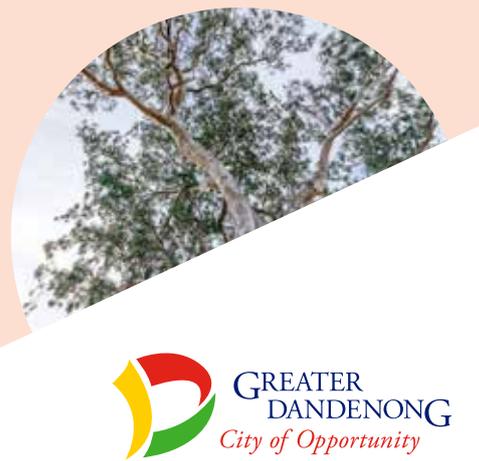
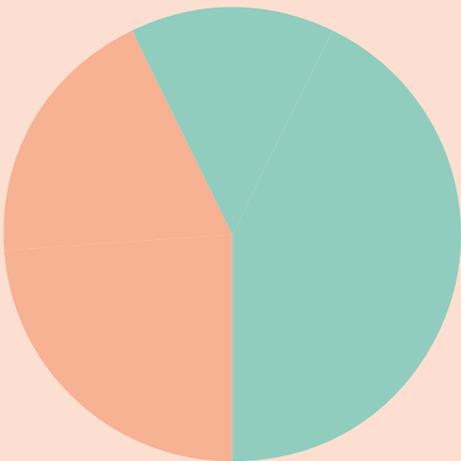
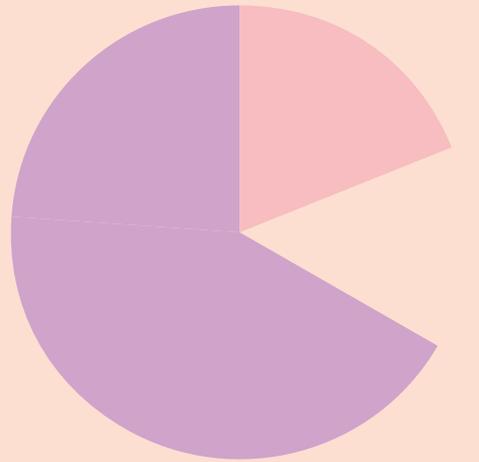


Annual Report  
2018-19





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Our Great City

## People



Greater Dandenong is the **most culturally diverse locality in Australia** and has an estimated population of 169,000 people with a forecast of 197,000 people by 2029.

The most widely spoken languages are **Vietnamese, Khmer, Punjabi, Mandarin, Cantonese and Greek.**

Over **two thirds of residents** in the city **speak languages other than English** at home and one in seven residents has limited fluency in the use of spoken English.

**Nearly two thirds** of residents were **born overseas** and residents come from **157 different birthplaces.**

## Place

Quality infrastructure across the city includes **61km of shared bike paths, 1,084km of footpaths and 127 playgrounds.**



The City of Greater Dandenong encompasses an area of **129 square kilometres in Melbourne's south east**, approximately 35km from the Melbourne central business district.

It is home to **35** sports reserves, **197** parks totalling **523** hectares and **33** bushland areas

## Opportunity

**Key industries** within the municipality include **health care, retail trade, wholesale trade** and **transport and warehousing**.

Tourism is a key focus for Council and the area has **many attractions** including **cultural precincts, culturally diverse cuisine, and food and shopping tours**.

The **City of Greater Dandenong** is renowned as the **manufacturing hub of Victoria** with the industry accounting for **22 per cent of all jobs**.



The **Afghan Bazaar** cultural precinct and **Melbourne's first Indian cultural precinct** bring many visitors to the city along with the **iconic Dandenong Market** which attracts over **five million visitors** a year.

## Our Vision

Greater Dandenong is a safe and vibrant city of opportunity for all – to visit, work, live and play

## Our Key Strategic Objectives

### People

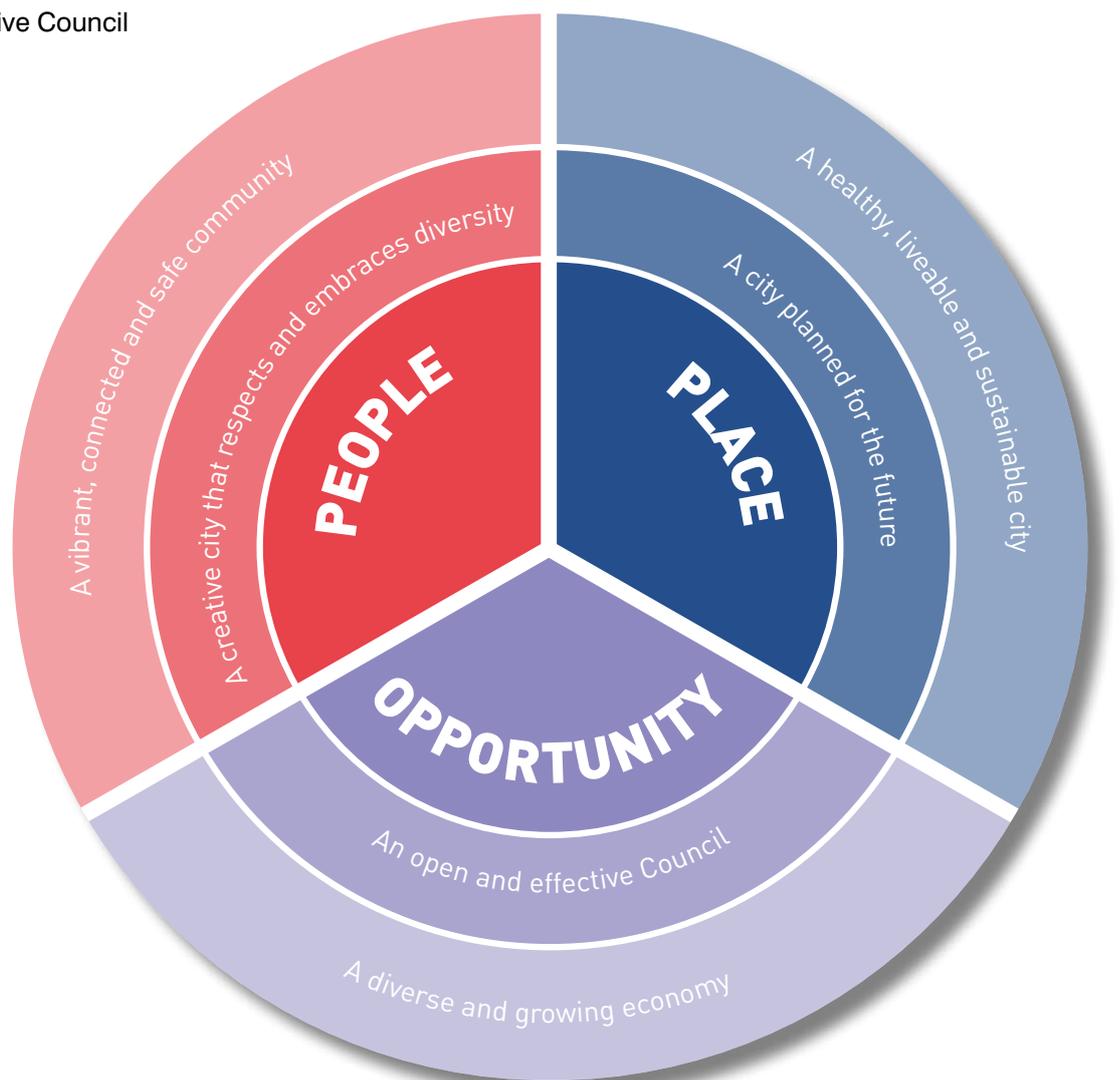
- A vibrant, connected and safe community
- A creative city that respects and embraces diversity

### Place

- A healthy, liveable and sustainable city
- A city planned for the future

### Opportunity

- A diverse and growing economy
- An open and effective Council





## Message from the Mayor

The City of Greater Dandenong continues to position itself as a vibrant, diverse and welcoming community.

We have a proud history of welcoming people to our city from around the globe and ensuring they become and remain active, happy and engaged residents.

We are now officially recognised as Australia's most culturally diverse community with residents from more than 160 different nations calling Greater Dandenong home.

There are almost 2,000 people seeking asylum in Greater Dandenong – the highest of any Victorian municipality. These people are some of our community's most vulnerable and Council is committed to supporting them.

Council has been working very hard in the advocacy space during the past 12 months. We recognise the importance of working in partnership with our community and other tiers of Government to bring positive outcomes for everyone who lives in our community.

Greater Dandenong City Council led a campaign to have financial and support services reinstated for asylum seekers. The 'Back your neighbour' Campaign saw 22 Councils from across Victoria and NSW band together to advocate strongly against the Federal Government cuts.

Council also advocated for the Federal Government to continue funding four-year-old kinder through the I Love Kinder campaign. Council values the importance of early childhood education for all of its residents. In recognition of this, Council built a new early years facility at Yarraman Oaks Primary School in Noble Park. This state-of-the-art building will serve the Noble Park community for many years to come and is a valuable addition to the education services Council provides to the youngest members of our community.

Council recognises the community's need for quality facilities and has invested significantly in projects that add value and enjoyment to the lives of the people who live, work and visit our city.

The Springvale Community Precinct project continues to progress well. The redevelopment of City Hall has been well received by the community and stage two is now well underway. It is exciting to see the transformation of the former Springvale municipal offices into a world-class community facility providing a variety of learning, leisure and cultural spaces. Once stage two is complete in the first half of 2020 the location will boast a new Springvale Library, customer service centre and meetings rooms. This is all part of Council's commitment to building a better Springvale.

Other significant projects completed in the past 12 months include the redevelopment of Dandenong Park. Works include construction of the Stan Prior Stage, a new toilet block, picnic and barbecue areas and a multipurpose court. Council also worked in partnership with Development Victoria to deliver the new multi-sport park located on the corner of Cadle and Walker streets in Dandenong. It features courts for a range of recreational activities including basketball, netball and soccer.

Council values partnerships and believes by working together with other tiers of government and the community we can continue to achieve positive outcomes for the community.

Our Community Satisfaction Survey results were very positive and saw Council ranked higher than the state average in all areas. Community engagement was a particularly well ranked area. Council places a great deal of value on the ideas and information our community share and feeds this into Council's strategies and plans.

An extensive review of Council's Dog Off-Leash Strategy was completed and the community provided some fantastic feedback which helped us identify locations for new off-leash areas in Greater Dandenong.

The community also helped inform the Indian Cultural Precinct Framework. This framework outlines what initiatives the community and other key stakeholders would like to see put in place to grow and develop this precinct in Dandenong. The framework was nominated for an Australian Institute of Landscapes Architecture award.

Renowned as a City of Celebration, Greater Dandenong hosted more than 100 cultural and community festivals this year. In addition to this Council organised a number of well-attended events including Snow Fest in Springvale and New Year's Eve in Harmony Square. The eight major events run by Council attracted a combined total of 85,000 people.

Council's Civic Facilities continue to be embraced and supported by the local community with 11,720 bookings across a number of halls for the past year. The redevelopment of Springvale City Hall has certainly enhanced our offerings and the influx of bookings is proof that the community approve of the recent works undertaken.

As Mayor of this great city I am very proud to present our 2018–19 Annual Report. What I have mentioned above is just a highlight of what has been achieved in the past 12 months so I would encourage you to peruse this document to learn more.

I would like to thank my fellow Councillors and Council staff for the work they do for the City of Greater Dandenong. They work tirelessly to ensure we are providing high quality services and facilities for all and I commend them for this. I strongly believe that by working together we will continue to achieve the best outcomes for our city.



**Roz Blades AM**  
Greater Dandenong Mayor



## Chief Executive Officer's Report

2018–19 has been yet another very successful year for Greater Dandenong City Council.

Many diverse achievements have been accomplished by Council for the benefit of its community:

- Eight major events held with a total of 85,000 attendees – *confirming that Greater Dandenong is most certainly, a 'City of Celebration'*;
- a new multi-sport park completed in Walker street – *reflecting our ongoing partnership with the State and Development Victoria*;
- various grants received, one in particular being \$75,000 from the State Government to implement Council's Preventing Violence/Gender Equity Action Plan – *confirming our commitment to this cause*;
- strong advocacy campaigns including 'Back your neighbour' for reinstatement of 'Status Resolution Support Services (SRSS)' – *highlighting Council's role and the specific role of passionate Councillors, for changes that will benefit the community*;
- Community Satisfaction Survey outcomes – *that place Council at the top end of metropolitan Councils*;
- sustainability projects including Council's sixth Sustainability Festival and Year One of the Urban Tree Strategy that saw 2,624 trees planted;
- a Community Revitalisation Employment Project that delivered a range of initiatives designed to increase the work readiness of local jobseekers – *reflecting Council's unwavering support for the disadvantaged in its community*;
- the implementation of a Digital Strategy including the website redevelopment project; and,
- continued high use of Council's facilities including almost 12,000 venue bookings across numerous halls and meeting rooms.

These are just some of the hundreds of outcomes generated in the year that together, confirm Council's commitment to service and to the support of its diverse communities.

Upgrading or renewal of assets continues to be a key focus of Council and in this last year, the following were delivered:

- Dandenong Park improvements including construction of the 'Stan Prior Stage', new toilet block, picnic and bbq area and multipurpose court;
- continued progress on the Springvale Community Precinct project;
- a new Early Years facility at Yarraman Oaks Primary School Noble Park; and
- numerous streetscape projects including Afghan Bazaar (new lighting and traffic signals) and Walker Street (paving, lighting etc).

Planning for future works, essential upgrades and improvements is also most important and included the adoption of four park master plans, Frederick Wachter Reserve, Burden Park, Warner Reserve and Parkfield Reserve; and the Indian Cultural Precinct Framework was nominated for an Australian Institute of Landscape Architecture Award.

In 2014, Council delivered a new Dandenong Civic Precinct and with its Library, state-of-the-art community facilities, civic square, next generational screen and community meeting spaces, it continues to exceed all expectations. It is important and noteworthy therefore that just five years later in 2019, we have seen significant progress made in the delivery of the Springvale Community Precinct. This project – like its predecessor – reinforces the 'capacity' of a Council and community to create better public places.

These signature projects – and many others underway or planned including a new Aquatic Centre to replace Oasis; upgrades to the Noble Park Aquatic Centre; more streetscape improvements; and numerous new sports pavilions and facilities – reinforce Greater Dandenong's standing as a prominent city in a developing region that places strong emphasis on quality facilities for its community.

Greater Dandenong remains highly regarded as a revitalising city that:

- increasingly responds to regional needs;
- has principal and neighbourhood activity centres that reflect growing standards of amenity and opportunity;
- is well-served by public transport (but with many remaining needs);
- has significantly improved infrastructure and assets; and
- remains a centre for employment in the region.

### Sound Financial Management

Council's operating result was a surplus of \$31.3 million. It is important to note that these surpluses are 'accounting surpluses' which include a range of non-cash items such as depreciation on Council assets, assets written off, assets gifted to Council by developers (eg. roads, footpaths and open space) and exclude cash costs such as capital expenditure.

Through sound and prudent leadership by Council and management by staff, Council remains in a healthy financial position although it must again be stated, that this will be tested into the future by the compounding effect of rate capping.

Despite these obvious challenges, Council remains focused on its purpose and objective – to provide quality services and assets to the people and businesses of this city. As stated in previous years, Council will not allow its hard earned and sound financial position to be unreasonably impacted by external challenges.

### Capital Improvements

\$53.6 million was spent on capital improvements during the year, \$21.0 million was on asset renewals with a further \$9.8 million on upgrades to existing infrastructure assets.

It is pleasing to report that the funding of basic infrastructure – roads, footpaths and drains – in 2018–19, was maintained at \$12.0 million. This investment continues to underpin the importance of Council's maintenance and protection of existing assets.

An extensive list of improvement projects was completed and these are outlined elsewhere in this report.

2018–19 was by any measure, another successful year for Council. I commend the Council on its leadership and achievements in 2018–19 and thank the many wonderful staff who remain committed to local government service within Greater Dandenong City Council.



**John Bennie PSM**  
Chief Executive Officer







Performance  
Highlights

## Performance Highlights



8 events, **85,000** attendees



Make Your Move launch  
**5,000** visitors



**121** clients over 65 attended planned activity groups



Aquatic centre visits  
**677,103**



Young Women's Gala  
**150** Year 9 female students participating in a range of sports



**2,624** street trees were planted



Library visits **981,823**



**0.5 per cent** annual average downtime of CCTV system



**325** clients utilised the community transport service



**3,233** children immunised



**1,426** food inspections conducted



**413** clients received meals on wheels



**11,720** venue bookings across Dandenong Civic Centre, Paddy O'Donoghue, Jan Wilson and Springvale Town Hall



**4,809** adolescents immunised



**10 events** in public spaces delivered by Youth Services with an average of **1,498** people attending each event



Walker Street Gallery hosted **15** exhibitions



**4 master plans** completed, Parkfield Reserve, Frederick Wachter Reserve, Burden Park and Warner Reserve



Council's social media following grew by **13.2 per cent**



**66** primary school children from 10 local schools attended the annual Children's Forum



**12** small business workshops were held



**2** Councillor community forums were held



**78** waste education sessions delivered to early learning centres, 27 to primary and secondary schools and 30 to CALD and migrant communities



**6** food manufacturers collaborative network events were held



Council received a **Community Satisfaction Survey** result of **61** for making decisions in the interest of the community, 6 points above the state average



**50** residents attended the community clean up day



**72** network sessions/activities/events were delivered by SEBN



**15** food and cultural tours were conducted





Corporate  
Governance

# 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 to other levels of government on a broad range of issues;
- managing the community's assets;
- ensuring the delivery of quality services;
- providing fair and equitable representation of all constituents; and
- establishing Council's Local Laws including Meeting Procedure, Municipal Amenity, Road Management and Asset Protection, and Municipal Spaces.



Greater Dandenong Council was elected on 22 October 2016 and the next Council elections are scheduled for October 2020.

## Suburbs

### Lightwood Ward

Springvale  
Springvale South

### Paperbark Ward

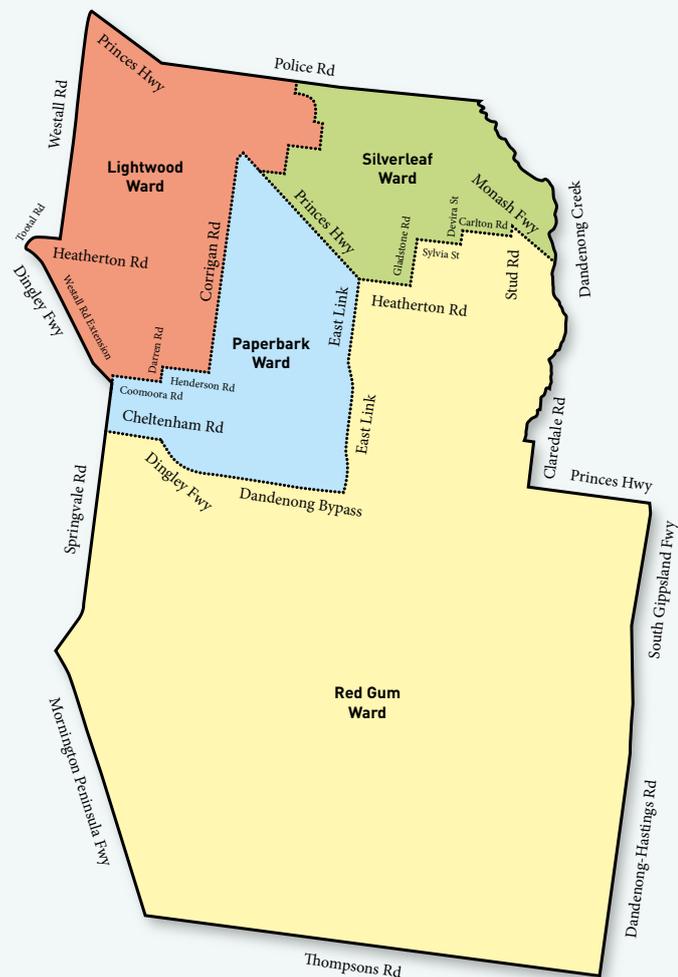
Keysborough  
Noble Park

### Red Gum Ward

Dandenong  
Dandenong South  
Lyndhurst  
Bangholme

### Silverleaf Ward

Noble Park North  
Dandenong North



## Your Councillors

### LIGHTWOOD WARD

Suburbs:  
Springvale and  
Springvale South



**Cr Youhorn Chea**  
Term as a councillor:  
1997–present  
Mayoral Terms:  
2001–02, 2006–07,  
2011–12, 2017–18



**Cr Sean O'Reilly**  
Term as a councillor:  
2012–present  
Mayoral Term: 2014–15



**Cr Loi Truong**  
Term as a councillor:  
2008–present

### PAPERBARK WARD

Suburbs:  
Keysborough and  
Noble Park



**Cr Roz Blades AM**  
Term as a councillor:  
1987–1994 (Springvale),  
1997–present  
Mayoral Terms: 1992  
(Springvale), 1998–99,  
2010–11, 2018–19



**Cr Tim Dark**  
Term as a councillor:  
2016–present



**Cr Heang Tak**  
Term as a councillor:  
2012–November 2018  
Mayoral Term:  
2015–2016



**Cr Sophie Tan**  
Term as a Councillor:  
January 2019–present

### RED GUM WARD

Suburbs: Dandenong,  
Dandenong South,  
Lyndhurst and Bangholme



**Cr Matthew Kirwan**  
Term as a councillor:  
2012–present



**Cr Angela Long**  
Term as a councillor:  
1997–2005 and  
2008–present  
Mayoral Terms:  
2000–01, 2012–13



**Cr Jim Memeti**  
Term as a councillor:  
2005–present  
Mayoral Terms:  
2009–10, 2013–14,  
2016–17

### SILVERLEAF WARD

Suburbs:  
Noble Park North and  
Dandenong North



**Cr Zaynoun Melhem**  
Term as a councillor:  
2016–present



**Cr Maria Sampey**  
Term as a councillor:  
2000–present  
Mayoral Term:  
2004–05

# Corporate Governance

## Governance

Greater Dandenong City Council 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 operational functions and duties to Council officers that will be undertaken in an accountable, efficient and effective manner.

## Code of Conduct – Councillors

Greater Dandenong City Council's Code of Conduct – Councillors sets out guidelines within which elected representatives must operate. It outlines behaviours and actions which 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 and is available online at [www.greaterdandenong.com](http://www.greaterdandenong.com)

## Council Meetings

Council conducts its business in open and publicly advertised meetings.

