	Cr Roz Blades

Organisation	Councillors 30 June 2007 – 6 December 2007	Councillors 6 December 2007 – 30 June 2008
Greater Dandenong Children's Services Association	Cr Roz Blades Cr Pinar Yesil*	No representative appointed
Greater Dandenong Interfaith Network	Cr Youhorn Chea	Cr Youhorn Chea Cr Roz Blades
Inter-Council Aboriginal Consultative Committee – South East Region	Cr Sue Walton	Cr Yvonne Herring
International Council for Local Environmental Initiatives	Cr Maria Sampey Cr Sue Walton	No representative appointed
Local Governments'/Metropolitan Waste Management Forum	Cr John Kelly	Cr John Kelly
Lyndale Secondary College Council	Cr Maria Sampey	No representative appointed
Melbourne 2030 – City of Greater Dandenong Spokesperson	Cr Youhorn Chea	Cr Youhorn Chea Cr Maria Sampey
Migrant Settlement Committee	Cr Youhorn Chea Cr Sue Walton Cr Pinar Yesil	Cr Youhorn Chea Cr Pinar Yesil
Municipal Association of Victoria (MAV)	Cr Maria Sampey* Cr Youhorn Chea	Cr Youhorn Chea Cr Maria Sampey
Noble Park – Keysborough Drug Action Community Forum	Cr Roz Blades Cr Pinar Yesil	No representative appointed
Public Art Reference Group	Cr Peter Brown Cr Paul Donovan	Cr Peter Brown Cr Paul Donovan Cr Maria Sampey
Roadsafe Committee – Outer South East Inc	Cr Maria Sampey	Cr Maria Sampey
Regional Housing Working Group – Southern Region	Cr Sue Walton Cr Paul Donovan	No representative appointed
South East Region Gas Company (SERGASCO)	Cr John Kelly	Cr John Kelly
South Eastern Integrated Transport Group	Cr Alan Gordon	No representative appointed
Springvale Benevolent Society	Cr Alan Gordon Cr Yvonne Herring	Cr Alan Gordon Cr Yvonne Herring
Springvale Community Aid and Advice Bureau	Cr Roz Blades	Cr Roz Blades Cr Youhorn Chea
Springvale Community Drug Action Forum	Cr Youhorn Chea Cr Alan Gordon	No representative appointed
Springvale and District Historical Society Inc	Cr Alan Gordon	No representative appointed
Victorian Local Governance Association (VLGA)	Cr Youhorn Chea Cr Sue Walton	Cr Youhorn Chea

Community Leadership

Council conducted one major community consultation forum during 2007-2008. The purpose of the activity was to gather feedback from the community and interested stakeholders on the draft Animal Management Plan. Interested members of the community, members of the Community Research Panel, local animal welfare agencies and vets were involved in a series of workshops. A positive response from the community was reflected by the high level of attendance and participation. Councillors will continue to hold community consultation forums in 2007-2008.

In 1999 Greater Dandenong residents were offered the opportunity to register to become part of a Community Research Panel. As members of this panel, residents initially worked with Council staff to influence the development of Service Charters, particularly service quality guarantees for each of Council's services. Their involvement has extended to participation in research and consultation activities on a range of matters.

Following the introduction of Best Value, the objective of the panel was broadened to include involvement in Best Value Service Reviews and, as a consequence, membership has expanded. Our panel now consists of over 700 residents.

Advocacy

There are many services provided by State and Federal government agencies that support Greater Dandenong residents. During 2007-2008 Council continued with significant advocacy programs to gain increased funding and levels of service for the city from these external sources. Outlined below are key advocacy groups and activities that staff and Councillors have been involved in.

Groups:

- Regional Meals on Wheels Kitchen
- Regular meetings with:
 - VicRoads
 - Melbourne Water
 - Department of Transport
 - Department of Sustainability and Environment
 - Department of Innovation, Industry and Regional Development (D.I.I.R.D.)
 - Parks Victoria
 - South East Water
 - Department of community development (sport and recreation Victoria)
 - Sport associations such as AFL, VSF, Cricket Vic, Softball Vic, Tennis Vic
 - Bicycle Victoria
 - Options Victoria
 - Vic Health
 - Parks Victoria
 - Vic Sport
- Mayor and Chief Executive Officers Groups
- Federal Government South East Development Area Consultative Committee
- Dandenong Development Board
- VicUrban
- ConnectEast
- Eastern Group of Councils
- Service based industry network groups
- Eastern Transport Coalition
- South East Integrated Transport Group
- Southern and Eastern Integrated Transport Authority (S.E.I.T.A.)
- South East Metro - group of six south east Councils
- Regional Management Forums
- Annual meeting with VicRoads CEO to outline region and CGD transport needs
- Regular meetings with Department of Human Services regarding disability and aged care services
- Partner of the Southeast Healthy Communities Partnership

Projects:

- Advocated through the development and presentation of a feasibility study for the grade separation of Springvale Road and the Dandenong rail line.
- Saw the results of previous advocacy with the opening of a section of the Dingley Arterial (Dandenong Bypass) and will continue to advocate for its western extension to Westall Road and eastern extension to the South Gippsland Freeway.
- Met with representatives of the Outdoor Advertising Association and received agreement to the reduction of 'sex related' ads/signs/billboards in the city.
- Advocated for, and saw established, a 'Community Liaison Group' for the Lyndhurst landfill.
- Engaged with Government and its agencies to secure resources and develop a plan of community projects to get better outcomes for migrant youth in Noble Park.
- Continued to advocate for public transport improvements.
- Continued to advocate for significantly improved water/irrigation solutions for sportsfields - with Council's sportsground assets ranked highly in condition in the region.
- Grant received from SRV for the Mills Reserve hockey pitch (\$300,000) as a result of advocacy efforts.
- Response to Commonwealth tenders resulted in \$1.4 million over four years for delivery of respite services to people at risk of entering nursing homes.
- Council's advocacy through a submission process with the Department of Education and Early Childhood Development resulted in a substantial planning and capital grant. This will enable a joint government and Council planning process to look at the current status of early years infrastructure and develop a forward plan.
- As a first stage of the project to provide a third rail on the Dandenong line from Caulfield to Dandenong, the Government has announced two projects which will provide the opportunity to markedly improve services in the near future. The first project is the rebuilding of the Cranbourne station and provision of a new storage facility for six trains at a cost of \$37 million. This will eliminate the need to transfer trains from other locations for the first morning services thus freeing up track and enabling more passenger services to be run on both the Pakenham and Cranbourne lines. The second project is a \$70 million upgrading of the Westall station and provision of a third track between Centre Road and Springvale Road. This project also provides extra car parking and grade separation of three pedestrian crossings of the rail corridor. The works will allow additional trains to commence and finish their journeys at Westall station which will then provide the Pakenham and Cranbourne trains the opportunity to travel express from Westall station to the city.
- The Government initiated a review of local bus services in the Cities of Casey and Greater Dandenong in February 2008. The review is assessing the effectiveness of local bus services in meeting community needs. Council has been involved in providing input to the review with suggestions for new services which will cover areas in the city which have inadequate or no services at present. Indication to date suggests that council's advocacy will result in services into the Dandenong South industrial area and the Keysborough South residential area.
- Council is continuing to advocate to the Department of Transport and VicRoads for the provision of bus lanes on Springvale Road to take advantage of the lower traffic volumes on that road now that EastLink has opened.
- Further grants have been received for the Federal Blackspot program, community facility improvements and Home and Community Care Package funding.

Audit Advisory Committee

Members

Ms Linda MacRae (replaced Mr Michael Said)	Chair
Cr Youhorn Chea from 1 June 2007 to 6 December 2007 Cr John Kelly from 6 December 2007 to 30 June 2008	Council Representative (Mayor)
Cr Sue Walton	Council Representative
Mr Robert Yeo (replaced Mr Rob Wernli)	External member
Mr David Smith (replaced Mr Eddie Creaney)	External member
CEO	Non-voting
Director Corporate Services	Non-voting
Manager Financial Services	Non-voting

The positions for the external members of the Audit Advisory Committee were advertised in July 2007 and three new members were appointed to begin in November 2007. In total, the Audit Advisory Committee met on five occasions during 2007-2008.

Matters considered included:

- Financial and Performance Statements for 2006-2007
- The 2008-2009 Financial Plan
- The Internal Audit Plan of Council for 2008-2009
- Risk Management Strategy of Council
- The Auditor General's Audit Strategy for 2007-2008

Whistleblower Protection Act

The Whistleblower Protection Act 2001 came into effect on 1 January 2002.

Its purpose is to encourage and facilitate the disclosure of improper conduct by Councillors and Council officers. The Act also provides protection for persons making disclosures who may suffer reprisals as a result of their actions.

The City of Greater Dandenong recognises the value of transparency and accountability in its administrative and management practices and supports the making of disclosures. Comprehensive written procedures have been established and implemented for whistleblower matters and are fully documented on the Council's internet and intranet sites. A printed copy can also be obtained on request from the Council's service centres and libraries.

Coordinator

John Bennie – *Chief Executive Officer*

Protected Disclosure Officers

Mike Lakeland – *Manager Organisational Sustainability*

Anthony Camillo – *Team Leader Organisational Development*

Number and types of disclosures made to public bodies	0
Number of disclosures referred to the Ombudsman for determination as to whether they were public interest disclosures	0
Number & types of disclosed matters referred to the public body by the Ombudsman for investigation	0
Number & types of disclosed matters referred by the public body to the Ombudsman for investigation	0
Number & types of investigations taken over from the public body by the Ombudsman	0
Number of requests made by a whistleblower to the Ombudsman to take over an investigation by the public body	0
Number & types of disclosed matters that the public body has declined to investigate	0
Number & types of disclosed matters that were substantiated upon investigation, and the action taken on completion of the investigation	0
Recommendations	0

Freedom of Information

Council is committed to open and transparent democracy. Information held on behalf of the community can be accessed in accordance with the Freedom of Information Act 1982.

This year 28 FOI requests were received with a further 5 FOIs actioned in 2007-2008 that were received in 2006-2007.

The table below outlines the results of those requests.

	2001-2002	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008
Total number of requests	14	21	19	14	20	18	28
Access granted in full	0	3	0	0	1	1	0
Access granted in part	11	15	13	4	8	4	11
Other – not finalised/proceeded with	3	3	3	5	8	5	5
Access denied in full	0	1	0	0	3	1	1
Requests still under consideration	0	0	3	5	1	4	2
Number of internal reviews sought	1	1	0	0	0	0	2
Number of appeals lodged with the Administrative Appeals Tribunal	0	0	0	0	0	0	2
Number of requests transferred/ withdrawn						3	5
Total charges collected	0	\$476	\$280	\$144	\$256	\$193	\$630

Information Available for Inspection

- Details of current salaries and allowances fixed for the Councillors.
- Details of senior officers' gross salaries, allowances and other benefits for the current financial year and two previous financial years.
- Details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity for Councillors or any member of Council staff in the previous 12 months.
- Names of Council officers and Councillors required to submit a return of pecuniary interest during the financial year and the dates the returns were submitted.
- Agenda for and minutes of ordinary and special Council meetings kept under Section 93 of the Local Government Act 1989 except where such minutes relate to parts of meetings that have been closed to members of the public under Section 90 of the Act.
- A list of all major committees established by the Council and the purpose for which each committee was established.
- A list of all major committees established by the Council which were abolished or ceased to function during the financial year.
- Minutes of meetings of special Council committees established under Section 86 of the Local Government Act 1989 except where such minutes relate to parts of meetings that have been closed to members of the public under Section 89 of the Act.
- Application for enrolment on the voters' roll under Section 12 and 13 of the Local Government Act 1989 for the immediate past roll and the next roll being prepared.
- Register of delegations kept under Section 87 of the Local Government Act 1989.
- Register of delegations kept under Section 88 of the Local Government Act 1989.
- Register of delegations kept under Section 98 of the Local Government Act 1989.
- Submissions received under Section 223 of the Local Government Act 1989 during the previous 12 months.
- Agreement to establish regional corporations under Section 197 of the Local Government Act 1989.
- Guarantees given by a Council under Section 197 of the Local Government Act 1989.
- Register of authorised officers appointed under Section 224 of the Local Government Act 1989.

To inspect any of the above information, please contact the Council's Information Technology Services Unit on 9239 5100.

Risk Management

The City of Greater Dandenong maintains an effective risk management program to ensure that its exposure to operational, legal, material, contractual and financial risks is minimised. The Council complies with its obligations under the Local Government Act 1989 and administers risk management practices, principles and procedures in accordance with the Australian Standard AS/NZS 4360:2004 which addresses the process of risk identification, risk control, risk evaluation, risk treatment and risk financing.

Insurance

The Council has in place an insurance program whereby our insurance company is called upon for catastrophic losses only. The Council carries a high deductible (policy excess) for all classes of insurance and is thus a 'self-insurer' for all claims, other than major losses. This has proved to be cost effective in the current insurance environment.

During this past year there were two property claims involving sporting club facilities. Public liability claims against the Council continue to be a concern; however recent tort reform has proven to be beneficial bringing about a slight reduction in the number of claims against Council. The Council continues to take a position wherein such claims are vigorously contested.

Strategies

In consultation with LOGOV Risk Management Services, the Council has implemented a Strategic Asset Management Program© that supports our risk management philosophy. This program establishes standards and service levels that enhance Council's 'self-insurance' philosophy.

Council has established a Risk Financing Strategy whereby reserves are set aside annually in a contingency fund to be used in the event of excessive or major claims against Council.

Risk is also recognised as a key component of contemporary management practice across the organisation. Senior officers are required to monitor and identify potential risk situations in all aspects of their business. The effective management of risk is part of the senior officer performance review process.

Council has developed a risk register that will provide a system of identifying and controlling risk at each Service Unit level.

A Business Continuity Strategy is in place to address the issues so that the day to day demands on Council can be continued in the event of a disaster affecting the operations and delivery of service.

Municipal Emergency Management

The Council has a statutory obligation, under the Emergency Management Act 1986, to plan for the best use of municipal resources in the prevention of, response to, and recovery from municipal emergencies. Typical emergencies may include storms and localised flooding, motor vehicle accidents, toxic spills, bush fires and fire damage to private and commercial properties.

The Council has a Municipal Emergency Management Plan that documents the requirements and procedures for emergency operations within the municipality. The aim of the plan is to ensure an effective and coordinated response to minimise the effects of an emergency situation and to enable the community to recover from that emergency.

Greater Dandenong's Emergency Management Plan was reviewed by the State Emergency Service and other key stakeholders in 2008 to incorporate a 'risk management' approach to emergency

management. The plan now focuses on the causes of risk (hazards) and the elements at risk (community and environment) rather than emergencies that may arise.

This plan will contribute to the wellbeing of the community and the environment by reducing the incidence and impact of emergency risks within Greater Dandenong.



National Competition Policy Compliance 2007-2008

Certification by Chief Executive Officer

Greater Dandenong Council has complied with the requirements of the National Competition Policy (NCP) for the period 1 July 2007 to 30 June 2008, in accordance with the requirements outlined in National Competition Policy and Local Government – A Revised Statement of Victorian Government Policy (January 2002); as set out below:

A. Trade Practices Compliance

State whether the Council is compliant or non-compliant.
If non-compliant, justify or cite actions to redress.

Greater Dandenong Council is Compliant

B. Local Laws Compliance

State whether the Council is compliant or non-compliant.
List any local laws made or remade during 2007-08
which impose a restriction on competition:

Greater Dandenong Council is Compliant

C. Competitive Neutrality Compliance

State whether the Council is compliant or non-compliant
for all significant businesses. List any significant
businesses that are non-compliant:

Greater Dandenong Council is Compliant

I certify that:

- (a) this statement has been prepared in accordance with the 2007-08 National Competition Policy guidelines issued in May 2008 for reporting on National Competition Policy in accordance with National Competition Policy and Local Government – A Revised Statement of Victorian Government Policy (January 2002); and
- (b) this statement presents fairly the Council's implementation of the National Competition Policy.

Signed:



(Chief Executive Officer)

Date: 22 September 2008



Organisation

Organisation Structure



CHIEF EXECUTIVE OFFICER

John Bennie

- Organisation Development
- Organisational Sustainability
- South East Business Networks



DIRECTOR ENGINEERING SERVICES

Tim Tamlin

- Asset Management Services
- City Improvement
- Infrastructure Planning
- Project Delivery



DIRECTOR COMMUNITY SERVICES

June Dugina

- Aged and Disability Services
- Children, Youth and Family Services
- Library, Arts and Heritage Services
- Social Development
- Sports and Leisure



DIRECTOR CORPORATE SERVICES

Mick Jaensch

- Communications and Corporate Planning
- Financial Services
- Governance and Customer Service
- Information Technology Services



DIRECTOR DEVELOPMENT SERVICES

Mal Baker

- Building Services
- Economic Development
- Planning and Design
- Regulatory Services
- Revitalising Central Dandenong

Employer of Choice

Achieving work life balance

The City of Greater Dandenong is committed to promoting effective and contemporary organisational development practices that assist employees to balance their work, family, health, study and other life commitments.

Work experience placements

The City of Greater Dandenong values the contribution that work experience provides and is committed to providing this community service to schools and students. A number of students were placed across the organisation in a range of work functions. Two DOXA Youth Foundation students undertook a placement within Corporate Services during 2007-2008.

Traineeships

21 trainees were placed across the organisation in a range of occupations and roles. This includes 13 trainee community care workers studying Certificate 3 in Aged Care who successfully secured permanent ongoing employment, six trainees in Parks and two located within the Operations Centre. All trainees receive valuable on the job training and experience whilst studying a nationally accredited program.

Leadership and management development

A number of leadership and management development activities were conducted including participation in the innovative inter-Council Leadership Challenge organised by the Local Government Managers of Australia. Greater Dandenong was successful in securing a place for a staff member to participate in the highly sought after Emerging Leaders Program conducted by LGPro.

Employee development

Ongoing professional and personal development continued throughout 2007-2008. Over 1,390 attendees participated in training opportunities in a range of program areas including presentation skills, occupational health and safety, conflict resolution, information technology, time management and introduction of the Victorian Charter of Human Rights. Employee Development continues to be a strong focus for the organisation and will become even more critical as skills shortages start to have an impact.

Service milestones

30 staff achieved service milestones of between 10, 20 and 30 years, during 2007-2008 and received recognition for their achievement and contribution to the City of Greater Dandenong.

Staff numbers

	Male	EFT	Female	EFT	Total	EFT
Full-time	215	215	182	182	397	397
Part-time	56	23.27	281	140.96	337	164.23
Casual	44	-	110	-	154	-
	315	238.27	603	347.61	888	561.23

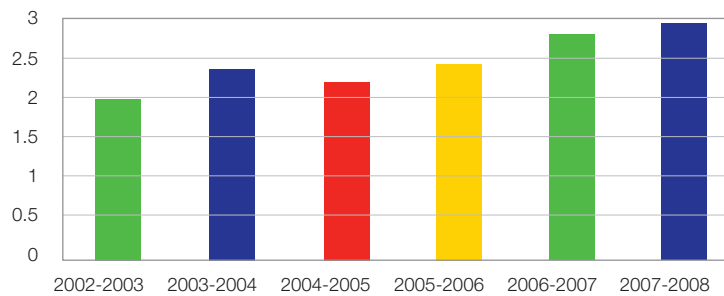
163 new staff commenced full time, part time or casual work during the year – the majority recruited to fill vacancies created by staff turnover.

Absenteeism

The total number of workplace incidents show a slight decrease over the previous year's results however days lost through injury rose over this period.

Absence due to illness rose by approximately .23% to 2.88% of available working hours.

Absence due to illness



Health and Safety

The Council's Occupational Health and Safety programs (OHS) share the common purpose of providing a safe and risk-free working environment for staff, whilst also ensuring the safety of our city for both residents and visitors.

Training opportunities were provided to management and staff which covered a number of areas including First Aid, Red Card, Return to Work training and WorkCover claims for management and supervisors.

Health and Safety Management System

Council's Health and Safety System, based on the Australian and New Zealand Standard AS/NZ 4801:2001, has been implemented in all business units. Compliance audits will continue to be undertaken in the coming year.

Health and Wellbeing

Council has maintained an active health and wellbeing program for the year 2007-2008, providing staff with a range of activities in which to participate. Staff have attended fitness exercise classes, lifestyle programs, massage sessions, health presentations and Expos, and have actively participated in the annual volleyball and Mini Olympics competitions.

Achievements

As a further initiative to reduce work-related injuries within the Home and Community Care Unit, it has been agreed to develop a means of measuring the physical demands placed on Care Workers on a client by client basis. The aim of this measurement or client rating will enable a more balanced roster of work to be provided to each worker over the rostered period. The project is being conducted in partnership with Council's WorkCover Agent; Cambridge Integrated Services who has agreed to jointly fund this project over the next 12 months. Council has gained "in principle" support from Australian Services Union for the Task Weighting Project.

The commencement of the WorkCover Breakthrough Project in May 2008, involves a working group to apply six sigma process improvement methodology to review and identify improvement opportunities in how Council manages its WorkCover Claims and return to work processes. This project has received Executive support due to an increased level of time being lost following work-related injury, and absence through inefficient application of return to work processes.

The Year Ahead

Goals for 2008-2009 include developing and maintaining an audit schedule to ensure business unit compliance with Australian Standard AS 4801:2001.

- Development of a task weighting system to enhance balanced workloads.
- Implement recommendations coming from the WorkCover Breakthrough Project to improve management of work-related injury and return to work processes.

Equal Employment Opportunity

During 2007-2008, the City of Greater Dandenong continued to implement Equal Opportunity (EO) principles and practices in a number of areas.

Victorian Charter of Human Rights

Greater Dandenong was the first council to integrate principles of the Victorian Human Rights Charter into Equal Employment Opportunity and Harassment/Bullying prevention policies.

Dr Helen Szoke, Chief Conciliator/CEO of the Victorian Human Rights and Equal Opportunity Commission launched the initiative in mid September 2007. An extensive education program was rolled out to staff to raise awareness of the Charter and to refresh staff knowledge on updated anti-discrimination and EEO policies.

Training

- 35 staff undertook Equal Opportunity and diversity related training including EEO and Diversity Induction, Interpreter-VITS and TTY/national relay service for the hearing impaired.
- 518 staff attended training in the Human Rights Charter and EEO Refresher program.
- 53 Managers and Team Leaders attended the Human Rights Charter and EEO Refresher program.
- 7 staff were re-trained as EO Contact Officers.

Communication

- All employees were provided access to new workplace policies including Novated Leasing, EEO and Anti-discrimination and Super of Choice.

Complaints & Grievances

- Seven complaints were received during 2007-2008. Four complaints were satisfactorily resolved following internal investigations and three are currently being investigated.