Council meetings are generally held on the second and fourth Monday of each month and commence at 7pm. All Council meetings are held in the Council Chamber at 225 Lonsdale Street, Dandenong unless otherwise notified.

Council's ordinary meetings are held to consider items such as planning permit applications, capital improvement works and programs, community service matters, road and traffic management, local laws, administration and financial issues.

Special meetings of Council may be called to deal with urgent matters. The Annual Statutory Meeting is held to elect the Mayor.

All Council meetings are conducted in accordance with Council's current Meeting Procedure Local Law.

During 2018–19, there were 22 ordinary meetings and one special meeting of Council (the Annual Statutory Meeting).

Listed below is the number of meetings attended by individual Councillors. (Note: Cr Heang Tak resigned on 26 November 2018, leaving an extraordinary vacancy which was filled by a countback conducted by the Victorian Electoral Commission on 8 January 2019. Sophie Tan was sworn in as a Councillor on 9 January 2019.)

| Councillors from 1 July 2018–30 June 2019 | Ordinary Meetings | Special Meetings |
|---|-------------------|------------------|
| <b>Number of Meetings Held</b>            | <b>22</b>         | <b>1</b>         |
| Cr Roz Blades AM                          | 20                | 1                |
| Cr Youhorn Chea                           | 20                | 1                |
| Cr Tim Dark                               | 19                | 0                |
| Cr Matthew Kirwan                         | 21                | 0                |
| Cr Angela Long                            | 16                | 1                |
| Cr Zaynoun Melhem                         | 18                | 1                |
| Cr Jim Memeti                             | 16                | 1                |
| Cr Sean O'Reilly                          | 21                | 1                |
| Cr Maria Sampey                           | 21                | 1                |
| Cr Heang Tak                              | 5                 | 0                |
| Cr Sophie Tan                             | 10                | 1                |
| Cr Loi Truong                             | 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 at [www.greaterdandenong.com/councilmeetings](http://www.greaterdandenong.com/councilmeetings)

During 2018–19, the average number of 'log-ins' to the live webcasts per ordinary Council meeting was 42 (a 55 per cent increase on 2017–18) with 30 'log-ins' recorded as an average against each archived (non-live) webcast of each ordinary Council meeting. Council is pleased with the results and will continue to webcast meetings.



## Councillor Allowances

### Mayoral Allowance

|                                   |  |
|-----------------------------------|--|
| 1 July 2018 –<br>30 November 2018 | \$96,534 (plus 9.50 per cent superannuation equivalent) with the use of a fully maintained vehicle |
| 1 December 2018 –<br>30 June 2019 | \$98,465 (plus 9.50 per cent superannuation equivalent) with the use of a fully maintained vehicle |

### Councillor's Allowance

|                                   |   |
|-----------------------------------|---|
| 1 July 2018 –<br>30 November 2018 | \$30,223 (plus 9.50 per cent superannuation equivalent) |
| 1 December 2018 –<br>30 June 2019 | \$30,827 (plus 9.50 per cent superannuation equivalent) |

## Councillor Support, Reimbursement and Accountability Policy

The *Councillor Support, Reimbursement and Accountability Policy* allows for the administrative support needed by Councillors to undertake their role and for the fair reimbursement of the costs associated with their role. The policy also provides for Mayoral and Councillors' attendances at Council meetings and councillor briefing sessions to be published online together with a record of Councillor expenses.

# Corporate Governance

## Councillor Expenses

In accordance with Section 75 of the *Local Government Act 1989* Council is required to reimburse a Councillor for expenses incurred whilst performing their duties as a Councillor. These expenses can be found on Council's website and are updated monthly. The expenses include information technology and communication, conferences and training, travel expenses, vehicle mileage, childcare, stationery and equipment and any other expenses claimed. The below table outlines the expenses incurred for the 2018–19 financial year.

| Councillor   | Information and Communication Technology <sup>#</sup> | Training & Conferences Expenses | Airfares (Travel Expenses) <sup>*</sup> | Taxi/Train Fares (Travel Expenses) <sup>*</sup> |
|--|---|---------------------------------|---|---|
| <b>Cr Roz Blades</b><br><i>Paperbark Ward</i>      | \$2,588.25  | \$5,945.87                      | \$527.30                                | \$277.36  |
| <b>Cr Youhorn Chea</b><br><i>Lightwood Ward</i>    | \$2,622.25  | \$5,701.27                      | \$1,671.37                              | \$711.24  |
| <b>Cr Tim Dark</b><br><i>Paperbark Ward</i>        | \$494.92  | \$1,216.27                      | \$805.96                                | \$0.00  |
| <b>Cr Matthew Kirwan</b><br><i>Red Gum Ward</i>    | \$2,673.25  | \$3,145.27                      | \$1,261.33                              | \$623.89  |
| <b>Cr Angela Long</b><br><i>Red Gum Ward</i>       | \$2,565.25  | \$2,106.27                      | \$1,229.34                              | \$47.40   |
| <b>Cr Zaynoun Melhem</b><br><i>Silverleaf Ward</i> | \$2,673.25  | \$227.27                        | \$0.00                                  | \$0.00  |
| <b>Cr Jim Memeti</b><br><i>Red Gum Ward</i>        | \$3,784.25  | \$227.27                        | \$0.00                                  | \$0.00  |
| <b>Cr Sean O'Reilly</b><br><i>Lightwood Ward</i>   | \$767.92  | \$1,666.27                      | \$571.80                                | \$99.06   |
| <b>Cr Maria Sampey</b><br><i>Silverleaf Ward</i>   | \$2,750.25  | \$227.27                        | \$0.00                                  | \$347.26  |
| <b>Cr Heang Tak</b><br><i>Paperbark Ward</i>       | \$2,226.25  | \$0.00                          | \$0.00                                  | \$0.00  |
| <b>Cr Sophie Tan</b><br><i>Paperbark Ward</i>      | \$930.92  | \$1,326.27                      | \$571.80                                | \$0.00  |
| <b>Cr Loi Truong</b><br><i>Lightwood Ward</i>      | \$930.92  | \$1,326.27                      | \$0.00                                  | \$0.00  |

*Cr Heang Tak resigned on 26 November 2018 and Cr Sophie Tan was sworn in on 9 January 2019.*

<sup>#</sup>*Councillors are provided with a range of information technology devices and compatible software to facilitate appropriate communication and business function for official Council purposes under the Councillor Support, Reimbursement and Accountability Policy. Mobile phone services are provided under corporate plans and a maximum allowance of \$100 per month of usage is provided for within the plans.*

<sup>^</sup>*These amounts include, but are not limited to, city link tolls, travel insurance and annual membership fees.*

<sup>\*</sup>*These may be inclusive of some Councillors' partners costs where applicable which are later reimbursed by Councillors.*

|  | Accommodation & Meals (Travel Expenses)* | Childcare | Car Mileage | Functions Attended* | Other^   | TOTAL       |
|--|--|-----------|-------------|---------------------|----------|-------------|
|  | \$983.80                                 | \$0.00    | \$852.29    | \$629.55            | \$12.00  | \$11,816.42 |
|  | \$2,667.41                               | \$0.00    | \$939.84    | \$795.14            | \$12.00  | \$15,120.52 |
|  | \$832.00                                 | \$0.00    | \$67.86     | \$930.55            | \$0.00   | \$4,347.56  |
|  | \$2,201.27                               | \$0.00    | \$0.00      | \$133.00            | \$601.67 | \$10,639.68 |
|  | \$1,095.93                               | \$0.00    | \$2,702.36  | \$466.84            | \$93.95  | \$10,307.34 |
|  | \$0.00                                   | \$0.00    | \$0.00      | \$634.00            | \$0.00   | \$3,534.52  |
|  | \$0.00                                   | \$0.00    | \$0.00      | \$225.00            | \$0.00   | \$4,236.52  |
|  | \$1,398.35                               | \$0.00    | \$503.70    | \$480.84            | \$35.95  | \$5,523.89  |
|  | \$0.00                                   | \$0.00    | \$2,647.68  | \$854.00            | \$0.00   | \$6,826.46  |
|  | \$0.00                                   | \$0.00    | \$0.00      | \$12.00             | \$0.00   | \$2,238.25  |
|  | \$873.80                                 | \$0.00    | \$0.00      | \$325.00            | \$12.00  | \$4,039.79  |
|  | \$0.00                                   | \$0.00    | \$0.00      | \$0.00              | \$0.00   | \$2,257.19  |

## Councillor Representation and Community Consultations

On 16 November 2017, Councillors were appointed as representatives of the following organisations, committees and reference groups that assist the Council and the community in the provision of services to the people of Greater Dandenong. New appointments were made on 15 November 2018:

### Community Organisations

| Organisation                                  | Past Councillor Liaison(s) 2017–18<br>16/11/2017–Nov 2018                                     | New Councillor Liaison(s) 2018–19<br>15/11/2018–Nov 2019                  |
|---|---|---|
| Dandenong and District Historical Society     | Cr Matthew Kirwan   | Cr Matthew Kirwan   |
| Dandenong Show Committee                      | Cr Roz Blades AM<br>Cr Matthew Kirwan<br>Cr Angela Long<br>Cr Zaynoun Melhem                  | Cr Matthew Kirwan<br>Cr Angela Long<br>Cr Zaynoun Melhem<br>Cr Jim Memeti |
| Greater Dandenong Interfaith Network          | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Jim Memeti  | Cr Roz Blades AM<br>Cr Youhorn Chea                                       |
| Noble Park Community Action Forum Inc (NPCAF) | Cr Roz Blades AM<br>Cr Heang Tak  | Cr Roz Blades AM  |
| Noble Park Community Centre                   | Cr Sean O'Reilly<br><i>(subject to confirmation by NPCC)</i>                                  | Cr Sean O'Reilly  |
| South East Community Links                    | Cr Youhorn Chea<br>Cr Matthew Kirwan<br>Cr Sean O'Reilly<br>Cr Heang Tak<br>Cr Loi Truong     | Cr Youhorn Chea<br>Cr Sean O'Reilly                                       |
| Springvale and District Historical Society    | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Matthew Kirwan<br>Cr Sean O'Reilly<br>Cr Loi Truong | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Matthew Kirwan<br>Cr Loi Truong |
| Springvale Benevolent Society                 | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Sean O'Reilly                                       | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Sean O'Reilly<br>Cr Loi Truong  |

## Council Groups and Committees

| Organisation                         | Past Council Representative(s) 2017–18<br>16/11/2017–Nov 2018   | New Council Representative(s) 2018–19<br>15/11/2018–Nov 2019  |
|--------------------------------------|---|---|
| Arts Advisory Board                  | Cr Matthew Kirwan   | Cr Matthew Kirwan   |
| Audit Advisory Committee (AAC)       | Mayor of the Day<br>Cr Roz Blades AM<br>Cr Matthew Kirwan<br>Cr Maria Sampey<br><br><i>(Note: The Mayor plus only one Councillor Representative has voting rights – who shall be determined by the AAC)</i> | Mayor of the Day<br>Cr Roz Blades AM<br>Cr Matthew Kirwan<br>Cr Maria Sampey<br><br><i>(Note: The Mayor plus only one Councillor Representative has voting rights – who shall be determined by the AAC)</i> |
| CEO Performance Review Committee     | Mayor of the Day<br>Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Matthew Kirwan<br>Cr Angela Long<br>Cr Jim Memeti<br>Cr Maria Sampey  | Mayor of the Day<br>Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Matthew Kirwan<br>Cr Angela Long<br>Cr Jim Memeti<br>Cr Maria Sampey  |
| Children and Family Partnership      | Cr Roz Blades AM<br>Cr Heang Tak  | Cr Roz Blades AM<br>Cr Matthew Kirwan<br>Cr Maria Sampey<br>Cr Loi Truong   |
| Community Safety Advisory Committee  | Mayor of the Day<br>Cr Roz Blades AM<br>Cr Matthew Kirwan<br>Cr Angela Long<br>Cr Maria Sampey<br>Cr Heang Tak<br>Cr Loi Truong   | Mayor of the Day<br>Cr Roz Blades AM<br>Cr Matthew Kirwan<br>Cr Angela Long<br>Cr Maria Sampey<br>Cr Loi Truong   |
| Cultural Heritage Advisory Committee | Cr Roz Blades AM<br>Cr Matthew Kirwan   | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Matthew Kirwan  |
| Dandenong Market Pty Ltd*            | Cr Maria Sampey<br>Alternate – Cr Matthew Kirwan  | Cr Maria Sampey<br>Alternate – Cr Matthew Kirwan  |
| Dandenong Stadium Advisory Board     | Cr Angela Long  | Cr Angela Long  |
| Disability Advisory Committee        | Cr Roz Blades AM<br>Cr Angela Long<br>Cr Zaynoun Melhem<br>Cr Maria Sampey  | Cr Roz Blades AM<br>Cr Angela Long<br>Cr Zaynoun Melhem<br>Cr Maria Sampey<br>Cr Loi Truong   |
| Family Violence Advisory Committee   | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Angela Long<br>Cr Heang Tak<br>Cr Loi Truong  | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Angela Long<br>Cr Loi Truong  |

# Corporate Governance

## Council Groups and Committees

| Organisation  | Past Council Representative(s) 2017-18<br>16/11/2017–Nov 2018   | New Council Representative(s) 2018-19<br>15/11/2018–Nov 2019   |
|---|---|--|
| Leisure Contract Advisory Group   | Cr Roz Blades AM<br>Cr Angela Long  | Cr Roz Blades AM<br>Cr Angela Long<br>Cr Loi Truong  |
| Multicultural and People Seeking Asylum Advisory Committee<br>(Added February 2019) |   | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Matthew Kirwan   |
| Positive Aging Advisory Committee   | Cr Roz Blades AM<br>Cr Maria Sampey<br>Cr Loi Truong  | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Maria Sampey<br>Cr Loi Truong  |
| Reconciliation Working Group  | Cr Matthew Kirwan<br>Cr Angela Long   | Cr Matthew Kirwan<br>Cr Angela Long  |
| Springvale Major Projects Advisory Group (SMPAG)                                    | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Matthew Kirwan<br>Cr Jim Memeti<br>Cr Sean O'Reilly<br>Cr Maria Sampey<br>Cr Heang Tak<br>Cr Loi Truong   | Cr Roz Blades AM<br>Cr Youhorn Chea<br>Cr Matthew Kirwan<br>Cr Jim Memeti<br>Cr Sean O'Reilly<br>Cr Maria Sampey<br>Cr Loi Truong    |
| Sustainability Reference Committee  | Cr Matthew Kirwan   | Cr Matthew Kirwan  |
| Taylors Road Landfill Community Reference Group <sup>#</sup>                        | Cr Angela Long<br>Alternate – Cr Matthew Kirwan   | Cr Angela Long<br>Alternate – Cr Matthew Kirwan  |
| Young Leaders   | Ambassador –<br>Cr Roz Blades AM<br>Ambassador – Cr Tim Dark<br>Ambassador –<br>Cr Matthew Kirwan<br>Ambassador –<br>Cr Sean O'Reilly<br>Ambassador –<br>Cr Zaynoun Melhem<br>Ambassador – Cr Heang Tak | Ambassador –<br>Cr Roz Blades AM<br>Ambassador –<br>Cr Zaynoun Melhem<br>Ambassador – Cr Jim Memeti<br>Ambassador – Cr Sean O'Reilly |

NB: \*The DMPL Management Services Agreement does not specifically require an 'alternate' Council representative. <sup>#</sup>denotes alternate councillor required when nominated councillor cannot attend a meeting.

## Peak Industry Bodies

| Organisation  | Past Council Representative(s) 2017–18<br>16/11/2017–Nov 2018 | New Council Representative(s) 2018–19<br>15/11/2018–Nov 2019 |
|---|---|--|
| Australian Local Government Women's Association (ALGWA)         | Cr Roz Blades AM  | Cr Roz Blades AM   |
| Municipal Association of Victoria (MAV) <sup>#</sup>            | Cr Sean O'Reilly<br>Alternate – Cr Youhorn Chea               | Cr Sean O'Reilly<br>Alternate – Cr Matthew Kirwan            |
| Municipal Association of Victoria (MAV) Multicultural Committee | Cr Roz Blades AM  | Cr Roz Blades AM<br>Cr Youhorn Chea                          |
| Victorian Local Governance Association (VLGA) <sup>#</sup>      | Cr Matthew Kirwan<br>Alternate – Cr Heang Tak                 | Cr Matthew Kirwan<br>Alternate – Cr Maria Sampey             |

## Regional Organisations and Committees

| Organisation   | Past Councillor Representative(s) 2017–18<br>16/11/2017–Nov 2018                 | New Councillor Representative(s) 2018–19<br>15/11/2018–Nov 2019 |
|--|--|---|
| Alliance for Gambling Reform   | Cr Matthew Kirwan<br>Cr Sean O'Reilly<br>Cr Heang Tak                            | Cr Matthew Kirwan<br>Cr Sean O'Reilly<br>Cr Maria Sampey        |
| Eastern Transport Coalition <sup>#</sup>   | Cr Roz Blades AM   | Cr Roz Blades AM<br>Cr Youhorn Chea                             |
| Inter Council Aboriginal Consultative Committee (ICACC)                                    | Cr Angela Long<br>Alternate - Cr Matthew Kirwan                                  | Cr Angela Long<br>Alternate – Cr Matthew Kirwan                 |
| Local Governments'/Metropolitan Waste Management Forum <sup>#</sup>                        | Cr Matthew Kirwan<br>Alternate 1 – Cr Heang Tak<br>Alternate 2 – Cr Youhorn Chea | Cr Matthew Kirwan<br>Alternate 1 – Cr Maria Sampey              |
| RoadSafe South East Inc.   | Cr Angela Long   | Cr Angela Long  |
| South East Councils Climate Change Alliance (SECCCA) Regional Councillor Forum (Quarterly) | Cr Matthew Kirwan  | Cr Youhorn Chea<br>Cr Matthew Kirwan                            |
| South East Region Gas Company (SERGASCo)   | Cr Matthew Kirwan  | Cr Matthew Kirwan   |
| Southern Metropolitan Partnership  | Mayor<br>CEO   | Mayor<br>CEO  |

NB: <sup>#</sup>denotes alternate councillor required when nominated councillor cannot attend a meeting.

## Councillor representatives

Councillor representatives participate as a member of these groups by representing Council's views and to inform Council of key issues related to these organisations/groups. They act as a reference point between the organisation/group and Council as a whole and provide advice to Council or the organisation/group when decisions or major policy matters are discussed. Councillor representatives are an essential or mandatory appointment where it is in Council's best interests to be engaged with the organisation, the organisation's constitution requires a Councillor representative or a Councillor or Council representative is a requirement of Council funding.

# Corporate Governance

## Councillor liaison

Councillor liaisons act as a liaison point between the organisation and Council as a whole and provide advice to Council or the organisation when decisions or relevant policy matters are discussed. Councillor liaisons will generally keep informed about the work and functions of the organisation and support the role of the organisation in accordance with Council policy or direction. If a Councillor chooses to stand as an office bearer of the organisation this is undertaken separately to the role of Councillor liaison. It is not essential for Council to be involved in these groups – Councillors are only involved when they have a particular interest and the time to participate.

## Advocacy

Council continued to build on its significant advocacy program this year, with a particular focus on the May 2019 Federal Government election. Key issues for this included the Keysborough South Community Hub, funding for aquatics centres, transport infrastructure and kindergarten funding.

General advocacy efforts again aimed to increase funding and levels of service for the city, raise awareness on critical issues facing the Greater Dandenong community, as well as build and foster key relationships with a number of external sources.

A dedicated advocacy page on Council's website provides an opportunity for members of the community to check on the current advocacy campaigns and get further information on Council's position and actions. This was updated regularly throughout the year.

Some of the key advocacy groups and activities that staff and Councillors have been involved in are listed below.

## Projects

Key advocacy projects for 2018–19 included the following:

- SRSS: a campaign run and a taskforce established against Federal Government changes to the eligibility criteria for the Status Resolution Support Services (SRSS) for people seeking asylum.
- Homelessness: Council signed onto the 'Everybody's Home Campaign', advocating for a better and fairer housing system for everyone.

- Team 11: support for the Cities of Greater Dandenong, Casey and Shire of Cardinia's combined efforts to make the south east home to a new A-League, W-League and National Youth League club under Football Federation Australia.
- Keysborough South Community Hub: capital funding for an integrated children's centre within a community hub, in close proximity to a new Keysborough South Primary school.
- Public transport: new bus services, particularly in Keysborough South and Dandenong South.
- Transport infrastructure: support for a range of critical road and rail network projects to improve access to and within the Dandenong South National Employment and Innovation Cluster.
- Greater Dandenong Gallery of Art: funding towards an exciting new initiative which would transform the Masonic Hall building in Central Dandenong into a state-of-the-art gallery and exhibition space.
- Kindergarten funding: continued funding for the provision of 15 hours of four-year-old kindergarten per week.
- Community safety: increased support and resources for initiatives to combat family violence and drug and alcohol misuse, as well as additional police resources.
- Gambling reform: a range of initiatives aimed at reducing the impact on Greater Dandenong residents, currently one of the highest areas for gaming losses in Victoria, and recommended amendments to the State Gambling Code of Conduct.
- Lyndhurst landfill: a commitment for the earliest possible closure of the Lyndhurst landfill site and a process of planning and policy development to address the matter of future land use and location of landfill sites.
- Waste and recycling: the allocation of a greater proportion of landfill levy funds from the State Government towards waste reduction, resource recovery programs, minimising dumped rubbish and recycling initiatives.
- Various local road improvement projects.

A full and detailed list of advocacy projects can be found at [www.greaterdandenong.com](http://www.greaterdandenong.com)

### Liaison with the following key groups:

- Australian Sports Commission
- Bicycle Network Victoria
- Committee for Dandenong
- Committee for Melbourne
- Community Chef – shared Meals on Wheels service
- Council Alliance for a Sustainable Built Environment (CASBE)
- Development Victoria
- Eastern Transport Coalition
- Eastern Treatment Plant Community Liaison Committee
- Federal Government Ministers and departments
- Level Crossing Removal Authority (LXRA)
- Melbourne Water
- Metropolitan Planning Authority (MPA)
- Metropolitan Waste and Resource Recovery Group (MWRRG)
- Migrant Resource Centres
- Municipal Association of Victoria (MAV)
- National Broadband Network Company
- Parks Victoria
- Port Phillip and Westernport Catchment Management Authority (PPWCMA)
- Public Transport Victoria
- Regional Development Australia (RDA)
- Regional Management Forums
- South East Community Links Inc
- Southern and Eastern Integrated Transport Authority (SEITA)
- South East Councils Climate Change Alliance (SECCCA)
- South East Integrated Water Management Group
- South East Melbourne – group of seven south east Councils
- South East Melbourne Manufacturers Alliance (SEMMA)
- South East Water
- Sport and Recreation Victoria
- Sport associations such as AFL, Victorian Football Federation, Cricket Vic, Softball Vic, Tennis Vic and Vic Sport
- State Government Ministers and departments
- Taylors Road Landfill Community Reference Group
- Vic Health
- Vic Roads
- Victorian Multicultural Commission
- Victoria Police
- Water Sensitive Cities Steering Committee.