The Year Ahead

- Finalise the Organisation Development Strategy, promote across the organisation and implement strategies.
- Conduct an Employee Engagement Survey.
- Continue to Integrate the Victorian Human Rights Charter into workplace policies and broader Council policies.
- Continue to roll out training for staff who have not attended the Human Rights Training.
- Negotiation of a new Enterprise Bargaining Agreement to replace the current Agreement that expires on 30 June, 2009.
- Continue the service review of Council's Workcover and RTW Processes commenced in May 2008 and implement Improvement Opportunities arising from the review.



Community Grants

Community Grants Program

The Community Grants Program supports the community through the allocation of funds for programs and activities. It is administered through the Social Development Unit of the Community Services Directorate.

Funding and Service Agreements

Council provides Funding and Service Agreements to key service organisations within the municipality for a three year period. These agreements aim to provide greater certainty and continuity of funding to enable longer term service planning.

The total funding allocation for 2007-2008 for funding and service agreements was approximately \$678,000.

The General Support Program

The General Support Program is an application based grants program conducted annually. There are seven categories in which community organisations can apply for grant funding: Health & Wellbeing, Festivals, Arts Activities, Young People, Diversity & Harmony, Older Persons and Establishment Grants.

The total amount allocated through this program was approximately \$435,000.

Successful Grant Recipients for the 2007-2008 General Support Program

Applicant	Project	Amount funded (\$)
Afghan Australia Philanthropic Association	Afghan New Year Festival	1,000
Al Kamal Arabic School Inc	Al Kamal Cultural Festival	1,000
Antiochian Community Support Association	Peer Education Program in Women Health & Safety for Arabic speaking	1,500
Armenian Relief Society Nayiri Chapter	Additional Bus Services for Seniors Activities	1,000
Australian Croatian Community Services	Get Fit for Life	1,500
Australian Indian Innovations Inc	The Alll DIWALI MELA	5,000
Australian Nuer Community Association	Information Sessions for Youth members	2,600
Azad Gharibian Dance Inc	Spirit Of Armenia Concert	1,000
Bosnian Herzegovinian Eld Ctz	Elderly Citizens Socialisation and Games	1,000
Cambodian Association Of Victoria	Cambodian New Year or Songkran New Year Festival	2,000
Cambodian Association Of Victoria	Ethnic Youth Development Worker	29,000
Cambodian Community Welfare Centre Inc	Cambodian Women Friendship and Support Group	1,000
Cambodian Elderly Citizens Association of Victoria	Aqua Aerobic classes Information Sessions in Health & Safety	1,500
Cambodian Women's Group	Cambodian Women's Group	2,000
Carwatha College Community Centre	Carwatha Community Centre	2,000
CAV Youth Group	Young People (CAV Youth Group)	6,000
City of Greater Dandenong Band Inc	Performance Related Costs	15,000
City of Greater Dandenong Scouts Association	CGD Scouts Club	1,500
Country Womens Association - Dandenong Branch	Assistance with Room hire for Country Women's Association Projects and Activities	2,730
Croatian Senior Citizens Group of Keysborough	Social and Recreational Activities for Croatian Seniors	1,000
Dandenong AA Friday Night Meeting	Venue hire for Palm Plaza Meeting room	2,000

Applicant	Project	Amount funded (\$)
Dandenong AA Sunday Morning Meetings @ Palm Plaza	Venue hire for Palm Plaza Meeting room	2,000
Dandenong Basketball Association	Dandenong Rangers Wheelchair Basketball Program	9,000
Dandenong Basketball Association	CGD African Youth Basketball Program	12,000
Dandenong Choral Society Inc	Operating costs for Traditional Activities plus Replacement of Music	6,000
Dandenong Festival Music & Art for Youth	Dandenong Festival of Music & Art for Youth 61st Year	34,542
Dandenong Hobby Group	Dandenong Hobby Group	2,000
Dandenong Photographic Society	Display Boards	1,500
Dandenong Saturday Afternoon Meeting of AA	Venue hire for Palm Plaza Meeting room	2,000
Dandenong Saturday Night Meetings of AA	Venue hire for Palm Plaza Meeting room	2,000
Dandenong Theatre Company	Theatrical Productions	20,000
Dandenong Toastmasters	Dandenong Toastmasters Communication and Leadership Program	630
Disability Resources Centre	Outer South East Disability Reference Group	1,720
Eastern & Central Africa Communities of Victoria	Enhanced Health Living Skills Homework Support program and basic computer assistance program	2,800
Embrace Education Australia	Assist Volunteer Homework Club Tutors	2,000
ERMHA	Health Lifestyles Activities	2,537
Fonda La Clinica of Victoria Inc	Chilean Latin American September Festival 2007	5,000
Fusion Theatre	Of Mind and Matter	7,000
Greater Dandenong Blue Light Boxing Club	Greater Dandenong Blue Light Boxing Club	15,746
Greek Senior Citizens St Athanasios Springvale	Senior Citizen's Activities Program	1,500
Handbrake Turn	Handbrake Turn	18,250
Hararian Organisation Inc	Youth Activity project	3,000
HeatherHill Primary School	Community Garden	2,000
Korok Women's Association of Victoria	Hospitality Driving Lessons and Cultural Show	2,000
Lions Club Noble Park	2008 Summer Community Festival	15,000
Lions Club of Dandenong INC	Lions Eye Health Program	3,000
Lions Club of Springvale	Physical Development for Children Suffering from Cerebral Palsy (NPKD)	1,000
Lou Nuer Community Association	Advice and Support services for newly arrived Lou Nuer Community	1,500
Lou Nuer Youth Association in Victoria	Soccer Basketball and Cultural Dancing	2,000
Melbourne S/E Region Chinese Friendship Centre	Physical and mental exercises for the Chinese Elderly and Disabled	1,000
Nasir Community Development Agency Inc	Nutrition and Cooking Classes for Nuer Community in CGD	2,770
National Institute for the Guard of Honour to the Royal Tombs of the Pantheon Dandenong Branch	To foster participation in a range of social and religious activities	2,450
New Stars Basketball Club	New Stars Basketball Club	13,000
New Sudan Youth Association of Australia	Sudanese Young People Program	5,000

Applicant	Project	Amount funded (\$)
Noble Park Chess Club	Noble Park Chess Club	1,000
Noble Park Community Centre	Noble Park Community EXPO	1,500
Noble Park Community Centre	Noble Park Community Art Exhibition	1,500
Out of School Hours Care Program Wallarano PS	Out of Hours Care Program	9,000
Phoenix Festival Dance Inc	Phoenix Festival of Dance	2,000
Project Respect	Development of a consortia to better address outreach support services for women in the sex industry	1,500
Rosswood Playgroup Inc	New Equipment (bikes ride ons prams and mowers)	1,500
Russian Welfare Society	Russian Orthodox Singles Everywhere	1,000
Samoan Methodist Church In Melbourne	Samoan Methodist Youth Group	2,500
Sauzal Folkloric Group	Sauzal Folklore Dance Group	1,000
SE Region Melbourne Oromo Community Association in Victoria	Establishing the Dandenong Oromo Centre	1,000
Short & Sweet	Short, Sweet & Communities	9,650
SICMAA	Children's Moon Festival Concert	2,300
South Eastern Region Migrant Resource Centre Inc	Living Actively Team sports for Afghan Young People	1,700
South Eastern Region Migrant Resource Centre Inc	Multi Cultural Sewing Centre	3,000
Springvale Asian Business Association	Springvale Lunar New Year Festival in February 2008	15,000
Springvale Basketball Club	50th Anniversary Springvale Basketball Club	2,500
Springvale Child Care Services	Raising Our Profile in the Community	560
Springvale Mandarin Network	Active Life	2,500
Springvale Neighbourhood House	Sumnation Festival	15,000
Springvale Seniors Table Tennis Club	Springvale Seniors Table Tennis Club	2,000
Springvale Toy Library Inc	Springvale Multicultural Show Day	500
Sri Lankan Study Centre for Advancement of Technology & Social Welfare	Youth Workshops	500
Sri Lankan Study Centre for Advancement of Technology & Social Welfare	Music Concert of Youth	1,000
Sudan Liaison Office Australia Inc	Sudanese Leadership Capacity Building Project	6,000
Sudanese Community Association of Australia Inc	Promote Sudanese Culture & Connection Sudanese Youth and the Wider Community	3,000
Sudanese Community Association of Australia Inc	Sudanese Action Group	6,000
Sudanese Disabled Action Group of Victoria	Sudanese Disabled Project	3,000
The Association of Hazaras in Victoria	Hazara Youth Choir	1,000
The Association of Hazaras in Victoria	Settlement and Support services & Operating Costs	5,000
The Cyrene Centre	Families are Welcome Project	20,000
The Hub Support Options (Part of Options Victoria)	Bringing together Music culture and disability	2,560
The Interfaith Network of the City of Greater Dandenong	Annual Gathering of the Interfaith Network of the City of Greater Dandenong	6,000

Applicant	Project	Amount funded (\$)
U3A Dandenong	U3A art and Craft Show	2,500
United Filipino Elderly Group Inc	Filipino Elderly Group Activities	1,000
Utaa Waayuu	Utaa Waayuu Soccer and Volleyball Activities	1,000
Victorian Arabic Social Services	The Arabic Women's Art & Education network	1,500
Victorian Multiethnic Slavic Welfare Association	Health and Well Being of Immigrant & Refugee Women from former Yugoslavia	800
Vietnamese Community in Australia – Victoria Chapter	Annual Vic-TET festival	7,500
Wallarano Primary School	School Council's Parent English Class	620
Wellsprings for Women	Partnering for Pathways	5,000
Whirly Bird Day Club	Volunteers Celebration Lunch	1,500
Windana Society-Windana Youth Community House	Swimming Program at Windana Youth Community House	1,800

Occasional Grants

The Occasional Grants program is open all year, and is considered by Council on a weekly basis. The majority of applications received are from local community groups wishing to source small amounts of funding for group social and recreational activities, or for the purchase of equipment essential to the group's activities. Community groups who are eligible can apply for up to \$1000 per annum.

A significant number of applications are also received from individuals to assist with costs associated with representing the city in national or international sporting or competitive events. Individuals who are eligible can apply for up to \$750 per annum.

The 2007-2008 Occasional Grants Program received 190 applications. The total amount of funding allocated through the Occasional Grants Program in 2007-2008 was approximately \$55,000.



Asset Management

Asset Management

The City of Greater Dandenong recognises the importance of, and is committed to, improving asset management information, knowledge and technology.

The Council has established an asset management framework as well as systems and processes in accordance with Best Practice industry standards and has a five year improvement program. The Risk and Asset Management Project Team was established to oversee the development of asset management policy and strategy, implementation, monitoring and the continuous improvement of asset management projects.

An asset management practices gap analysis procedure has been implemented and is conducted annually to initiate and monitor the improvement program. The Council also participates in the MAV STEP program to supplement this improvement program.

In 2004 Council adopted the Strategic Asset Management Policy (SAMP). The Policy forms a major component of Council's Corporate Risk Management Framework for the strategic and operational management of infrastructure assets and to meet the requirements of the Road Management Act. The SAMP policy is reviewed annually as an integral part of Council's annual budget setting process.

Life Cycle Asset Management Plan for roads and roadside furniture, drainage, parks, reserves and sports grounds, buildings, paths (footpaths and bike paths) and car parks has been developed and implemented. A review timetable is in place to ensure that these Asset Management Plans remain current and relevant.

Asset Management Information

The Council has consolidated all asset information into a corporate asset register to enable life cycle asset management. A sustainable asset data capture program has been implemented to meet asset management requirements.

Asset Management Knowledge

Complete life cycle asset information is captured on the Asset Management System to meet compliance requirements and to enhance asset management operational systems and decision-making.

Asset Management Technology

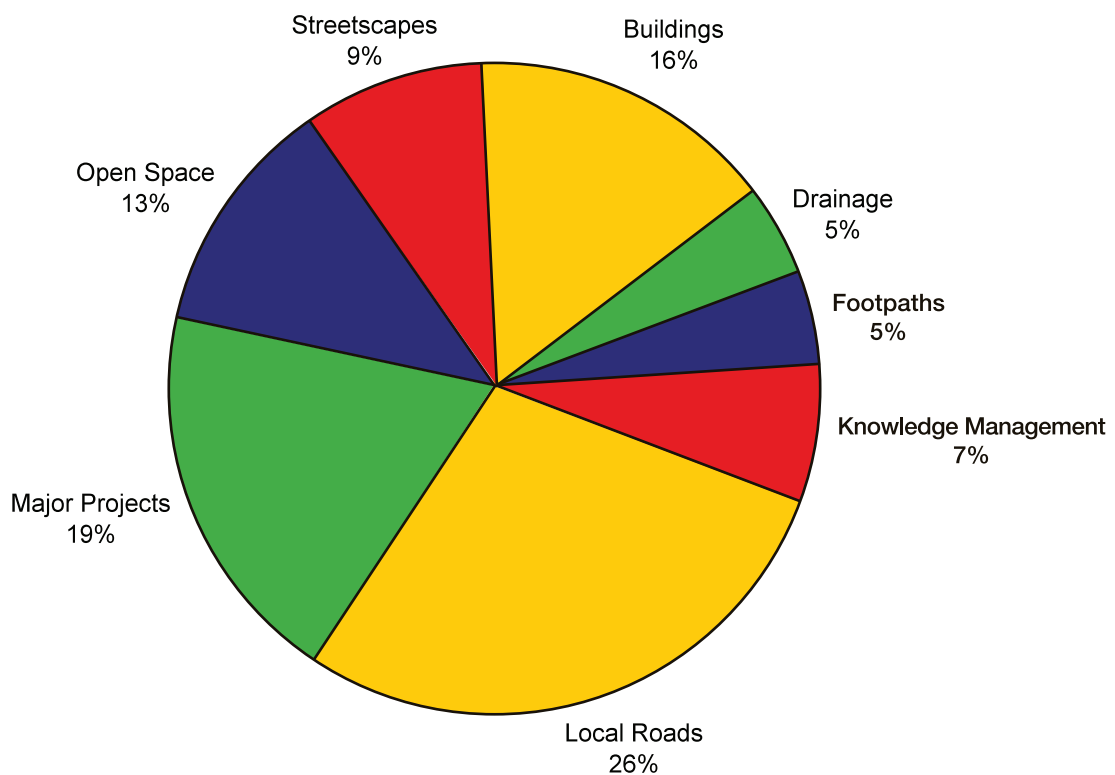
The Council has successfully developed and implemented a template for data capture, record keeping and service delivery which will be used across the organisation. Council is continuously reviewing the knowledge management technological infrastructure requirements needed to enhance delivery of life cycle asset management. Greater Dandenong collaborated with its Asset Management System providers to develop a maintenance management system that integrates seamlessly with the corporate asset database. This Asset Management System meets all the record keeping requirements of the Road Management Act.

City Improvement Program

The City Improvement Program is Council's ongoing program for the renewal and creation of assets including roads, drains, buildings, parks, art works and library books. It consists of programs driven by Council's asset management plans, major projects (such as the redevelopment of the Dandenong Market) and community initiated tasks.

The yearly City Improvement Program budget is determined within the city's annual budget formulation process and the size of this budget depends on the funds available relative to other Council commitments. Once approved, projects are planned, designed and delivered by 30 June each year. In 2007-2008 Council invested \$18.2 million in the City Improvement Program, as detailed in the breakdown below:

2007-2008 CIP Expenditure by Asset Type



Asset Category	Highlights	Total (\$M)
Buildings	Planned maintenance, extensions of WJ Turner Reserve in Noble Park North, installation of new public toilets in Noble Park and Watcher Reserve, renewal works including roof replacements and kitchen upgrades, improvements to disability access	\$2.9
Drainage	Drainage upgrades	\$0.8
Footpath	Footpath renewals	\$0.9
Knowledge management	Library books, disaster recovery infrastructure, band instruments, IT equipment renewal	\$1.2
Local Roads	Abbots Road, Dandenong South Road widening, renewal works	\$4.8
Major Projects	Springvale Childrens Services Centre Dandenong Basketball/State Volleyball Centre Dandenong Produce Market Tatterson Park Archiving Municipal Aquatics Review	
Major Projects Total		\$3.5
Open Space	Municipal Wide - Recycled Water Tanks Hemmings Park, Dandenong Dandenong Creek Trail Warm season grass conversion program Tirhatuan Park, Dandenong North Burden Park (Heatherton Rd) Springvale South Copas Park (Buckley Street), Noble Park Burden Park Tennis Club, Springvale South Noreen Cox Reserve, Dandenong	
Open Space Total		\$2.4
Streetscapes	Dandenong Refresh Program - City Walk, Lonsdale Street, Little India, Thomas Street Tree Planting Renewal Program Dandenong CBD - Urban Improvements Street Tree Strategy (Leafy Legacy) Palm Plaza, Dandenong Litter Bin upgrade/replacement program - Municipal Wide Graffiti Removal	
Streetscapes Total		\$1.7
Grand Total		\$18.2



Best Value

Service Improvement Process

Every Service Unit continually seeks to improve the services provided to the community. The City of Greater Dandenong's Service Improvement Process aims to:

- Provide a focus on identifying Best Value services for residents and stakeholders that they can understand, respond to and measure the Unit's performance against.
- Build an organisational culture of innovation, trust and collaboration in the pursuit of continuous improvement in all endeavours.
- Build an organisational culture based on a team approach to the delivery of the best possible services to residents and other stakeholders.
- Comply with the Best Value principles established in Section 208 of the Local Government Act.

The Best Value principles, listed below, are taken into consideration when reviewing components of services:

- Services must meet cost and quality standards set by the Council, having regard for community expectations, affordability, accessibility, value for money and best practice.
- Services must be responsive to community needs.
- Services must be accessible to the people they are intended for.
- Continuous improvement must be achieved.
- There must be regular consultation with the community regarding the services being provided.
- There must be regular reporting to the community on the Council's performance in achieving the objectives of Best Value.

Greater Dandenong's Approach

Greater Dandenong is implementing a holistic integrated service improvement program. The program addresses continuous improvement in the various aspects of Council's services.

The most important focus is meeting the needs of the Greater Dandenong community. Broad spectrum planning on behalf of the community, in the form of a Council Plan, provides Council with guidance on actions that need to be taken. Council's response to the Council Plan is then achieved through an integrated corporate and service planning framework. This then cascades down into individual service plans and across organisational projects. Process reviews of services, technological advancements and encouraging innovation within the workplace then provide refinements at the service level.

Customer satisfaction with services is sought and monitored to provide valuable feedback from the community on how effectively the implementation of Council's plans are meeting customer needs. This feedback is then integrated back into the planning framework and process reviews to guide continuous improvements to the services.

In 2007-2008 Council regularly reported progress on its performance to the community through a variety of means. These included the Annual Report, monthly Organisational Performance Reports covering financial targets and progress against the Corporate Plan, monthly articles on a range of activities in Council's newsletter 'The City' and weekly media releases distributed to local newspapers on current issues. Extensive information was also provided on Council's website www.greaterdandenong.com, including copies of the Corporate and Service Unit Plans, monthly Organisation Performance Reports, Council Minutes and Agendas and regular updates of current activities, just to name a few.

Staff engagement in the various elements of the service improvement process is critical to the success of a customer centred organisation. Service improvements can only be achieved by making changes to the way people work, the structures they work within, the processes they follow and technologies they use. Managing change then becomes a significant component of the service improvement process. Council has implemented many initiatives to assist staff in managing change and new approaches are continually being considered and implemented to enable staff to address change in a positive way.

The Service Summaries – ‘A Year in Review’, outlined in the following section, provide a snapshot of the services and achievements of Council’s individual Service Units.

Keeping the community informed and involved in influencing decision making, connects the service improvement program to the planning, reporting and review processes. An informed community can lead to an engaged community. An engaged community stimulates the changes needed to create a desirable city in which to live, work and invest.

Council’s planning framework, outlined in the diagram below, highlights the cyclical and integrated approach taken to plan and improve service delivery, report on performance and monitor community expectations.



Implementation Program

Program Components	Implementation Plan
Community Plan	Development to commence in 2008-2009
Corporate Planning Framework	Robust systems and program in place - ongoing
Strategy Integration to Corporate Planning Framework	Structure currently under development – further progress planned in conjunction with the development of the Community Plan
Process Reviews	A pilot service Review program commenced in December 2007 using “Lean in the Office” and “Six Sigma” methodologies. This commenced with an Organisational Diagnostic to identify critical corporate processes in most need of review. Two reviews commenced in 2007-2008. Statutory Planning was completed with the improvement opportunities identified being implemented across 2007-2008 and 2008-2009. The review of the Workcover process is continuing into 2008-2009.
Change Management	Work/life balance opportunities in place – new tools and support mechanisms continually under review
Customer Research and Consultation	Customer research program and consultation approaches programmed for review in 2008-2009
Reporting Framework	Robust systems and program in place - ongoing



Service Summaries - A Year in Review

Aged & Disability Services

Aged & Disability Services consists of Community Care (home based/home maintenance HACC and Community Aged Care Packages), Meals on Wheels, Community Social Support (specialised community transport, planned activity groups, Seniors Clubs and Groups), H L Williams Court Hostel, Volunteer program and Metro Access Disability Inclusion Project. The unit provides appropriate direct service delivery and community development work in the above areas for older people and people with a disability.

Achievements

- Provision of HACC services to over 2,800 older residents each month.
- Significant increase in HACC funding to provide additional home based services.
- Provision of specialised community transport to transport the disadvantaged.
- Provision of a Council-wide volunteer program involving over 300 volunteers.
- Additional HACC funding to provide planned activity group social support.
- Participation in establishment of a regional food kitchen.

Asset Management Services

Asset Management Services is responsible for the maintenance of the city's road, drainage and footpath network, buildings, parks, recreational and sporting facilities. Key focus points are improving safety, functionality and asset life for the community and residents.

Asset Management Services also manages Council's fleet and waste collection services including waste education and graffiti removal.

Key focus points are improving asset life, functionality and safety for the community and residents.

Achievements

- Asset Management Services continued an integrated approach to the maintenance and management of all asset groups.
- The environmental interactive caravan attended several community events.
- A municipal-wide inspection to identify, document and program the removal of graffiti was developed and completed.
- An audit of Council's public place litter bins was conducted which resulted in all bins GPS mapped and information recorded into Council's corporate data base including bin type, bin condition rating and bin usage levels.
- The drought was managed successfully. All grounds were available for use over the summer and winter periods with no ground closures.
- Success in gaining over \$100,000 in government grants.
- A comprehensive Asbestos Management Plan for Council-owned buildings developed.
- A Condition Assessment Audit program for all Council-owned buildings developed and introduced.
- Water and Energy saving initiatives through South East Water programs introduced for all Council-owned buildings.
- A strategy to reduce Council vehicle emissions through fuel efficient vehicles introduced.

Building Services

Building Services maintain standards of amenity, habitation and safety in buildings. The unit provides services including building inspections, enforcement of safety standards, advice and consultation on building regulations issues and issuing of building permits. Building Services also provides copies of approved buildings and past permit details, activity reports to the Building Commission and variations to regulatory siting requirements.