### Audit Advisory Committee

Council must establish an Audit Advisory Committee under section 139 of the *Local Government Act 1989*. It is an independent advisory committee to Council with the primary objective of assisting Council in the effective and efficient management of its responsibilities for financial reporting, risk and Council's internal and external audit functions.

As part of Council's governance obligations to its community, Council has constituted an Audit Advisory Committee Charter which guides Council to:

- enhance the credibility and objectivity of internal and external financial reporting;
- effectively manage financial and other risks and protect Council assets;
- comply with laws and regulations as well as use best practice guidelines;
- implement an effective and thorough internal audit function;
- provide an effective means of communication between the external auditor, internal auditor, management and Council; and
- ensure the organisation has a sound internal control framework, including policies and procedures as they apply to financial management and all other facets of the business.

# Corporate Governance

The members of the Audit Advisory Committee for 2018–19 were as follows:

## Audit Advisory Committee

| Members   |                        |
|---|------------------------|
| Mr David Ashmore<br>1 July 2018 – 30 June 2019      | Chair                  |
| Cr Youhorn Chea<br>1 July 2018 – 15 November 2018   | Mayoral representative |
| Cr Roz Blades AM<br>15 November 2018 – 30 June 2019 | Mayoral representative |
| Cr Matthew Kirwan<br>1 July 2018 – 30 June 2019     | Council representative |
| Cr Maria Sampey<br>1 July 2018 – 30 June 2019       | Council representative |
| Mr Mick Ulbrick<br>1 July 2018 – 30 June 2019       | External member        |
| Mr Geoff Harry<br>1 July 2018 – 30 June 2019        | External member        |
| CEO   | Non-voting             |
| Director Corporate Services                         | Non-voting             |
| Manager Finance and IT                              | Non-voting             |

*NB: Only two Councillors have voting rights if three Councillors are in attendance at a meeting.*

The Audit Advisory Committee met on four occasions during 2018–19. Matters considered included:

- financial and performance statements;
- the Auditor General’s Audit Strategy;
- Council’s internal audit plan;
- Council’s Long-Term Financial Strategy; and
- Council’s Risk Management Strategy.

Sitting fees for external members of the Audit Advisory Committee for 2018–19 were set by Council (on 9 October 2017) as follows:

|         |  |
|---------|--|
| Chair   | \$1,750 per meeting (exclusive of GST) |
| Members | \$1,500 per meeting (exclusive of GST) |

## S86 Committees (under the *Local Government Act 1989*)

Greater Dandenong City Council was involved in one Section 86 Special Committee meeting on 18 August 2019 in relation to Team 11 activities. Council’s delegate, the Chief Executive Officer, attended this meeting along with delegates from the Cardinia Shire Council and Casey City Council.

## Protected Disclosure Act 2012

The *Protected Disclosure Act 2012* encourages and facilitates the disclosure of improper conduct by employees, staff, officers or Councillors. The Act also provides protection for persons making disclosures who may suffer reprisals as a result of their actions.

Greater Dandenong City Council 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 protected disclosures and are fully documented on Council’s internet and intranet sites. A printed copy can also be obtained on request from Council’s customer service centres and libraries.

### Protected Disclosure Coordinator:

Mick Jaensch – Director Corporate Services

### Protected Disclosure Officers:

Anthony Camillo – Manager People and Procurement Services

Lisa Roberts – Manager Governance

|   |   |
|---|---|
| Number and types of disclosures made to Council as a public body  | 2 |
| Number of disclosures referred to the Independent Broad-Based Anti-Corruption Commission (IBAC) for determination as to whether they were protected disclosures | 1 |
| Number and types of disclosed matters referred to the public body by IBAC for investigation   | 0 |
| Number and types of disclosed matters referred by the public body to IBAC for investigation   | 0 |
| Number of protected disclosures that were substantiated (in part) upon investigation, and the action still pending  | 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* (The Act).

During the financial year 16 FOI requests were received, all of which were considered valid and reportable. Four were outstanding and actioned from the previous year.

The table below outlines the results of those requests:

|  | 2018–19  |
|--|----------|
| Total number of requests                     | 16       |
| Access granted in full                       | 12       |
| Access granted in part                       | 1        |
| Other*                                       | 3        |
| Access denied in full                        | 0        |
| Requests still under consideration           | 0        |
| Number of internal reviews sought            | 0        |
| Number of appeals lodged with VCAT           | 0        |
| Number of requests transferred/<br>withdrawn | 3        |
| Total fees and charges collected             | \$883.55 |

\*includes requests that are not finalised/not proceeded with or documents were provided outside the Act

Information available for inspection (as required under Part 5, Section 12 of the *Local Government (General) Regulations 2015*) includes:

- (a) a document containing details of overseas or interstate travel (other than interstate travel by land for less than 3 days) undertaken in an official capacity by any Councillor or member of Council staff in the previous 12 months, including:
- the name of the Councillor or member of Council staff; and
  - the dates on which the travel began and ended; and
  - the destination of the travel; and (iv) the purpose of the travel; and
  - the total cost to the Council of the travel, including accommodation costs;
- (b) the agendas for, and minutes of, ordinary and special meetings held in the previous 12 months which are kept under section 93 of the Act, other than those agendas and minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act;
- (c) the minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months, other than those minutes relating to a part of a meeting which was closed to members of the public under section 89 of the Act and are confidential information within the meaning of section 77(2) of the Act;
- (d) a register of delegations kept under sections 87(1) and 98(4) of the Act, including the date on which the last review took place under sections 86(6) and 98(6), respectively, of the Act;
- (e) a document containing details of all leases involving land which were entered into by the Council as lessor, including the lessee and the terms and the value of the lease;
- (f) a register maintained under section 224(1A) of the Act of authorised officers appointed under that section;
- (g) a list of donations and grants made by the Council in the previous 12 months, including the names of persons who, or bodies which, have received a donation or grant and the amount of each donation or grant.

To inspect any of the above information, please contact Council's Governance Unit via (03) 8571 1000.

Governance staff ensure Council processes are open and transparent and comply with all relevant legislation.



## Municipal Emergency Management

Council has a statutory obligation under the *Emergency Management Act 1986 and 2013* to plan for and assist the community in the mitigation, planning, preparing for, responding to and recovering from emergency incidents.

A number of statewide reviews and changes are currently underway in the emergency management sector within Victoria resulting in an increased requirement on local governments across the state.

These changes will continue for several years before they come into effect with progressive changes in the role of, and costs to, Council in relation to emergency management.

A number of changes already implemented include:

- a restructure and rewrite of the Greater Dandenong Municipal Emergency Management Plan with a focus on building community resilience testing, exercising and improving protocols in partnership with Victoria Police, CFA, SES, Department of Health and Human Services and other agencies and community services.
- collaborating with neighbouring municipalities and non-government agencies in developing a range of community resilience building materials including a booklet, videos and a website.

## Achievements in 2018–19

- Completion and submission of the Councils and Emergencies Project Phase Two for Local Government Victoria.
- Implementation of a new Municipal Emergency Management Plan.
- Successful compliance of a legislative audit with a number of local innovations to be shared at the State level.
- Council participated in multi-agency emergency management exercises to observe other practices and to enhance knowledge and capability.
- Council provided representation at the regional and state Emergency Management Leader forums and workshops.
- Work continued with other southern metropolitan municipalities on numerous metropolitan council working groups in developing standard protocols and procedures for a common operating platform to assist communities.

## Governance and Management Checklist

| Governance and Management Items  | Assessment   |
|--|--|
| 1. Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)  | Current policy in operation<br>Date of adoption: 09/04/18  |
| 2. Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)   | Current guidelines in operation<br>Date of adoption: 30/06/19  |
| 3. Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources for at least the next 4 financial years)   | Plan adopted in accordance with section 126 of the Act<br>Date of adoption: 11/06/19   |
| 4. Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other sources required)         | Budget adopted in accordance with section 130 of the Act<br>Date of adoption: 11/06/19   |
| 5. Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)   | Current plans in operation<br>Dates of adoption:<br>Road AMP – 01/05/15<br>Buildings and Facilities AMP – 31/07/15<br>Stormwater Drainage AMP – 01/08/15 |
| 6. Rating strategy (setting out the rating structure of Council to levy rates and charges)   | Current strategy in operation<br>Date of adoption: 27/06/16  |
| 7. Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)  | Current policy in operation<br>Date of adoption: 27/01/15  |
| 8. Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)   | Current policy in adoption<br>Date of adoption: 24/07/17   |
| 9. Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)   | Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i><br>Date of preparation: 15/02/18                       |
| 10. Procurement policy (policy under section 186a of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works) | Prepared and approved in accordance with section 186a of the <i>Local Government Act 1989</i><br>Date of approval: 10/07/17                              |
| 11. Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)   | Current plan in operation<br>Date of adoption: 08/08/18  |
| 12. Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)  | Current plan in operation<br>Date of adoption:<br>15/02/18 (Municipal Emergency Management Plan)<br>09/05/19 (IT Disaster Recovery Plan)                 |

# Corporate Governance

## Governance and Management Checklist (*continued*)

| Governance and Management Items  | Assessment   |
|--|--|
| 13. Risk management framework (framework outlining Council's approach to managing risks to Council's operations)   | Current framework in operation<br>Date of adoption: 27/01/15   |
| 14. Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements) | Committee established in accordance with section 139 of the Act<br>Date of establishment: 08/07/96   |
| 15. Internal audit (independent accounting professionals engaged by Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)   | Internal auditor engaged<br>Date of engagement of current provider: 01/10/09   |
| 16. Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)  | Current framework in operation<br>Date of adoption: 01/07/14   |
| 17. Council plan reporting (report reviewing the performance of Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)   | Reports prepared and presented<br>Date of reports:<br>Q4 (2017–18) – 27/08/18<br>Q1 – 26/11/18<br>Q2 – 11/02/19<br>Q3 – 27/05/19   |
| 18. Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)  | Statements presented to Council in accordance with section 138(1) of the Act<br>Date statements presented:<br>Q4 (2017–18) – 10/09/18<br>Q1 – 26/11/18<br>Q2 – 11/02/19<br>Q3 – 27/05/19   |
| 19. Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)   | Reports prepared and presented<br>Date of reports:<br>31/08/18<br>07/12/18<br>08/03/19<br>14/06/19   |
| 20. Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)  | Reports prepared and presented<br>Date of reports:<br>Q4 (2017–18): 27/08/18 (Council Plan Indicators), 10/09/18 (Financial Statements)<br>Q1 – 26/11/18<br>Q2 – 11/02/19<br>Q3 – 27/05/19 |

### Governance and Management Checklist (*continued*)

| Governance and Management Items  | Assessment  |
|--|---|
| 21. Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial and performance statements) | Considered at a meeting of Council in accordance with section 234 of the Act<br>Date statements presented: 08/10/18   |
| 22. Councillor Code of Conduct (Code under section 76c of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)         | Reviewed in accordance with section 76c of the Act<br>Date of review: 13/02/17  |
| 23. Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)                | Delegations reviewed in accordance with section 98(6) of the Act<br>Date of review:<br>Council to CEO – 11/05/09<br>Council to Staff – 23/10/17<br>CEO to Staff – 01/08/18<br>Financial Delegation to Staff – 20/11/17<br>Delegations by the CEO for VicSmart applications – 05/12/17 |
| 24. Meeting procedure (a local law governing the conduct of meetings of Council and special committees)  | Meeting procedure local law made in accordance with section 91(1) of the Act<br>Date local law made: 24/06/13   |





Our Organisation

# Our Organisation

## Council



**Chief Executive Officer**  
**John Bennie PSM**



### Community Services

**Director – Martin Fidler**

- Community Arts, Culture and Libraries
- Community Care
- Community Development, Sport and Recreation
- Community Wellbeing

\*The Community Wellbeing department was restructured and some services were moved to the newly created Community Development, Sport and Recreation department.



### Corporate Services

**Director – Mick Jaensch**

- Customer Service and Civic and Community Facilities
- Financial Services
- Governance and Commercial Property
- Information Technology
- Media and Communications
- People and Procurement Services



### City Planning, Design and Amenity

**Director – Jody Bosman**

- Building Services
- Planning and Design
- Regulatory Services



### Engineering Services

**Director – Julie Reid**

- City Improvement Services
- Infrastructure Services and Planning
- Transport and Civil Development



### Greater Dandenong Business

**Group Manager – Paul Kearsley**

- Activity Centre Revitalisation
- Economic Development
- South East Business Networks

## Our Staff

Council achievements for this financial year included:

- Ongoing development and implementation of a Family Violence and Gender Equity action plan.
- Completion of negotiations for a new four year Enterprise Agreement determining staff conditions of employment.
- Ongoing promotion of the Reward and Recognition program “SHINE” for employees.
- Target of 50 per cent compliance achieved towards the National Audit Tool standards as required to be part of the newly introduced MAV Self Insurance Scheme for Workcover.
- Successful achievement of reaccreditation as a White Ribbon Workplace.
- Implementation of a new Learning Management System.
- Significant progress in implementing a new online Performance Management System for staff.
- Completion of the rollout of the Appropriate Workplace Behaviours Policy training program to all staff.
- Implementation of a new employee engagement survey.

### Enterprise Agreement

The largest piece in Council’s industrial matters landscape is the Agreement which was completed for the first time under a rate capped environment. The Agreement was approved by the Fair Work Commission in March 2019 and will expire in June 2022.

### Equal Employment Opportunity (EEO)

Council continued to support and uphold EEO principles and practices. Staff undergo initial EEO training as part of Council’s induction process and refresher training every three years. In 2018–19 53 staff undertook training.

## Gender Equity

Council is a champion of actioning gender equity, saying NO to violence against women and all forms of family violence. This incorporates the extensive work undertaken to gain reaccreditation with White Ribbon Australia including hosting the White Ribbon Walk against Family Violence held annually in November which grows in community participation each year.

Council hosts a “Step Up” program for staff with a focus on developing women’s leadership. Guest speakers present to staff quarterly on contemporary topics.

### Staff Giving Scheme

Council employees continued to elect to make regular donations to agencies within the municipality under the Staff Giving Scheme. Ten local organisations have benefited from this ongoing program which is administered via Payroll. The Staff Giving Committee also reviewed ways in which Council can continue to increase staff participation in this program. In 2018–19 Council staff donated a total of \$25,277 to local agencies.

### Employee Development

Council remains committed to staff development, including current and upcoming leaders within the organisation. Council’s training blends formal training and development opportunities with on-the-job experiences via secondments and acting in different roles. This includes participation in the annual Inter-Council Leadership Challenge organised by the Local Government Managers of Australia (LGMA) and tapping into industry based management development programs including the LGPro Ignite, Mastering Management, Emerging Leaders and Executive Leadership programs. Internal programs including professional writing, recruitment and behavioural interviewing skills, presentation skills and conducting effective performance reviews were also offered during the year.

# GREATER DANDENONG AN ORGANISATION OF EXCEPTIONAL CHARACTER



- We **respect** and care about our community, each other and ourselves.
- We act with **integrity** at all times and in all matters.
- We take time to **listen** to and seek to understand the other point of view.
- We strive to understand and respect the **diversity** of our community and our workplace.
- We understand **our role** in the community and **respect** the responsibility that comes with it.



- We **listen** to our community and respond.
- We **work together** with our community and each other, to achieve the best outcome.
- We have the **confidence** to **challenge** the status quo, to reach for better outcomes.
- We are **action-oriented** in identifying and responding to new challenges.



- We are **proud** of our city, our community and our achievements.
- We spend our time and effort on **solutions** rather than looking for someone to blame.
- We take **responsibility** for our actions.



- We care about getting the best outcomes.
- We constantly ask: **What's the future and what's possible?**
- We have the **courage** to try new ideas.
- We strive for **excellence** in everything we do.



- We tell the **truth**, even when we know people may not want to hear it.
- We form our opinions and give advice from sound, **evidence based** research.
- We act with humility and apply the **highest standards** of ethical behavior to everything we do.

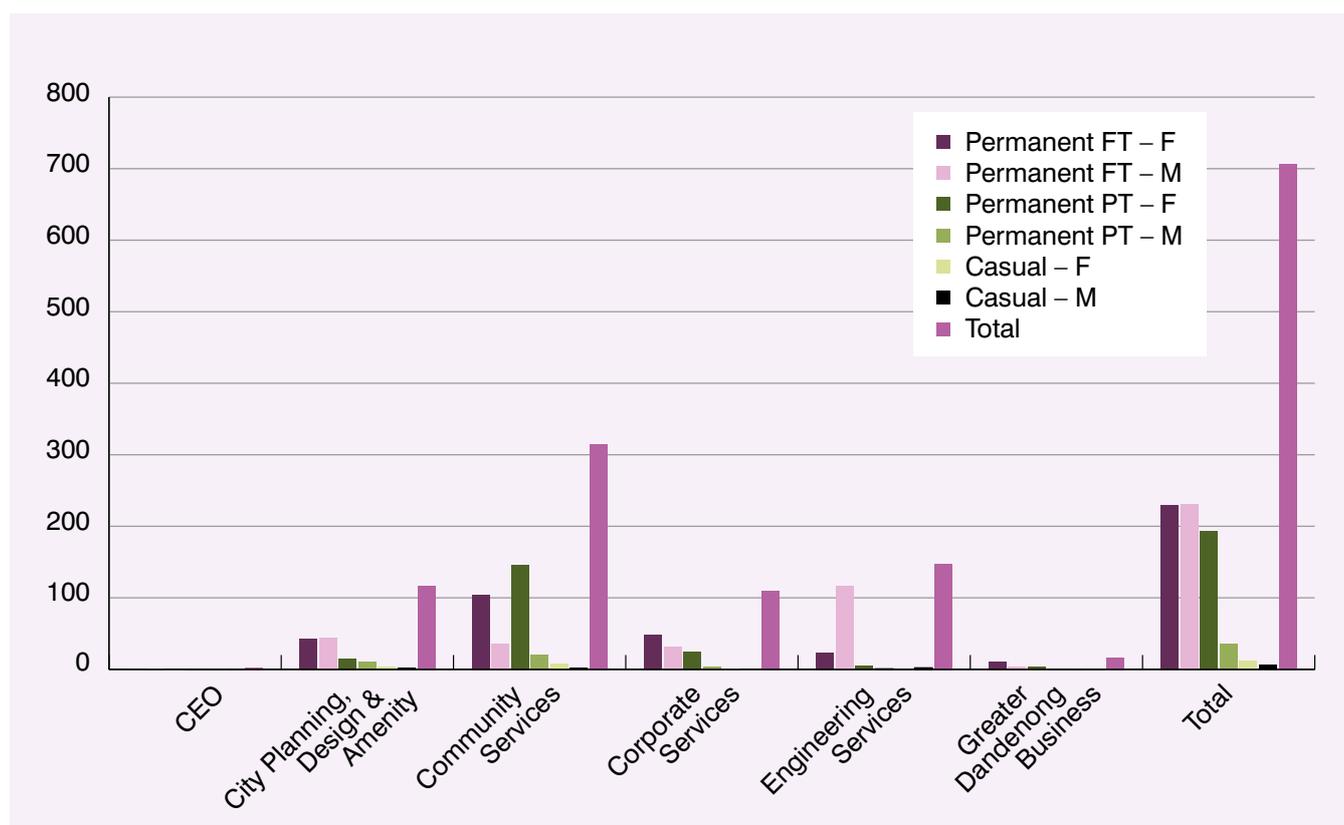


### Service Milestones

116 staff achieved service milestones for reaching 5, 10, 20, 30, and 40 years' service and received recognition for their achievement and contribution to Council.

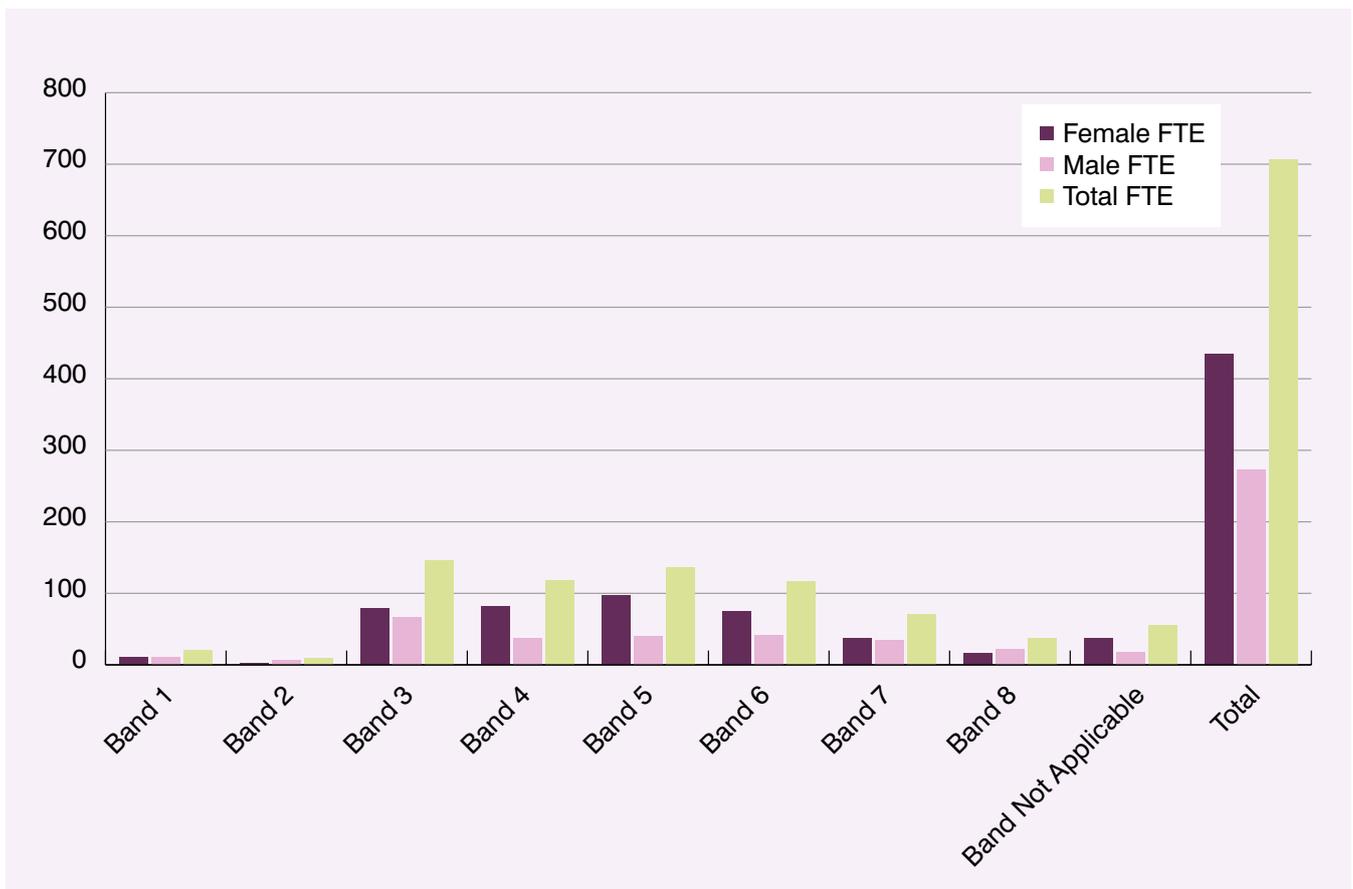
### Council Staff – Full Time Equivalent (FTE)

| Employment Type/ FTE Gender | CEO      | City Planning, Design & Amenity | Community Services | Corporate Services | Engineering Services | Greater Dandenong Business | TOTAL         |
|-----------------------------|----------|---------------------------------|--------------------|--------------------|----------------------|----------------------------|---------------|
| Permanent FT – F            | 1        | 43                              | 104                | 48                 | 23                   | 10                         | 229           |
| Permanent FT – M            | 1        | 44                              | 35                 | 32                 | 116                  | 3                          | 231           |
| Permanent PT – F            | 0        | 14.84                           | 145.85             | 24.45              | 5.27                 | 3.22                       | 193.63        |
| Permanent PT – M            | 0        | 10.7                            | 20.18              | 3.63               | 0.75                 | 0                          | 35.26         |
| Casual – F                  | 0        | 2.93                            | 7.71               | 0.85               | 0                    | 0                          | 11.49         |
| Casual – M                  | 0        | 1.53                            | 1.8                | 0.52               | 2.13                 | 0                          | 5.98          |
| <b>Total</b>                | <b>2</b> | <b>117</b>                      | <b>314.54</b>      | <b>109.45</b>      | <b>147.15</b>        | <b>16.22</b>               | <b>706.36</b> |



# Our Organisation

| Employment Classification | Female FTE    | Male FTE      | Total FTE     |
|---------------------------|---------------|---------------|---------------|
| Band 1                    | 9.9           | 10.98         | 20.88         |
| Band 2                    | 2.71          | 6             | 8.71          |
| Band 3                    | 79.05         | 66.28         | 145.33        |
| Band 4                    | 81.48         | 36.61         | 118.09        |
| Band 5                    | 96.43         | 39.18         | 135.61        |
| Band 6                    | 75.29         | 40.65         | 115.94        |
| Band 7                    | 36.92         | 33.55         | 70.48         |
| Band 8                    | 15.75         | 21            | 36.75         |
| Band Not Applicable       | 36.58         | 18            | 54.58         |
| <b>Total</b>              | <b>434.11</b> | <b>272.25</b> | <b>706.36</b> |



## Training

### Appropriate Workplace Behaviours

Staff in all business units have participated in training and been provided with supporting resources which facilitate faster and more effective resolution of workplace issues. The Appropriate Workplace Behaviours Policy is promoted via Council's intranet. Further training will be provided in Cooperative Conversations to enhance staff skills and capability to handle conflict, interpersonal communication and improve workplace relationships.

### Digital Transformation

#### *Digital Strategy*

Employee processes and experiences are being enhanced and streamlined through the selection and implementation of cost effective digital solutions. In 2018–19 this included:

- Introduction of the learning and performance modules to create efficiencies and enhance compliance
- Expanding elearning programs to staff
- Roll-out of a new online employee engagement survey
- Launch of a refreshed reward and recognition software program.

### Family violence prevention initiatives

Council is committed to the prevention of family violence both within the community and for any staff who may be experiencing this themselves. Council maintains a network of staff voluntarily taking on the role of Family Violence Contact Officers. These officers provide support and referral to appropriate services for Council employees.

Council conducted a Walk Against Family Violence in November 2018 with more than 700 people attending the event. The event will be run for the seventh year in 2019 and is aimed at raising awareness in the community. Importantly Council was successful in its efforts to be reaccredited as a White Ribbon Workplace.

## Organisational Development Strategic Plan

Council's Strategic People Plan continued to be implemented providing a roadmap for our people initiatives over the coming one, three and five year periods. Initiatives focus on areas including cultural change, engagement, wellbeing, attraction and retention, and leadership development. This strategy will be reviewed over the next 12 months.

### Staff reward and recognition program

Council's customised reward and recognition scheme is online and internally promoted as a way to thank and recognise work colleagues who perform above and beyond their role. The online program encourages staff to recognise each other for outstanding achievements. The following were awarded throughout the year:

- 132 REACH awards
- Six Rise Above awards
- 857 appreciation eCards.

Greater Dandenong's reward and recognition activities remain contemporary and best practice across Local Government. The system will continue to be developed and promoted to maximise staff engagement across the organisation.

### Complaints and grievances

Complaints and grievance numbers continue to remain low. There were seven complaints received by Council which required investigation. Resolution processes have been implemented and are progressing. No formal staff grievances were lodged.

# Our Organisation

## 2018–19 Organisational Development Achievements

- Enterprise Agreement negotiations completed
- Digital transformation of employee engagement and transactions
- Gender equity action plan focus
- Appropriate Workplace Behaviours training completed
- A focus on embracing diversity in the workplace.

## The Year Ahead

- Maximise uptake of new people management software (Learning and Performance modules)
- Enhance the use and analysis of the staff engagement survey across the organisation
- Continue to focus on gender equity with the White Ribbon Workplace Accreditation Action Plan.

## Health and Safety

### Absenteeism

The Lost Time Injury Frequency Rate as at June 2019 was 21 compared to the June 2018 total of 31 – a decrease of 32 per cent.

A total of 1,162 days were lost as a result of injury or illness during the 2018-19 financial year. This compares to a total of 1,455 days for the previous financial year – a decrease of 25 per cent.

A total of 26 Lost Time Injuries were recorded in the 2018-19 financial year compared to 28 for the 2017–18 financial year, a decrease of 7 per cent.

These figures include days lost from injuries/illnesses sustained in previous financial years.

### Health and Safety Policy

The City of Greater Dandenong is committed to achieving, so far as is practicable, a working environment that is safe and without risks to health. Council has a Safety Management System that establishes our corporate expectations for progressing us towards our Council vision that Greater Dandenong is a safe and vibrant city of opportunity for all – to visit, work, live and play.

Personal commitment and active involvement by all management and staff is essential to establish and maintain a safe and healthy working environment.

## Occupational Health and Safety Management System (OHSMS)

Council's OHSMS is undergoing a significant review process to ensure it complies with the WorkCover Self Insurance requirements. These stringent requirements are detailed in the National Audit Tool (NAT) which Council will be audited against annually as progress is made towards self insurance..

Council successfully developed and implemented 50 per cent of the NAT elements by November 2018, which is in line with the MAV WorkCare three year OHS Improvement Program. Further significant progress has continued in 2019.

A dedicated OHS portal has been established on the Council intranet which provides easy access to all policies, standards, and procedures in one location plus links to both internal and external OHS and Risk resources.

### MAV Self Insurance Scheme for Workcover

Greater Dandenong is one of 31 Councils who have committed to be part of a new industry based scheme for Workcover. The new scheme which came into effect in November 2017 is designed to provide greater scope for participating Councils to prevent injuries occurring and improve return to performance, in turn reducing Workcover premiums.

A requirement of participating in the scheme is that organisational OHS management systems are required to be 100 per cent compliant with the National Audit Tool (NAT) over a three year period. While this is an aspirational target, this is a very high standard guiding policy and procedure development which will further improve attention and focus on health and wellbeing and overall OHS performance. Council has embraced the challenge to achieve 100 per cent NAT conformance by November 2020.

### Health and Wellbeing

Council has managed to sustain participation in its health and wellbeing program FLARE (Flourishing, Lively, Active, Restored Employees). Staff attended a range of programs including sun-smart programs and mindfulness workshops.

Back Safe manual handling sessions were held for various departments over a number of months and emergency first aid scenarios were undertaken for designated first aiders to reinforce the protocols and procedures when dealing with an emergency.



### Achievements

- A program of activities was developed to support health and wellbeing under the banners of physical exercise, mental health and wellbeing.
- The automated system for the recording of hazards and incidents was embedded into the business and is used to identify trends in incident data to prevent a reoccurrence.
- The target of 50 per cent compliance was achieved with the NAT as set by the MAV as part of the Self Insurance scheme for WorkCover.

### The Year Ahead

- Council will continue to implement the OHS Management System in line with the NAT in accordance with the three year program set by MAV/JLT. Council was assessed as 50 per cent compliant to NAT by October 2018. It is expected that Council will achieve 75 per cent compliance by October 2019 and 100 per cent compliance by October 2020.
- With the release of *AS/NZS ISO 45001:2018 Occupational health and safety management systems – Requirements with guidance for use* in October 2018, Council is also reviewing our OHSMS against the more contemporary standard to ensure best fit for our present and future organisational needs. This will be done concurrently as Council continues to progress with the OHSMS development that forms part of the MAV WorkCare three year improvement program and incorporate a review against AS/NZS ISO 45001 in all future development or review of OHS procedures.
- To ensure clear connection between OHS management and Council's 'Imagine 2030' Strategy and the Council Plan 2017–21, the 'ZERO Harm' safety vision will be replaced by the overall Council vision and REACH values which have very strong connections to safety, health and wellbeing.
- An internal audit program will be launched in partnership with the City of Casey and Cardinia Shire Council.
- A comprehensive Safety, Health and Wellbeing Leadership Development Program will be developed and launched in the next financial year. The program will focus on contemporary OHS leadership that centres on establishing and maintaining strong personal and role relationships amongst leaders and work teams and fosters high employee engagement.
- An initiative to develop OHS Hazard and Risk Registers for the organisation will be launched targeting the identified highest risk areas first and then working through the rest of the organisation.
- An organisation wide training needs analysis will commence based on the results of OHS Hazard and Risk Registers with training programmed and delivered accordingly.
- Better purchasing controls will be put in place to ensure OHS risks are considered prior to purchase.

# Our Organisation



## Asset Management

The City of Greater Dandenong recognises the importance of, and is committed to, improving asset management in accordance with the National Asset Management Assessment Framework (NAMAF). This includes updating information, expanding knowledge and applying the latest tried and tested technology.

Asset Management is the combination of management, financial, economic and engineering philosophy and other practices applied to physical assets. The objective is to provide the required level of service in the most cost effective manner. The notion of cost effectiveness is one that is applied to the minimum whole of lifecycle cost.

Council has an Asset Management unit, an Asset Data and GIS team and a Services and Assets Management steering group. The steering group oversees the development of asset management policy and strategy, implementation, monitoring and the continuous improvement of asset management projects. These are supported by an asset management system and processes. Council uses the NAMAF to conduct moderated self-assessments and identify improvements.

Council has an Asset Management Strategy which forms a major component of Council's Corporate Risk Management Framework for the strategic and operational management of infrastructure assets. A Road Management Plan (RMP) has been adopted by Council in accordance with the *Road Management Act 2004* and defines levels of service delivery for roads.

### Planning

Asset Management Plans for roads (including paths and bridges), drainage, facilities and buildings have been developed. Plans are reviewed annually to accommodate budgetary limitations, enhanced service planning and financial sustainability considerations. Asset Management Plans for multimedia and broadcast assets, playgrounds, public lighting, public art, sports fields and safety barriers are currently under development. A review timetable is in place to ensure that these plans remain current and relevant.

### Information

Council is consolidating all asset information into a corporate register to enable whole of life cycle asset management. A sustainable data capture and condition assessment program has been implemented to meet asset management requirements. This system will also be supported by a Works Management System which will capture all works and maintenance completed on our assets.

### Knowledge

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

Optimised decision making systems are in place to ensure that Greater Dandenong's infrastructure asset renewal and upgrade programs reflect industry best practice, defined service levels and minimum 'whole of life cycle' costs.

### Technology

Council has recently approved an update to the Asset Management System, which will improve the data capture, record keeping and predictive modelling processes across the organisation.

# Our Organisation



## City Improvement Program

The City Improvement Program (CIP) is Council's ongoing program for the renewal, upgrade, expansion and creation of assets including, but not limited to, buildings, roads, stormwater drainage, parks, artwork, websites and library books. It consists of programs driven by Council's asset management plans and strategies, major projects (such as the Springvale Community Precinct redevelopment) and community initiated requests.

The yearly CIP budget is determined within Council's annual budget formulation process and the size of this budget depends on the funds available relative to other Council commitments.

Once the budget is approved, the majority of projects are planned, designed and delivered by 30 June each year. The Services and Assets Steering Committee appointed by the Executive Management Team provides strategic oversight of the program.

In 2018–19, Council invested \$53.57 million in capital expenditure across a variety of assets as shown on the adjacent City Improvement Program chart.

2018–19 City Improvement Program Expenditure



- Plant and Equipment
- Property
- Infrastructure

## Project Highlights

| Asset Class                               | Project   |
|---|---|
| <b>Property</b>                           |   |
| <b>Buildings</b>                          | <ul style="list-style-type: none"> <li>• Completion of significant upgrade works at the Dandenong Market site including back of house cool rooms and utility upgrades.</li> <li>• Public toilet redevelopments at Dandenong Park and the Thomas Street car park.</li> <li>• Completion of the annual building renewal program delivering upgrades across several Council owned buildings.</li> <li>• Completion of Springvale Community Precinct first half of Stage Two (which incorporates the library and open space).</li> <li>• Completion and formal opening of the Yarraman Oaks early learning facility.</li> </ul> |
| <b>Plant and Equipment</b>                |   |
| <b>Library Books</b>                      | <ul style="list-style-type: none"> <li>• Continuation of the renewal of Council's library books and resources.</li> </ul>   |
| <b>Plant, Machinery and Equipment</b>     | <ul style="list-style-type: none"> <li>• Ongoing renewal of Council's extensive fleet which supports operations and services across the municipality, including replacement of Council's heavy plant and motor vehicles.</li> </ul>   |
| <b>Infrastructure</b>                     |   |
| <b>Drainage</b>                           | <ul style="list-style-type: none"> <li>• Completion of a number of renewal and upgrade projects including major flood mitigation works near Cleeland Street, Dandenong.</li> </ul>  |
| <b>Parks, Open Space and Streetscapes</b> | <ul style="list-style-type: none"> <li>• Construction of sound stage, active sports play areas, paths and lighting for Dandenong Park as part of the master plan.</li> <li>• Tatterson Park master plan works including access roads and car parks.</li> <li>• A number of lighting, landscape and open space projects completed across Council reserves including Greaves Reserve tennis courts, Walker Street streetscape and Parkfield Reserve.</li> </ul>   |
| <b>Roads</b>                              | <ul style="list-style-type: none"> <li>• Road resurfacing and rehabilitation program, partially funded by the Commonwealth Government Roads to Recovery Program, delivered throughout the municipality.</li> <li>• Road safety improvements delivered under Council's Local Area Traffic Management Program and the Federal Blackspot Program such as the traffic signals at the intersection of Scott and Thomas streets.</li> </ul>   |

## Service Improvement Process

### Corporate planning and service reviews

The purpose of the service improvement process is to ensure that the services Council provides are responsive to changing community needs.

Council's suite of corporate plans includes the Imagine 2030 Community Plan, the Council Plan 2017–21 and several other high-level strategies and plans such as the Community Wellbeing Plan 2017–21. The Council Plan is supplemented by an Annual Plan which outlines key activities for the financial year and departmental business plans.

The Council Plan provides an overarching strategic direction for Council's operations and is delivered through an integrated corporate and service planning framework. This framework encompasses an Annual Plan, business plans and service profiles. The annual business planning process includes internal service reviews to ensure an appropriate balance of resources to outputs, and to adjust services according to community needs. Furthermore, process reviews of services, technological advancements and encouraging innovation within the workplace provide refinements at the service level.

### Performance measurement and reporting

In 2018–19 Council regularly monitored its performance via quarterly performance reports which covered the financial and performance targets outlined in the Council Plan, Annual Plan and Annual Budget.

Council regularly communicates its performance outcomes with the community via Council reports, the monthly newsletter – Greater Dandenong Council News, regular media releases, the website and an increasing social media presence.

The Annual Report provides a comprehensive overview of Council's activities.

## Local Government Performance Reporting Framework (LGPRF)

The Victorian Government introduced a mandatory performance reporting framework in 2014–15 to ensure that all councils are measuring and reporting on their performance in a consistent way. This framework includes both service and financial indicators and all Victorian council results can be found at [www.knowyourcouncil.vic.org.au](http://www.knowyourcouncil.vic.org.au). The City of Greater Dandenong continued to report on all compulsory indicators in 2018–19.

### Community satisfaction

The Local Government Community Satisfaction Survey is coordinated annually by the Department of Environment, Land, Water and Planning on behalf of a large number of Victorian Councils.

The City of Greater Dandenong participated for the seventh consecutive year in 2019. The results achieved indicated that there are very high levels of community satisfaction with Council's services, with scores higher than the statewide averages across all key measures.

Council undertakes regular community consultation and provides many opportunities for residents and customers to provide feedback on their satisfaction with Council services. Council prides itself on this commitment to effective engagement and this is reflected in community satisfaction levels which are four points above the metropolitan average and six points above the state.

Over the past four years, Council has also consistently outperformed the metropolitan and statewide averages in the following categories:

- Advocacy – lobbying on behalf of the community
- Making community decisions
- Overall Council direction.

# RESPONSIVE DESIGN



# Our Organisation

## Risk Management

The City of Greater Dandenong maintains an effective risk management program to ensure that exposure to operational, strategic, legal, material, contractual and financial risk is mitigated.

Council complies with its obligations under the *Local Government Act 1989* and maintains the risk management practices, principles and procedures in accordance with the *Australian Standard (AS/NZS ISO31000:2009)* which addresses the process of risk identification, risk control, risk evaluation, risk treatment and risk financing.

### Insurance

Council has in place an insurance program whereby insurance is called upon for major or catastrophic losses only. Council carries a high deductible (policy excess) for all classes of insurance and has thus established itself as a 'self-insurer' for all claims, other than major losses. This has proven to be cost effective in maintaining lower premiums.

Public liability claims against Council continue, however recent tort reform has proven to be beneficial bringing about a reduction in the number and value of claims. Council continues to take a position wherein such claims are vigorously contested in accordance with legal precedent and statute law.

Council is a member of the Municipal Association of Victoria (MAV) Insurance – Liability Mutual Insurance Scheme (LMI) in line with most other Victorian and Tasmanian Councils. Our general insurance program remains with Council's existing broker, Gallagher.

## Strategies

Council has a Risk Management Policy and Strategy which have been reviewed to focus on better integration between the planning and risk functions. The risk management procedure was also enhanced to improve utilisation across the organisation. It was supported by training of departments including Festivals and Events, Project Management and other user groups. Council has established a Risk Financing Strategy whereby monies are set aside annually, in a contingency fund, to be used in the event of a catastrophic loss, so as to minimise adverse impact on the operating budget.

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

A risk register has been implemented which contains both operational and strategic risks as identified by Council's business units and the Executive Management Team. These risks are monitored periodically to ensure that effective controls are maintained and to ensure there is adequate mitigation of risk. Emerging risks are identified during these reviews. In February a workshop was undertaken with the Management team and members of Council's Audit Advisory Committee to refresh and renew Council's key strategic risks.

### Business continuity

The Business Continuity Plan ensures that the functions of Council can be continued in the event of a disaster affecting the operations and delivery of service with specific reference to 'Building Access Denial', 'Significant Staff Absence' (Pandemics) and 'IT Disaster and Records Recovery'.

Council has also undertaken a review of these plans and is now working to ensure they are up to date, available for required staff and aligned to business risks.

### Fraud risk management

Council has established a Fraud and Corruption Policy and Control Plan which address the issues associated with the prevention of fraud and align with the new requirements of the *Protected Disclosure Act 2012*.

### Memberships

Council supports the activities of a number of industry associations which support innovation and creativity in the risk and safety professions:

- Local Government Professionals (LGPro) – Special Interest Group for Risk.
- Business Continuity Institute – an active network of organisations with a shared interest in developing resilient continuity and disaster recovery plans (financial member).
- Safety Institute of Australia – Australia’s peak body for the health and safety profession. The group has a membership of over 4,000 individuals who may be interested in health and safety in the workplace, or be actively working in the field of OHS as Health and Safety Representatives, or are OHS practitioners or professionals (financial member).
- MAV Insurance (LMI) – delivers best practice forums.

### The Year Ahead

- Council will explore the concept of using positive risk (opportunity) analysis as a means of establishing risk appetite.
- A program for the verification of control effectiveness for fraud, strategic and operational risks will commence.
- A review of all operational risks and an update to the Council online reporting system will commence.
- Risk management will be further integrated with OHS management, business planning, and individual performance development planning.
- A feasibility study on different models of managing under deductible claims will be conducted.

### Contracts

During the year Council did not enter into any contracts valued at \$150,000 or more for services or \$200,000 or more for works of a kind specified in section 186(5)(a) and (c) of the *Local Government Act 1989*. It also did not enter into any other contracts valued at \$150,000 or more for goods or services or \$200,000 or more for works without engaging in a competitive process.





Community  
Relations

## Community Plan – Imagine 2030

The Community Plan, Imagine 2030, outlines the community's vision, key themes and priorities for the future of Greater Dandenong. These have been categorised into three main areas: People, Place and Opportunity.