Achievements

- Two Essential Safety Measures seminars conducted in association with the Building Commission.
- Essential Safety Measures inspections carried out resulting in safer buildings. 130 non-compliance letters sent out.
- Building compliance improved through education and enforcement, three prosecutions undertaken.
- 2234 resident requests for information by solicitors and building surveyors answered within required timelines.
- 1475 privately issued building permits recorded on Council's systems.
- 445 report & consent applications assessed, including 135 siting consents and 59 build over easement consents.
- 386 building notices and orders issued on non-compliant building work.

Business Development Centre

The Economic Development team promote the region, encourage investment, support development and growth across all sectors of business and strengthen partnerships with key stakeholders for the purpose of long-term economic wellbeing.

Achievements

- 'Greater Dandenong on Show' held in partnership with other stakeholders to promote and support local businesses.
- Four quarterly editions of the Stakeholder magazine published and distributed.
- The business pages of the Council website had nearly 30,000 visits.
- Courtesy Bus carried over 50,000 passengers.
- Economic Development Strategy activities focussed on attracting business investment, supporting existing businesses and development of trade. This included events and activities supporting the Dandenong Retail Trader and Greater Dandenong Chamber of Commerce, working with Noble Park traders, Greater Dandenong on Show, National Manufacturing Week and industrial area tours.
- Participated in the Melbourne's South-East regional group including the development of a revised economic development strategy for the south-east region.

Children Youth & Family Services

Children, Youth & Family Services focuses on developing and supporting a range of initiatives and services to enhance the social and economic wellbeing of families in the city.

- Children's Services which includes:
 - Seven Community based child care centres offering 291 community based long day care and 41 occasional care places.
 - 23 Community based pre-schools with approximately 1210 children enrolled and attending in 2008.
 - Family Day Care - 90 caregivers and 420 children.
 - Maternal & Child Health Services - 27,024 consultations and 400 group sessions for parents with children 0-6 years; 2143 new babies born in Greater Dandenong in 2007-2008.
 - 25 Aboriginal families, at home or at the Aboriginal playgroup.
 - Specialised needs addressed for indigenous children through the Dandenong & District Aboriginal Co-operative through the Best Start Program.
- Family Services which include the formation of a partnership between Greater Dandenong, Connections and Windermere Family Services in the implementation of the Child First legislation across Dandenong, Casey and Cardinia.
- Youth Services:
 - Provision of counselling, intake and referral services, programs i.e. 'Musos Network', dance and a range of programs and accredited training to enhance young people's employment and training prospects.
 - Commencement of the Salvo Café with an average attendance of 20 young people per day.
 - Commencement of the Male Adolescents at Risk Program (MARP) project.
 - Provision of space for a range of youth support related services in the Visy Cares Centre.
- Paddy O'Donoghue Centre is an integrated intergenerational multipurpose centre offering services from Children's through to Aged Services, Customer Service and Community Hall meeting spaces. The centre is operating at over 90% capacity.

Achievements

- Continued development of the Springvale Integrated Childrens Services centre in Springvale. Planning has progressed to allow for the construction of the new facility in 2008-2009.
- Development of a sport inclusion program for young people from diverse cultural backgrounds. The program involved the employment of a young Sudanese youth worker and allowed young people to find identity and linkage with other support services through positive social interaction.
- Successfully implemented the Best Start program which involves bringing together a range of early years service providers to develop initiatives to increase positive outcomes for children in the city.
- A review of the Family Day Care Service found the service contributes approximately \$3.1 million into the local economy to approximately 90 women care providers who support over 520 children from diverse cultural backgrounds.
- An announcement by the State Government of a significant early years infrastructure planning and development grant. Up to \$100,000 is available to plan for the future of children's service facilities in the city and up to \$900,000 will be available to assist the development of a new integrated children and family support service in central Dandenong.

City Improvement

The Unit consists of Civil Development and Design and Construction Project Management. It undertakes the long-term planning and coordination of Council's City Improvement Program (CIP) and provides detailed designs, as well as project management and supervise the work from concept through to completion. The team considers all planning applications and associated civil works that affect the infrastructure network. This includes managing all sub-divisional and development works. The Unit provides advice to developers and authorities in meeting Council standards, ensuring Council's civil standards and specifications are met.

Achievements

- Successful development and approval of the 2008-2009 City Improvement Program.
- 90% of managed projects completed or delivered to the planned status within the 2007-2008 City Improvement Program.
- Completion of Abbots Road Stage 1
- Completion of W J Turner Reserve Pavilion extension
- Installation of a new BMX Track at Hemmings Park
- Installation of New public toilets in Wachter Reserve and Noble Park Shopping Centre
- Upgrade of approximately 500 metres of the Dandenong Creek trail from gravel to concrete surface
- Completion of \$3.95M worth of renewal works to local roads
- Assessed 587 stormwater applications
- Assessed 605 Statutory Planning referrals
- Assessed 397 Subdivision referrals

Communications

The Communications unit is responsible for all media management, marketing and communications campaigns and activities, web management, print shop services and corporate planning and reporting. Key activities include the preparation and distribution of monthly editions of *'The City'* magazine; media releases; responses and briefings; design and publication of all corporate brochures; production of the annual report; monthly organisational performance reporting to council; various public relations activities; management of Council's website and intranet; the production of mayoral speeches; and the supply of internal printing services.

Achievements

- Eleven editions of *The City* produced and distributed to all households in Greater Dandenong, informing residents of upcoming Council activities, initiatives and local events.
- Council's website updated daily and web usage trends monitored to assist with future planning and information needs.
- A new community video produced to promote the many services, facilities, festivals, events and opportunities available in Greater Dandenong.
- Positive media exposure received across local, daily and specialist media outlets on a broad range of topics.
- New software purchased and templates developed to commence the production of e-newsletters for the community.
- Achieved a 67% performance rating for Advocacy in the Local Government Community Satisfaction Survey which was the highest outcome for Melbourne Outer Metropolitan Councils.

Financial Services

The Department is responsible for the efficient management and delivery of Council's financial services. These services fall under three broad categories:

The Financial Planning and Accounting (Finance) team coordinates the preparation of short, medium and long term financial plans and periodical reporting against these plans. It also maintains financial records, effects payments to suppliers, and carries out treasury functions to enable Council to maximise the returns from Council's funds.

Property Revenue maintains a current and accurate property database which is used in the calculation of Council's rate revenue. Property Revenue staff are responsible for the collection of rate revenue, which is based on valuations of properties, a function managed by the unit. The unit also administers the State Government's pensioner discount scheme for rates, and issues Land Information Certificates to interested parties to enable sale and purchase of properties.

Property Management is responsible for maintaining accurate records and data on Council owned properties, and is responsible for the purchase and sale of Council properties. This team also manages the contract arrangements of Council's rented commercial properties, including the Dandenong Market and the two multi deck car parks in Dandenong.

Achievements

- Rate notices were issued within 10 days of the new financial year.
- Council's 10 year Plan was updated for the period of 2008-2009 to 2017-2018 to form the basis of the Budget targets for 2008-2009.
- Carried out a mid year review of the 2007-2008 budget to recognise changed circumstances underlying the adopted budget.
- Preparation of Council's Annual Budget for 2008-2009, which was adopted by Council on 23 June 2008.
- Timely and accurate financial reporting enabled Council to deliver services and capital works within budget.
- Council's Annual Financial Report prepared in a timely manner with no audit qualifications.
- Carried out the 2008 general revaluation of properties in accordance with Valuation Best Practice Guidelines issued by the Valuer General.
- Processed supplementary valuations that resulted in rates income of \$0.8M.
- Sold the HL Williams property and two Buckley Street properties for a combined amount of \$2.65M above budget expectations.

Governance & Customer Service

The Governance and Customer Service Unit provides a range of services to the community, council, the executive team and internal service units. These services include governance, customer service, halls and meeting rooms and support to the Mayor and Councillors.

The Governance unit is responsible for the management and coordination of Council meetings, briefing sessions and all associated documentation. The unit organises citizenship ceremonies on behalf of the Department of Immigration and coordinates governance activities on behalf of the organisation. Administrative support is also provided to the Mayor and Councillors and many events organised on their behalf.

The Customer Service unit is responsible for the corporate call centre and three face to face customer service centres. Customer Service seeks to satisfy the majority of customer queries and requests at initial contact, and where needed, direct queries to the appropriate person in Council.

The Halls and Meeting Rooms unit coordinate the booking of Council facilities that are used by community groups to support their activities. The unit ensures the rooms and halls are prepared and available for community groups and internal staff.

Achievements

- The Local Government Community Satisfactory survey identified Greater Dandenong as the leading Council for customer contact and community engagement in the outer metropolitan local government group.
- Electoral Representation Review successfully completed with a new multi-member ward structure established.
- 17 citizenship ceremonies conducted at which 2,231 new citizens were naturalised.
- Developed and implemented a training program for Customer Service staff aimed at improving their knowledge of services to better assist customers.
- Further developed Council's information system that assists staff to answer more customer questions at their first point of contact.
- Responded to 125, 844 calls to the Call Centre and answered 89% of those calls within 15 seconds.
- Council's Halls and meeting rooms provided a service to 284,000 users.
- A range of civic events were organised on behalf of the Mayor including Living Treasures Dinners, recognition of donations by the Noble Park Rotary Club, 10 year celebration of the Drug Action Committees, the Mayoral Charity Ball and a gift of 178 theatre tickets to volunteers in many local churches.

Information Technology Services

Information Technology Services develops, maintains and enhances corporate software solutions, hardware, data networks, telecommunications infrastructure for Council staff and Councillors and provides web based services to the community. The unit is also responsible for the management, storage and disposal of corporate records to support business transactions and for evidentiary purposes.

Achievements

- Continuous improvements and enhancements to corporate systems and network infrastructure, including MaCH software, Conquest (Asset Management), OPRA (Corporate Planning and Reporting) and Proclaim (Property/Rates: Community Grants and Essential Services).
- New web based solution for submitting planning applications developed.
- Remote access for all staff and suppliers improved.
- Completion of the cyclical replacement of personal computers.
- Continued server consolidation and improved disaster recovery ability through 'server virtualisation' and data storage solution.
- Progress in implementing IT Service Management best practice principles.
- Significant progress in scanning and archiving of corporate records.

Infrastructure Planning

Infrastructure Planning is responsible for the management of traffic and road safety on local roads as well as the long-term planning of infrastructure assets across the city. Planning activities include asset management planning, pro-active storm water drainage management and advocating to other government bodies and organisations on the public transport, freight, traffic movement, road safety and bicycle infrastructure needs of Greater Dandenong's community.

Achievements

- Flooding extent mapped for the Edithvale, Noble Park and Parkmore/Dandenong CBD catchments and mitigation options developed and assessed.
- Installed 74 new bus shelters under the Adshel Bus Shelter Replacement program.

- Development Contribution Plans developed for Keysborough Residential Development Stages 2 & 3 and Lyndhurst/Keysborough Industrial Developments.
- Local road network development plan adopted for Dandenong South Industrial areas (C87) and Keysborough residential (C36).
- Traffic volumes on main and local roads within the vicinity of EastLink monitored, in conjunction with VicRoads and EastLink.
- Obtained Council's support for city-wide prioritisation system for traffic management projects. Used to rank traffic-related requests and apportion funding to traffic management installations to improve safety on local streets.
- Successful in securing funding through TAC Community Road Safety Grants Program for:
 - Bin Sticker ("50 IN MY STREET") Speed Awareness Educational Campaign - \$10,000; and
 - Low Speed Limit (40km/h) Awareness Campaign - \$20,000.
- Revised Council's Strategic Asset Management Strategy.
- Developed proposed Guideline in conjunction with VicUrban for significantly reduced car parking ratios within the Declared Project Area of central Dandenong to assist in "kick-starting" development.
- Established future car parking requirements for Springvale Activity Centre and secured Council funding for two additional car park levels on the multi-story development in Buckingham Avenue, Springvale.
- Instrumental as active member of the Eastern Transport Coalition (ETC) in influencing decisions by the State and Federal Governments in allocating additional priority and funding to sustainable transport projects, for example, the extended bus operating hours and on-road bus priority lanes.
- Revised Council's Bicycle Network Plan to integrate bike infrastructure on local roads with the EastLink Trail linking significant destinations to the Trail.
- As project partner with VicUrban, produced the Urban Master Plan for revitalising central Dandenong and worked cooperatively with VicRoads and the Department of Transport to develop urban-redesign proposals for Lonsdale Street, the George Street Bridge and key related transport components of the Master Plan.
- Negotiated positive outcomes for Council in signing off 30 works returned to Council as part of the EastLink project. In particular, Council has accepted a revamped Oakwood Park incorporating wetlands, recreation facilities, boardwalks and extensive landscaping.

Libraries, Art and Heritage Services

The Unit manages Greater Dandenong Libraries, Cultural Facilities (Drum Theatre at the Dandenong Town Hall, The Castle, Heritage Hill Museum and Historical Gardens, Walker Street Gallery and Dandenong Community Arts Centre), Festivals and Events, and Cultural Development and Planning.

Achievements

- Successful first year of the Drum Theatre.
- Expansion of the public floor space at the Dandenong Library to provide improved amenity for library users.
- Successful implementation of new library management system and participation in consortium group.
- Introduction of Council Kiosk providing access to council information and payments in the Springvale Library.
- Implementation of automated booking system for public access computers resulting in improved service for users.
- Successful entrepreneurial exhibitions at Walker Street Gallery – She, He, 9x5 and Brian Dunlop.
- Enhanced amenity within central Dandenong through the ReFRESH program.
- Positive community response to floral displays, Art in the City Program and the Public Art Lighting Project in central Dandenong.
- High participation rates in the Wonders of Dandenong and Little India walking tours.

- Introduction of partnership agreements with local arts and information related group, including the Greater Dandenong Chamber of Commerce mentoring program for community groups.

Organisational Development

Organisational Development is responsible for occupational health and safety, management of Workcover claims, return to work programs, learning and development activities, recruitment and selection of employees, industrial relations, development and implementation of human resource policies and programs, payroll and superannuation.

Achievements

- First Council to implement the Victorian Charter of Human Rights by integrating into workplace anti discrimination and EEO policies and associated training of over 500 staff.
- Relunched the Reward and Recognition Program.
- Development of new recruitment tools to attract applicants to roles which are traditionally hard to attract.
- Introduction of Novated Leasing for all staff to access.
- Introduced Super of Choice for staff.
- Employee development programs for 1390 participants implemented.
- 13 Workplace Audits completed.
- Commencement of the WorkCover Breakthrough Project in May 2008 to improve Return To Work Performance and reduce time lost.

Planning and Design

The Unit provides Statutory Planning, Strategic Planning, Urban Design, Open Space and Environmental Planning services to the city as well as monitoring and enforcement of planning legislation and permissions.

Achievements

- Ongoing achievements in the Planning Compliance area with inter-agency cooperation and proactive relationships with industry.
- Finalisation of the Dandenong South Industrial Area structure plan, including a state first Native Vegetation Precinct Plan.
- Finalisation of the 'Keysborough South Residential stages 2 and 3' rezoning to give statutory effect to Council policy to develop the area for residential purposes.
- Detailed critical review of the internal statutory planning process and consequential efficiency gains and process improvements projects being undertaken now and into the next year.
- The Local Industry Efficiency Program (LIEP) established in partnership with industry operators across the municipality.
- Completion of structure plans for public exhibition for the Springvale and Noble Park activity centres to guide and structure future land use and development in those areas.
- Completion of a Municipal Open Space Strategy following extensive community consultation.
- Maintained our position in planning services as one of the top performing councils in our Local Government Group for the fifth consecutive year.

Property Leisure and Accessibility

The Unit integrates strategic planning with practical service delivery across fields of property management, disability planning and leisure and sport development to proactively influence improvements, reflect community values, provide opportunities for community input and responsibly manage properties, programs and projects.

Achievements

- Re-tendered the Dandenong Market management contract and received an award for the achievement of 80% recycling at the market together with a public place recycling grant to further improve recycling.
- Coordinated 'Ride to Work Day' for corporate organisations across Greater Dandenong.
- Proactively worked with sport clubs through visits to 40 clubs, allocation of 61 grounds across the municipality to 77 clubs and receipt of state government grants of \$105,000 for sport programs and building improvements.
- Initiated and chaired the Southern Region Sport Drought Network across neighbouring and local sport leagues to coordinate response to drought conditions.
- Continued the Suite of Journeys Programs working with people across cultures with disabilities, in particular the Stepping Out program with Aboriginal elders at the Oasis Leisure Centre.
- Drafted recommendations for the On Your Feet Dandenong Project including an updated pedestrian/bicycle network plan and community workshops.

Regulatory Services

Regulatory Services provides compliance, education and enforcement functions related to Environmental Health, Immunisation, Animal Management, Fire Prevention, Local Laws, Parking Management and School Crossing Supervision.

Achievements

- Engaged a permanent prosecutions coordinator. All regulatory services department legal activity is now overseen by this officer. The position has delivered approximately \$80,000 savings in municipal legal fees.
- Created a Code of Practice for residential amenity staff to use in the field which has received praise state-wide.
- Developed and commenced implementation of a Domestic Animal Management Plan for the city which takes a more strategic approach to animal management.
- Environmental Health Officers worked with food providers to enhance the level of training and a greater understanding of good amenity, food safety and general public health.
- Provided cervical cancer vaccination program to every secondary school in the municipality.
- Became the first Victorian municipality to use a systematic process to recommend Council endorse a decision to refuse the renewal of Food Act registration of six food traders that continued with non-compliant food trading over three consecutive years.

Revitalising Central Dandenong

The Unit coordinates development in the central Dandenong declared project area between stakeholders, the State Government and development agencies including the Dandenong Development Board, VicUrban and the Department of Planning and Community Development.

Achievements

- Urban Master Plan completed November 2007.
- Metro Village stages 2 and 3 released and various applications for development approved by the Design Review Panel. A total of 127 dwellings sale contracts exchanged.

- Sketch design process for the creation of the new Lonsdale Street Boulevard completed.
- Parking Guidelines for central Dandenong completed.
- George Street Bridge concept design well progressed including potential integration of architectural panels.
- Planning Application Review Panel considered numerous proposals for development within the declared project area including the \$45m mixed use Arkana development.

Social Development

The Unit comprises Social Planning & Research, Community Development and Community Safety. Key areas of activity include community grants, social policy, municipal public health planning, cultural/ethnic diversity programs, funding and support to key service agencies, and a range of community safety programs and initiatives.

Achievements

- Establishment of the Department for Victorian Communities funded Community Strengthening & Participation Project.
- Food for Everybody project nominated for National Best Practice Award and received a commendation.
- Parenting Across Cultures program delivered successfully with positive feedback received from participants and community stakeholders.
- Successful rollout of the Victorian Interpreter card, with our change management process used as a model for other councils.
- Successful rollout of the Local Area Planning Support Program to improve access to statistical and demographic information.
- Establishment of a new Department for Victorian Communities funded project working with the African community, in response to community issues.
- Successful delivery of a wide range of community safety initiatives which have been well supported by stakeholders including local residents.

South East Business Networks

The South East Business Networks (SEBN) team connects companies and provides practical support through its unique network program that strengthens their capability, competitiveness and sustainability – thus enhancing employment opportunities and economic wellbeing of the region.

Achievements

- SEBN in conjunction with their S4 partners completed several schools' industry activities designed to highlight the career opportunities and high skills levels required by local manufacturers as well as raise awareness to school curriculum teachers of the future skills that will be required.
- SEBN/SEMMA successfully lobbied for the Federal Government's Victorian Manufacturing Centre to be located in Dandenong.
- Membership of SEMMA increased by 12%. Servicing enquiries have grown exponentially reflecting its influence as an organisation representative of the region's manufacturing sector.
- SBEN facilitated "Lean Academy" group which, via a series of workshops and site visits, provided a practical introduction of the principles of Lean Manufacturing
- Completion by SEBN/SEMMA of a pilot Sudanese employment integration project whereby 20 refugees were trained and placed in jobs within the region.
- Completed the first stage of the 'Maturity in Manufacturing' project which assisted companies to develop and implement strategies to manage, retain and grow their mature age workforce.

- SEBN facilitated a broad range of activities/events and new initiatives (using both national and international speakers) from activities that strengthen global competitiveness/export to those assisting women in business.
- SEBN/SEMMA nominated local manufacturers that were inducted into the Victorian Government's Manufacturing Hall of Fame (two inductees and Honour Roll).
- Star Newspaper 'wrap' distributed to more than 82,000 readers – designed to promote 'career opportunities in advanced manufacturing'.
- SEBN commenced a unique "Lean to Green" program with ten companies designed to take the tools and techniques of lean manufacturing and adapt and apply these to sustainability improvement projects.

Strategic Risk Services

Strategic Risk Services is responsible for the development of a strong risk and asset management culture within the organisation and the development and maintenance of an appropriate and affordable management framework including:

- Insurance and Risk Systems
- Purchasing and Procurement Systems
- Contract Management Systems
- Asset Management Systems

In January 2008 as a result of a restructure within the Corporate Services Directorate the Strategic Risk Services Unit was split with Asset Management Services being transferred to Infrastructure Planning within the Engineering Services Directorate. The remaining activities were combined with Organisational Development under a new service unit, the Organisational Sustainability Unit, reporting to the Chief Executive Officer.

New activities were added to the portfolio being Continuous Improvement and Best Value.

Achievements

- Maintained and strengthened Council's comprehensive Risk Strategy and Risk Framework with subsequent reduction in premiums and claims, with savings of \$95,000 added to Council's Risk Financing Account.
- Continued the audit program to check compliance with Road Management Act and assist as a continuous improvement tool for Council's operational response to the legislation.
- Monitored the Utility Tracker database covering all utilities accounts, identifying and recovering \$106,000 in overcharging.
- Implemented several energy and water saving initiatives and water leak detection projects which saved 21 million litres of water.
- Reviewed Strategic Asset Management Policy (SAMP) and supporting documentation including all Asset Management Plans and submitted to Council for re-adoption.
- Conducted a number of strategic purchasing initiatives during the year resulting in savings of \$247,000 including savings from previous years which have continued to accumulate.
- Project managed the development of the second draft of the business case for the Municipal Buildings Project, reported and approved by Council.
- Developed a new Continuous Improvement Program for the organisation, carried out an Organisational Diagnostic using the Baldrige Quality Award criteria and conducted a service review of Statutory Planning and commenced a review into Council's Workcover processes.



Performance Statement

Strategic Objectives, Strategic Indicators & Key Strategic Activities for 2007-2008

The Victorian Government is of the view that it is reasonable to expect all Councils to collect and publish performance information. The Government amended the Local Government Act 1989 (section 153) to ensure that local government develops performance accountability mechanisms which allow for a consistent approach to the collection and reporting of information regarding financial performance, operating costs and community satisfaction. Without comparable figures, a great deal of benefit of measuring performance is lost.

The use of performance indicators by local government is a significant first step towards achieving:

- An improved capacity to objectively measure Council performance leading to a better set of relationships between state and local government; and
- Better informed local communities.