The Community Plan was developed following an extensive consultation program throughout 2008 and 2009. The results of this project then informed the planning stages of the Council Plan 2013–17, and other key strategic documents such as the Community Wellbeing Plan. In 2016–17 further consultation activities were conducted as part of the development of a new four year Council Plan for the period 2017–21. This consultation tested the existing themes of the Community Plan to ensure Council's priorities were still aligned with the community's needs. Each of the themes identified in the original development of the plan continued to be of high importance to those who participated in the consultation activities. Attracting visitors to the city by increasing tourism opportunities was also seen as an additional priority which has been included in the updated 2017 summary of the Community Plan. This can be found on Council's website [www.greaterdandenong.com](http://www.greaterdandenong.com)

## Health and Wellbeing in Our Community

The City of Greater Dandenong's Community Wellbeing Plan (CWP) has been developed for the period 2017–21. This Plan is a requirement under the *Public Health and Wellbeing Act 2008 (Section 26)* which states that all Councils must develop a four year Municipal Public Health and Wellbeing Plan within 12 months of each general election of Council. The function of this Plan is to encourage people to live healthier lives and to work towards providing the right environment for them to do so.

The 2017–21 CWP focuses on four key areas that align with the Victorian Public Health and Wellbeing Plan:

- Community Infrastructure, Transport and Environment
- Learning and Employment
- Mental and Physical Health
- Safety, Engagement and Social Cohesion.

During the 2018–19 financial year, the implementation of the Community Wellbeing Plan 2017–21 has included ongoing activities in partnership with a range of local health and community service agencies.

### Community Infrastructure, Transport and Environment

- A Public Transport Advocacy Statement draft has been prepared with a review to be undertaken in the 2019–20 financial year.
- Council has conducted consultations and research on active living, sports and recreation, and utilisation of open spaces and council infrastructure. Feedback and findings will be included in the Active Sport and Recreation Strategy that is under development.
- A Homelessness Protocol was developed which outlines the standardised process to deal with rough sleeping which will assist in improving referrals to assertive outreach and related homelessness services. Council has also set up a Homelessness Working Group under the Community Safety Advisory Committee.
- The Positive Ageing Advisory Committee, Disability Advisory Committee and seniors clubs and groups have provided input into various Council strategies including the Sustainability Strategy and the Sport and Active Recreation Strategy. They have also provided input into various objectives and actions within the Positive Ageing Strategy and Disability Action Plan including plans to encourage social connection and advocacy about the introduction of the National Disability Insurance Scheme (NDIS).
- Council has facilitated for non-owner occupied rental properties to be made available for social housing, especially to cater to people who are at risk of homelessness. Two homes have been secured through a homelessness service agency for housing two families who are escaping domestic violence.

### Learning and Employment

- The "Our Stories" book was launched at the Dandenong Library as part of a partnership with the State Library of Victoria, Public Libraries Victoria, Chisholm TAFE, Springvale Neighbourhood House and Dandenong Neighbourhood House.
- Over 14,000 adults and children attended early years literacy sessions in the library or in the community.
- A total of 319 appointments were held with specialist Library staff for language and literacy assistance advice with 1,135 people attending.

- 30 children have been engaged through the Children's Advisory Group on a quarterly basis representing 15 primary schools to consult on local planning strategies and events. A Junior Mayor was nominated to work alongside the Mayor and attend four major events, including charring the advisory group meetings. The biennial youth summit engaged 200 young people on local issues.
- Connections to State Government have been well received with businesses registering for their products to be displayed overseas. 10 sessions were facilitated for small businesses on digital marketing, winning government business and related topics.
- Council has promoted employment pathways through volunteering programs (including Impact Now), as well as engaging with young people at career expos hosted by local schools and community organisations.
- Council delivered a presentation to the National Commission into Youth Employment and Transitions presenting the key themes to emerge from the Mayoral Youth Employment Taskforce Action Plan.
- 37 grants worth \$187,896 were awarded by Council to increase youth participation through new learning, engagement and mentorship with the aim to build skills within the community.
- The Healthy Clubs initiative was developed in conjunction with Monash Health, City of Casey and Cardinia Shire Council. A pilot program with elected clubs from across each of the regions, including Springvale Little Athletics Club, commenced in early 2019.
- 69 per cent of the referrals received into playgroups were vulnerable families eligible for the Supported Playgroup Program. 31 per cent of the families were referred on to local community playgroups.
- Council made a submission to the Royal Commission on Mental Health.

### **Safety, Engagement and Social Cohesion**

- Council and Victoria Police held their annual Community Safety Night on 1 December 2018. The updated Community Safety Plan was endorsed by Council for the second half of its lifespan covering 2019–22.
  - Council's Prevention of Family Violence (PFV) and Prevention of Violence Against Women (PVAW) resources and policies were reviewed to ensure they adequately reflected the White Ribbon and Workplace Equality and Respect Standards. Subsequently, nine councillors and 108 managers/team leaders were trained by WHISE on Prevention of Violence Against Women and Bystander Action, including provisions within Council policies to support staff experiencing family violence.
  - Council celebrated Reconciliation Week 2019 and NAIDOC Week 2019 by organising activities in collaboration with the community and leadership of cross Council departments. Council also organised the First Nations' Bedtime storytelling challenge to raise awareness of Aboriginal culture among Council staff.
  - 35 Council officers in leadership positions have been trained on Cultural Respect of Aboriginal and Torres Strait Islander people.
  - Council delivered the Unite Alliance program and Inclusive Ambassadors program.
  - Council has conducted consultations with the LGBTQI community on improving Council services to be more inclusive.
- Mental and Physical Health**
- The Alcohol Management Policy continues to be utilised by Council units, and supported by police and other stakeholders in relation to all matters relating to alcohol use, consumption and related impacts in the municipality. Regional advocacy around packaged liquor was actioned through a planning amendment application to include consideration of alcohol's social impact in the *Planning and Environment Act 1987*.
  - Council's Prevention of Family Violence (PFV)/ Gender Equity (GE) Committee continues to provide overall direction to help prevent violence against women and promote gender equality. Council is also implementing the Free From Violence Local Government Project and hosted two forums. Council is represented on the South East Community Links' (SECL) Local Strategic Working Group – engaging migrant and refugee communities in the primary prevention of family violence, and Southern Metropolitan Community of Practice on Prevention of Violence against Women facilitated by WHISE.

## Annual Sustainability Report

The City of Greater Dandenong's Council Plan 2017–21 identifies six key strategic objectives. These include "A healthy, liveable and sustainable city" and "A city planned for the future".

The Greater Dandenong Sustainability Strategy 2016–30 provides the strategic framework to guide the City of Greater Dandenong to becoming one of the most sustainable cities in Australia by 2030.

The strategy sets goals, objectives and targets across 10 key sustainability themes:

-  Biodiversity and Open Space
-  Water and Stormwater
-  Climate and Energy
-  Waste and Resources
-  Transport and Movement
-  Buildings and Places
-  Environmental Pollution

-  Local and Sustainable Food
-  Local Community and Culture
-  Local Business and Economy.

The Annual Sustainability Report is used to monitor and report on Council's progress against the goals, objectives and targets in the Sustainability Strategy 2016–30. This approach enables Council to make better sustainability decisions by using the report to help identify issues and respond accordingly.

In late 2017 Council developed the Sustainable Greater Dandenong website. Members of the community and others can use this interactive platform to navigate directly to sustainability issues that are of particular interest to them and track progress over time. In addition, visitors are able to create their own personalised sustainability action plan to demonstrate their personal commitments to sustainability.

For more information visit Sustainable Greater Dandenong [sustainable.greaterdandenong.com/](http://sustainable.greaterdandenong.com/)



Key highlights for 2018–19 include:

### Planting trees and shrubs in Council's parks

Greater Dandenong's overall tree canopy coverage across the municipality is only 9.9 per cent. This is the lowest of all metro Melbourne municipalities on the eastern side of Melbourne. Council's aim is to increase tree canopy coverage across the municipality to 15 per cent by 2028.

Over the last year, Council has planted:



**23,005** indigenous tube stock seedlings in open space reserves and school grounds throughout Greater Dandenong



**2,624** trees in our streets and parks

### Reducing Council's carbon emissions

Council is taking action to reduce greenhouse gas emissions and reduce the impacts of climate change.

Between 2007 and 2018 there has been a 24 per cent reduction on GHG emissions from Council's street lighting, buildings and facilities.

Actions include:



A **100kw solar panel system** installed on the roof at the Dandenong Civic Centre



A **250kw solar panel system** to be installed on the new Springvale Library

### Our community has their say on climate change

The City of Greater Dandenong is in the process of preparing the 2020 Climate Change Strategy. The Strategy will provide a clear vision and direction for Council that will enable it to effectively plan and act on key environmental sustainability issues over the next 15–20 years.

To help inform the development of the Draft Climate Change Strategy, Council sought the views of the community through an initial round of public consultation in March and April 2019.

Outcomes from this consultation included:



**1,021** responses were received



**897** responses were received via survey



**92 per cent** of survey respondents are worried about climate change

## Disability Action Plan

The Disability Advisory Committee continued with independent representatives from the community including service providers and local residents, Councillor representatives, and staff. The main focus of the Committee is to advise Council on disability issues and on the implementation of the Disability Action Plan.

The Disability Action Plan was adopted by Council in 2017. Implementation of the plan has been undertaken across the four core objectives relating to Wellbeing, Education and Employment, Physical Environment and Community Participation.

Key achievements for 2018–19 include:

### Objective 1 – Health and Wellbeing

- Consultation about access to information has been undertaken with the community and through the Disability Advisory Committee. This will inform Council's website redevelopment and the production of printed materials and media across Council including video subtitles, accessible documents and the promotion of Council events.
- Council has supported service providers and clients during the transition to the NDIS through provision of information including group information sessions and individual support. The Disability Advisory Committee has assisted to identify opportunities for advocacy regarding the NDIS and disability supports.
- Keshava Reserve hosted a project designed to improve Council's parks along with providing valuable work experience for local people with disabilities.
- Accessibility of entertainment and opportunities for social connections have increased with two audio described films shown at Cinema in the Square.
- A new program to support carers in our community has commenced and has proven successful with a combination of exercise, social connection and education for carers of people with a disability.

### Objective 2 – Education, Training and Employment

- Council continued to host graduate interns through the Stepping Into program and this has contributed to an increased understanding of local businesses regarding the employment of people with a disability.
- Council hosted a successful information session for Disability Employment Services to increase their understanding of the City of Greater Dandenong recruitment processes and support their clients to apply for positions.
- In conjunction with Women with Disabilities Vic (WDV) Council supported the Enabling Women Leadership Program where eight women completed the course.

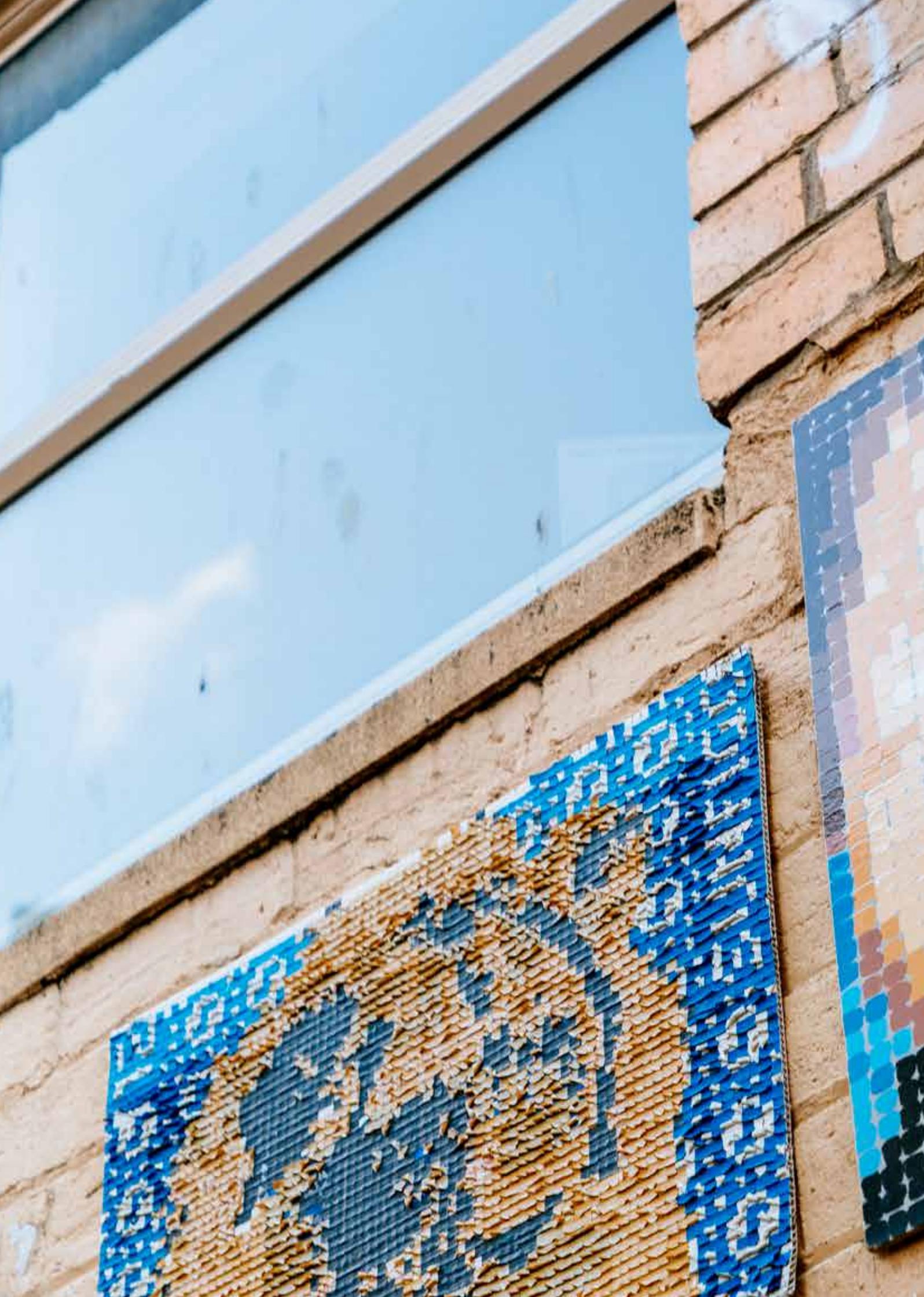
### Objective 3 – Physical and Natural Environment

- Council has prioritised annual works related to accessibility in community facilities for the next 10 years considering usage of the buildings and other planned works. Council continues to respond to concerns raised by the community about infrastructure.
- Council has undertaken significant consultation with disability groups, schools and the community about the all abilities playground to be built at Ross Reserve. This consultation will inform the design and function of the playground and how it will be integrated into other facilities at Ross Reserve.
- Council continued to advocate for increased accessibility of public transport including train stations, bus stops and the connections to existing community infrastructure. Council has also participated in consultations related to public transport improvements and the Disabled Parking program.

### Objective 4 – Community Participation

- The Access & Inclusion enews continues to be distributed monthly to around 300 local people with disabilities as well as a number of community organisations. The newsletter provides information on services, events and local issues; encourages participation in consultative opportunities; and promotes disability awareness.
- The Disability Advisory Committee provided valuable advice to Council on a broad range of issues including Council strategies and programs, submissions to state and federal reviews and local infrastructure.







Community  
Funding Program

# Community Funding Program

## Community Support Grants Program

The Community Support Grants Program allows not-for-profit community groups to apply for funding to support projects, programs, and activities that will benefit residents of the City of Greater Dandenong.

Community groups can apply for up to \$20,000 through the program which is run twice annually with closing dates in February and August. Eligibility and assessment criteria are set out in the guidelines for the program which can be found on Council's website [www.greaterdandenong.com](http://www.greaterdandenong.com)

## Community Response Grants Program

The Community Response Grants Program is open to both groups and individual residents of the City of Greater Dandenong. Not-for-profit community groups can apply for up to \$1,000 for projects, programs, or activities that will benefit residents of the City of Greater Dandenong. Individual residents can apply for up to \$500 for travel and accommodation expenses to participate in an elite level sporting tournament, artistic or cultural performance, scientific, technological, environmental or sustainability related activity, community sector or civil society forum, or to receive a highly esteemed individual award.

This program is open year round with no specified closing date. Eligibility and assessment criteria are listed in the guidelines which can be found at [www.greaterdandenong.com](http://www.greaterdandenong.com)

## Sponsorships Program

The City of Greater Dandenong provides sponsorship for major events and other activities that attract a significant number of visitors to the municipality thereby boosting the local economy, and/or promoting Greater Dandenong as a great place to live, work and invest.

Council has endorsed a new Sponsorship Program with applications to open in early 2020.

## Community Partnerships Funding Program

Council provides Community Partnerships Funding 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.

Council has endorsed a new Community Partnership Funding Program with applications to open in early 2020.

## Greater Dandenong Volunteer Resource Service

Council provides funding to support the operation of the Greater Dandenong Volunteer Resource Service (GDVRS). The GDVRS assists local residents to find suitable volunteering opportunities and supports local not-for-profit community organisations to recruit and train volunteers.

## Material Aid Response Collective Impact Grants Program

The Material Aid Response Collective Impact Grants Program was developed in response to the Federal Government's cuts to the Status Resolution Support Services and the growing need for material aid and emergency relief in the City of Greater Dandenong. Consortium member agencies are eligible for grants to assist them in meeting the goals of the consortium to address the material aid needs within the community.

## Venue Hire Fund

Council may provide responsive support to voluntary organisations through fee waivers for Council venue hire fees for significant one-off community events.

## Community Support Grants Program

| Applicant Name                                      | Project Title  | Amount Granted |
|---|--|----------------|
| AA Combined Groups at Palm Plaza                    | Dandenong Alcoholics Anonymous support project                                     | \$12,060       |
| Action on Disability Within Ethnic Communities Inc. | Understanding different cultures and traditions                                    | \$2,600        |
| Afghan Australian Philanthropic Association Inc.    | Afghan New Year 2019   | \$2,500        |
| Afghan Women's Organisation Victoria                | Afghan women's New Year celebration 2019   | \$1,000        |
| Afri-Aus Care Inc.                                  | Education pathways for disengaged young Africans and their families                | \$9,900        |
| Al-Emaan Women's Organisation Inc.                  | Ladies night   | \$2,000        |
| Antiochian Community Support Association Inc.       | Celebrating Middle Eastern culture in Dandenong: Welcoming Syrian & Iraqi refugees | \$5,000        |
| Association of Hazaras in Victoria Inc.             | End of Ramadan celebration   | \$1,500        |
| Asylum Seeker Resource Centre Inc.                  | ASRC education program   | \$10,000       |
| Australian Vietnamese Women's Association Inc.      | Gambling prevention for vulnerable Vietnamese                                      | \$5,700        |
| Australian Vietnamese Women's Association Inc.      | Intellectual Vietnamese senior group   | \$2,000        |
| Bangladesh Cultural Group Inc.                      | Inauguration of International Mother Language Day on 16–23 February 2019           | \$1,500        |
| Cambodian Association of Victoria Inc.              | Info sessions for newly arrived Cambodians   | \$1,350        |
| Cambodian Association of Victoria Inc.              | Cambodian singing contest  | \$2,250        |
| Cambodian Association of Victoria Inc.              | Basic computer skills for Cambodian Victorians                                     | \$1,500        |
| Cambodian Association of Victoria Inc.              | Dance classes for Cambodian youth  | \$1,500        |
| Cambodian Association of Victoria Inc.              | Youth sport and recreational   | \$1,500        |
| Carers Victoria Inc.                                | Carers Victoria's Dandenong Mingle 2018  | \$3,000        |
| Casey Tamil Manram Inc.                             | Thai Pongal – Thanks Giving to Nature (Harvesting Festival)                        | \$4,500        |
| Cleeland United Soccer Club Inc.                    | To engage the youth through sports and women through Zumba                         | \$5,280        |
| Community in Abundance Inc.                         | Community education and integrated family violence program response                | \$3,000        |
| Concern Australia Welfare Inc.                      | Cars and Community – turning 10,000 lives around                                   | \$3,000        |
| Connect Health & Community                          | Community transport  | \$8,444        |
| Connection Arts Space Inc.                          | 'Art for a better world' exhibition project  | \$11,000       |
| Dandenong Low Vision Group                          | Dandenong Low Vision Group   | \$1,750        |
| Dandenong South Primary School                      | Women's Health and Wellbeing Expo  | \$2,962        |
| Dandenong West Primary School                       | 2019 Dandenong West Cultural Diversity Harmony Day Community Festival              | \$2,000        |
| Daughters of Jerusalem Support Agency Inc.          | The Learning Space   | \$5,000        |

# Community Funding Program

## Community Support Grants Program

| Applicant Name   | Project Title   | Amount Granted |
|--|---|----------------|
| El Hokamaa Senior Citizens                                 | El Hokamaa senior citizens social connection  | \$1,000        |
| ERMHA Ltd.   | Women's Talk  | \$5,136        |
| Fijian Community Association Victoria Incorporation (FCAV) | Fiji Day Multicultural Festival   | \$2,000        |
| Footprint Enterprises Inc.                                 | Grounded Project – Cultural Excellence Project featuring mentor program, camp, festival | \$10,000       |
| Friends of Refugees Inc.                                   | Refugee and Asylum Seekers Recognition Awards (RASRA)                                   | \$2,000        |
| Fusion Theatre Inc.  | Larger Than Life: Inclusive arts engagement, puppets in public spaces                   | \$10,000       |
| Girl Guides Association of Victoria                        | Guides in Schools program   | \$3,058        |
| Greek Community of Springvale and Districts Ltd.           | Greek National Day Mother's Day Father's Day and Easter celebrations                    | \$1,000        |
| Greek Orthodox Community of Dandenong & Districts          | Dandenong Greek Festival  | \$4,000        |
| Hazara Australian Community Association of Victoria Inc.   | Ramazan Eid   | \$1,000        |
| Hispano American School of Springvale Inc.                 | Hispano-American school anniversary celebration   | \$1,000        |
| Indonesian Women's Friendship Network                      | Indonesian Multicultural Festival of Victoria (IMFOV)                                   | \$1,500        |
| Jesuran Welfare Services Inc.                              | Pathways to Hope  | \$5,000        |
| Keysborough Soccer Club Inc.                               | Developing soccer champions program clinics   | \$3,000        |
| Maya Dance Group – School of Dance                         | Homage to El Salvador 2018  | \$2,000        |
| Mind Australia Ltd.  | Mind Games youth group  | \$5,407        |
| Multiple Sclerosis Ltd.                                    | Dandenong: Discovering wellness for people with MS and neurological conditions          | \$3,238        |
| Nadham Dandenong Inc.                                      | Nadham Srishti Kids Fest 2018 (SKF18)   | \$1,500        |
| Noble Park Football Club Inc.                              | Noble Park football club centenary celebrations   | \$7,000        |
| Polish Community Council of Victoria Inc.                  | 100th anniversary of Polish independence concert  | \$5,500        |
| Reading Out of Poverty Inc.                                | Let's Read  | \$8,000        |
| River Jiang Arts Inc.                                      | 2018 instrumental and strings concert show  | \$1,700        |
| Sathya Sai Organisation of Australia                       | Weekly feeding the homeless, refugees and people in need                                | \$3,900        |
| SisterWorks Inc.   | SisterWorks – Creative cooking training program   | \$2,500        |
| Somalian Cultural Youth Group                              | Together and active   | \$1,950        |

## Community Support Grants Program

| Applicant Name  | Project Title   | Amount Granted |
|---|---|----------------|
| Somaliland Union of Victoria Inc.                                     | Youth Empowering Youth, Greater Dandenong tournament and festival           | \$5,000        |
| South Eastern Melbourne Vietnamese Associations Council (SEMVAC Inc.) | Lantern Festival open to all  | \$6,000        |
| South Eastern Melbourne Vietnamese Associations Council (SEMVAC Inc.) | Clean up Australia Day  | \$1,000        |
| South Eastern Melbourne Vietnamese Associations Council (SEMVAC Inc.) | Community service information day   | \$2,000        |
| South Eastern Melbourne Vietnamese Associations Council (SEMVAC Inc.) | Community concert   | \$2,500        |
| South Sudan Child First Education (SSCFE) Inc.                        | South Sudan Voice – A Dialogue Theatre project                              | \$8,273        |
| Southern Metropolitan Region African Australian Taskforce             | South Sudanese community organisation training                              | \$5,500        |
| Southern Migrant and Refugee Centre Inc.                              | Healthy LIFE! Expo  | \$10,000       |
| Southern Migrant and Refugee Centre Inc.                              | Unity in Diversity Festival   | \$10,000       |
| Springvale Lion Dance Group   | Lion Dance project  | \$1,400        |
| Springvale Mandarin Network Inc.                                      | 2018 Springvale Tai Chi Healthy Festival                                    | \$2,000        |
| Springvale Mandarin Network Inc.                                      | Chinese cultural events   | \$1,800        |
| Springvale Monash Legal Service Inc.                                  | Express Your Rights Art project   | \$8,000        |
| Springvale Neighbourhood House Inc.                                   | Harmony Day Festival 2019   | \$10,000       |
| Springvale Neighbourhood House Inc.                                   | Safety for the community  | \$10,100       |
| Springvale Rise Primary School  | Community and collaboration with computers at Springvale Rise Community Hub | \$9,228        |
| Stand Up: Jewish Commitment to a Better World Ltd                     | A Sudanese Food Odyssey, sharing stories through the generations            | \$7,500        |
| Tamil Senior Citizens Fellowship Inc.                                 | World Refugee Week – Hope for the Future                                    | \$600          |
| Tamil Women's Group Dandenong   | Women's health and welfare  | \$2,000        |
| Thai Information and Welfare Association (TIWA) Inc.                  | Improving wellbeing of Thai women through awareness training                | \$6,300        |
| The Association of Hazaras in Victoria Inc.                           | Health for refugees   | \$2,000        |
| The Australian Indian Innovations Inc.                                | All – Diwali 'Festival of Colours'  | \$5,000        |
| The Friends of Rowan Park Club Inc.                                   | The Centenary Remembrance Poppy Day Peace concert                           | \$2,500        |
| TRY Australia   | TRY Build   | \$15,000       |
| Vasudeva Kriya Yoga Inc.  | International Day of Yoga 2019  | \$1,000        |
| Victorian Afghan Associations Network Inc.                            | The Nawroz Festival 2019  | \$9,500        |
| Victorian Tamil Cultural Association Inc.                             | Tamil New Year 2019 & Kalai Vila 2019                                       | \$1,500        |
| Victorian YMCA Youth and Community Services Inc.                      | CALD Water Safety Program   | \$9,000        |

# Community Funding Program

## Community Support Grants Program

| Applicant Name  | Project Title  | Amount Granted   |
|---|--|------------------|
| Vietnamese Australian Senior Association of Victoria Inc. | Improving health and wellbeing of Vietnamese seniors | \$1,000          |
| Wellsprings for Women Inc.                                | Children's art workshops                             | \$1,500          |
| Wellsprings for Women Inc.                                | Supported Cycling for CALD women                     | \$6,140          |
| Women's Health in the South East Inc.                     | Connecting women                                     | \$2,000          |
| Xinjiang Chinese Association of Australia Inc.            | Ongoing weekly activities for elderlies              | \$4,500          |
|   | <b>TOTAL</b>   | <b>\$376,026</b> |

## Community Response Grants Program

| Applicant Name  | Project Title  | Amount Granted |
|---|--|----------------|
| Afghan Australian Association of Victoria Inc.  | Women's community event                                    | \$1,000        |
| Afghan Victory Girls  | Adelaide soccer tournament 2018                            | \$750          |
| All Nations Social Cricket  | Don't Give Up Give Back tournament                         | \$750          |
| Association of Ukrainians in Victoria South Eastern Branch  | Ukrainian community cultural day                           | \$1,000        |
| ASWJ South East   | Kids' Eid party  | \$1,000        |
| Australia – Ceylon Fellowship Inc.  | Seniors Xmas luncheon                                      | \$1,000        |
| Australian Society of Graduate Tamils   | The Tamil competition Victoria                             | \$1,000        |
| Bangladesh Cultural Group Inc.  | Inauguration of 15 years of Bangladesh cultural group Inc. | \$1,000        |
| Brighton Life Saving Club   | CALD Water Safety Day                                      | \$1,000        |
| Buddhist Sri Lanka Association of Victoria  | Cultural Festival  | \$1,000        |
| Burgher Association (Australia) Inc.  | Lunch for the elderly                                      | \$1,000        |
| Burmese Welfare Operation Inc.  | Day Tour to Mt Buller                                      | \$1,000        |
| Ceylonese Welfare Organisation Inc.   | End of year lunch & mid year lunch                         | \$1,000        |
| Circolo Pensionati Campani Italiano Di Clayton  | Social activity  | \$1,000        |
| Circolo Pensionati Italiani Di Oakleigh E Clayton (Italian Pensioners Club Of Oakleigh and Clayton) | Regular social and recreational activities                 | \$1,000        |
| Combined Probus Club of Sandown   | Purchase of laptop and printer for dedicated club use      | \$950          |
| Corona Italian Seniors Club of Casey Inc.   | Christmas lunch  | \$1,000        |
| Country Women's Association   | 60th birthday celebration                                  | \$750          |
| Dandenong & District Orchid Club Inc.   | Annual Orchid Show and club hall hiring                    | \$1,000        |
| Dandenong Canary Society Inc.   | Annual show, Christmas show and general group activities   | \$1,000        |
| Dandenong Chess Club Inc.   | Trophies and catering presentation night                   | \$750          |
| Dandenong Health and Recreation Model Association Inc.  | Outdoor fun day for families                               | \$1,000        |

## Community Response Grants Program

| Applicant Name   | Project Title  | Amount Granted |
|--|--|----------------|
| Dandenong High School Council  | Community celebration of 10 year anniversary Dandenong High School model | \$1,000        |
| Dandenong High School Ex-Students Association Inc.                                 | 100th anniversary student reunion social                                 | \$1,000        |
| Dandenong Little Athletic Centre   | Finishing gates upgrade  | \$450          |
| Dandenong Primary School   | Sound hire for performance Objects of Longing                            | \$1,000        |
| Dandenong Springvale Athletics Inc.  | Membership drive/recruitment   | \$750          |
| Dandenong Town Club Inc.   | Help to pay for the rent of hall   | \$750          |
| Darfur Community Association of Australia  | Cultural and capacity building forum                                     | \$1,000        |
| Ekiti Kete Association of Victoria Australia Inc.                                  | Annual Ekiti Day   | \$1,000        |
| Folklorna Grupa Moravac  | Group performance activities   | \$1,000        |
| Goodstart Early Learning Ltd.  | Skill development  | \$1,000        |
| Greek Community of Springvale and Districts Ltd.                                   | Father's Day and Christmas celebrations                                  | \$1,000        |
| Greek Senior Citizen Parish of St. Athanasios Springvale                           | Father's Day   | \$1,000        |
| Grow   | Grow – young adults peer support group                                   | \$1,000        |
| Hispano American School of Springvale Inc.   | Project  | \$1,000        |
| Huong Que Group  | Vietnamese senior folk dancing performance group                         | \$720          |
| Indonesian Women's Friendship Network (Auspiced by Springvale Neighbourhood House) | End of Year celebration & Volunteer Award of the Year                    | \$1,000        |
| Italian Elderly Citizen Club Noble Park Inc.                                       | Christmas luncheon and Christmas breakup                                 | \$1,000        |
| Italo-Spanish Club Inc.  | 34 year club anniversary   | \$1,000        |
| Keysborough Bowls Club   | Kitchen appliances   | \$1,000        |
| Keysborough Learning Centre (a local community group project auspiced by KLC)      | Healthy communities say no to porn                                       | \$1,000        |
| Las Iluminadas   | Regular excursions 2018–19   | \$750          |
| Life Without Barriers  | Life Without Barriers Multicultural Family Fun Day                       | \$1,000        |
| Lions Club of Dandenong Inc.   | Senior Citizens hall hire fee  | \$750          |
| Marko Pavicic  | National Tennis tournament   | \$350          |
| Melbourne Chinese Soccer Association Inc.  | New league for community teams around Greater Dandenong                  | \$1,000        |
| Melbourne Roller Hockey Club   | International sports event   | \$750          |
| Miss Azalia Atageldieva  | Dance tour to USA  | \$500          |
| Miss Catherine Urriola   | Australian Boxing championships  | \$350          |
| Miss Jasmine Hamit   | Elite performance troupe USA Dance Tour                                  | \$500          |
| Miss Marjy Lobangco  | Melbourne Ballet School USA Dance Tour 2019                              | \$500          |

# Community Funding Program

## Community Response Grants Program

| Applicant Name  | Project Title   | Amount Granted |
|---|---|----------------|
| Miss Mellina Atageldieva  | Dance tour to USA   | \$500          |
| Miss Rafaella Villegas  | Disney dancer   | \$500          |
| Miss Sesilia Felise   | Indoor State Netball – VIC                                    | \$350          |
| Miss Solara Morcillo-Kawski   | Dance troupe chosen to dance in Disneyland                    | \$500          |
| Miss Sumeyya Felise   | Indoor State Netball – VIC                                    | \$350          |
| Miss Tahlia Soukup  | U14 national championship basketball                          | \$350          |
| Miss Thahnita Puma  | Dance troupe chosen to dance in Disneyland                    | \$500          |
| Miss Themelina Rozakis  | Melbourne Ballet School USA 2019                              | \$500          |
| Miss Theodora Rozakis   | Melbourne Ballet School USA 2019                              | \$500          |
| Moru Community Of Victoria Inc.   | Sound equipment   | \$1,000        |
| Mr Alexander Rahmani  | Australian junior beach volleyball championship               | \$350          |
| Mr Avni Dauti   | Artist residency program in Vilnius, Lithuania                | \$500          |
| Mr Baqir Rahimi   | 2019 National Futsal championships                            | \$350          |
| Mr Gurdit Singh   | Sports  | \$500          |
| Mr Jalen Rose   | Basketball tournaments overseas                               | \$500          |
| Mr Jerome Pierre  | 2018 U16 Australian championships                             | \$350          |
| Mr Noah Heather   | GKR Karate World championships 2019                           | \$500          |
| Mr Phoenix Ly   | Basketball tournament in USA with Kingston Basketball Academy | \$500          |
| Mr Rahullah Sarwari   | WAKO Australia National Kickboxing team                       | \$500          |
| Mr Ross O'Neill-Hall  | Bowling   | \$350          |
| Mr Thomas Lea   | International basketball tournament in USA                    | \$500          |
| Mr Victor Heather   | GKR Karate world championships 2019                           | \$500          |
| Mr Yaser Rajabi   | Sports grant amateur boxing                                   | \$350          |
| Ms Aaliyah Heather  | GKR Karate world championships 2019                           | \$500          |
| Ms Abbie Thompson   | Melbourne Ballet School USA Dance Disney 2019                 | \$500          |
| Ms Abby Baker   | Melbourne Ballet School USA 2019                              | \$500          |
| Ms Anisha Reith   | Dancing   | \$500          |
| Ms Carolyn Taylor   | Pan Pacific Masters Games 2018                                | \$350          |
| Mulgrave Baseball Club Inc.   | Junior introduction to teeball program                        | \$1,000        |
| Napoli Family Club  | Father's Day celebration                                      | \$1,000        |
| National Institute for the Guards of Honour to the Royal Tombs of the Pantheon – Dandenong Branch | 2019 Members annual BBQ                                       | \$1,000        |
| Noble Park Probus Club  | Excursions  | \$1,000        |
| Oasis Otters Swimming Club  | Club/Community swimming carnival                              | \$1,000        |

## Community Response Grants Program

| Applicant Name  | Project Title   | Amount Granted |
|---|---|----------------|
| Programme for Improving English   | English classes for asylum seekers/refugees                     | \$1,000        |
| Ramblers Walking Club   | Ramblers walking club   | \$1,000        |
| Relaxum Group Inc.  | Exercise for wellness   | \$750          |
| Rodriguan Social Club of Victoria Inc.  | Senior citizen information day                                  | \$1,000        |
| Russian Seniors in Dandenong Inc.   | Exercise for seniors  | \$1,000        |
| Sewa Victoria Australia Inc.  | Dandenong Indian senior forum                                   | \$750          |
| Sierra Leone Australia Community of Victoria Inc.                                       | Sierra Leone independence celebration (2019)                    | \$1,000        |
| Silverton Primary School – Parents Association  | Free outdoor family movie night                                 | \$1,000        |
| Social Club Maricot Inc.  | Dinner dance/fishing trip                                       | \$1,000        |
| South East Victorian Tibetan Cultural School (TCS) Inc.                                 | Language and cultural dance                                     | \$750          |
| South East Women's Support Group (auspiced by Al-Emaan)                                 | Community support social event                                  | \$1,000        |
| South Sudan Equatorians Association Inc.  | Equatoria Cultural Day  | \$1,000        |
| Springvale Chinese Opera Group  | Performance resources for Chinese opera singers                 | \$720          |
| Springvale Mandolin Music Group   | Musical instruments   | \$720          |
| Springvale Senior Citizen's Multicultural Club  | 60th club celebration   | \$1,000        |
| Springvale Traditional Chinese Dance Group  | Costume and resources   | \$750          |
| Stella Clavisque Club (Australia – Mauritius) Inc.                                      | Petanque group program  | \$1,000        |
| Sudanese Arabic Language School   | Classes hire  | \$750          |
| Sudanese Australian Integrated Learning (SAIL) Program Inc.                             | Transportation for our South Sudanese students                  | \$1,000        |
| The Aussie Rhythm & Jazz Assoc. Inc.  | Encouraging senior musicians to stay in the entertainment field | \$1,000        |
| The Australian Jordanian Association  | Community and family gathering to keep in touch                 | \$1,000        |
| The Goan Overseas Association Of Victoria Inc.  | 40th anniversary celebrations                                   | \$1,000        |
| The Macedonian Senior Citizens Group of the City of Greater Dandenong St Dimitrija Inc. | Macedonian National Day Celebrations                            | \$1,000        |
| The United Vietnamese Buddhist Congregation of South Eastern Melbourne                  | Mid Autumn Festival 2018  | \$1,000        |
| U3A   | 25th anniversary celebration                                    | \$1,000        |
| Ukrainian Seniors Club, Noble Park  | Christmas break-up dinner                                       | \$645          |
| UN Youth Victoria Inc.  | State conference  | \$1,000        |
| United Filipino Elderly Group Inc.  | Christmas lunch   | \$1,000        |
| Uttar Pradesh Association of Australia (UPAA) Inc.                                      | Diwali celebration  | \$1,000        |
| Vibrant Indaus Inc.   | Sharad Poonam Garba 2018  | \$1,000        |
| Victorian Masters Athletics Inc.  | Purchase of track & field display timer                         | \$1,000        |
| Victorian Tamil Association Inc.  | Festival of Lights – 2018                                       | \$1,000        |

# Community Funding Program

## Community Response Grants Program

| Applicant Name                                     | Project Title                     | Amount Granted   |
|--|-----------------------------------|------------------|
| VYSSA Inc.   | YYSSA Inc Organisation's website  | \$1,000          |
| Wallarano Primary School                           | Family fun day fete               | \$1,000          |
| Windana Drug and Alcohol Recovery Inc.             | SECADA open studio art exhibition | \$1,000          |
| Women's Association South East Melbourne Australia | Wasema networking meetings        | \$1,000          |
| Wooranna Park Primary School                       | Boomerang bags Greater Dandenong  | \$1,000          |
| Zvonimir folklore Group                            | Croatian folk dancing             | \$1,000          |
|  | <b>TOTAL</b>                      | <b>\$100,055</b> |

## Sponsorships Program

| Applicant Name  | Project Title  | Amount Granted   |
|---|--|------------------|
| AIF Swimming Association of Australia Inc.            | Swimming   | \$4,500          |
| Chand Raat Eid Festival (CREF) Inc.                   | Chand Raat Eid Festival (CREF) 2019  | \$5,000          |
| Dandenong Agricultural & Pastoral Society Inc.        | 147th Annual Dandenong Show  | \$30,000         |
| Dandenong Basketball Association                      | Dandenong Jayco Rangers Women's National Basketball League (WNBL) 2018–19 Season | \$30,000         |
| Dandenong Thunder Inc.                                | Dandenong Thunder sponsorship  | \$8,000          |
| Lions Club of Noble Park Keysborough Inc.             | 2019 annual summer community festival  | \$25,000         |
| September Latin Festival Inc.                         | Sandown September Latin Festival 2018  | \$20,000         |
| September Latin Festival Inc.                         | Dandenong September Latin Festival 2018  | \$12,500         |
| Springvale Asian Business Association Inc.            | 2019 Springvale Lunar New Year Festival  | \$35,000         |
| Vietnamese Community in Australia/Vic Chapter         | TET Festival   | \$25,000         |
| YMCA Victoria Community Programming – Dandenong Oasis | Twilight Fun Run   | \$5,000          |
|   | <b>TOTAL</b>   | <b>\$200,000</b> |



# Community Funding Program

## Community Partnerships Funding Program

| Applicant Name   | Project Title                                  | Amount Granted     |
|--|--|--------------------|
| Cambodian Association of Victoria Inc.                   | Youth program                                  | \$22,627           |
| City of Greater Dandenong Band Inc.                      | Operational support                            | \$23,406           |
| Concern Australia Welfare Inc.                           | Handbrake turn                                 | \$21,586           |
| Cornerstone Contact Centre Inc.                          | Operational support                            | \$19,861           |
| Dandenong & District Historical Society Inc.             | Operational support                            | \$8,238            |
| Dandenong Cricket Club Inc.                              | Women's Cricket – community and premier levels | \$6,763            |
| Dandenong Neighbourhood House Inc.                       | Operational support                            | \$72,859           |
| Interfaith Network of the City of Greater Dandenong Inc. | Operational support                            | \$91,225           |
| Keysborough Learning Centre                              | Operational support                            | \$76,956           |
| Noble Park Community Centre Inc.                         | Operational support                            | \$41,671           |
| South East Community Links Inc.                          | Operational support                            | \$438,136          |
| Springvale & District Historical Society                 | Operational support                            | \$7,139            |
| Springvale Benevolent Society Inc.                       | Operational support                            | \$18,846           |
| Springvale Learning and Activities Centre Inc.           | Operational support                            | \$41,671           |
| Springvale Neighbourhood House Inc.                      | Operational support                            | \$71,295           |
| St Vincent De Paul Society                               | Operational support                            | \$18,846           |
| St. Joseph's Catholic Church Springvale                  | Operational support                            | \$10,592           |
| We Care Community Services Inc.                          | Operational support                            | \$19,861           |
| Wellsprings for Women Inc.                               | Operational support                            | \$110,199          |
|  | <b>TOTAL</b>                                   | <b>\$1,121,777</b> |

## Material Aid Response Collective Impact Grants

| Applicant Name                                 | Project Title  | Amount Granted   |
|--|--|------------------|
| Enjoy Church                                   | MARCI base level/small grant – 2018  | \$508            |
| Friends of Refugees Inc.                       | Food for good; City of Greater Dandenong addressing food insecurity                  | \$19,888         |
| Friends of Refugees Inc.                       | Continuing to build capacity for efficient and safe food aid distribution across CGD | \$9,318          |
| Jesuran Welfare Services                       | MARCI base level/small grant – 2018  | \$1,900          |
| Life Without Barriers                          | Material support for people seeking asylum   | \$40,000         |
| Link Health and Community                      | Consortium Space Aid   | \$10,000         |
| Springvale Learning and Activities Centre Inc. | MARCI base level/small grant – 2018  | \$2,000          |
| Springvale Learning and Activities Centre Inc. | Provision of material aid on Saturdays   | \$20,000         |
|  | <b>TOTAL</b>   | <b>\$103,614</b> |

### Venue Hire Fund

| Applicant Name   | Project Title   | Amount Granted  |
|--|---|-----------------|
| Friends of Refugees                                      | Refugee and asylum seeker recognition awards                    | \$417           |
| Interfaith Network of the City of Greater Dandenong Inc. | Victorian Interfaith Networks conference 2019                   | \$2,915         |
| Noble Park Football Club                                 | 100 Year centennial celebration of the Noble Park Football Club | \$2,562         |
| SEMVAC   | Community concert   | \$5,000         |
| September Latin Festival Inc.                            | SLF dinner dance  | \$3,502         |
| Springvale Benevolent Society                            | AGM venue hire  | \$129           |
|  | <b>TOTAL</b>  | <b>\$14,525</b> |

### Greater Dandenong Volunteer Resource Service

| Applicant Name             | Project Title                                | Amount Granted  |
|----------------------------|--|-----------------|
| South East Volunteers Inc. | Greater Dandenong Volunteer Resource Service | \$80,000        |
|                            | <b>TOTAL</b>                                 | <b>\$80,000</b> |





Service Summaries –  
A Year in Review

# Service Summaries – A Year in Review



## City Planning, Design and Amenity

### Building Services

Building Services strives to maintain standards of amenity, habitation and safety in buildings through powers vested on the Municipal Building Surveyor under the *Building Act 1993*. 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 Victorian Building Authority and variations to regulatory siting requirements.

### Achievements

- ✓ Building compliance improved through education and enforcement activities including seven prosecutions, the issuing of 84 building notices and 158 orders on non compliant building work.
- ✓ 2,947 resident requests for information by solicitors and building surveyors were answered within the required timelines.
- ✓ 997 privately issued building permits were recorded on Council's systems.
- ✓ 727 report and consent applications were assessed, including 179 siting consents and 59 build over easement consents.
- ✓ 34 Essential Safety Measures inspections were carried out resulting in safer buildings.