Since 1997-1998, there has been a requirement for Councils to adopt an Annual Plan as part of its corporate planning cycle and as from 1998-1999 to include in its Annual Report a statement of performance against the targets set in the annual plan.

Council has successfully achieved 72% of its Annual Plan targets for 2007-2008. Disappointingly, 28% of the targets were not achieved. Each year Council aims to set targets which are a deliberate stretch as we endeavour to continuously improve our quality and delivery of services to our residents. Many of the measures arise from the independent State Government Survey conducted by Wallis Consulting, and as such can fluctuate depending on community perceptions at the time of the interviews.

For the future, Council is still keen to incorporate stretch targets, but is seeking measures that are more directly in our control or more closely related to the outcomes we are seeking to achieve.

Vibrant Healthy Supported Community

Strategic Statement: - Vibrant people, proud of who we are, what we achieve and how we present ourselves to the watching world.

2007-2008 Strategic Indicator:

Community satisfaction with Council's interaction and responsiveness in dealing with the public as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Achieved.

Greater Dandenong is the top performing council in the Outer Metropolitan LGA Group with a result of seventy-seven (77) for 2008 for interaction and responsiveness in dealing with the public. The average mean for the Outer Metropolitan LGA Group is seventy-two (72). Council has achieved a significant four (4) point increase from the result in 2007.

Strategic Statement: - The community's resilience is reflected in the health and wellbeing of its people.

2007-2008 Strategic Indicator:

Community satisfaction with the overall performance of the Council's health and human services as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Achieved.

Greater Dandenong received a result of seventy-four (74) which was an increase of one (1) point above the 2007 result. Greater Dandenong is higher than the mean for the Outer Melbourne Metropolitan LGA Group and only one (1) point behind the regions top performing Council.

Environmentally Active City

Strategic Statement: - Everyone in the city is encouraged to use environmentally sound practices and products.

2007–2008 Strategic Indicator:

Community satisfaction with the overall performance of the Council's waste management as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Not Achieved.

Greater Dandenong received a result of seventy-four (74) which was a slight improvement on the 2007 result. Greater Dandenong is equal with the mean for the Outer Melbourne Metropolitan LGA Group and only three (3) points behind the regions top performing Council.

2007–2008 Strategic Indicator:

Average kilograms of domestic waste to landfill per household per week

Target 2006-2010: aim for 10.50 kilograms or lower

Target 2007-2008: 10.50 kilograms or lower per household per week.

Target Not Achieved.

10.84 kilograms of domestic waste has been diverted to landfill per household.

2007–2008 Strategic Indicator:

Average kilograms of domestic recyclables recovered per household per week

Target 2006-2010: aim for 6 kilograms or more

Target 2007-2008: 5 kilograms or more per household per week

Target Not Achieved.

4.84 kilograms of domestic recyclables recovered per household per week.

2007–2008 Strategic Indicator:

Average kilograms of green waste collected per household per week

Target 2006-2010: aim for 4 kilograms or more

Target 2007-2008: 2.9 kilograms or more per household per week.

Target Achieved.

5.07 kilograms of green waste collected per household per week.

Strategic Statement: - The landscape and natural environment are responsibly managed, protected, regenerated and valued.

2007–2008 Strategic Indicator:

Number of seedlings planted

Target 2006-2010: aim for 60,000 seedlings planted

Target 2007-2008: 18,000 seedlings planted

Target Achieved.

23,923 seedlings planted

2007–2008 Strategic Indicator:

Community tree planting events organised

Target 2006-2010: aim for 45 tree planting events

Target 2007-2008: 15 tree planting events

Target Achieved.

Thirty-one (31) events were organised throughout the year.

Well Planned Liveable City

Strategic Statement: - City planning and design reflects the aspirations of the community and provides for the appropriate use and development of the built environment and guides future growth.

2007–2008 Strategic Indicator:

Community satisfaction with the overall performance of the Council's town planning policies and approvals as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Achieved.

Greater Dandenong received a result of sixty-six (66) which was equal to the 2007 result. Greater Dandenong planning maintained its consistently high score and again increased its differential lead over the mean for the Outer Melbourne Metropolitan LGA Group. After three consecutive years as group leader, Greater Dandenong has come in at second place, 2% behind this year's group leader.

Strategic Statement: - Community buildings and infrastructure are designed, developed and maintained to be flexible in meeting current uses and future needs.

2007–2008 Strategic Indicator:

Dollars invested in assets through the City Improvement Program.

Target 2006-2010: aim is a minimum of \$60 Million

Target: Minimum 80% of \$30.665 million

Target Not Achieved.

\$18,312,132 million (actual and committed) at the end of June has been invested in assets.

Strategic Statement: - Community buildings and infrastructure are designed, developed and maintained to be flexible in meeting current uses and future needs.

2007–2008 Strategic Indicator:

Community satisfaction with the overall performance of the Council's recreation facilities as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Not Achieved.

Greater Dandenong received a result of seventy (70), slightly behind the 2007 result. Greater Dandenong has ranked equal with the mean for the Outer Melbourne Metropolitan LGA Group.

Strategic Statement: - People and goods can move safely and with minimal inconvenience.

2007-2008 Strategic Indicator:

Community satisfaction with the overall performance of the Council's traffic management and parking facilities as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Achieved.

Greater Dandenong received a result of sixty-two (62). Council has received a significant rise of five (5) points over the last survey, ranking us above the mean and the highest in the Outer Melbourne Metropolitan LGA Group.

2007-2008 Strategic Indicator:

Community satisfaction with the overall performance of the Council's local roads and footpaths as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Achieved.

Greater Dandenong received a result of sixty-two (62), an increase of one (1) point above the 2007 result. Greater Dandenong is only two (2) points behind the leading council in the Outer Melbourne Metropolitan LGA Group and significantly above the mean.

Strategic Statement: - The city's liveability is reflected in safe, accessible and well presented neighbours, shopping centres, suburban streets and public places.

2007-2008 Strategic Indicator:

Community satisfaction with the overall performance of the Council's appearance of public places as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Not Achieved.

Greater Dandenong received a result of sixty-six (66) which was equal to the 2007 result. Greater Dandenong is equal with the mean for the Outer Melbourne Metropolitan LGA Group.

2007-2008 Strategic Indicator:

Community satisfaction with the overall performance of the Council's enforcement of By Laws as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Achieved.

Greater Dandenong received a result of sixty-five (65) which was equal to the 2007 result. Greater Dandenong is higher than the median for the Outer Melbourne Metropolitan LGA Group of 64%.

Prosperous Dynamic City

Strategic Statement: - A strong economy based on internationally competitive manufacturing businesses, sustainable service industries and innovative research and development companies.

2007-2008 Strategic Indicator:

Community satisfaction with the overall performance of the Council's economic development as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Not Achieved.

Greater Dandenong received a result of sixty-five (65) which was a decrease of three (3) points from the 2007 result. Greater Dandenong is ranked equal to the mean for the Outer Melbourne Metropolitan LGA Group.

2007–2008 Strategic Indicator:

New investment in residential, commercial and industrial properties approved by building approvals:

Target 2006-2010: aim is \$1.2 billion investment approved

Target 2007-2008: \$325 million

Target Achieved.

\$377million worth of building permits issued within the city.

Regional Capital of the South East

Strategic Statement: - The cosmopolitan and residential centre at the heart of Melbourne's south east.

2007–2008 Strategic Indicator:

New investment in residential dwellings approved by the responsible authority in the Comprehensive Development Zone.

Target 2006-2010: 300 new dwellings

Target 2007-2008: 100 new dwellings

Target Achieved.

Permits for 189 dwellings approved in the financial year for the Comprehensive Development Zone.

Recognised Leading Organisation

Strategic Statement: - A recognised leader in Local Government for its viability, quality of customer service, long term planning and sustainable work practices.

2007–2008 Strategic Indicator:

Community satisfaction with the overall performance of the Council in key service areas and responsibilities as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Achieved.

Greater Dandenong is one of the top performing councils in the Outer Melbourne Metropolitan LGA Group with a result of sixty-seven (67) for 2008. This is equal to the result in 2007.

2007–2008 Strategic Indicator:

Community satisfaction with the overall performance of Council as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Achieved.

Greater Dandenong is one of the top performing councils in the Outer Melbourne Metropolitan LGA Group with a result of sixty-nine (69) for 2008, equalling the result in 2007. This year's result places Council one (1) point behind the 'group' leader and three (3) points ahead of the average mean.

2007-2008 Strategic Indicator:

Annual Report for 2006-2007 prepared, adopted and published

Target: By 30 September 2007

Target Achieved.

The Annual Report for 2006-2007 was prepared, adopted, published and delivered to the Minister by 30 September 2007. An Annual Report Highlights was prepared, published and distributed along with the full Annual Report on CD to all Victorian Councils.

2007-2008 Strategic Indicator:

Budget 2008-2009 prepared, adopted and published

Target: By 30 June 2008

Target Achieved.

The 2008-2009 Budget incorporating a five (5) year forward plan was adopted unanimously by Council on 23 June 2008.

2007-2008 Strategic Indicator:

Strategic Resource Plan 2008-2012 prepared adopted and published.

Target: By 30 June 2008

Target Achieved.

The Strategic Resource Plan was adopted at the 23 June 2008 Council Meeting and delivered to the Minister's Office with the Revised Council Plan 2006-2010 and Budget 2008-2009 on 27 June 2008.

Strategic Statement: - A Council committed to open and transparent democracy that embraces governance best practice and community participation.

2007-2008 Strategic Indicator:

Community satisfaction with Council's advocacy and community representation on key local issues as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group.

Target Achieved.

Greater Dandenong is the top performing council in the Outer Melbourne Metropolitan LGA Group with a result of sixty-seven (67) for 2008 in advocacy and community representation. This result places Council three (3) points above the mean. Council's result has increased by one (1) point better than the result received in 2007 of sixty-six (66).

2007-2008 Strategic Indicator:

Community satisfaction with Council's engagement in decision making on key local issues as measured through the Local Government Sector Annual Community Satisfaction Survey

Target: aim is to be one of the top performing Councils in the Outer Melbourne Metropolitan LGA Group

Target Achieved.

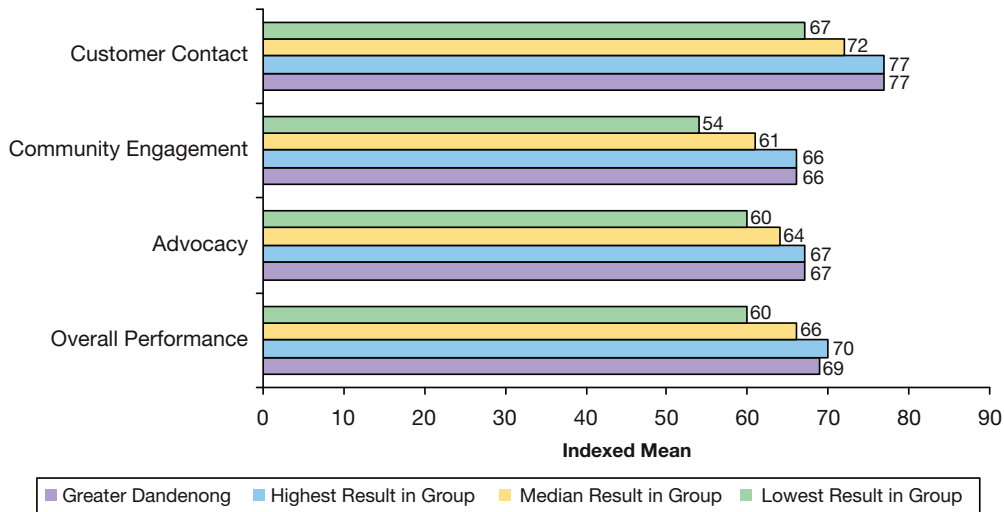
Greater Dandenong received a result of sixty-six (66) which is an improvement on the 2007 result. Greater Dandenong is above the mean for the Outer Melbourne Metropolitan LGA Group and is highest in the group.

Community Satisfaction

This State Government survey is undertaken annually by the Department of Victorian Communities (DVC) with an independent research company Wallis Consulting Group commissioned to conduct the study. The research is undertaken in an effort to measure Victorian resident's perceptions of their Council's performance in a number of different categories. 27,000 residents are surveyed across the state during February and March with 350 interviews conducted within each municipality.

Greater Dandenong is included in the Outer Melbourne Metropolitan Local Government Group. Within this group, Greater Dandenong is the leader in the areas of 'Community Engagement', 'Traffic Management', 'Advocacy' and 'Customer Contact'. Greater Dandenong is above the median result in 'Overall Performance', 'Health & Human Services' 'Local Roads & Footpaths' 'Enforcement of By-Laws' and 'Town Planning Policy & Approvals'. We are comparable to the rest of the group in the areas of 'Recreation Facilities' 'Appearance of Public Places' 'Waste Management' and 'Economic Development'. Our main concerns rest with areas where our results have fallen. There are always a range of influences affecting the results. We shall continue to work closely with our community to uncover some of the key areas of concern as we continually look to find better ways of addressing the changing needs within the city.

Relative Performance within LGA Group



Local Government Sector Annual Community Satisfaction Survey

	2007 Overall Score	2008 Overall Score	
Local Government Indicators			
Overall Performance	69	69	Equal
Advocacy	66	67	Increase
Community Engagement	64	66	Increase
Customer Contact	73	77	Significant increase
Specific Performance Areas			
Local Roads & Footpaths	61	62	Increase
Health & Human Services	73	74	Increase
Recreational Services	72	70	Decrease
Appearance of Public Areas	66	66	Equal
Traffic Management & Parking	59	62	Increase
Waste Management	73	74	Increase
Enforcement of By-Laws	65	65	Equal
Economic Development	67	65	Decrease
Town Planning Policy & Approvals	66	66	Equal

Progress Against Financial Targets

Outputs	Note	Measures	Actual 2006/2007	Actual 2007/2008	Target 2007/2008	Difference
Rates Management		Total rates and charges declared (\$000's)	\$61,087	\$66,186	\$66,186	-
		Average Rates and charges (per assessment)	\$1,106	\$1,188	\$1,188	-
		Rates and charges (per capita)	\$453	\$501	\$498	\$3
		Rates and charges (% of CIV)	0.37%	0.40%	0.39%	0.01%
		Average residential rates and charges per assessment	\$724	\$775	\$775	-
Dependence on Rates and Grants		Rates and charges (% of total recurrent revenue)	53.46%	60.22%	56.60%	3.62%
		Financial assistance grants (per capita)	\$56.94	\$63.31	\$59.53	\$3.78
Achieve Financial Plans	1	% achievement of budgeted operating surplus (actual against original budget)	46.31%	70.69%	100%	(29.31%)
	2	% achievement of capital expenditure program	81.18%	58.27%	100%	(41.73%)
Sustainability		Underlying Operating surplus/(deficit) (% of total underlying revenue)	(1.29%)	2.53%	3.39%	(0.86%)
		% change in net assets from previous year	3.14%	10.31%	0.63%	9.68%
		Debt servicing costs as % of rates and charges revenue	2.57%	1.94%	2.34%	(0.40%)
		Working capital ratio (current assets/current liabilities)	1.10	1.22	0.84	0.38
		Self Financing ratio (%) (ability to generate cash flows from operations)	23.11%	23.40%	25.31%	(1.91%)
		Non-current liabilities to revenue ratio (%) (ability to meet long term debt obligations)	17.43%	11.46%	15.45%	(3.99%)
Capital Expenditure		Ratio of capital expenditure to total depreciation	1.19	0.90	1.86	(0.96)
Infrastructure Renewal		Ratio of current spending on renewal to the long term AAAC.	0.10	0.32	0.23	0.09
Infrastructure Renewal & Maintenance		Ratio of current spending on renewal plus maintenance to the long term AAAC plus maintenance	0.15	0.37	0.30	0.07
Debt Management		Rates, fees and charges outstanding as % of rates fees and charges revenue outstanding at 30 June	8.55%	6.88%	7.65%	(0.77%)
Operating Costs		% change in net operating expenditure (from 30 June)	9.81%	9.08%	13.92%	(4.84%)
		Average operating expenditure per assessment	\$1,848	\$1,936	\$1,999	(\$63)
		Operating expenditure per capita	\$756	\$811	\$837	(\$26)
		% Change in operating expenditure per capita	9.81%	9.08%	13.92%	(4.84%)

Notes - Comments on significant variances

- 1 More than budgeted expenses on depreciation and contracts, materials and services partly offset by increased revenues from operational grants and fees, charges and fines accounted for a lower than budgeted operating surplus.
- 2 The variance is mainly due to redevelopment of Dandenong Produce Market not proceeding as planned because of delays in the planning approval process.

Certification

In our opinion the accompanying Performance Statement of the City of Greater Dandenong in respect of the 2007-2008 financial year, is presented fairly and in accordance with the Local Government Act 1989.

The statement outlines the performance targets and measures set out in relation to the achievement of the Annual Plan in respect of that year described in the Council Plan and describes the extent to which the business plan was met in that year having regard to those targets and measures.

As at the time of signing, we were not aware of any circumstance which would render any particulars in the statement to be misleading or inaccurate.

Cr John Kelly
Mayor

Cr Sue Walton



John Bennie
Chief Executive Officer

Dated: 22 September 2008

Auditor General Victoria Performance Statement

Auditor General Victoria Performance Statement

Certification of the Financial Report

In my opinion, the accompanying financial report has been prepared in accordance with the Local Government Act 1989, the Local Government (Finance and Reporting) Regulations 2004, Australian Accounting Standards and other mandatory professional reporting requirements.

Jay Peries CPA
Principal Accounting Officer

Dated: 22 September 2008

In our opinion, the accompanying financial report presents fairly the financial transactions of the City of Greater Dandenong Council for the year ended 30 June 2008 and the financial position of the Council as at that date.

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

We have been authorised by the Council on 22 September 2008 to certify the financial report in its final form on behalf of the Council.

Cr John Kelly

Dated: 22 September 2008

Cr Sue Walton

Dated 22 September 2008



John Bennie
Chief Executive Officer

Dated: 22 September 2008



Management Comment on the Financial Report

Overview

The following management comments are written with a view to explaining Council's financial performance during 2007-2008 and financial position as at 30 June 2008. These comments must be read with reference to the Financial Report and the Standard Statements that follow these comments. The budget information contained in the standard statements has been extracted from Council's 2007-2008 budget which is available to the public through Council's website.

The Financial Report has been prepared in accordance with Australian Accounting Standards and other regulatory requirements. The Standard Statements compare Council's operating, capital expenditure and cash flow performance, as well as its financial position against Council's budget for 2007-2008. Major variances between the budgeted results and actual outcomes are explained in the notes to the standard statements.

The City of Greater Dandenong Council (Council) budgeted to achieve an operating surplus of \$3.96M before non-operating income and expenditure, against which Council achieved a surplus of \$2.80M (deficit of \$1.26M in 2007). After considering non-operating income and expenditure, Council achieved a surplus of \$9.20M against a budget of \$ 5.59M.

The following major factors impacted on the result for the year:

- Non-monetary contributions by way of "gifted" assets from developer activity totalled \$3.21M which were not budgeted for. These gifted assets primarily consists of land, roads and drainage assets.
- Interest received was \$1.56M against a budget of \$0.61M, as a result of higher than expected cash balances, resulting from planned capital expenditure being deferred to 2008-2009.
- Grant income increased from a budget of \$21.85M to an actual of \$24.46M due to better than planned receipt of Financial Assistance grant funding from Victorian Grants Commission (\$0.50M), additional grant funding for Children, Youth and Family Services (\$0.89M), enhanced services in Aged and Disability Care Services (\$0.60M) and a range of unbudgeted grants received across the Council including those associated with the drought response initiative.
- Depreciation charged was \$19.76M compared to \$18.5M in 2006-07. The increase is spread over a number of asset groups with the overall increase in fixed assets.

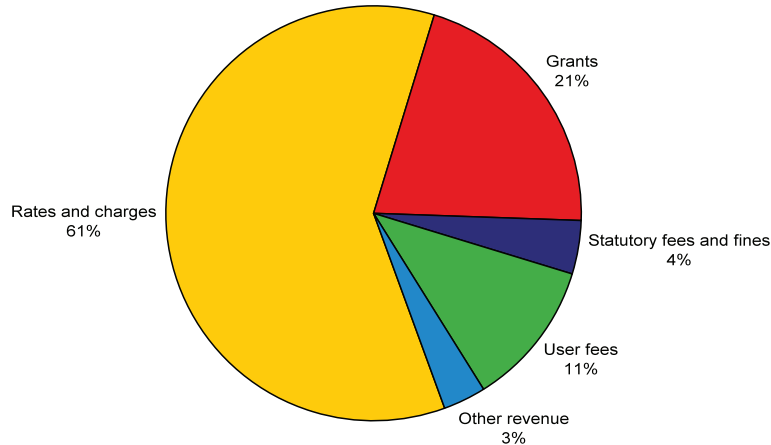
Change in Equity

Council recognised in the accounts a net increase in value of its land and building assets of \$91.0M following a revaluation carried out during the year. This increase, combined with the surplus for the year resulted in Council's Equity (Net Assets) to increase by \$100.2M.

Revenue

Council's operating revenue for 2007-2008 was \$110.66M (\$97.62M in 2006-2007) including rates and charges revenue (\$66.63M), operating grants (\$23.05M), and fees and charges (\$17.24M). The breakdown of operating revenue by major categories is depicted in the graph below.

Revenue Analysis



Council's non-operating revenue for 2007-08 was \$6.82M (\$14.80M in 2006-07) including capital grants (\$1.41M), capital contributions (\$0.75M) profit on sale of assets (\$1.45M) and contributions of non monetary assets from sub division activity (\$3.21M).

Rate Revenue (including waste collection charges) – general rate revenue is based on the Capital Improved Value of properties and a 'rate in the dollar' applied against each category of property. Waste collection charges are based on the number of bins and frequency of collections. Council's rate revenue for the year was in line with budget expectations. Refer note 3.1 of Financial Report for further details on rate revenue.

Grants and Contributions – Recurrent grant revenue comprises a general purpose grant of \$8.42M (which included a road funding grant of \$1.02M for local roads), and tied grants of \$14.17M which were essentially for community services such as home care, aged care and youth services. Non-recurrent grants received were \$1.87M, including capital grants of \$ 1.41M. These grants are expended on these services in addition to the funds allocated by Council from other sources of revenue. (Refer Note 3.2 of Financial Report). Cash Contributions of \$0.76M received were mainly for open space development. Non-monetary contributions of \$ 3.21M were mainly from "gifted" assets from developer activity.

Fees, Charges and Fines - Revenue from these sources was \$17.24M for the year (\$12.49M in 2006-2007). The major sources of revenue are:

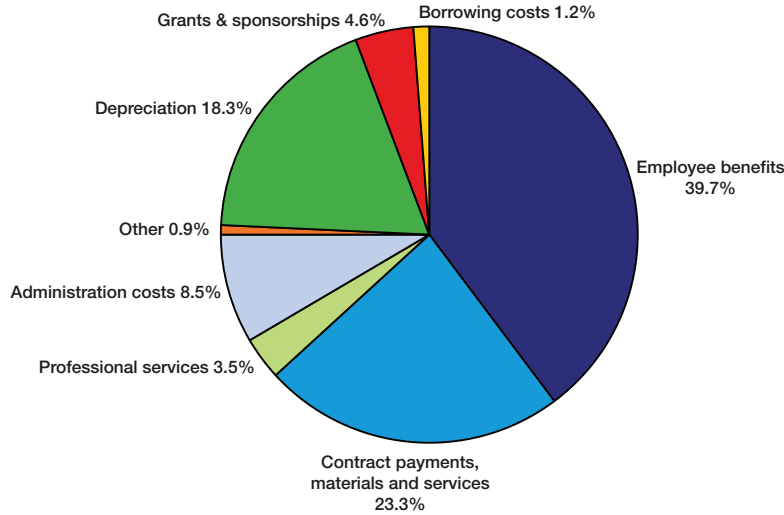
- Dandenong Market stall income \$3.01M
- Hire of council facilities \$1.40M
- Aged care services \$0.93M
- Parking fees and fines \$3.16M
- Statutory and other fees (building permits, Infringements, Perin court recoveries, etc.) \$3.16M

Other Income (\$3.73M) - This item of income essentially relates to fees for provision of valuation data to State Revenue Office, interest received on investments and other sundry income.

Expenditure

Total operating expenditure for 2007-2008 including depreciation was \$107.86M (\$98.88M in 2006-2007).

The major items of operating expenditure are depicted in the graph below:



Employee Costs (\$42.76M) – Salaries costs include salary on-costs such as WorkCover premium, provision for Long Service Leave entitlements and council’s superannuation contributions on behalf of employees.

Contract payments, materials & services (\$25.17M) – Included in this category are the following major costs relating to:

- Maintenance & Repairs of roads, drains and buildings \$2.92M
- Waste Collection and Disposal \$6.25M
- Aquatic Centre and Leisure Centre \$4.15M
- Park Services \$3.39M
- Dandenong Market \$1.81M
- Major maintenance under the City improvement program \$1.49M
- Fleet maintenance \$0.79M

Grants and sponsorships – (\$4.93M) – Council provides grants to various sporting and cultural bodies to assist in promoting the city’s diversity. It also provides an annual amount towards Council’s Family Day Care program.

Professional fees and other expenses (\$3.83M) – Mainly includes consultancy costs and legal costs for various services (\$3.26M). Other costs include statutory fees and audit costs. Refer to note 4.5 in the Financial Report.

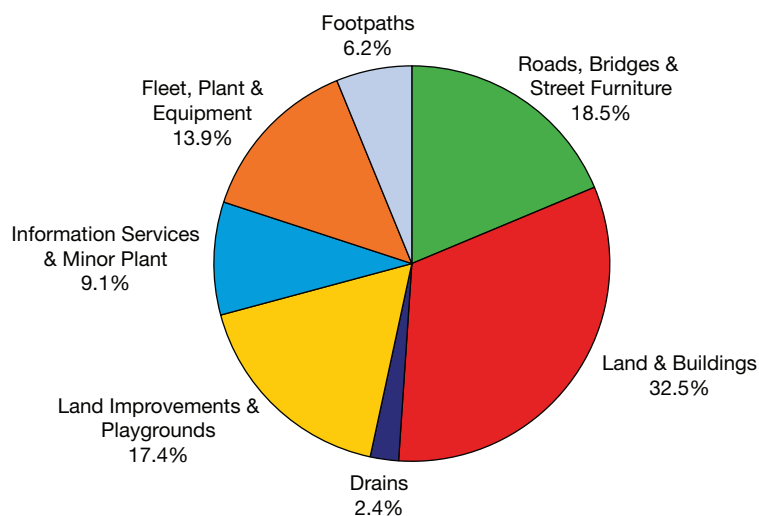
Administration costs (\$9.20M) – Administration costs include information management expenses (\$1.68M), insurance costs (\$1.06M), printing, publications and promotions of \$1.90M and motor vehicle maintenance of \$1.08M. It also includes occupancy costs (\$1.89M), for electricity, gas, telephone and water. Refer to note 4.6 in the Financial Report.

Borrowing Costs (\$1.29M) – represents interest on Councils short term and long term borrowings.

Depreciation (\$19.76M) – The depreciation expense reflects the diminution in the value of assets due to wear and tear and obsolescence. It has no impact on the cash position of Council. Cash flow is impacted only at the time of purchase and sale of assets.

Capital Expenditure

The major items of expenditure are depicted in the chart below.



Council spent \$17.87M on capital expenditure during the year. \$10.54M of this was on renewal and upgrades to Council's existing infrastructure assets. \$7.33M was spent on expansion of assets through major projects which included work on the State Volleyball/Basketball Centre, acquisition of land towards a future child care centre in Springvale and drought related works such as setting up water tanks across the city's ovals and other recreational facilities. It also spent \$2.49M in replacing its fleet and other plant utilised in maintenance and cleaning of the city's roads, drains and other infrastructure assets.

Cash Flows

(Refer Standard Cash Flow Statement)

Net inflows from operating activities – Council generated a net cash inflow from operating activities of \$26.40M. Included in this result are:

- higher than budgeted receipt of grants due to better than planned receipt of Financial Assistance grant funding from Victorian Grants Commission (\$0.50M), additional grant funding for Children, Youth and Family Services (\$0.89M), enhanced services in Aged and Disability Care Services (\$0.60M) and a range of unbudgeted grants received across the Council including those associated with the drought response initiative.
- lower than expected salary costs, negated by the increase in payments to suppliers, mainly for major maintenance costs and professional fees relating to Council assets. These costs were budgeted as part of council's CIP program, which shows a corresponding reduction.

Note: The specific line items making up the cash flows from operations in the Financial Report differs from the Standard Statements in that the cash flows in the financial report are inclusive of Goods and Services Tax.

Net outflows from investing activities – Investing activities refer mainly to Council's sale and purchase of non current assets. Council spent a net amount of \$9.49M in purchase of assets.

Financing activities – Financing activities refer to Council's borrowings. Council borrowed \$3.0M in short term financing for a period of six months. Council repaid \$4.22M, of its long term debt during the year.

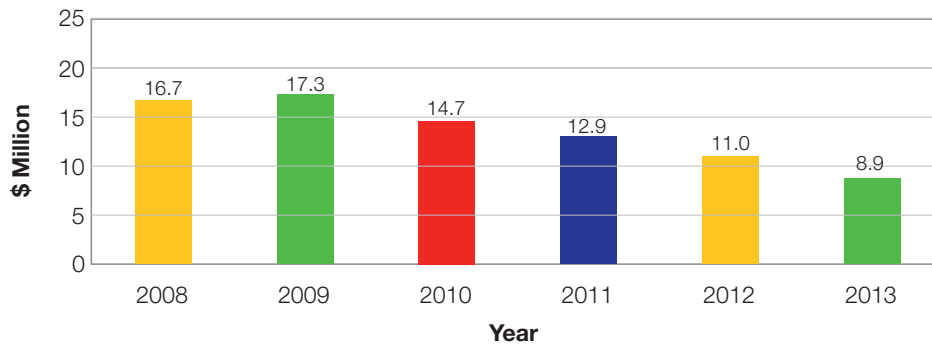
Borrowings

Council's borrowing at 30 June 2008 was \$16.71M, which is 25.07% of rate revenue (Government prudential limit is 60%). Further borrowings of \$5.0M are planned in 2008-2009 towards capital works programs. Loan repayments of \$12.80M are planned over the next five years under Council's borrowing strategy.

Council intends to retire these debts through cash flows generated from operations.

The loan balances projected in each of the years are depicted in the chart below.

Borrowings



Council's Financial Position

Council's financial position improved by \$100.2M during the year, made up of the operating surplus of \$9.20M and increase in asset valuations of \$91.0M. The net worth of Council at 30 June 2008 was \$1072.17M (\$971.98M in 2007), made up of the following assets and liabilities:

Council's assets (what Council owns) comprise:

	\$M	%
Roads & Bridges	272.22	24.52
Drainage	115.18	10.37
Car Parks	10.47	0.94
Land	469.23	42.26
Buildings	113.69	10.24
Footpaths & Bike Paths	67.24	6.06
Plant/Furniture, Playground Equipment	22.49	2.03
Cash and Other Assets	39.79	3.58
	1,110.31	100.00

Council's Liabilities (what Council owes) comprise:

	\$M	%
Long term borrowing	16.71	42.56
Creditors	9.97	25.39
Trust Monies	3.16	8.06
Employee entitlements	9.42	23.99
	39.26	100.00

The difference between the assets and liabilities of \$1,072.17M is the net worth of the Council to its ratepayers and community.

Note:- The above financial report summary does not form part of the statutory reporting and hence not subject to audit certification. It has been written to assist the Greater Dandenong community in better understanding the financial operations and financial position of their Council. As stated in the Overview, these comments must be read in conjunction with the Financial Report and Standard Statements that immediately follow these comments in this Annual Report.



Annual Financial Report

Year Ended 30 June 2008

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Income Statement

for the year ended 30 June 2008

	Note	2008 \$'000	2007 \$'000
REVENUES			
Operating revenue			
Rates and charges	3.1	66,634	61,166
Grants – Recurrent	3.2	22,589	20,730
Grants – Non-recurrent	3.2	463	287
Contributions – Cash	3.3(a)	5	204
Statutory fees and fines	3.4	4,805	4,488
User Fees	3.5	12,430	7,999
Other revenue	3.7	3,733	2,749
Total operating revenue		110,659	97,623
EXPENSES			
Operating expenses			
Employee benefits	4.1	42,763	40,594
Contract payments, materials and services	4.2	25,165	19,391
Depreciation	4.3	19,763	18,470
Grants and sponsorships	4.4	4,925	4,050
Professional Services	4.5	3,825	4,492
Administration costs	4.6	9,202	9,267
Finance costs	4.7	1,290	1,575
Other	4.8	926	1,043
Total operating expenses		107,859	98,882
OPERATING RESULT		2,800	(1,259)
Non-operating income and expenditure			
Net gain on disposal of assets	3.6	1,450	457
Capital grants	3.2	1,408	4,677
Capital contributions	3.3 (b)	754	1,467
Contributions – non-monetary assets	3.3(c)	3,211	8,197
Assets written off	6.1	(425)	(1,185)
SURPLUS FOR THE YEAR		9,198	12,354

The above Income Statement should be read with the accompanying notes.

Balance Sheet

as at 30 June 2008

	Note	2008 \$'000	2007 \$'000
ASSETS			
Current assets			
Cash and cash equivalents	5.1	21,867	9,544
Trade and other receivables	5.2	9,421	9,126
Inventory - Property	1.8, 5.3	1,198	7,389
Intangible assets	5.4	-	1,505
Total current assets		32,486	27,564
Non-current assets			
Property, infrastructure, plant and equipment	1.3, 6	1,071,633	982,630
Inventory – Property	1.8	7,305	4,156
Total non-current assets		1,078,938	986,786
Total assets		1,111,424	1,014,350
LIABILITIES			
Current liabilities			
Trade and other payables	7.1	9,974	10,733
Employee benefits	7.2	9,070	8,425
Trust funds and deposits	7.3	3,157	1,979
Interest-bearing liabilities	8	4,373	4,221
Total current liabilities		26,574	25,358
Non-current liabilities			
Employee benefits	7.2	350	313
Interest-bearing liabilities	8	12,332	16,704
Total non-current liabilities		12,682	17,017
Total liabilities		39,256	42,375
NET ASSETS		1,072,168	971,975
EQUITY			
Accumulated surplus		459,278	450,272
Reserves	1.3(d), 9	612,890	521,703
TOTAL EQUITY		1,072,168	971,975

The above Balance Sheet should be read with the accompanying notes.

Statement of Changes in Equity

for the year ended 30 June 2008

	Notes	Total		Accumulated Surplus		Reserves	
		2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000	2008 \$'000	2007 \$'000
Balance at the beginning of the year		971,975	950,150	450,272	434,931	521,703	515,219
Prior year adjustments relating to:							
- non current assets	6.1(a)	-	4,011	-	4,011	-	-
- receivables (Note)		-	(508)	-	(508)	-	-
Surplus for year		9,198	12,354	9,198	12,354	-	-
Transfer to Insurance fund		-	-	(192)	(516)	192	516
Revaluation increment of assets	6.1	90,995	5,968	-	-	90,995	5,968
Balance at the end of the year		1,072,168	971,975	459,278	450,272	612,890	521,703

Note: Receivables recognised in prior year but reversed in 2007-2008 relate to Open Space charges, Town Planning fees and Rental charges.

The above Statement of Changes in Equity should be read with the accompanying notes.

Cash Flow Statement

for the year ended 30 June 2008

	Note	2008 \$'000	2007 \$'000
Cash flows from operating activities			
Receipts from ratepayers		66,131	60,747
Fees, charges, fines and other (including GST)		24,141	14,420
Contributions (including GST)		759	1,671
Government grants (including GST)		24,913	27,750
Interest received		1,557	1,035
Payments to suppliers (including GST)		(51,783)	(42,534)
Payments to employees		(42,384)	(40,245)
Net GST (payments) / refunds		3,067	2,633
Net cash provided by operating activities	15.1	26,401	25,477
Cash flows from investing activities			
Payments for property and other non-current assets		(18,633)	(21,960)
Proceeds from sale of property, plant and equipment		9,140	2,450
Net cash used in investing activities		(9,493)	(19,510)
Cash flows from financing activities			
Finance costs		(1,538)	(1,498)
Proceeds from secured loans		3,000	12,000
Repayment of secured loans		(7,221)	(8,756)
Repayment of trust monies and deposits	1.4	(5,816)	(5,749)
Proceeds from trust monies and deposits	1.4	6,990	5,160
Net cash provided by / (used in) financing activities		(4,585)	1,157
Net increase / (decrease) in cash and cash equivalents		12,323	7,124
Cash and cash equivalents at beginning of the year	15.2	9,544	2,420
Cash and cash equivalents at end of the year	15.2 & 5.1	21,867	9,544

The above Cash Flow Statement should be read with the accompanying notes.

Notes to the Financial Report for the Year Ended 30 June 2008

Introduction

The City of Greater Dandenong was established in December 1994 with the amalgamation of the former City of Springvale and former City of Dandenong, and is a body corporate. The Council's main offices are located at 397-405 Springvale Road, Springvale 3171.

The purpose of the Council is to:

- Provide for the peace, order and good government of the city
- To promote our cultural diversity, and economic, social and environmental viability
- To build partnerships with its citizens
- To promote business and employment opportunities
- To ensure transparency and accountability in council decision making
- To improve the overall quality of life of its citizens
- To enable all citizens to take pride in Greater Dandenong as a great place to live, work, play or visit

The Council's external audit is conducted by the Victorian Auditor General's Office, and its internal auditor is Oakton AA Services Pty Ltd. The main banker for the council is the Commonwealth Bank of Australia. The council draws from a pool of solicitors, depending on the nature of the requirement.

The Council's website address is **www.greaterdandenong.com**

This financial report is a general purpose financial report that consists of an Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and notes accompanying these financial statements. It has been prepared in accordance with Australian Accounting Standards, the Local Government Act 1989, Local Government (Finance and Reporting) Regulations 2004, and other authoritative pronouncements of the Australian Accounting Standards Board.

Note 1 Significant accounting policies

1.1 Basis of accounting

The financial report is prepared on the accrual and going concern basis under the historical cost convention, except for certain assets as disclosed in notes 1.3(d), 1.8 and 1.11.

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.

1.2 Revenue Recognition

a) Rates

Rates and service charges are recognised as revenue at the declaration of the rate, levy or service charge, at commencement of the rating year as it is an enforceable debt linked to the rateable property. The Council uses Capital Improved Value (CIV) as the basis of valuation of all properties for rating purposes. CIV includes the value of land and buildings and improvements made to them. A rate in the dollar for different types of properties is applied to the CIV to arrive at the declared rates (Refer Note 3.1).

The Council does not provide for doubtful debts on rates as unpaid rates represent a charge against the rateable property and will be recovered when the property is next sold.

Notes (continued)

b) Grants, donations and other contributions

Grants, donations and other cash contributions are recognised as revenue upon receipt or upon prior confirmation that they have been secured.

Where grants or contributions recognised as revenue during the financial year were for a specific purpose and remained unspent at balance date, the unspent amount of the grant or contribution is disclosed in Notes 3.2 and 3.3. Any amount of a grant that was received in prior years and was spent during the current year is disclosed in note 3.2.

c) User fees, charges and fines

User fees and charges are recognised as revenue upon such fees and charges being raised for services provided or payment received, whichever occurs first. Fines are recognised as revenue upon issuance of infringement notices.

A provision for bad debts is recognised when collection in full is no longer probable.

d) Sale of property, plant and equipment

Revenue arising from the sale of assets is recognised when control of the asset has unconditionally passed to the buyer.

e) Interest and rents

Interest and rents are recognised as revenue when the payment is due, the value of the payment is notified, or the payment is received, whichever occurs first.

f) Assets from new developments

Council acquires infrastructure assets such as land, roads, drains and footpaths from developers through new sub division activity. These assets are initially recognised as non-monetary contributions at their current valuations.

1.3 Recognition and measurement of non-current assets

The Council has adopted the following in relation to the acquisition and depreciation of non-current assets.

a) Acquisition

Assets are initially recorded at cost, being the fair value of the assets provided as consideration at the date of acquisition. Costs incidental to their acquisition, such as architects' fees and engineering design fees, that are incurred in preparing the asset for use are also capitalised. Fair value is the amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

Where assets are constructed by Council, cost of construction includes all direct materials and labour, and an appropriate amount of directly attributable variable and fixed overheads.

Assets acquired from developers through sub division activity are initially recognised at their current valuation (Refer Note 1.2 f).

b) Thresholds for asset recognition

The following classes of assets have been recognised in note 6 with threshold limits as shown below and unless otherwise stated are consistent with prior years.

Class of assets	\$
Land and buildings	
Land	Nil
Land improvements (including irrigation and sprinkler systems, and fencing)	1,000
Buildings	Nil
Building Improvements	2,000
Plant and equipment	
Plant and equipment	1,000
Minor plant, furniture & equipment	500
Infrastructure assets (non-realizable)	
Roads	20,000
Kerb and channel	5,000
Footpaths / Bikepaths	
- Expansion & upgrade	1,000
- Renewals	Nil
Bridges	5,000
Drains	5,000
Infrastructure assets (realizable)	
Recreational equipment	1,000
Street furniture	10,000

c) Depreciation and amortisation of non-current assets

All non-current assets are depreciated over their useful lives to the Council in a manner that reflects the consumption of the service potential of those assets. Depreciation is provided on a straight-line basis using rates applicable to the council's experience. The estimated useful lives reflect a program of normal maintenance and are reviewed continually as part of the Council's asset management program.

Where infrastructure assets have separate identifiable components with distinct useful lives, a separate depreciation rate is determined for each component.

The following table shows the major categories of assets and associated useful lives. Unless otherwise stated the depreciation rates are consistent with the prior year.

Notes (continued)

Asset category	Years
Property	
Land	
- Land, parks, reserves, ovas	Infinite
Land improvements	10
Buildings	50 – 75
Building Improvements	10
Plant and Equipment	
Plant and equipment	5
Minor plant, furniture and equipment	
- Artworks	N/A
- Furniture & equipment	6 – 15
- IT devices	5
- Parking meters	10
- Street signs/traffic control	20
- Library catalogue	5
- Library equipment	20
- Library plant	15
Infrastructure	
Roads	
- Pavement and Seal	12 - 20
- Substructure	100
- Kerb and channel	80
Footpaths / bikepaths	10 - 50
Bridges	20 - 100
Drains	100
Off street car parks	25
Recreational equipment (playgrounds)	10 - 20
Street furniture	10 - 20

d) Revaluation of non-current assets

Subsequent to initial recognition, all non-current assets other than plant, equipment and realisable infrastructure assets are measured at fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arms length transaction. Fair value for most asset categories is represented by their current replacement cost less accumulated depreciation.

Valuation assessments are carried out by the Council each year to ensure that each asset category is represented at fair value at the reporting date. Formal revaluations are carried out at rolling four yearly intervals to confirm these assessments, except for land and buildings which are formally valued every two years. Council uses index movements to establish fair value in the years between formal valuations. The council's internal experts or independent valuers carry out these formal valuations. Where the carrying value materially differs from the fair value, that class of asset is revalued.

Where assets are revalued, the revaluation increment is credited to the asset revaluation reserve, except where such increment reverses a previous valuation decrement of the same class of asset. In that event, the increment is recognised as revenue in the Income Statement to the extent of the previous revaluation expense.

A valuation decrement is recognised as an expense in the Income Statement, except where such a decrement is a reversal of a previous increment of the same class of asset. In such cases, the decrement is charged against the asset revaluation reserve to the extent of the previous increments.

Land under Roads:

In accordance with AASB 1045: Land under Roads the Council has elected not to recognize land under roads existing at 30 June 2008. All land under roads acquired from 1 July 2008 will be recognized as an asset in accordance with AASB 1051.

e) Realisable infrastructure assets

Infrastructure assets comprising street furniture and recreational equipment are considered by their nature to be realisable assets. All other infrastructure assets are considered to be non-realisable. Non-realisable assets are excluded from the calculations of financial ratios (Refer Note 16).

f) Existing assets not previously recognised

Non-current assets not previously recognised are classified as though they had always been recognised by an adjustment through equity and a restatement of the previous year's income statement if applicable.

1.4 Trust monies

Amounts received as tender deposits, bonds, retention monies and hostel entrance fees controlled by the Council are recognised as Trust monies until they are refunded or forfeited. (Refer Note 7.3).

1.5 Employee benefits

a) Accrued salary and wages

A liability for accrued salary and wages including associated oncosts is recognised, being the amount earned and unpaid at balance date.

b) Annual leave and long service leave

Annual leave

Annual leave entitlements are determined up to balance date as amounts expected to be paid when the obligation is settled, inclusive of leave loading and associated oncosts. Annual leave entitlements expected to be settled within twelve months are measured in nominal dollars. Annual leave entitlements expected to be settled after twelve months are measured at the present value of the estimated future cash outflows. Commonwealth bond rates are used for discounting future cash flows.

Long service leave

Long service leave entitlements are assessed at each balance date having regard to length of service, estimated future movements in rates of pay, oncosts and other factors including experience of employee departures and their periods of service. Long service leave expected to be paid within twelve months is measured at nominal value based on the amount expected to be paid when settled. Long service leave entitlements expected to be settled after twelve months are measured at the present value of the estimated future cash outflows. Commonwealth bond rates are used for discounting future cash flows.