### Planning and Design

Planning and Design provides both statutory planning and strategic, design and sustainability services for the city. This includes the assessment of planning and subdivision applications, future land use strategy, urban design and sustainability assessment, policy development, and all legislative matters relating to the Greater Dandenong Planning Scheme.

### Achievements

- ✓ Over 960 planning applications were determined, and the percentage of applications determined within the statutory timeframe improved from 71 per cent in 2017–18 to 77 per cent.
- ✓ The fully electronic planning permit application process was finalised and implemented.
- ✓ Planning Scheme Amendment GC110 Environmental Sustainable Design Planning Policy was gazetted into the Greater Dandenong Planning Scheme.
- ✓ Planning Scheme Amendment C205 Vegetation Protection Overlay was exhibited and adopted by Council. It is now awaiting gazettal by the Minister for Planning.
- ✓ Planning Scheme Amendment C213 Residential Zones was authorised and exhibited.
- ✓ Planning Scheme Amendment C203 Springvale Activity Centre Structure Plan was authorised, subject to conditions, by the Minister for Planning.
- ✓ All background reports were completed for the Climate Change Strategy, and the first round of community consultation completed.
- ✓ The background report was completed for the revised Open Space Strategy, and the first round of community consultation completed.

- ✓ Community consultation for the revised Dog Off-Leash Strategy was completed, and a draft strategy developed.
- ✓ The Sustainability Awards and the Sustainability Festival were delivered, along with the annual report on the Sustainability Strategy.
- ✓ The master plans for Parkfield, Fredrick Wachter, Burden and Warner reserves were adopted by Council, and implementation commenced.

## Regulatory Services

Regulatory Services provides compliance, education and enforcement functions related to public health, animal management, fire prevention, local laws, parking management, litter prevention, school crossing supervision and planning compliance. This department directly impacts on Council's vision of creating and maintaining a city of high quality amenity for all residents and visitors to the city.

The department also manages all of Council's public parking facilities and a range of public safety programs including the Safe City CCTV system and the Civic Safety Officer service at Council's Dandenong office.

## Achievements

- ✓ Council's Safe City CCTV system has grown from 106 to 196 on-street cameras across the municipality over the past 12 months. Cameras are present in Springvale, Noble Park and Dandenong central activity districts managed by Council's Public Safety and Security team.
- ✓ The Public Health Unit developed the Streatrader online payment system that allows registrations and renewals to be issued electronically and paid online through the Streatrader portal.
- ✓ The Parking Management team successfully targeted forged disabled parking permits. Where possible forged permits were confiscated and offenders reported.
- ✓ The Community Compliance team is now able to access Council's customer service management system 'Merit' live in the field. The mobile application increases officers productivity while allowing information to be available to officers undertaking their duties.
- ✓ The Regulatory Services administration team has undertaken considerable modifications to cater for the new Fines Victoria infringement process to ensure that customers are unaffected by the changes.

## Community Services

### Community Arts, Culture and Libraries

The Community Arts, Culture and Libraries department seeks to ensure that meaningful opportunities are available for creative and cultural participation, learning, enjoyment and expression to improve the overall quality of life for local communities.

Library services are delivered in a variety of locations and methods through Dandenong and Springvale library branches. This is complemented by library outreach programs and services, home delivery, bulk loans of materials to institutions and through the online library. Additionally, libraries oversee Council's historical civic collections, the shared historic archive, liaison with local history groups, preservation of digital records, and a program of local history exhibitions.

Arts and Cultural Development focuses on engaging creative public programs, artist development, artist residencies, community and artist exhibitions, public art, and operating cultural venues including Heritage Hill and Walker Street Gallery.

Festivals and Events encourages community celebration, participation and inclusion through the delivery of Council funded festivals and events, and through the support of many community festivals and events.

The Drum Theatre is a cultural hub that provides diverse, engaging and accessible programs through the presentation and hosting of professional and community theatre productions, workshops, functions and events.

## Achievements

- ✓ Over 900,000 people physically visited the Libraries and over 400,000 visits were made to the virtual access platforms.
- ✓ The inaugural Dandy-Con event at Dandenong Library had 4,800 people attend the day's festivities.
- ✓ The Library currently sustains 17 community language collections including the recent introduction of Hindi and Urdu Showcase collections.
- ✓ Heritage exhibitions including 'Boundless Plains to Share', 'Make do to Renew' and 'Snap, Smile for the Camera' were well received.
- ✓ The Home exhibition showcased artists from refugee and asylum seeker backgrounds, receiving strong local engagement and broad press coverage.

## Service Summaries – A Year in Review

- ✓ Partnerships with the Emerging Writers' Festival, Melbourne Writers' Festival and Open House Melbourne delivered successful events in the City of Greater Dandenong.
- ✓ Supported through Creative Victoria's Creative Suburbs funding, [Sub]urban Studio concluded its two year delivery at the end of 2018 having engaged with over 7,000 people in active participation in the arts across contemporary dance, puppetry and spoken word.
- ✓ More than 450 local students toured Heritage Hill to be introduced to visual art, heritage and sustainability.
- ✓ The Walker Street Gallery presented 15 exhibitions, more than half of which featured local CGD artists.
- ✓ The theatre season included Victorian Opera's Madam Butterfly, Cold Chisel's Ian Moss in concert, Victorian State Ballet's Snow White and the award winning Robot Song by Arena Theatre.
- ✓ Local schools continued to be a major user of the Drum facilities, in addition to the range of children's programming presented directly by the Drum during school holidays. Highlights included sell out performances of The Wiggles and Masquerade Youth Productions presentation of 'Aladdin'. There were also three performances of 'Gruffalo' as part of a nationwide tour, and over 900 school students attended performances of 'Medea' presented by Complete Works Theatre.
- ✓ Six large scale Council led events and two festivals were successfully delivered with an estimated attendance of 85,000 people and an average satisfaction rate of 90 per cent.

### Community Care

Community Care focuses on developing and supporting a range of initiatives and services to support older people and people with a disability, to remain fit and active and to live independently in the community for as long as they are able to do so. Community Care is an integrated client support service that provides a range of in-home support services funded through the Commonwealth Home Support Program (CHSP) and the Victorian Government Home and Community Care Program for Younger People (HACC-PYP).

To encourage social connectedness we also provide community support services including specialised community transport and centre based social support groups, and support and advice to seniors clubs and groups. The Community Access Unit includes the Regional Assessment Service (RAS) and disability inclusion and planning taking a community development approach.

### Achievements

- ✓ The new positive ageing team, introduced to promote social connectedness for our older residents, met with over 50 groups to ascertain how Council can better support them. The positive ageing team also trialled some new activities such as bus trips to the Dandenong Market which have proven very successful.
- ✓ Community Care Workers participated in the "Wellness Champions" project that aimed to equip them with resources and educational opportunities to model the wellness approach with their peers. Formal sessions led by a registered psychologist were held during 2019 with the group successfully presenting their learnings to the entire team of 100+ Community Care workers.
- ✓ The National Disability Insurance Scheme (NDIS) commenced implementation in September 2018. Community Care staff successfully supported 200 of Council's HACC-PYP clients to transition to the NDIS.
- ✓ The Seniors Festival held in October 2018 attracted over 6,000 attendees across the 93 activities on offer which is a significant increase from the previous year. The festival also co-hosted events with the Children's Festival including the official launch of the Seniors Festival in Harmony Square followed by a family movie on the Urban Screen and a Grandparents and Kids Craft Workshop held at Dandenong Market. Council also hosted the annual afternoon tea dance at the Jan Wilson Centre with approximately 180 people in attendance.
- ✓ The annual Multicultural Seniors Dance was held at the Springvale City Hall in September 2018. There were over 420 people in attendance which was an increase of 70 people from the 2017 event.
- ✓ Ongoing officer support was provided to both the Positive Ageing Advisory Committee and the Disability Advisory Committee. Both committees have provided invaluable advice to Council on the development and ongoing monitoring of the Disability Action Plan 2017–23 and the Positive Ageing Strategy 2017–25.

- ✓ The Community Access Team played a significant role in planning for the development of an all abilities playground at Ross Reserve. The playground will offer an inclusive experience for all, providing a diverse play environment for children, youth and adults of all abilities.

## Community Development, Sport and Recreation

The Community Development, Sport and Recreation department focuses on developing and supporting a range of initiatives and services to enhance the health and wellbeing of families in the city. The department includes Community Development; Volunteers, Sport and Recreation; and Community Funding.

### Achievements

- ✓ The Sport and Recreation team launched its new healthy living campaign called 'Make Your Move' (MYM) at the Big Picnic event on Sunday 14 April. MYM aims to increase participation in physical activity and improve mental and emotional wellbeing through the promotion of leading a healthy lifestyle.
- ✓ The MYM Sport and Active Participation Survey was completed with over 2,500 responses from residents. This will inform the strategic direction of sport and active recreation planning into the future.
- ✓ The redevelopment of the Peter Mathison Pavilion at Alex Nelson Reserve and the baseball pavilion at Booth Reserve were completed.
- ✓ The YMCA Contract for the management of the Springers, Oasis and NPAC facilities was extended until 2021. The new contract terms include some exciting new strategies to increase water safety across Greater Dandenong and a new inflatable for Dandenong Oasis.
- ✓ A Council volunteer was awarded the Premier's Volunteer Service Award. This was acknowledged at one of the two successful volunteer recognition and appreciation events.
- ✓ Advocacy continued through the Local Government Mayoral Taskforce Supporting People Seeking Asylum – a coalition of 33 Councils (including five interstate Councils) advocating for a reversal of Federal Government cuts to the Status Resolution Support Services program for people seeking asylum. An advocacy campaign platform was created called 'Back your neighbour'.
- ✓ A Mayoral forum with key stakeholders was facilitated to suggest methods to improve social housing stock in the municipality. Council also brokered a process for non-owner occupied rental properties to be made available for social housing.

## Community Wellbeing

The Community Wellbeing department focuses on developing and supporting a range of initiatives and services to enhance the health and wellbeing of families in the city. The department includes Children's Services; Immunisation; Maternal and Child Health; and Youth and Family Services.

### Achievements

- ✓ 106 early and middle years children participated in the annual Children's Forum, including the election of the first Junior Mayor.
- ✓ A new Early Years Facility was delivered at Yarraman Oaks Primary School, Noble Park.
- ✓ The Refugee Immunisation Project was expanded allowing adults of refugee background access to catch up vaccinations and providing tracking/monitoring for the Department of Health and Human Services (DHHS) to inform future policy development.
- ✓ 4,809 adolescents were immunised at the 22 secondary schools in the City of Greater Dandenong in accordance with the National Immunisation Program (NIP) Secondary School Program.
- ✓ 28 New Parent Groups were provided to 327 new parents.
- ✓ Family Support Services engaged with 209 families and 455 children, providing 9,808 contact hours of support and 177 children contacts in group programs.
- ✓ Youth and Family Services delivered 12 events to positively activate public spaces including Noble Park Skate Park, Harmony Square and JC Mills Reserve, engaging a total of 15,734 contacts.
- ✓ Youth and Family Services engaged 3,735 young people in community consultation activities including the Youth Summit, Resilience Survey and Environment Focus Group, supporting young people's voice to be heard across a range of Council planning areas.

# Service Summaries – A Year in Review

## Corporate Services

### Customer Service and Civic and Community Facilities

The Customer Service unit is responsible for the corporate call centre, face to face customer service centres, and is the 'first point of contact' with Council. 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. Additionally, Customer Service administers the Disability Parking Scheme.

The Civic and Community Facilities unit provides a diverse range of facilities for use or hire by Council and the community. The team professionally manages the booking and hire arrangements of the facilities, ensuring quality and high standards to meet the many and varied needs of a range of clientele.

### Achievements

- ✓ Customer service staff responded to over 123,700 calls to the call centre and answered 81 per cent of those within 20 seconds, achieving the annual target.
- ✓ The team processed 20,179 Merit requests for service; 50,343 receipts to the value of \$29,114,627; and 2,944 Disabled Parking Permits, 2,727 of which were approved and 217 declined.
- ✓ In the 2019 Community Satisfaction Survey, the City of Greater Dandenong scored 74 for customer service, which was three points higher than last year and continues to be higher than the statewide average for all councils.
- ✓ A number of processes were reviewed resulting in improved services, including sharing electronic forms internally and reducing the need to print applications; and working with VicRoads and other Councils on the centralised process for issuing Disabled Parking Permits.
- ✓ Both teams were heavily involved in the planning for the new Springvale Community Precinct project which will incorporate a new customer service centre, library and community meeting rooms.
- ✓ The new venue booking system, Zipporah, was upgraded and remodeled to accommodate online bookings from external customers. The transition is well underway with some facilities already online and the remaining halls to follow in the new financial year.

- ✓ Staff continued to provide a professional support service to thousands of guests through their private events, civic receptions and community meetings. Venue usage grew and feedback from customers was overwhelmingly positive.
- ✓ Substantial works and maintenance were undertaken across multiple venues, including a major refurbishment of the Springvale Supper Room at the Town Hall, and minor upgrades at The Castle, Edinburgh Hall and Wachter Reserve.

## Financial Services

Financial Management exists to enable Council to comply with statutory requirements, provide strategic financial direction, and undertake essential business processes and support the organisation with financial assistance and advice. The service provided by the Financial Management unit essentially supports the external service provision of other units.

Property Revenue includes the administration of rates and valuation services. It is responsible for the issue of rates notices, supplementary rates, preparation and issue of pension remissions and ensures an accurate and up to date property database is maintained.

Valuation services include the preparation of general revaluation every two years and supplementary valuations including administering of objections.

### Achievements

- ✓ A mid-year review of the 2018–19 Budget was completed recognising changed circumstances underlying the adopted budget.
- ✓ Council's Long Term Financial Strategy was updated for the period 2019–20 to 2023–24 to form the basis of the Budget for 2019–20. Council's Annual Budget for 2019–20 was adopted by Council on 11 June 2019.
- ✓ Monthly financial reports were provided to the Executive Management Team and a quarterly financial report to Council which enabled Council to deliver services and capital works within budget.
- ✓ The 2017–18 Annual Financial Statements were produced including the receipt of an unqualified audit opinion from the Victorian Auditor-General.
- ✓ Council's Rates and Hardship Policy, which considers the needs of individuals and businesses who are suffering financial hardship and provides a framework to provide rate relief to individuals who need assistance, was updated and adopted by Council on 24 June 2019.



- ✓ Property valuations, which are now undertaken by the Valuer General annually, were certified and made effective as 1 January – in accordance with the *Valuation of Land Act 1960* legislation and the *Valuation Best Practice Specifications* legislation. These valuations have been updated in Council's Property and Rating system for 2019–20.
- ✓ Annual compliance information is submitted annually to the Essential Services Commission who monitor and review Council's compliance with rate caps under the Fair Go Rates System. Council received notification of its compliance with the 2018–19 rate cap.

## Governance

The Governance department is responsible for the overall governance of the organisation including records management and commercial property.

Governance is responsible for the management and coordination of Council meetings and Councillor Briefing Sessions and all associated documentation, managing Council's election process, ensuring legislative compliance processes across the organisation are effective, policy development and the processing of Freedom of Information and Information Privacy requests. It is also responsible for hosting citizenship ceremonies on behalf of the Department of Immigration and Border Protection, organising civic events and functions to recognise the Greater Dandenong community and providing support to the Mayor, Councillors, CEO and directors.

Commercial Property is responsible for coordinating the major activities of Council's commercial property portfolio, managing Council's commercial properties and coordinating the acquisition and disposal of Council building and land assets as required.

Records Management is responsible for the management, archiving and disposal of all Council correspondence and records in compliance with the *Public Records Act 1973* and Public Records Office of Victoria (PROV) Standards.

## Achievements

- ✓ A number of Mayor and Councillor annual and civic events were conducted for the Greater Dandenong community.
- ✓ There were no breaches of the *Local Government Act 1989*.
- ✓ No Freedom of Information decisions required review by the Information Commissioner in 2018–19.
- ✓ The budgeted targets for expected rental revenue from Council's commercial properties across the municipality were met.
- ✓ The Records Management Unit was externally audited and an 18 month program of improvement initiatives commenced.

# Service Summaries – A Year in Review

## Information Technology

Information Technology Services is responsible for the provision of cost effective information and telecommunication solutions to staff and Councillors. The unit plans, implements, maintains and enhances corporate software systems, hardware, data networks and telecommunications infrastructure, and provides web based services to the community. It also ensures the integrity of Council's information assets and protects them against security attacks.

### Achievements

- ✓ Councils room booking system Zipporah enhanced the ability of residents to request the use of select spaces via Council's website.
- ✓ Enhancements were made to allow public documents to be stored in Council's document management system and accessed via the website.
- ✓ 19 online forms/processes and application interfaces were implemented utilising technology allowing for integration with Council's corporate systems.
- ✓ Council's customer request system was upgraded to include 24/7 access in the field for various departments in Council including Local Laws.
- ✓ Council's document management system browser version is ready for deployment in 2019–20.
- ✓ The Office 365 rollout commenced and is ready for deployment in 2019–20.
- ✓ Council's security defences were strengthened by conducting annual penetration tests against the network, conducting regular Phishing campaigns with staff and Councillors and implementing an enhanced email security system (Mimecast).

## Media and Communications

The Media and Communications unit is responsible for all media management, marketing and communications campaigns and activities, web and intranet management, digital screen content and print shop services. It is also responsible for the corporate planning and reporting functions including the Community Plan, Council Plan, Annual Plan, Local Government Performance Reporting Framework, Annual Report and the quarterly organisational performance reports to Council.

Key activities include the preparation and distribution of monthly editions of 'Greater Dandenong Council News' magazine; media releases, responses and briefings; design, publication and approval of all corporate brochures and key communications; various public relations activities and campaigns; management of Council's website, intranet, social media platforms and online consultation; production of a weekly staff newsletter and internal communications; preparation of mayoral speeches; and the supply of internal printing services.

### Achievements

- ✓ A significant redevelopment of Council's website and intranet commenced. Stages one and two were completed, and Stage three will see a complete rebuild and launch of both sites.
- ✓ The development and implementation of key branding and community information campaigns was coordinated, including Cultural Threads, new Arts branding, Sustainability Festival, Snow Fest, the Walk Against Family Violence, Drum Theatre program, Short Cuts Film Festival and waste services information.
- ✓ A complete review and update of the Community Engagement Planning Framework and development of a Community Engagement Toolkit were completed; a number of community consultation campaigns were managed including Climate Change, all abilities playground, dog off-leash areas and open space in Greater Dandenong.
- ✓ Online engagement improved through social media, with Greater Dandenong's official Facebook page now having 12,572 followers; Twitter followers over 4,405; Instagram over 3,054 followers; and a corporate LinkedIn account has 3,683 followers. Overall, the annual growth of our social media channels was 13.2 per cent; Facebook followers grew by 8.6 per cent, Instagram followers by 13.6 per cent, Twitter followers by 3.4 per cent and LinkedIn by 24 per cent.
- ✓ A total of 473 content items were sourced and curated for the Urban Screen and digital screen network, including those in customer service centres, libraries, and various community centres. 63 events were held in Harmony Square utilising the Urban Screen.
- ✓ The Council Plan 2017–21 (Revised 2019) and Annual Plan 2019–20 were updated, prepared, placed on public exhibition and then adopted by Council.

## People and Procurement Services

People and Procurement Services are responsible for supporting and developing the human resource capital within the organisation and the engagement of external resources through occupational health and safety, management of Workcover claims and return to work programs, learning and development activities, and the recruitment and selection of employees.

The department also manages employee relations; development and implementation of human resource policies and programs; payroll and superannuation; purchasing and procurement systems; contract management systems; insurance and risk management; and municipal emergency management.

### Achievements

- ✓ The full rollout of the Appropriate Workplace Behaviours Policy training program was completed across the organisation.
- ✓ A new four year Enterprise Agreement governing employee pay and conditions was negotiated and approved by the Fair Work Commission.
- ✓ Implementation of a new HR system incorporating learning management, performance management and integrating with Council reporting.
- ✓ Council was successful in its efforts to be reaccredited as a White Ribbon workplace.
- ✓ Another successful Walk Against Family Violence event was conducted in November 2018 with increased numbers and participation.
- ✓ Council was successful in achieving the target 50 per cent compliance to the National Audit Tool (NAT) requirements as part of Council's participation in the MAV Self Insurance Scheme for Workcover.
- ✓ A new "pulse" type of survey for gauging employee engagement at more regular intervals throughout the year was implemented.
- ✓ A new online platform for recognising and rewarding employees called SHINE was implemented.

## Engineering Services

### City Improvement Services

This department incorporates the Project Delivery team and the Building Maintenance team.

Project Delivery is responsible for design, project management and delivery of Council's City Improvement Program (CIP) associated with property, plant and equipment, and infrastructure capital works projects.

Building Maintenance organises and carries out repairs and maintenance activities to Council owned building assets, including reactionary and programmed maintenance. Building Maintenance also manages lift maintenance, office cleaning and the security services contracts.

### Achievements

- ✓ The Commonwealth Government part funded Roads to Recovery local road rehabilitation program was 100 per cent completed on budget and on time, and 100 per cent of the Road Renewal Program (crack sealing, major patching and resurfacing and rehabilitation) was completed on budget and to deadline. The Bangholme Road reconstruction project was also completed and is now open to traffic.
- ✓ A number of significant road safety improvements were delivered through the federally funded Blackspot Program and Council's own Local Area Traffic Management Program (LATM).
- ✓ Work progressed on major building projects with Springvale Community Precinct Stage Two underway and the Yarraman Oaks early learning facility completed.
- ✓ The design for a major sports pavilion redevelopment at Thomas P Carroll Reserve was brought to tender stage ready for construction in 2019–20.
- ✓ The annual building renewal program was completed incorporating over 80 improvement projects across various Council buildings.
- ✓ A number of open space, lighting and landscape projects were completed across Council's reserves including Dandenong Park, Tatterson Park and Parkfield Reserve.
- ✓ Building Maintenance successfully implemented and completed the annual maintenance program across Council owned buildings.

# Service Summaries – A Year in Review

- ✓ 100 per cent compliance was achieved in Essential Safety Measures (i.e. occupancy permits, maintenance determinations and certificates of final inspections) for all Council owned buildings.