Classification of employee benefits

An employee benefit liability is classified as a current liability if the Council does not have an unconditional right to defer settlement of the liability for at least twelve months. All annual leave and unconditional long service leave entitlements after 7 years of continuous service have been classed as current

Sick leave

No provision is made in respect of employee entitlements for sick leave because it is non-vesting and the pattern of sick leave taken indicates that accumulated non-vesting sick leave will never be paid in the majority of instances.

Notes (continued)

c) Superannuation

The superannuation expense for the financial year is the amount of the statutory contribution the Council makes to the superannuation plans that provide benefits to its employees.

Additionally, the Council may recognise a liability in respect of present obligations to the defined benefits superannuation schemes from time to time, to which current and former employees of Council belong. The liability, if any, will represent the Council's share of the shortfall of the net market value of the scheme's assets (inclusive of tax and interest accrued), relative to the benefits accrued to its members at balance date. (See Note 12).

1.6 Recognition of payables

Liabilities are recognised for amounts to be paid in the future for goods and services received as at balance date, whether or not invoices have been received. (Refer Notes 7.1 and 10).

1.7 Leases

Operating leases

Operating lease payments are expensed in the year in which the payments are made as they reflect the pattern of benefits derived by the Council.

Operating lease receivables are recognised in the year in which they are invoiced or when Council becomes entitled to the income from the lease, whichever is earlier.

1.8 Inventory - Property

Properties that are earmarked for future development and sale are shown at the lower of cost and net realisable value. Properties that are likely to be sold within twelve months of balance date are shown as current assets. This classification between current and non current is reviewed each year in line with future sales programme (see also Note 1.15).

1.9 Recognition of receivables

Receivables are recognised for amounts owed to the Council for goods and services provided at balance date, whether or not invoices have been issued. Provision is made for doubtful debts after considering collectability. No provision is made in respect of rates debtors. (Refer Notes 5.2 and 11).

1.10 Cash and cash equivalent assets

For the purpose of the statement of cash flows, cash and cash equivalent assets include cash on hand, deposits at call and other highly liquid investments with short periods to maturity. They are subject to insignificant risk of changes in value and include cash available for day to day cash management activities and those restricted under regulations for specific purposes (Refer Notes 5.1 and 15.2).

1.11 Managed Funds

Managed Funds are valued at fair value, being market value, at balance date. Any unrealised gains and losses on holdings at balance date are recognised as either a revenue or expense.

1.12 Maintenance and repairs

Maintenance, repair costs and minor renewals are recognised as expenses. Where the repair relates to the replacement of a component of an asset and the cost exceeds the recognised threshold and results in an extension of the life of the asset, that cost is capitalised to that asset. The carrying value of the replaced asset is expensed.

1.13 Interest-bearing liabilities

Interest-bearing liabilities represent overdrafts, short term loans, long term loans and other liabilities which accrue interest on the balance outstanding. The carrying amounts of these liabilities represent the amounts payable in future years (Refer Notes 8 and 11).

Interest accrued on these liabilities is treated as finance costs (Refer Notes 9 and 11).

1.14 Allocation between current and non-current

In the determination of whether an asset or liability is current or non-current, consideration is given to the time when each asset or liability is expected to be settled. The asset or liability is classified as current if it is expected to be settled within the next twelve months, or if Council does not have an unconditional right to defer settlement of a liability for at least twelve months after the reporting date.

1.15 Impairment of assets

At each reporting date, the Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the assets carrying value. Any excess of the assets carrying value over its recoverable amount is expenses to the Income Statement.

1.16 Finance costs

Finance costs are recognised as an expense in the period in which they are incurred.

1.17 Goods and Services Tax (GST)

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

Cash flows are presented in the cash flow statement on a gross basis.

1.18 New accounting standards and interpretation

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2008 reporting period. The City of Greater Dandenong assesses the impact of these new standards as to their applicability to the Council and early adoption where applicable.

As at 30 June 2008 the following standards and interpretations had been issued but were not mandatory for the financial year ending 30 June 2008. The Council has not and does not intend to, adopt these standards early.

Notes (continued)

AASB Amendment	Standards affected	Outline of amendment	Application date of Standard	Application date for Council
AASB 2006-3 Amendments to Australian Accounting Standards	AAS 27 Financial Reporting by Local Governments AASB 1045 Land Under Roads: Amendments to AAS 27A, AAS 29A and AAS 31A	From the beginning of the reporting period to which this Standard is first applied, until the end of the first reporting period ending on or after 31 December 2007, transitional provisions shall apply. Under those provisions, local governments, while encouraged to apply the full provisions of the Standard, may elect instead not to recognize land under roads as an asset in the balance sheet. The impact of the adoption cannot be reliably estimated and is not disclosed in the financial report	October 2006	1 July 2008
AASB 1004 Contributions	AAS 27 Financial Reporting by Local Governments	As this Standard broadly reproduces the requirements relating to contributions contained in AAS 27, there will be no direct impact on the financial report	1 July 2008	1 July 2008
AASB 1051 Land Under Roads	AAS 27 Financial Reporting by Local Governments	In respect of land under roads acquired before 30 June 2008: allows a Council to elect to recognize an asset; requires any adjustment upon recognition to be made against accumulated surplus; requires a Council to disclose its accounting policy; allows a Council to elect to adopt the fair value or a previous revaluation; requires any above elections to be made effective as at 1 July 2008. Requires that land under roads acquired after 30 June 2008 is accounted for in accordance with AASB 116. The impact of any changes that may be required cannot be reliably estimated and is not disclosed in the financial report.	1 July 2008	1 July 2008
AASB 1052 Disaggregated Disclosures	AAS 27 Financial Reporting by Local Governments	As this Standard broadly reproduces the requirements relating to disaggregated disclosures contained in AAS 27, there will be no direct impact on the financial report	1 July 2008	1 July 2008
AASB 2007-9 Amendments to Australian Accounting Standards arising from the Review of AASs 27, 29 and 31	AAS 27 Financial Reporting by Local Governments Amendments to: AASB 3, AASB 5, AASB 8, AASB 101, AASB 114, AASB 116, AASB 127, AASB 137	As this Standard broadly reproduces the requirements relating to certain relevant requirements contained in AAS 27, there will be no direct impact on the financial report	1 July 2008	1 July 2008

1.19 Rounding

The figures in the financial report are rounded to the nearest thousand dollars.

2. FUNCTIONS AND ACTIVITIES

Revenue, expenses and council assets have been attributed to the following broad functions.

2.1 Revenue, expenses and non-current assets by function

	Revenue Attributed 2008				Expenses 2008		Surplus/ (Deficit)	Total Non- Current Assets
	\$000 General	\$000 Grants	\$000 Total	% of Total	\$000	% of Total	\$000	\$000
Corporate services*	63,964	8,420	72,384	52.86	33,937	29.28	38,447	9,387
Organisational development	1	14	15	0.01	3,854	3.32	(3,839)	432
Health & environment	12,305	513	12,818	10.25	18,970	16.37	(6,152)	156,014
Leisure & culture	5,596	1,087	6,683	5.34	19,541	16.86	(12,858)	325,731
Community services	3,479	12,274	15,753	12.59	20,779	17.93	(5,026)	36,900
Transport & infrastructure	4,407	1,990	6,397	5.11	9,530	8.22	(3,133)	527,924
Economic development	10,900	162	11,062	8.84	9,303	8.03	1,759	22,550
Total	100,652	24,460	125,112	100.0	115,914	100.0	9,198	1,078,938

	Revenue Attributed 2008				Expenses 2008		Surplus/ (Deficit)	Total Non- Current Assets
	\$000 General	\$000 Grants	\$000 Total	% of Total	\$000	% of Total	\$000	\$000
Corporate services*	63,363	7,691	71,054	62.10	33,545	32.87	37,509	8,585
Organisational development	22	5	27	0.02	3,743	3.67	(3,716)	395
Health & environment	11,991	659	12,650	11.06	18,164	17.79	(5,514)	142,689
Leisure & culture	1,954	972	2,926	2.56	14,990	14.70	(12,064)	297,911
Community services	2,129	11,339	13,468	11.77	18,473	18.10	(5,005)	33,748
Transport & infrastructure	3,700	4,960	8,660	7.57	8,058	7.89	602	482,834
Economic development	5,561	68	5,629	4.92	5,087	4.98	542	20,624
Total	88,720	25,694	114,414	100.00	102,060	100.00	12,354	986,786

* Council's rate revenue is fully allocated to this segment

Notes (continued)

2.2 Functions of Council

Functions	Activities undertaken under each function
Corporate services	<ul style="list-style-type: none">• Civic and corporate support• Call and service centres• Financial, IT and records management services• Contract management and procurement• Rates administration, property valuations• Risk management• Corporate planning, media and communications, public relations
Organisational development	<ul style="list-style-type: none">• Human resources, staff training and development• Occupational health and safety
Health and environment	<ul style="list-style-type: none">• Collection and disposal of all waste, including hard waste and garden waste• City planning and urban design• Building approvals and control• Preventative health services• Street beautification• Roads, footpaths and drains cleaning and maintenance• Parking management and control• Drug prevention strategies• Animal management• General law enforcement
Leisure and culture	<ul style="list-style-type: none">• Cultural activities, Walker St Gallery, Heritage Hill, Drum Theatre• Indoor leisure centres, including Oasis swimming centre• Parks and gardens, sporting and nature reserves• Public halls & community centres• Public library and information services• Recreation programs• Cultural diversity through community grants program
Community services	<ul style="list-style-type: none">• Adult day care, aged persons hostel, senior citizens centres, community bus• Childcare centres & pre-schools• Family support, home care• Meals-on-wheels• Services for the disabled• Youth support, housing and recreation programs• School crossing supervision
Transport and infrastructure	<ul style="list-style-type: none">• Civil and transport planning• Maintenance of bridges• Parking and traffic control facilities• Pedestrian and bicycle networks• Road & footpath construction• Street lighting• Fleet and Plant Operations• Building maintenance
Economic Development	<ul style="list-style-type: none">• Promotion of business and employment• Operation of Dandenong market and multi deck car parks

3 REVENUES

	2008 \$'000	2007 \$'000
3.1 Rates and garbage charges		
General rates (Note)		
Residential	29,030	26,960
Commercial	7,036	6,628
Industrial	21,149	18,840
Farm	212	184
Supplementary rates and adjustments	863	904
Maintenance Levy	375	315
Residential garbage	7,969	7,335
	66,634	61,166

Note - The valuation base used to calculate general rates for 2007-2008 was \$16.865 billion (\$16.568 billion in 2006-2007).

The date of this general revaluation of land was 1 January 2006.

The date of the last general revaluation of land within the municipality for rating purposes was 1 January 2008. This valuation applies to the rating period commencing 1 July 2008.

The date of the next general revaluation is 1 January 2010, and the valuation will be first applied for the rating period commencing 1 July 2010.

3.2 Grants – recurrent and non-recurrent

Grants were received in respect of the following:

Recurrent

General Purpose Grants:

Commonwealth Government - General Purpose	7,397	6,676
- Local Roads	1,023	1,011

Funding

Operational Grants:

Aged & Disability Services	6,494	6,629
Children, Youth & Family Services	5,276	4,020
Library, Arts & Heritage	783	741
Asset Management Services	114	113
Information Management Services	-	4
Regulatory Services	410	279
Infrastructure Planning - Roads to Recovery	571	529
- Other	1	4
Planning & Design	150	112
Property, Leisure & Environment	-	192
Business Networking	59	68
Social Development	311	352
Total recurrent	22,589	20,730

Notes (continued)

	2008 \$'000	2007 \$'000
Non-recurrent		
Asset Management Services	113	121
Children, Youth & Family Services	210	5
Social Development	9	141
Library, Arts & Heritage	57	-
Aged & Disability	65	20
Communications	9	-
Capital Grants (Note)	1408	4,677
Total non-recurrent	1,871	4,964
Total Grants Received	24,460	25,694
Note: The capital grants received in 2006-2007 included \$3.5M in relation to the redevelopment of the State Volleyball and Basketball Centre which was completed in early 2007-2008.		
Unexpended grants (Note)		
Grants recognised as revenue for the year to be expended for specific purposes that had not been expended at balance date were:		
Operational Grants:		
Aged & Disability Services	511	210
Children, Youth & Family Services	544	190
Business Networking	-	25
Property, Leisure and Environment	-	2
Social Development		45
Library, Arts and Heritage	38	-
Asset Management Services	30	121
Communications	9	-
Capital Grant	445	1,434
Total unexpended grants	1,577	2,027
3.3 Contributions		
(a) Operating		
-Community services	5	20
-Civil Development	-	184
	5	204
(b) Capital		
-Infrastructure	63	89
-Public Open space	691	1,378
	754	1,467
Total contributions	759	1,671

	2008	2007
	\$'000	\$'000
(c) Non-monetary		
-Minor Plant- Art works	18	-
-Land	1,265	527
-Roads	956	2,391
-Car Parks	-	14
-Drains	801	4,822
-Bike Paths / Footpaths	171	443
	3,211	8,197
Unexpended contributions (Note)		
Developer Contributions	36	57
Health and Environment	-	320
Total unexpended contributions	36	377
Unexpended contributions from previous years have been expended before the end of the 2007-2008 financial year.		
3.4 Statutory fees and fines		
Parking fines	1,642	1,189
Building and town planning	1,021	906
Infringements and costs	1,327	1,688
Infringement (Perin) court recoveries	727	621
Land information certificates	88	84
	4,805	4,488
3.5 User fees		
Parking fees	1,515	1,386
Aged care services	931	1,204
Recreation and leisure	894	95
Market stall rental	3,099	2,956
Hire of facilities	965	913
Multideck Car Parking	434	354
Aquatic Centre and Springers Leisure Centre (Note)	3,840	-
Other fees and charges	752	1,091
	12,430	7,999

Note: Fees for Aquatic Centre and Springers Leisure Centre have been restated gross of expenditure in 2007-08- refer note 4.2.

Notes (continued)

	2008 \$'000	2007 \$'000
3.6 Profit / (loss) on sale of assets		
Land and buildings		
Proceeds from sale of assets	13,707	5,734
Less: VicUrban share of Metro 3175 sales to Trust (Note)	(6,882)	(3,866)
Less: Carrying amount of assets sold - Land	(5,422)	(1,450)
- Other costs	(259)	(15)
Profit/(loss) on sale of land and buildings	1,144	403
Proceeds from sale of Bed Licences	1,505	-
Less: Carrying amount of asset	(1,505)	-
Profit/(Loss) on sale of Bed Licences	-	-
Plant and equipment		
Proceeds from sale of assets	811	583
Less: Carrying amount of assets sold		
Plant & Fleet (Non-current)	(505)	(521)
Other	-	(8)
Profit on sale of plant and equipment	306	54
Total profit on sale of assets	1,450	457
Note: The Council has entered into an agreement with VicUrban for a residential development of the former Dandenong sale yards. VicUrban is responsible for the development of the land under this agreement, and is entitled to 74.53% of the proceeds of this developed land. The amount transferred to Trust represents VicUrban's share of the sales proceeds as at 30 June 2008.		
3.7 Other revenue		
Recoveries -State Revenue Office (supply of valuation data)	365	149
Recoveries - other	770	679
Interest received on rates	613	467
Interest received on investments	944	567
National Competition Policy	15	-
Retainer – H L Williams court	11	17
Sundry income	1,015	870
	3,733	2,749

	2008 \$'000	2007 \$'000
4. EXPENSES		
4.1 Employee benefits		
Salaries & wages	32,046	31,594
Casual staff	1,514	1,347
Annual leave and long service leave	4,420	3,730
Superannuation	3,153	2,983
WorkCover	819	803
Redundancy (Note)	811	137
	42,763	40,594
Note: Redundancy payments in 2008 include payments of \$351K from the closure of HL Williams court following the transfer of the Aged Care services to a private provider in September 2007.		
4.2 Contract payments, materials and services		
Maintenance and repairs	1,761	2,802
Contract payments:		
Garbage collection	6,246	5,899
Parks Services	2,568	2,174
Plant / Fleet Management	792	513
Building Maintenance	469	412
Dandenong Market	1,813	1,683
Cleansing	278	373
Community Aged Care Program	184	260
Other contract payments	2,223	1,254
Aquatic centre and Leisure centre (Note)	4,153	-
Materials and services :		
Building Maintenance	1,489	1,324
Parks Services	823	987
Roads and drains	692	437
Other materials and services	1,674	1,273
	25,165	19,391
Note: Represents gross expenditure – refer note 3.5		
4.3 Depreciation		
Plant & equipment	1,522	1,292
Minor plant, furniture and equipment	1,798	1,566
Land improvements	957	879
Car parks	225	146
Buildings	3,677	3,407
Bike paths/footpaths	1,592	1,562
Bridges	122	121
Roads	7,138	6,962
Drains	1,675	1,422
Street furniture	223	278
Playground equipment	834	835
	19,763	18,470

Notes (continued)

	2008	2007
	\$'000	\$'000
4.4 Grants and sponsorships		
Community grants	1,234	1,259
Contributions	556	427
Sponsorships – Family Day Care	3,080	2,116
Sponsorships - other	55	248
	4,925	4,050
4.5 Professional services		
Consultants	2,894	3,247
Legal costs	369	647
Statutory fees	334	306
Audit costs: Internal	132	196
External – VAGO	52	56
Strategic Asset Management Project	44	40
	3,825	4,492
4.6 Administration costs		
Printing, publications & promotion	1,895	1,795
Motor vehicle maintenance	1,075	925
Bad & doubtful debts	725	397
Insurance	1,060	1,083
Information management costs	1,679	1,961
Postage	388	353
Councillors Allowances	262	243
Occupancy costs	1,885	1,857
Other administration costs	233	653
	9,202	9,267
4.7 Finance costs		
Interest on long term loans	1,179	1,366
Interest on short term loan and overdraft	111	209
	1,290	1,575
4.8 Other expenses		
Bank charges	217	203
Sundry expenses	709	840
	926	1,043

	2008 \$'000	2007 \$'000
5. CURRENT ASSETS		
5.1 Cash and cash equivalents		
Cash at bank, deposit and on hand	18,911	6,141
Investments	2,956	3,403
	21,867	9,544
Represented by:		
Operating Cash	11,237	(273)
Restricted Cash		
Long Service Leave	5,116	4,541
Insurance fund	708	516
Unexpended grants and contributions	1,613	2,404
Trust funds and deposits	3,193	2,356
	21,867	9,544
5.2 Trade and other receivables		
Rates debtors (Refer Note 1.2 (a))	2,852	2,350
Parking infringement debtors	5,431	4,731
General debtors	3,684	3,962
Less: Provision for doubtful debts:		
- Parking infringements	(2,468)	(2,011)
- General debtors	(766)	(525)
Prepayments	688	619
	9,421	9,126
5.3 Inventory		
Properties held for resale (Note)	1,198	7,389
	1,198	7,389
Note: Property Inventory represents the value of properties held for development and resale within the next twelve months, and essentially includes the Metro 3175 properties. The figures for 2007 include HL Williams Hostel and two land parcels on Buckley Street which were earmarked for sale in 2007-2008.		
5.4 Intangible Assets		
Bed Licences (Note)	-	1,505
	-	1,505
Note – The 50 bed licences were sold to a private aged care provider along with the sale of the HL Williams Hostel in early 2007-2008.		

Notes (continued)

	2008 \$'000	2007 \$'000
6. PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT		
Plant and equipment		
At cost	7,174	6,969
Less: Accumulated depreciation	(2,050)	(2,309)
	5,124	4,660
Minor plant, furniture & equipment		
At cost	17,269	16,328
Less: Accumulated depreciation	(8,672)	(7,216)
	8,597	9,112
Land and buildings - Note (i)		
Car parks (Note)		
At valuation	12,715	12,731
At cost	1,182	119
Less: Accumulated depreciation	(3,429)	(3,206)
	10,468	9,644
Land		
At independent valuation	460,038	368,758
At cost	2,268	1,922
	462,306	370,680
Land improvements		
At cost	10,620	9,354
Less: Accumulated depreciation	(3,700)	(2,743)
	6,920	6,611
Buildings		
At independent valuation	170,793	170,902
At cost	32,401	21,264
Less: Accumulated depreciation	(89,504)	(85,150)
	113,690	107,016
Bike paths - Note (ii)		
At valuation	3,192	3,217
At cost	565	375
Less: Accumulated depreciation	(485)	(342)
	3,272	3,250
Footpaths - Note (ii)		
At valuation	69,345	69,085
At cost	2,571	1,667
Less: Accumulated depreciation	(7,945)	(6,497)
	63,971	64,255
Bridges - Note (iii)		
At valuation	11,619	11,619
At cost	-	-
Less: Accumulated depreciation	(3,626)	(3,504)
	7,993	8,115

	2008 \$'000	2007 \$'000
Roads - (Note iv)		
Sub-structure		
At council valuation	232,059	231,566
At cost	1,257	563
Less: Accumulated depreciation	(78,790)	(76,449)
	154,526	155,680
Seal		
At council valuation	65,673	65,297
At cost	3,632	1,751
Less: Accumulated depreciation	(18,442)	(14,742)
	50,863	52,306
Kerb & channel		
At council valuation	79,095	79,062
At cost	1,982	1,131
Less: Accumulated depreciation	(22,243)	(21,139)
	58,834	59,054
Earthworks		
At cost	56	56
	56	56
Roads Total		
At council valuation	376,862	375,925
At cost	6,892	3,501
Less: Accumulated depreciation	(119,475)	(112,330)
	264,279	267,096
Drains (Note iv)		
At council valuation	169,317	168,516
At cost	1,841	1,347
Less: Accumulated depreciation	(55,978)	(54,303)
	115,180	115,560
Street furniture		
At cost	4,139	4,422
Less: Accumulated depreciation	(2,831)	(2,817)
	1,308	1,605
Recreational equipment		
At cost	12,349	10,285
Less: Accumulated depreciation	(4,890)	(4,169)
	7,459	6,116
Works in progress		
At cost	1,066	8,910
	1,066	8,910
Total Property, infrastructure, plant and equipment		
At valuation	1,273,881	1,180,753
At cost	100,337	86,463
Less: Accumulated depreciation	(302,585)	(284,586)
TOTAL NON-CURRENT ASSETS	1,071,633	982,630

Notes (continued)

Note (i) Land & Buildings

'At valuation' estimates for land and buildings were determined by ProVal (Vic) Pty Ltd certified valuers as at 1 January 2008. The previous valuation was done on 1 January 2006, also by ProVal (Vic) Pty Ltd. The valuation was done on the basis of site value for land and written down replacement value for buildings.

Note (ii) Bike paths/Footpaths

Bike paths and footpaths are carried at valuation based on written down replacement value carried out in April 2006.

Note (iii) Bridges

'At valuation' estimates for bridges were determined as at 30 June 2006 by Council's Civil and Transport Planning unit.

The valuations were done on the basis of written down replacement value.

Note (iv) Roads and Drains

'At valuation' estimates for roads (kerbs) were determined as at 30 June 2006 and drains at 30 June 2007 by Council's qualified engineers. The valuations were done on the basis of written down replacement value, taking into account their current condition. The change in valuation also includes assets acquired from subdivisions. These assets were brought into the books at 30 June 2007 at their current valuation.

6.1 Property Infrastructure Plant and Other – (Movement in written down value 2008)

The carrying amounts of each class of fixed assets at the beginning and end of the current financial year are set out below:

	Balance at beginning of financial year	Acquisition of assets including gifted assets	Assets written off	Transfer to current assets	Disposals at carrying amount	Depreciation expense for the year	Net movement in revaluation	Changes due to transfers	Balance at end of financial year
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Plant & equipment	4,660	2,487	-	-	(503)	(1,522)	-	2	5,124
Minor plant, furniture & equipment	9,112	1,645	(39)	-	(2)	(1,798)	-	(321)	8,597
Car parks	9,644	463	(14)	-	-	(225)	-	600	10,468
Land	370,680	2,633	-	(1,023)	-	-	90,016	-	462,306
Buildings	107,016	2,929	(255)	-	(1,356)	(3,677)	886	8,147	113,690
Bike paths	3,250	190	(19)	-	-	(149)	-	-	3,272
Footpaths	64,255	1,080	(9)	-	-	(1,443)	93	(5)	63,971
Bridges	8,115	-	-	-	-	(122)	-	-	7,993
Land Improvements	6,611	1,050	-	-	-	(957)	-	216	6,920
Drains	115,560	1,235	-	-	-	(1,675)	-	60	115,180
Roads sub-structure	155,680	1,114	-	-	-	(2,331)	-	63	154,526
Roads Seal	52,306	2,202	(26)	-	-	(3,702)	-	83	50,863
Roads kerbs & channel	59,054	796	-	-	-	(1,105)	-	89	58,834
Earthworks	56	-	-	-	-	-	-	-	56
Roads Total	267,096	4,112	(26)	-	-	(7,138)	-	234	264,279
Street furniture	1,605	150	(53)	-	-	(223)	-	(171)	1,308
Play grounds	6,116	2,059	(10)	-	-	(834)	-	128	7,459
WIP	8,910	1,046	-	-	-	-	-	(8,890)	1,066
Total property, infrastructure, plant and other	982,630	21,020	425	(1,023)	(1,861)	(19,763)	90,995	-	1,071,633

2008

Notes (continued)

Comparatives for Property Infrastructure, Plant and Other (Movement in written down value 2007)

2007	Adjusted Balance at beginning of financial year \$'000	Acquisition of assets including gifted assets \$'000	Assets Written off \$'000	Transfer (to)/from current assets \$'000	Less: Disposals at carrying amount \$'000	Less: Depreciation expense for the year \$'000	Add: Net movement in revaluation and other minor adjustments \$'000	Balance at end of financial year \$'000
Plant & equipment	4,195	2,285	(5)	-	(521)	(1,292)	-	4,660
Minor plant, furniture & equipment	7,881	2,048	(86)	-	-	(1,566)	-	8,787
Car parks	6,691	68	(51)	-	-	(146)	3,082	9,633
Land	368,458	1,142	-	160	(184)	-	1,150	370,726
Buildings	104,462	4,186	(425)	(96)	-	(3,407)	-	107,016
Bike paths	3,151	164	(17)	-	-	(143)	-	3,250
Footpaths	64,377	1,004	(6)	-	-	(1,419)	-	64,019
Bridges	8,237	-	-	-	-	(121)	-	8,115
Land Improvements	5,113	974	(3)	-	-	(879)	-	6,611
Drains	107,602	5,061	(131)	-	-	(1,422)	1,736	113,746
Roads sub-structure	155,413	1,287	(1)	-	-	(2,312)	-	154,473
Roads Seal	54,359	1,136	(1)	-	-	(3,575)	-	51,898
Roads kerbs & channel	58,706	992	(2)	-	-	(1,075)	-	58,681
Earthworks	-	-	-	-	-	-	-	56
Roads Total	268,478	3,415	(4)	-	-	(6,962)	-	265,108
Street furniture	1,902	356	(61)	-	-	(278)	-	1,911
Play grounds	6,159	1,109	(121)	-	-	(835)	-	6,126
WIP	6,298	8,330	(275)	-	-	-	-	8,911
Total property, infrastructure, plant and other	963,004	30,142	(1,185)	64	(705)	(18,470)	5,968	978,619

6.1 (a) Changes to Opening balances for 2008 through equity

2007	Balance at end of financial year	Changes to accum. Depreciation	Written (off) / back to Retained Earnings	Total Adjustments	Adjusted Opening Balance
	\$'000	\$'000	\$'000	\$'000	\$'000
Plant & equipment	4,660	-	-	-	4,660
Minor plant, furniture & equipment	8,787	(102)	427	325	9,112
Car parks	9,633	-	11	11	9,644
Land	370,726	-	(46)	(46)	370,680
Buildings	107,016	-	-	-	107,016
Bike Paths	3,250	-	-	-	3,250
Footpaths	64,019	-	236	236	64,255
Bridges	8,115	-	-	-	8,115
Land Improvements	6,611	-	-	-	6,611
Drains	113,746	-	1,814	1,814	115,560
Roads sub-structure	154,473	6	1,201	1,207	155,680
Roads Seal	51,898	-	408	408	52,306
Roads kerbs & channel	58,681	-	373	373	59,054
Earthworks	56	-	-	-	56
Roads Total	265,108	6	1,976	1,982	267,096
Street Furniture	1,911	320	(626)	(306)	1,605
Playgrounds	6,126	-	(10)	(10)	6,116
WIP	8,911	-	(1)	(1)	8,910
Summary of Non-current asset movements	978,619	224	3,787	4,011	982,630

Notes:

- 1. Minor Plant** – Council recognized for the first time Public Art which had not been recorded in the books.
- 2. Car Parks** – Recognition of car park from previous subdivision.
- 3. Land** – The write off relates to Land Reserves not vested in Council.
- 4. Drains** – Through previous subdivision plans council recognized drainage assets that had not been previously recognized.
- 5. Roads** – Through previous subdivision plans Council recognized road assets that had not been previously recognized
- 6. Street Furniture** – the write off to retained earnings is a duplication of assets in the books.
- 7. Playgrounds** – Should have been expensed in the previous year.

Notes (continued)

7. NON INTEREST- BEARING LIABILITIES

	2008 \$'000	2007 \$'000
7.1 Trade and other payables		
Current		
Trade creditors	7,822	7,981
Other creditors	371	400
Income received in advance	235	224
Accrued expenses	1,546	2,128
	9,974	10,733

7.2 Employee benefits

Movement in Employee entitlement provisions	Annual Leave \$'000	Long Service Leave \$'000	Total \$'000
2008			
Balance at beginning of financial year	4,197	4,541	8,738
Additional provisions	3,421	999	4,420
Amounts used	(3,314)	(424)	(3,738)
Balance at the end of the financial year	4,304	5,116	9,420
2007			
Balance at beginning of financial year	4,448	3,939	8,387
Additional provisions	2,814	916	3,730
Amounts used	(3,065)	(314)	(3,379)
Balance at the end of the financial year	4,197	4,541	8,738
Current			
Annual leave (Note)		4,304	4,197
Long service leave (Note)		4,766	4,228
		9,070	8,425
Non-current			
Long service leave liability (Note)		350	313
		350	313
Note:			
Current			
All annual leave and LSL entitlements representing seven or more years of service:			
- Short-term employee benefits, that fall due within 12 months after the end of the period measured at nominal value		5,287	3,883
- Other long-term employee benefits that do not fall within 12 months after the end of the period measured at present value		3,783	4,542
		9,070	8,425
Non-current			
LSL representing less than seven years of service measured at present value:		350	313

Accrued wages and salaries are included in the current accrued expenses balance in note 7.1.

In arriving at the present value of long service leave the following assumptions were adopted:

- Average increase in employee costs 4.0%
- Average discount rates between 6.45% and 6.91%
- Average settlement period of 10 years

	2008 \$'000	2007 \$'000
7.3 Trust funds and deposits		
Current		
Hostel entrance fees – (Note i)	-	262
Jenny Slade scholarship	-	7
Sub-division & other deposits	603	457
Developer contributions	1,214	1,184
Metro 3175 sales – VicUrban share (Note ii)	1,212	1
Drum Theatre	128	68
	3,157	1,979

Note i - Hostel entrance fees were refunded following the sale and closure of the HL Williams aged care facility in September 2007.

Note ii – Represents VicUrban's share of the sale of properties in Metro 3175 not yet remitted to Vic Urban.

8. INTEREST-BEARING LIABILITIES

Current		
Loans – secured	4,373	4,221
	4,373	4,221
Non-current		
Loans – secured	12,332	16,704
	12,332	16,704
Total interest-bearing liabilities (Refer Note 11.2)	16,705	20,925
The maturity profile for Council's borrowings is:		
Less than one year	4,373	4,221
Later than one year and not later than five years	6,792	9,531
Later than five years	5,540	7,173
	16,705	20,925

9. RESERVES

Movement 2007-2008 Asset revaluation reserve	2007 \$'000	Increment / (decrement)	2008 \$'000
Land	214,691	90,016	304,707
Car Parks	3,259	-	3,259
Buildings	9,793	886	10,679
Non-realizable infrastructure assets:			
- Bike paths	2,326	-	2,326
- Footpaths	29,980	93	30,073
- Bridges	400	-	400
- Roads	198,677	-	198,677
- Drains	62,061	-	62,061
Total Asset revaluations reserves	521,187	90,995	612,182
Discretionary reserves – Insurance Fund	516	192	708
Total Reserves	521,703	91,187	612,890

Notes (continued)

Movement 2006-2007	2006	Increment /	2007
Asset revaluation reserve	\$'000	(decrement)	\$'000
Land	213,541	1,150	214,691
Car Parks	177	3,082	3,259
Buildings	9,793	-	9,793
Non-realizable infrastructure assets:			
- Bike paths	2,326	-	2,326
- Footpaths	29,980	-	29,980
- Bridges	400	-	400
- Roads	198,677	-	198,677
- Drains	60,325	1,736	62,061
Total asset revaluations reserves	515,219	5,968	521,187
Discretionary reserves – Insurance Fund	250	266	516
Total reserves	515,469	6,234	521,703

10. COMMITMENTS AND CONTINGENCIES

	2008	2007
	\$'000	\$'000
10.1a Operating lease commitments (Note)		
Not later than one year	280	323
Later than 1 year but less than 5 years	279	483
	559	806

Note: The lease payments are in respect of the revolving operating lease facility for council's computer equipment from the Commonwealth Bank of Australia (CBA).

10.1b Operating lease receivables (Note)

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

Not later than one year	372	367
Later than one year and not later than five years	597	656
Later than five years	879	759
	1,848	1,782

Note: The Council has entered into commercial property leases on selected properties. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 50 years.

10.2 Contracted Capital commitments

Not later than one year	717	1,055
Later than 1 year but less than 5 years	-	-
	717	1,055

10.3 Works and services contracts

Not later than one year	12,250	9,582
Later than 1 year but less than 5 years	22,962	20,983
Over 5 years	-	330
	35,212	30,895

11. FINANCIAL INSTRUMENTS

11.1 Accounting policy, terms and conditions

Recognised financial instruments	Note	Accounting policy	Terms and conditions
Financial assets			
Cash at bank, deposit and on hand	5.1	Valued at face value. Interest is recognised as it accrues.	Funds on call returned floating interest rates of between 6.15% and 7.15% (5.50% and 6.15% in 2006-07).
Managed funds	5.1	Managed funds are measured at market value.	Withdrawals are either immediate or within 24 hours. Managed funds provided a return between 4.53% and 5.39% net of fees (5.65% and 6.86% in 2006-2007) excluding unrealised gains or losses.
General Debtors	5.2	Receivables are carried at nominal amounts due less any provision for doubtful debts. A provision for doubtful debts is recognised when collection in full is no longer probable. Collectability of overdue accounts is assessed on an ongoing basis.	General debtors are unsecured and interest free. Credit terms are usually up to 60 days.
Financial Liabilities			
Payables	7.1	Liabilities are recognised for amounts to be paid in the future for goods received and services provided to the council as at balance date whether or not invoices have been received.	General creditors are unsecured, not subject to interest charges and are normally settled within 30 days of invoice receipt.
Interest-bearing liabilities	8	The loan with the Commonwealth Bank of \$5.5 million was obtained to repay the amount owing to Vision Super in respect of a superannuation liability. The balance of the loan as at June 30, 2008 was \$703,033 (\$1,366,727 as at June 30, 2007).	The loan is for ten years expiring April 2009 and principal & interest are repayable quarterly. The loan is secured by a mortgage over the council's general rates. The interest rate is fixed at 5.8%.
Interest-bearing liabilities	8	The loan with the Commonwealth Bank was for \$2.952 million, and was obtained to repay the amount owing to Vision Super in respect of the superannuation liability which was to be claimed against the City of Kingston, which has since been settled. The balance of the loan as at June 30, 2008 was \$557,524 (\$1,189,980 as at June 30, 2007).	This loan expired in April 2004 and was rolled over at that date at an interest rate of 6.20%. The loan is secured by a mortgage over the council's general rates. Repayments are made monthly on a principal and interest basis and is repayable in full by 2009.
Interest-bearing liabilities	8	The loan with the Commonwealth Bank of \$5.0 million was obtained in September 2004 to finance major capital projects. The balance of the loan as at June 30 2008 was \$1,472,668 (\$2,572,541 as at 30 June 2007).	The loan is for five years expiring 30 September 2009 and principal & interest are repayable quarterly. The loan is secured by a mortgage over the council's general rates. The interest rate is fixed at 6.09%.

Notes (continued)

Recognised financial instruments	Note	Accounting policy	Terms and conditions
Interest-bearing liabilities	8	The loan with the Commonwealth Bank of \$3.0 million was obtained in February 2005 to repay the unfunded superannuation liability that council assumed in 2002-2003. The balance of the loan as at June 30, 2008 was \$1,206,756 (\$1,841,419 as at 30 June 2007).	The loan is for five years expiring 28 January 2010 and principal & interest are repayable quarterly. The interest rate is fixed at 6.09%.
Interest-bearing liabilities	8	The loan with the Commonwealth Bank of \$8.0M was obtained in 2005-2006 for capital programs. The balance of the loan as at June 30, 2008 was \$6,599,686 (\$7,246,876 as at 30 June 2007).	The loan is for 10 years expiring on 17 March 2016 and principal and interest are payable quarterly. The interest rate is fixed at 6.12%.
Interest-bearing liabilities	8	The loan with the Commonwealth Bank of \$7.0M was obtained in January 2007 for capital programs. The balance of the loan as at 30 June, 2008 was \$6,164,611 (\$6,707,580 as at 30 June 2007).	The loan is for 10 years expiring on 18 July 2016 and principal and interest are payable quarterly. The interest rate is fixed at 6.66%.

11.2 Interest rate risk

The council's exposure to interest rate risk and the effective interest rates of financial assets and financial liabilities at balance date are as follows:

	Fixed interest rate maturing In:						Total carrying amount as per the Balance Sheet		Range of Effective interest rates		
	Floating interest rate		Over 1 to 5 years		More than 5 years		2008	2007	2008	2007	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	%	%	
Financial Assets											
General debtors	-	-	-	-	-	-	3,684	3,962	-	-	-
Cash at bank and on hand	18,911	6,141	-	-	-	-	18,911	6,141	6.15 to 7.15	5.50 to 6.15	
Bank deposits	2,956	3,403	-	-	-	-	2,956	3,403	7.15 to 7.78	5.65 to 6.86	
Prepayments/accrued income	-	-	-	-	-	-	688	619	-	-	-
Total Financial assets	21,867	9,544	-	-	-	-	26,239	14,125	-	-	-
Financial liabilities											
Payables	-	-	-	-	-	-	9,974	10,733	-	-	-
Interest-bearing liabilities (Note 8)	-	4,373	4,221	6,792	9,531	5,540	16,705	20,925	5.80/6.66	5.80/6.66	
Trust monies	-	-	-	-	-	-	3,157	1,979	-	-	-
Total Financial liabilities	-	4,373	4,221	6,792	9,531	5,540	29,836	33,637	-	-	-

NOTE: The carrying amounts of financial assets and liabilities (except interest-bearing liabilities) equate to fair value due to their short-term nature.

The net fair value of interest-bearing liabilities is \$15.9M (\$19.6M in 2007) as at balance date.

Notes (continued)

11.3 Net fair value

The following methods and assumptions are used to determine the net fair value of financial assets and financial liabilities:

Payables, cash on call, bank deposits, and general debtors	The carrying amount equals the fair value because of the short term to maturity.
Interest-bearing liabilities	The fair value is based on the discounted cash flow method.

11.4 RISKS AND MITIGATION

The risks associated with the main financial instruments and Council policies for minimizing these risks are detailed below:

Market risk

Market risk is the risk that the fair value or future cash flows of our financial instruments will fluctuate because of changes in the market prices. The Council's exposure to market risk is primarily through exposure to interest rate risk and other price risks. Components of market risk to which Council is exposed are discussed below.

Interest rate risk

Interest rate risk for Council arises from overdrafts, other short term borrowing and future long term borrowings. Council is also exposed to interest rate fluctuations for investments of surplus funds.

Overdraft and Borrowings

Council's current loan borrowings are sourced from a major Australian bank. An agreed overdraft limit is in place with the same banker. Council manages interest rate risk on the net debt portfolio by:

- being able to access diverse sources of funding.
- reduced risks of refinancing by managing in accordance with target maturity profiles
- setting prudential limits on interest repayments as a percentage of rate revenue.
- appropriate budgeting strategies and obtaining approval for borrowings from the Australian Loan Council each year.

Investments

Council manages the interest rate exposure on investments by:

- Investing surplus funds with approved financial institutions under the Local Government Act 1989.
- investing in diverse products and institutions with recognised credit ratings.
- monitoring return on investments.
- benchmarking of returns and comparison with budget.

Sensitivity disclosure

Council's long term borrowings of \$16.7M have been taken at fixed interest rates, and hence any interest rate movements will not have an impact on Council's operating result or financial position.

The cash balances held by Council averages between \$3M - \$6M over the year, based on past experience and projected future balances. An interest rate movement of up to 2% would impact the operating result by up to around \$120K for the year.

Credit risk

Credit risks arise from non statutory debtors not meeting their obligations. These debts for Council are managed in the following manner:

- By establishing credit limits for the debtors we deal with where applicable.
- By investing surplus funds with financial institutions which have a recognized credit rating.

Credit risk associated with the Council's financial assets is minimal as Council does not have any significant credit risk exposure to a single customer or groups of customers.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when it provides a guarantee for another party. Details of contingent liabilities are disclosed in note 13.

Council's non statutory debts at 30 June 2008 was \$3.34m against which a provision of \$0.66m has been made for doubtful debts.

Liquidity risk

Council manages its liquidity risk through the following practices:

- having readily accessible overdraft and other standby facilities in place.
- monitoring budget to actual performance on a regular basis.
- preparing forward cash flow projections to estimate future cash requirements.
- Long term borrowing within the State Government's prudential guidelines, and with fixed interest rates.

Council's exposure to this risk is mainly in the area of long term borrowings. The table below lists the contractual maturities for Council's long term borrowings.

These amounts represent undiscounted gross payments including both principal and interest amounts.

2007/08

	6 months or less	6-12 months	1-2 years	2-5 years	> 5 years	Contracted Cash Flows	Carrying Amount
Trade and other payables	9,974	-	-	-	-	9,974	9,974
Trust Funds and deposits	1,376	1,781	-	-	-	3,157	3,157
Interest –bearing borrowings	2,721	2,578	2,906	6,137	6,106	20,448	16,705
Total	14,071	4,359	2,906	6,137	6,106	33,579	29,836

2006/07

	6 months or less	6-12 months	1-2 years	2-5 years	> 5 years	Contracted Cash Flows	Carrying Amount
Trade and other payables	10,733	-	-	-	-	10,733	10,733
Trust Funds and Deposits	-	1,979	-	-	-	1,979	1,979
Interest –bearing loans and borrowings	2,831	2,601	5,318	7,018	8,188	25,956	20,925
Total	13,564	4,580	5,318	7,018	8,188	38,668	33,637

12. SUPERANNUATION

Local Authorities superannuation fund

The council makes employer superannuation contributions in respect of its employees to the Local Authorities superannuation fund (the Fund). Obligations for contributions are recognized as an expense in the Income Statement when they are due. The Fund has two categories of membership, each of which is funded differently.

Notes (continued)

Accumulation Category (Vision Super Saver)

The Fund's accumulation category, Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings in accordance with the Superannuation Guarantee Legislation (9% in 2007/2008). No further liability accrues to the employer as the superannuation benefits accruing to employees are represented by their share of the net assets of the Fund. From 1 July 2008 employers are required to pay superannuation guarantee contributions based on Ordinary Time Earnings (OTE) which may put upward pressure on contribution levels.

During 2007-2008 the council's superannuation contributions relating to Vision Super Saver members was \$3,152,604 (\$ 2,983,014 in 2006-2007).

Defined Benefits Category

The Fund's Defined Benefit Plan is a multi-employer sponsored plan. As the Fund's assets and liabilities are pooled and are not allocated by employer, the Actuary is unable to allocate benefit liabilities, assets and costs between employers. As provided under Paragraph 32 (b) of AASB 119, Council does not use defined benefit accounting for these contributions.

Council makes employer contributions to the defined benefit category of the Fund at rates determined by the Trustee on the advice of the Fund's Actuary. On the basis of the results of the most recent full actuarial investigation conducted by the Fund's actuary as at 31 December 2005, the Trustee has determined that the current funding arrangements are adequate for the expected Defined Benefit Plan liabilities. Council makes the following contributions:-

- 9.25% of members' salaries (same as previous year);
- the difference between resignation and retrenchment benefits paid to any retrenched employees (same as previous year);

The Fund's liability for accrued benefits was determined in the 30 June 2007 actuarial investigation pursuant to the requirements of Australian Accounting Standard AAS25 as follows:

	30-Jun-07 \$'000
Net Market Value of Assets	4,102,154
Accrued Benefits (per Accounting Standards)	(3,923,436)
Difference between Assets and Accrued Benefits	178,718
Vested Benefits	3,572,589

The financial assumptions used to calculate the Accrued Benefits for the defined benefit category of the Fund were:

Net Investment Return	8.0% p.a.
Salary Inflation	5.5% p.a.
Price Inflation	3.0% p.a.

During 2007-2008 the Council's superannuation contributions relating to that year's defined benefits members' service was \$685,434 (\$688,054 in 2006-2007).

Employees also make member contributions to the Fund. As such, assets accumulate in the Fund to meet member benefits, as defined in the Trust Deed, as they accrue.

In addition, the Council:

reimburses the Fund for the difference between resignation and retrenchment benefits paid to its retrenched employees – in 2007-2008 this was \$59,405 (\$25,484 in 2006-2007)

Council has an ongoing obligation to share in the future experience of the Fund. Favourable or unfavourable variances may arise should the experience of the Fund differ from the assumptions made by the Fund's actuary in estimating the Fund's accrued benefits liability.

13. CONTINGENT LIABILITIES

Bank Guarantees

The Council has agreed to guarantee bank loans taken out by the Dandenong Basketball Association (DBA) to a maximum amount of \$2 million. At balance date the amount drawn by the DBA was \$0.955 million (\$1.05 million as at June 30 2007).

Legal Actions

The Council is involved in a number of Legal Actions. Council's exposure in these claims may be up to \$13K (\$16K in 2007).

14. RELATED PARTY TRANSACTIONS

Names of persons holding the position of a responsible person at the City of Greater Dandenong Council during the whole reporting year are:

Councillors

John Kelly (Mayor)	1 July 2007 to 30 June 2008	(Mayor 6 December 2007 to Date)
Youhorn Chea (Mayor)	1 July 2007 to 30 June 2008	(Mayor 1 July 2007 to 5 December 2007)
Peter Brown	1 July 2007 to 30 June 2008	
Maria Sampey	1 July 2007 to 30 June 2008	
Paul Donovan	1 July 2007 to 30 June 2008	
Roz Blades	1 July 2007 to 30 June 2008	
Jim Memeti	1 July 2007 to 30 June 2008	
Sue Walton	1 July 2007 to 30 June 2008	
Pinar Yesil	1 July 2007 to 30 June 2008	
Alan Gordon	1 July 2007 to 30 June 2008	
Yvonne Herring	1 July 2007 to 30 June 2008	

Chief Executive Officer

John Bennie	1 July 2007 to date
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Remuneration of responsible persons in bands of \$10,000

Income Range	2008 No.	2007 No.
To \$10,000	-	-
\$ 10,001 - \$ 20,000	9	9
\$ 20,001 - \$ 30,000	-	-
\$ 30,001 - \$ 40,000	-	1
\$ 40,001 - \$ 50,000	2	1
\$ 50,001 - \$ 60,000	-	1
\$210,001 - \$220,000	-	-
\$220,001 - \$230,000	-	1
\$300,001 - \$310,000	1	-
Total	12	13
Total remuneration for the reporting year, for responsible persons included above, amounted to:	\$545K	\$523K

No retirement benefits were made by the Council to a responsible person during the reporting year (Nil in 2006).

No loans were made, guaranteed or secured by the council to a responsible person during the reporting year (Nil in 2007).

No transactions were entered into by the Council with responsible persons, other than remuneration and reimbursement of expenses during the reporting year (Nil in 2007).

A number of responsible persons have minority shareholdings in public companies, which have dealings with the Council from time to time. These and other transactions with responsible persons who also hold the office of councillor are required to be declared under section 81 of the Local Government Act 1989 (as amended) and are held in a register in accordance with that Act. The register is available for public inspection.

Senior officers' remuneration

The number of senior officers, other than responsible persons, occupying a management role within Council, who either reported directly to the Chief Executive Officer or whose total remuneration exceeded \$100,000 during the financial year, is shown below in their relevant income bands:

Income Range	2008 No.	2007 No.
To \$100,000	-	-
\$100,001 - \$110,000	-	4
\$110,001 - \$120,000	6	6
\$120,001 - \$130,000	6	4
\$130,001 - \$140,000	2	4
\$140,001 - \$150,000	5	1
\$150,001 - \$160,000	-	-
\$160,001 - \$170,000	-	1
\$170,001 - \$180,000	-	2
\$180,001 - \$190,000	-	-
\$190,001 - \$200,000	3	-
Total	22	22
Total remuneration for the Financial year of senior officers included above amounted to:	\$2.99M	\$2.82M

15 NOTES TO THE CASHFLOW STATEMENT

15.1 Reconciliation of operating result with net cash provided by operating activities

	Note	2008 \$'000	2007 \$'000
Surplus for the year		9,198	12,354
Add / (less)			
Depreciation	4.3	19,763	18,470
Contributions – Non-monetary assets		(3,211)	(8,197)
Write off of assets		425	1,375
Finance Costs		1,538	1,498
(Profit) /loss on sale of assets	3.6	(1,450)	(457)
(Increase)/ decrease in receivables	5.2	(295)	(631)
(Decrease) / increase in payables	7.1	(759)	716
(Decrease) / increase in employee entitlements	7.2	684	349
Prior year adjustment relating to receivables- refer Statement of Changes in Equity		508	-
Net cash provided by operating activities		26,401	25,477

15.2 Reconciliation of cash

Cash at the end of the financial year as shown in the Cashflow Statement is reconciled to the related items in the statement of financial position as follows: -

Current asset – cash and deposits	5.1	21,867	9,544
Cash at balance date as per Cash Flow Statement		21,867	9,544

16 FINANCIAL RATIOS

	2007-2008	2006-2007	2005-2006
Underlying Result (Surplus Ratio)			
This is a measure of Council's underlying surplus (or deficit) as a percentage of its underlying revenue. In arriving at the surplus and revenue, capital grants, contributions, non-cash revenue (such as roads and drains from developers) profit on sale of assets and other one-off items of revenue and expenditure are excluded.			
$\frac{\text{Underlying Surplus}}{\text{Underlying Revenue}}$	2.53%	(1.29%)	(0.55%)
Indebtedness			
This is a longer term measure that compares non-current liabilities (which mainly comprises borrowings and employee benefit provisions) to revenue excluding capital grants, contributions and non cash revenue that cannot be used to retire debt.			
$\frac{\text{Non-Current Liabilities}}{\text{Total Revenue (less capital grants, contributions and non-cash revenue)}}$	11.46%	15.86%	14.73%
Self Financing			
This is a measure of local governments' ability to fund the replacement of assets from cash generated by their operations			
$\frac{\text{Net Cash from Operating Activities}}{\text{Total Revenue (less non-cash revenue)}}$	23.40%	23.11%	23.34%

	2007-2008	2006-2007	2005-2006
<p>Investment Gap ratio</p> <p>This is a measure of whether Council is spending on infrastructure at a greater rate than the infrastructure is depreciating.</p> $\frac{\text{Capital Expenditure}}{\text{Depreciation}}$	90.41%	118.81%	212.46%
<p>Debt servicing ratio</p> <p>To identify the capacity of Council to service outstanding debt. The ratio expresses the amount of interest paid as a percentage of council's total revenue. Debt servicing costs includes interest on loan borrowings and bank overdraft.</p> $\frac{\text{Debt Servicing Costs}}{\text{Total Revenue}}$	1.14%	1.41%	1.15%
<p>Debt commitment ratio</p> <p>To identify Council's debt redemption strategy. The ratio expresses the percentage of rate revenue utilised to pay interest and redeem debt principal.</p> $\frac{\text{Debt servicing \& redemption costs}}{\text{Rates Revenue}}$	8.27%	8.71%	7.29%
<p>Revenue ratio</p> <p>To identify Council's dependence on rate income, and is determined by assessing rate revenue as a percentage of total revenue.</p> $\frac{\text{Rates Revenue}}{\text{Total Revenue}}$	60.22%	54.63%	52.14%
<p>Working capital ratio</p> <p>To assess the Council's ability to meet current commitments.</p> $\frac{\text{Current assets}}{\text{Current liabilities}}$ <p>The ratio expresses the level of current assets available to meet its current liabilities.</p>	1.22:1	1.10:1	0.64:1
<p>Debt exposure ratio</p> <p>To identify Council's exposure to debt. This is the ratio of total debt to total realisable assets.</p> $\frac{\text{Total liabilities}}{\text{Total realisable assets}}$ <p>Realisable assets are those which can be readily sold and are not subject to any restriction on sale or use. Total debt includes all liabilities except those that are covered by restricted assets.</p> <p>Non realisable assets include non realisable infrastructure assets (as detailed in Note 6), land with restrictions and buildings on other controlled land.</p> <p>The ratio enables assessment of Council's solvency and exposure to debt. The ratio expresses the multiple of total liabilities covered by each dollar of realisable assets.</p>	1.16	1:13	1:13

Certification of the Financial Report

In my opinion, the accompanying financial report has been prepared in accordance with the Local Government Act 1989, the Local Government (Finance and Reporting) Regulations 2004, Australian Accounting Standards and other mandatory professional reporting requirements.

Jay Peries CPA

Principal Accounting Officer

Dated: 22 September 2008

In our opinion, the accompanying financial report presents fairly the financial transactions of the City of Greater Dandenong Council for the year ended 30 June 2008 and the financial position of the Council as at that date.

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

We have been authorised by the Council on 22 September 2008 to certify the financial report in its final form on behalf of the Council.

Cr. John Kelly

Mayor

Dated: 22 September 2008



Cr. Sue Walton

Councillor

Dated: 22 September 2008

John Bennie

Chief Executive Officer

Dated: 22 September 2008



Standard Statements

Year Ended 30 June 2008

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Standard Income Statement

For the year ended 30 June 2008

	Note	Budget 2007-2008 \$'000	Actuals 2007-2008 \$'000	\$'000	Variance %
Revenue					
Rates		66,186	66,634	448	0.68
Grants – Operational (Special Purpose)	2	12,301	14,632	2,331	18.95
Grants – Financial assistance (untied)	2	7,917	8,420	503	6.35
Fees, fines and hire of facilities	3	16,199	17,235	1,036	6.40
Interest and other Income	4	2,984	3,733	749	24.89
Contributions		-	5	5	-
Total Revenues		105,587	110,659	5,072	4.78
Expenses					
Employee costs		44,014	42,763	1,251	2.84
Grants and sponsorships		3,916	4,925	(1,009)	(25.77)
Contract payments, materials and services	6	23,612	25,165	(1,553)	(6.58)
Professional services	7	3,085	3,825	(740)	(23.97)
Administration costs		8,835	9,202	(367)	(4.16)
Borrowing costs		1,548	1,290	258	16.67
Depreciation		16,500	19,763	(3,263)	(19.78)
Other Expenses		952	926	26	2.76
Total Expenses		102,462	107,859	(5,397)	(5.27)
OPERATING RESULT		3,125	2,800	(325)	(11.10)
Non-operating income & expenditure					
Capital Grants	9	1,634	1,408	(226)	(13.83)
Capital Contributions	10	530	754	249	49.31
Assets acquired from sub division activity	11	-	3,211	3,211	100
Proceeds from sale of assets	5	9,194	9,140	(54)	(0.59)
Carrying amount of assets sold	8	(8,894)	(7,690)	1,204	13.54
Write-off of assets	12	-	(425)	(425)	100
SURPLUS FOR THE YEAR		5,589	9,198	3,609	64.57

Standard Balance Sheet

As at 30 June 2008

	Note	Budget 2007-2008 \$'000	Actuals 2007-2008 \$'000	\$'000	Variance %
CURRENT ASSETS					
Cash		1,889	18,911	17,022	901.1
Investments		4,563	2,956	(1,607)	(35.2)
Receivables	13	6,486	9,421	2,935	45.3
Inventory – property	14	2,300	1,198	(1,102)	(47.9)
Total Current Assets		15,238	32,486	17,248	113.2
NON-CURRENT ASSETS					
Fixed Assets	15	969,597	1,071,633	102,036	10.5
Inventory – Property	14	3,966	7,305	3,339	84.2
TOTAL NON-CURRENT ASSETS		973,563	1,078,938	105,375	10.8
TOTAL ASSETS		988,801	1,111,424	122,623	12.4
CURRENT LIABILITIES					
Creditors	16	8,365	9,974	(1,609)	(19.2)
Borrowings		4,749	4,373	377	7.9
Employee benefits	17	7,883	9,070	(1,187)	(15.1)
Trust monies	18	1,954	3,157	(1,203)	(61.5)
TOTAL CURRENT LIABILITIES		22,951	26,574	(3,623)	(15.8)
NON CURRENT LIABILITIES					
Borrowings		14,316	12,332	1,984	13.9
Employee benefits	17	503	350	153	30.4
Unearned income		3,000		3,000	100.0
TOTAL NON-CURRENT LIABILITIES		17,819	12,682	5,137	28.8
TOTAL LIABILITIES		40,770	39,256	1,514	3.7
NET ASSETS		948,031	1,072,168	124,137	13.1
EQUITY					
Accumulated Surplus		432,812	459,278	26,466	6.1
Assets Revaluation Reserve		515,219	612,890	97,671	18.9
TOTAL EQUITY		948,031	1,072,168	124,137	13.1

Standard Cash Flow Statement

For the year ended 30 June 2008

Note	Budget 2007-2008 \$'000	Actuals 2007-2008 \$'000	\$'000	Variance %
Cash Flows from operating activities				
Cash Inflows				
	65,544	66,131	587	0.90
Rates receipts				
Grants	21,852	24,460	2,608	11.93
Interest Received	606	1,557	951	156.93
Fees, charges, fines and contributions	19,463	23,261	3,798	19.51
Total cash inflows	107,465	115,409	7,944	7.39
Cash Outflows				
Employee costs	44,014	42,384	1,630	3.70
Payments to Suppliers	35,964	41,765	(5,801)	(16.13)
Grants & Sponsorships	3,916	4,859	(943)	(24.08)
Total cash outflows	83,894	89,008	(5,114)	(6.10)
Net Cash inflows from operating activities	23,571	26,401	2,830	12.01
Cash flows from investing activities				
Cash Inflows				
Proceeds from Sale of Assets	9,194	9,140	(54)	(0.59)
Total cash inflows	9,194	9,140	(54)	(0.59)
Cash Outflows				
Payments for non-current assets				
City improvement projects	27,278	16,092	11,186	41.01
Fleet & other capital	3,387	2,541	846	24.98
Total cash outflows	30,665	18,633	12,032	39.24
Net cash outflows from investing activities	(21,471)	(9,493)	11,978	(55.79)
Cash flows from financing activities				
Cash Inflows				
Proceeds from borrowings	2,500	-	(2,500)	(100.0)
Net proceeds from trust monies and deposits	-	1,174	1,174	100.0
Total cash inflows	2,500	1,174	(1,326)	(53.04)
Cash Outflows				
Interest Paid	1,548	1,538	10	0.65
Repayment of loans, deposits and trust monies	5,765	4,221	1,544	26.78
Total cash outflows	7,313	5,759	1,554	21.25
Net Cash inflow/(outflow) from financing activities	(4,813)	(4,585)	228	(4.74)
Cash Increase/(Decrease)	(2,713)	12,323	15,036	
Cash and cash equivalents at Beginning	4,603	9,544	4,941	107.34
Cash and cash equivalents at End	1,890	21,867	19,977	

Reconciliation of Operating Result and Net Cash Flows from Operating Activities

For the year ended 30 June 2008

Note	Budget 2007-2008 \$'000	Actuals 2007-2008 \$'000	\$'000	Variance %
Net Surplus from operations	5,589	9,198	3,609	64.58
Depreciation	16,500	19,763	3,263	19.78
Finance costs	1548	1538	(10)	(0.65)
Other non cash revenue and expenses	-	(2,786)	(2,786)	(100.0)
(Profit) Loss on Sale of property, plant and equipment	(55)	(1,450)	(1,395)	-
Net movement in current assets and liabilities	(11)	138	149	-
Net Cash inflow from operating activities	23,571	26,401	2,840	12.90

Standard Statement of Capital Works

For the year ending 30 June 2008

	Note	Budget 2007-2008 \$'000	Actuals 2007-2008 \$'000	\$'000	Variance %
Roads, Bridges and Street Furniture		4,693	3,306	1,387	29.55
Land & Buildings	20	15,247	5,806	9,441	61.92
Drains		774	434	340	43.93
Land Improvement & Playgrounds		4,572	3,109	1,463	32.00
Information Services & Minor Plant		1,389	1,627	(238)	(17.13)
Fleet Plant & Equipment		3,387	2,487	900	26.57
Footpaths		603	1,099	(496)	(82.26)
Total Capital Works		30,665	17,868	12,797	41.73
Represented by:					
Maintenance/Operational	21	2,296	-	2,296	-
Expansion		12,726	7,327	5,399	42.42
Renewal		6,048	7,132	(1,084)	(17.92)
Upgrade		9,595	3,409	6,186	64.47
Total Capital Works		30,665	17,868	12,797	41.73

Property, Plant & Equipment movement Reconciliation worksheet

	Note	Budget 2007-2008 \$'000	Actuals 2007-2008 \$'000	\$'000	Variance %
Total Capital works		30,665	17,868	12,797	41.73
Depreciation		(16,500)	(19,763)	3263	(19.78)
Assets written off		-	(425)	425	-
Disposals at carrying amount		(8,894)	(1,861)	(7,033)	79.08
Gifted assets		-	3,211	(3,211)	-
Movement in asset revaluation		-	90,995	(90,995)	-
Transfer to current assets		-	(1,022)	1,022	-
Net movement in property, plant and equipment		5,271	89,003	(83,732)	-

Notes to the Standard Statements

1. Introduction

The Standard Income Statement, Balance Sheet, Cash Flow Statement, Statement of Capital Works and explanatory notes form a special purpose financial report prepared specifically to meet the requirements of the Local Government Act 1989 and Local Government (Finance and Reporting) Regulations 2004.

The Standard Statements have been prepared on accounting bases consistent with those used for the General Purpose Financial Statements, but not prepared in accordance with Australian Accounting Standards or other authoritative professional pronouncements. The Standard Statements are not a substitute for the General Purpose Financial Statements, which are also included in a separate section of this Annual Report.

The Standard Statements compare Council's financial plan through original budget targets, with actual performance against those targets. Any material variances between actual results and budget are explained in the notes that follow. Any variances between the original budget and actual results in excess of \$1M and 10% on the original budget have been commented on.

The results reported in these statements are consistent with those reported in the General Purpose Financial Statements, except that the Standard Statement of Cash Flows excludes cash flows resulting from GST, which are cost and revenue neutral to council.

The budget figures reported are those adopted by Council on 12 June 2007. The budget was based on assumptions that were relevant at the time of adoption of the budget. The Council set guidelines and parameters for revenue and expense targets in this budget in order to meet council's business plan and financial performance targets for both the short and long term. The budget does not envisage any changes to equity resulting from asset revaluations as their impacts are not predictable.

Detailed information on the actual results is contained in the General Purpose Financial Statements in the Annual Report. The detailed budget can be obtained by contacting council or through the council's website. The Standard Statements must be read with reference to these documents.

2. Grant Income

Total operating grant funding received at 30 June 2008 was \$23.1M (\$2.0M or 9.6 per cent above budget).

The additional grant funding resulted from:

- Better than planned receipt of Financial Assistance grant funding from the Grants Commission of \$503K.
- Unbudgeted grants received for Parks Services associated with the drought response initiative totaling \$99K.
- Additional grant funding over budget of \$888K for Children, Youth and Family Services and \$589K received for enhanced services in Aged and Disability.
- A number of other unbudgeted grants received across council totaling \$500K for various services.

3. Fees charges and fines

The income from this category is 6.4 per cent better than budget. This is largely due to:

- The better result from the Market following the deferment of the upgrade hence trading continued as normal.
- The budget had factored a downturn in income during the reconstruction period.

4. Interest Income

Council's healthy bank balances resulted in better than planned interest earned in the year.

5. Proceeds from sale of assets

The Council achieved budget on asset sales with better than budget results being achieved from the sale of HL Williams, negated by the deferment of sale of two Buckley Street properties. Council achieved close to budget on the sale of Metro 3175 properties.

6. Contract payments, materials and services

Exceeded budget by \$1.5M. This represents major maintenance costs identified through the asset management program to maintain Council's parks and gardens, roads, drains, and buildings. These amounts were budgeted in the City Improvement Program (CIP) under Capital, which shows a corresponding offset.

7. Professional Services

Exceeds budget by \$0.7M. These costs were mainly associated with surveys and studies relating to Council's assets. As with major maintenance, the costs were budgeted in the City Improvement Program (CIP) under Capital, which shows a corresponding offset.

8. Carrying amount of assets sold

This variance is due to the sale of the two Buckley Street properties being deferred to 2008-2009, and also the sale of plant and fleet being slightly under budget.

9. Capital Grants

This better than budget result mainly represents the delayed receipt of grant funding for the Dandenong Basketball Stadium which was budgeted to be received in the previous year.

10. Capital Contributions

This represents contributions received for public open space, Keysborough Development, Tatterson Park and Community Infrastructure.

11. Assets acquired from sub division activity

Represents assets such as land, footpaths, roads and drains that have been acquired by Council from sub division activity.

12. Write off of assets

These write off's represent minor plant, car parks, buildings, bike paths/footpaths, street furniture and roads.

13. Receivables

Mainly represents debtors relating to parking infringements, and sundry debtors. The variance is due to budget underestimation of these debtors.

14. Inventory – property

The current portion represents property assets earmarked for sale in 2008-2009. The non-current portion essentially represents land at Metro 3175.

15. Fixed Assets

In addition to capital additions and gifted assets, the variance is mainly from the revaluation in January 2008 of Land and Buildings, resulting in asset revaluation gains of \$90 million. This revaluation gain was not known at the time of preparing the budget.

16. Creditors

This variance is essentially due to the budget projections being understated.

17. Employee benefits

Budget has assumed all leave entitlements will be taken by staff during the year, hence the variance.

18. Trust Monies

Represents monies from developer contributions and VicUrban share of Metro 3175 sales. The latter was remitted to VicUrban in July.

19. Land & Buildings

The variance is the deferment of capital works at the Dandenong Produce Market due to delays in planning approvals.

20. Maintenance & Operational

The budget for the City Improvement Program included \$1.5M of major maintenance expenditure which was determined as not being capital. This expenditure has been transferred to recurrent expenditure at year end (Refer notes 5 and 6.)

Certification of the Standard Statements

In my opinion, the accompanying standard statements have been prepared on accounting bases consistent with the financial statements and in accordance with the Local Government Act 1989 and the Local Government (Finance and Reporting) Regulations 2004.

Jay Peries CPA


Principal Accounting Officer

Dated: 22 September 2008

In our opinion, the accompanying standard statements have been prepared on accounting bases consistent with the financial statements and in accordance with the **Local Government Act 1989** and the Local Government (Finance and Reporting) Regulations 2004.

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

We have been authorised by the Council on 22 September 2008 to certify the standard statements in their final form on behalf of the Council.


Cr. John Kelly
Mayor

Dated: 22 September 2008

Cr. Sue Walton
Councillor

Dated: 22 September 2008


John Bennie
Chief Executive Officer

Dated: 22 September 2008

Independent Audit Report





Customer Service

Springvale
397-405 Springvale Road

Dandenong
39 Clow Street

Noble Park
18-32 Buckley Street

Keysborough
Shop A7
Parkmore Shopping Centre

Business Development Centre
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Dandenong



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廣東話 9679 9863

普通话 9679 9870

دري 9679 9865

Nuää 9679 9866

Српски 9679 9867

Việt ngữ 9679 9868

TTY 9239 5153

All other languages 9679 9869

Italiano Español Türkçe

Shqip Malti МАКЕΔΟΝСКИ

Hrvatski СРПСКИ Tetum

Soomaali فارسی Русский