## Infrastructure Services and Planning

Infrastructure Services and Planning is responsible for the maintenance and renewal of the city's roads, drainage, footpath network, parks, vegetation (including trees) and recreational and sporting grounds. Key focus points are improving asset life, functionality and safety for the community and residents. Council's fleet and waste collection services including waste education and graffiti removal are also responsibilities of this department.

### Achievements

- ✓ The Dumped Rubbish 'Hot Spots' program continued with over 8,660 collections from 3,132 sites to remove approximately 1,017,541 tonnes of dumped rubbish from streets throughout the municipality.
- ✓ Euro 6 technology was first introduced in 2017–18 and extended this year to Council's passenger fleet with the purchase of four new vehicles embracing this type of technology.
- ✓ Over 100 early learning centre and school education programs were delivered to over 2,400 students and staff engaged with community members at 26 key events attended by over 3,880 people.
- ✓ A waste education program was delivered to 650 Culturally and Linguistically Diverse (CALD) students at Chisholm TAFE.
- ✓ Two re-use and recycle drop off days were held attracting 1,598 vehicles delivering household items for re-use and recycling.
- ✓ Council maintained a household recycling service processing 12,952 tonnes of recyclables with no diversion to landfill despite the recycling crisis experienced across Australia.
- ✓ Cricket Victoria, Premier Cricket wicket/oval rankings resulted in Greater Dandenong Premier Men's & Women's ground scoring their highest ever ratings of:
  - Shepley Oval, Oval and wicket combined, ranked 4
  - Wilson Oval Wicket, ranked 1
  - Greaves Reserve (Women's Premier Cricket), Oval and wicket combined, ranked 1

- ✓ The Parks community environmental education program engaged a total of 5,740 residents in environmental awareness activities, including a number of successful events such as Halloween in the Park at Pirate Park, and the Discover Dandenong Creek Festival at Tirhatuan Park.
- ✓ 'Greening Our City' Council's Urban Tree Strategy (2018–28) was implemented with 2,624 trees planted in year one.
- ✓ The Parks team set up a School Based Traineeship program in partnership with the National Horticulture Institute and Avocare, to assist a group of students with learning difficulties to obtain experience in parks maintenance. The program is underway at Keshava Reserve in Dandenong, and has resulted in improvements to the amenity of the park, a reduction in anti social behaviour and students being given the opportunity to gain qualifications in Horticulture.
- ✓ The 'Discover Dandenong Creek' grant program, a collaborative project with adjacent landholders, continued with funding from the Department of Environment, Land, Water, and Planning, resulting in significant weed reduction along the creek, as well as a large revegetation program.

## Transport and Civil Development

The Transport Unit incorporates Strategic Transport Planning and Transport System Management.

Strategic Transport Planning delivers transport planning, leads regional transport coordination; undertakes liaison and advocacy; and delivers expert advice on long-term transport needs for the city. Transport System Management develops and coordinates traffic safety, local area traffic management, parking infrastructure, sustainable transport and heavy vehicle permits.

The Civil Development unit is responsible for the approval of engineering plans, regulation of subdivision roads, coordinates the engineering aspects of Development Contribution Plans and provides advice for new developments. It also encompasses the asset protection function, civil works and vehicle crossing permits.

### Achievements

- ✓ Council was successful in gaining \$417,000 of Black Spot Program funding for road safety treatments and \$300,000 of TAC Safe Travel in Local Streets SSRIP funding for road safety treatments.
- ✓ The Greater Dandenong Public Transport Advocacy Statement and the Dandenong South Multi Modal Transport Infrastructure Plan were drafted.
- ✓ Policies were developed regarding Public Car Share and Electric Vehicle Charging.
- ✓ The first stage of a significant road and trail network planning exercise for the Greater Dandenong Green Wedge was undertaken.
- ✓ Rapid responses continued to be provided to Heavy Vehicle Permit applications.
- ✓ 98 per cent of customer requests relating to transport issues (parking signage/road safety) were responded to within the allocated timeframes.
- ✓ Council's position on the Executive Committee of RoadSafe South East was maintained.
- ✓ Council continued to participate in the Southern Metropolitan Partnership Transport Working Group, South Eastern Metropolitan Integrate Transport Group and Eastern Transport Coalition.
- ✓ Four large Active Transport Infrastructure projects were planned and delivered.
- ✓ A new Asset Protection Permit inspection process including application fees & security bonds was introduced.
- ✓ 546 Asset Protection Permits were issued with 100 per cent completion within the designated timeframes.
- ✓ 579 Road Opening Permits were granted.

## Greater Dandenong Business Group

### Activity Centre Revitalisation

The Activity Centre Revitalisation department leads and coordinates the revitalisation of the Dandenong, Springvale and Noble Park activity centres through the stewardship of property development, infrastructure, planning, stakeholder engagement, project management and place making.

### Achievements

- ✓ Council worked in partnership with Development Victoria and liaised with other key developers to progress investment on key Activity Centre development sites.
- ✓ The Walker Street stage 2 streetscape upgrade was completed along with the phased undergrounding of power and signalisation in Thomas Street as part of the Afghan Bazaar Cultural Precinct.
- ✓ The design and approvals associated with the Springvale Boulevard, Post Office Lane and Dandenong Gallery of Art projects were progressed.
- ✓ Phased works to implement actions from the Indian Cultural Precinct Framework were delivered through a \$500,000 grant.
- ✓ Place making projects in the Activity Centres including the transformed program, interpretive signage, comfort improvements to public spaces, business audits, behaviour mapping and the compilation of a Place Making Framework per centre were completed.
- ✓ Advocacy activities were successful for improvements to public interfaces aligned with the new Noble Park train station as part of the level crossing removal project.
- ✓ Advocacy activities were successful for the replacement of the temporary Pop Up Park with the construction of a new multi-sport facility in central Dandenong.
- ✓ Property at 275 Lonsdale Street, Dandenong to be used for a future laneway connection was identified and secured.
- ✓ Strategic parking management interventions in activity centres including Lonsdale Street and Carroll Lane car park in Dandenong and Balmoral car park in Springvale were coordinated.

# Service Summaries – A Year in Review

## Economic Development

The Economic Development Unit (EDU) markets Greater Dandenong as a business destination; facilitates business attraction, investment and employment creation; supports existing businesses; and measures and monitors the local and regional economy to enhance the economic prosperity of the municipality.

### Achievements

- ✓ The EDU successfully secured \$25,000 of State Government funding to deliver a business summit for the Greater Dandenong business community in 2019–20.
  - ✓ An additional \$5,000 of State Government funding was secured to create a series of training videos targeting the CALD business community.
  - ✓ The Mayor's Business Lunch purpose and structure was reviewed and two events were held in this new format. The first event discussed workplace giving and the second event was held between the Greater Dandenong Chamber of Commerce and the South Asian Business Association and discussed the theme – working together, how can we create a stronger Greater Dandenong.
  - ✓ The business magazine (quarterly) and newsletter (monthly) were rebranded and have been renamed 'Talking Business' (formally Stakeholder). This project also involved a redesign of the layout and content and readers have been encouraged to receive the publication electronically for a more sustainable approach. To date 1,369 subscribers have moved to the electronic list. The combined circulation for the magazine is over 6,000 and continues to grow.
  - ✓ 15 Council led food and cultural tours were delivered.
  - ✓ The EDU continued to champion the business community including:
    - Building trust and rapport with existing and new businesses to retain and attract them.
    - Advice on growing and/or starting a business and compliance requirements.
    - Introductions and pre planning application meetings to other council units, State, Federal Government departments, real estate agents and consultants.
    - Provision of local and regional statistics and data to help inform businesses.
- A pilot Shopfront Improvement Program in Noble Park commenced. This has seen the aesthetic appeal of various businesses in a specified shopping precinct uplifted through signage and other frontage works.
  - 23 food manufacturing and processing businesses coordinated to exhibit and attend the four day Fine Food Australia Expo in Melbourne.

## South East Business Networks (SEBN)

Through its unique networking model, SEBN brings people and companies together, providing practical and relevant support to strengthen manufacturing knowledge and capability; support and strengthen the role of women in business; enhance business sustainability, and deliver leadership and employment opportunities that contribute to the economic and social wellbeing of the region.

### Achievements

#### Business:

- ✓ A strong participation base was maintained, with increasing numbers of new and younger business owners and managers across all levels of business from CEO to shop floor. The highly successful 'Future of Manufacturing' group has a strong corporate social responsibility ethos and is a 'good practice' exemplar. Developing Young Leaders, site visits, and a new CEO series initiative are highlights resulting from the various network groups.
- ✓ A diverse program of activities and site visits was delivered including local and international experts on topics as diverse as people, behaviours and skills to global issues and trends and emerging technologies. Smart manufacturing/Industry 4.0; 'Value Stream Mapping'; 'Digital Transformation' and 'China Manufacturing Strategy 2025' were some of the topic highlights which SEBN complemented with international speakers and events including the Netherlands as a European Base; Annual Economic Update with NAB, and Can Technology Make Us Better People?
- ✓ The focus on business sustainability continued with the collaborative ASPIRE waste exchange platform moving to stage two of its development; together with internal and external work on waste and resource initiatives and encouraging business to transform its practices.



- ✓ The Women in Business (WIB) program explored a range of leadership and business development activities including social media – making your mark on the world and job-crafting, and event highlights included our annual International Women’s Day and Showcasing WIB events. These profiled thought provoking and inspirational business women, including the CEO of Zoos Victoria, Jenny Gray, and Victorian Telstra Business Woman of the Year Sadhana Smiles, who shared experiences, challenges and career learnings.
- Community:**
- ✓ The Greater Dandenong Regional Employment Taskforce was consolidated and the initial Community Revitalisation/One Percent project was delivered. This project impacted 130+ disadvantaged jobseekers in Dandenong and Doveton, including People Seeking Asylum. Alongside employment outcomes, the project achieved significant improvements in the work readiness of participants and provided an evidence base for ongoing activities.
  - ✓ Funding from LaunchVic was received to deliver the Greater Dandenong Startup Hub – Ignite Greater Dandenong. Working in partnership with local entrepreneurial experts and Runway HQ (Geelong), Ignite Greater Dandenong has nurtured young and emerging businesses and has delivered mentoring, workshops, masterclasses and coworking space. It has also exposed participants to Hackathons, boot camps and events where they meet other local business and industry leaders – all of which have been designed to support and strengthen the start up ecosystem.
  - ✓ The 10th anniversary of the CGD – Industry Take a Swing for Charity Golf Day was celebrated which has raised in excess of \$400,000 for local charities.
  - ✓ The SEBN–SELLEN partnership delivered its annual ‘Lunch with Winners’ schools-industry event. Hosted by Glenn Manton, more than 200 secondary school students, teachers and businesses were inspired by the diversity of the career journeys of three young local ‘winners’ and a keynote presentation by Yong Deng.
  - ✓ The highly successful VicHealth *Kitchen Challenge* program was completed with 99 per cent of participants reporting increased mental health and wellbeing as a result of participating in this unique program which is now being offered to local businesses as a professional development activity for managers – at the same time benefiting the local community members who participate.





Performance

## Meeting our Strategic Objectives

- The Council Plan 2017–21 sets Council's strategic direction and community vision for the municipality. The Council Plan outlines measures of performance through achievements against strategic objectives in six key areas:
- A vibrant, connected and safe community
- A creative city that respects and embraces diversity
- A healthy, liveable, and sustainable city
- A city planned for the future
- A diverse and growing economy
- An open and effective Council



### Strategic Objective 1: A vibrant, connected and safe community

The following table shows progress against Council's four year strategic measures from the Council Plan 2017–21:

| Measure   | Progress   |
|---|--|
| Community Satisfaction Survey – “How Safe do you feel walking alone at night?”                          | 40 per cent of respondents feel safe   |
| % of participation at Council events  | Council had 85,000 attendees across its eight major festivals. 35,000 attended Snow Fest, 47 per cent of whom were local residents.  |
| % of municipality who are active library members  | 11.32 per cent. This excludes members who only use the Libraries computer facilities.  |
| Number of visits to the Library   | 981,823  |
| % of residents who volunteer  | In the 2016 Census 20,100 CGD residents identified themselves as volunteers. Of the volunteers who participate in Council specific volunteer programs 72 per cent were residents within the municipality.  |
| VIC Health General Wellbeing Indicator  | 74.9 – The last survey was conducted in 2015   |
| Number of direct services for older people that promote independence and collaborative service planning | 3,427  |
| Stakeholder and Agency Partnership Satisfaction Survey  | Due to the major changes in the Aged and Disability sector during the year Council focused on developing stronger links with a number of key agencies organisations and stakeholders with a view to further strengthening service delivery and positive outcomes for the community. This has included developing stronger links with the Council for the Ageing (COTA) and the Southern Migrant Resource Centre (SMRC) in reviewing the particular challenges of a diverse multicultural community knowing how to access Aged and Disability services. |

The following table reviews Council's performance against the indicators of the Annual Plan 2018–19

✓ Achieved ~ Not achieved

| What we hope to achieve                  | Actions   | 2018–19 |
|--|---|---------|
| A safe community                         | Complete and pass an audit of the Municipal Emergency Management Plan   | ✓       |
|  | Implement the Domestic Animal Management Plan (DAMP) 2017–20<br><i>Eight of the 35 actions within the DAMP are yet to be finalised.</i>   | ~       |
|  | Maintain the Safe City CCTV system in accordance with specified performance standards   | ✓       |
|  | Maintain eSmart Libraries accreditation to equip libraries and connect communities with the skills needed for smart, safe and responsible use of technology   | ✓       |
|  | Assist Victoria Police with targeted enforcement of speeding and hoon behaviour, through ongoing liaison and data provision   | ✓       |
|  | In association with RoadSafe South East, continue to advocate for and promote the implementation of programs that address road laws and highlight the impact that alcohol and drugs (legal and illegal), fatigue, speed, hoon behavior and distractions have on driving abilities | ✓       |
|  | In association with RoadSafe South East, continue to advocate for and promote the implementation of Road Safety for New Arrivals programs within the region<br><i>No funding was provided by the State Government for this program.</i>   | ~       |
|  | Provide ongoing funds via Council's Local Area Traffic Management (LATM) prioritisation program for road safety treatments to address priority locations where the greatest road safety risks are identified  | ✓       |
|  | Host the 2018 Walk Against Family Violence  | ✓       |
|  | Support and participate in regional activities aimed at the primary prevention of violence against women  | ✓       |
| A city with high community participation | Deliver three initiatives to enhance and strengthen education and employment outcomes for young people in Greater Dandenong, including actions from the Mayoral Youth Employment Taskforce (MYET) Action Plan   | ✓       |
|  | Create and promote two opportunities for young people to participate in physical activity, including a focus on addressing barriers to young women's participation  | ✓       |
|  | Develop a brand and marketing strategy to increase awareness and information about the range of available sport and recreation programs, services and facilities  | ✓       |
|  | Develop a Sport and Recreation Women's Program to assist female participation   | ✓       |
|  | Develop and deliver eight festivals and events across the city that are accessible and inclusive, financially and environmentally sustainable, and contribute to the creativity and vibrancy of Greater Dandenong   | ✓       |
|  | Investigate the gaps and demand for alternative sporting opportunities in the City of Greater Dandenong   | ✓       |
|  | Undertake a Sport Participation Survey to provide up to date information on sport and recreation trends and activity  | ✓       |

# Performance

## Strategic Objective 1: A vibrant, connected and safe community

| What we hope to achieve  | Actions   | 2018–19 |
|--|---|---------|
|  | Undertake a joint project with Development Victoria to assist in the development of a new site for Pop Up Park  | ✓       |
|  | Continue to participate in the state and federally represented school based community hubs Strategic Advisory Group and the local Greater Dandenong Community Hubs in Schools Strategic Group   | ✓       |
| A well informed and connected community with improved health and wellbeing             | Work with the Alliance for Gambling Reform and engage community groups and residents to advocate for gambling reform  | ✓       |
|  | In conjunction with Monash Health work with clubs to ensure the provision of healthy club environments through the implementation of programs such as the responsible service of alcohol, healthy eating and the promotion of smoke free environments   | ✓       |
|  | Maintain food safety – inspect all registered food premises annually and report outcomes  | ✓       |
|  | Maintain food safety and public health standards – interact with other local authorities, Environmental Health Professionals Australia (EHPA), Municipal Association of Victoria (MAV) and State Government departments   | ✓       |
|  | Monitor adolescent immunisation rates and report on the number of adolescents immunised according to the National Immunisation Program (NIP) Secondary School Program   | ✓       |
|  | Monitor childhood immunisation rates and report on the number of children under 10 years of age immunised according to the NIP  | ✓       |
|  | Provide aged and disability assessment services as part of the Regional Assessment Service (RAS)  | ✓       |
|  | Provide home care, personal care and respite care services  | ✓       |
|  | Provide planned activity groups and meals on wheels services  | ✓       |
| Enhanced partnerships with agencies and stakeholder groups to deliver quality services | In consultation with key stakeholders, develop options for Council's consideration to respond to the Commonwealth Aged Care Reform Agenda and National Disability Insurance Scheme (NDIS)<br><i>The Commonwealth Government will consider the recommendations of the Aged Care Royal Commission before implementing the next stages of the Aged Care Reform Agenda. This has delayed Council's development of an Options Paper.</i> | ~       |

## Major initiatives as funded in the 2018–19 Budget

| Initiatives  | Progress   |
|--|--|
| Implementation of the Domestic Animal Management Plan  | 27 actions from year two of the plan have been completed. New staff commencing in 2019–20 will enable the remaining eight items to be finalised. |
| Deliver eight key festivals and events across the city   | Council delivered eight high quality events attracting 85,000 people.  |
| Provide ongoing funds via the Local Area Traffic Management prioritisation program for road safety | All projects were matched for funding and completed.   |
| Maintain the Safe City CCTV system   | The total down time for the CCTV camera system averaged 0.5 per cent over the year.  |

## Local Government Performance Reporting Framework (LGPRF)

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

| Service Indicator/Measure   | 2016   | 2017   | 2018   | 2019   | Comments |
|---|--------|--------|--------|--------|----------|
| <b>Aquatic Facilities</b>   |        |        |        |        |          |
| <b>Service standard</b><br><i>Health inspections of aquatic facilities</i><br>[Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]                       | 5.50   | 1.00   | 1.50   | 3.00   |          |
| <b>Health and Safety</b><br><i>Reportable safety incidents at aquatic facilities</i><br>[Number of WorkSafe reportable aquatic facility safety incidents]   | 7.00   | 5.00   | 6.00   | 2.00   |          |
| <b>Service cost</b><br><i>Cost of indoor aquatic facilities</i><br>[Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]                                  | \$1.46 | \$1.41 | \$2.14 | \$2.52 |          |
| <b>Animal Management</b>  |        |        |        |        |          |
| <b>Timeliness</b><br><i>Time taken to action animal management requests</i><br>[Number of days between receipt and first response action for all animal management requests / Number of animal management requests] | 1.17   | 1.11   | 1.13   | 1.14   |          |

# Performance

| Service Indicator/Measure   | 2016    | 2017    | 2018    | 2019    | Comments   |
|---|---------|---------|---------|---------|--|
| <p><b>Service standard</b></p> <p><i>Animals reclaimed</i><br/>           [Number of animals reclaimed / Number of animals collected] x100</p>                          | 37.09%  | 37.19%  | 27.82%  | 37.07%  | Council have been working diligently to educate people that their animals have a greater chance of being returned by Council Rangers if they register and renew their animal registrations annually. New media campaigns were launched during the previous renewal period that are starting to gain traction within the community regarding the importance of animal registrations. The focus has been on increasing welfare for animals who can be returned to their owners rather than be impounded. |
| <p><b>Service cost</b></p> <p><i>Cost of animal management service</i><br/>           [Direct cost of the animal management service / Number of registered animals]</p> | \$55.69 | \$59.65 | \$69.53 | \$71.59 | Costs increased in 2018–19 due to the temporary closure of a local animal shelter, a decreased rate of animal registration and an increase in the number of animals impounded.   |

| Service Indicator/Measure   | 2016     | 2017     | 2018     | 2019     | Comments  |
|---|----------|----------|----------|----------|---|
| <b>Food Safety</b>  |          |          |          |          |   |
| <b>Timeliness</b><br><i>Time taken to action food complaints</i><br>[Number of days between receipt and first response action for all food complaints / Number of food complaints]  | 1.76     | 1.96     | 1.66     | 1.68     |   |
| <b>Service standard</b><br><i>Food safety assessments</i><br>[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100 | 147.23%  | 144.28%  | 144.15%  | 124.01%  | Council's previous year reporting included inspections which were additional to the annual food safety assessment in accordance with the Food Act 1984. For 2018–19 only annual food safety assessments have been reported. |
| <b>Service Cost</b><br><i>Cost of food safety service</i><br>[Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]   | \$538.73 | \$573.93 | \$509.86 | \$538.81 |   |
| <b>Libraries</b>  |          |          |          |          |   |
| <b>Utilisation</b><br><i>Library collection usage</i><br>[Number of library collection item loans / Number of library collection items]   | 6.20     | 5.78     | 6.47     | 5.64     |   |
| <b>Resource standard</b><br><i>Standard of library collection</i><br>[Number of library collection items purchased in the last 5 years / Number of library collection items] x100   | 85.97%   | 87.25%   | 86.90%   | 86.53%   |   |
| <b>Service cost</b><br><i>Cost of library service</i><br>[Direct cost of the library service / Number of visits]  | \$4.59   | \$4.72   | \$5.46   | \$4.88   |   |

# Performance

| Service Indicator/Measure   | 2016    | 2017    | 2018    | 2019    | Comments |
|---|---------|---------|---------|---------|----------|
| <b>Maternal and Child Health (MCH)</b>  |         |         |         |         |          |
| <b>Satisfaction</b><br><i>Participation in first MCH home visit</i><br>[Number of first MCH home visits / Number of birth notifications received] x100  | 103.60% | 101.20% | 101.04% | 98.12%  |          |
| <b>Service Standard</b><br><i>Infant enrolments in the MCH Service</i><br>[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100 | 101.56% | 102.20% | 101.99% | 101.80% |          |
| <b>Service cost</b><br><i>Cost of the MCH service</i><br>[Cost of the MCH service / Hours worked by MCH nurses]   | \$71.80 | \$71.52 | \$72.48 | \$73.06 |          |

## Strategic Objective 2: A creative city that respects and embraces diversity

The following table shows progress against Council's four year strategic measures from the Council Plan 2017-21:

| Measure   | Progress  |
|---|---|
| Number of annual artist opportunities that celebrate diversity and build community cohesion | 10  |
| Number of cultural celebrations facilitated by Council                                      | 8   |
| Increase in participation for creative and cultural programs and initiatives                | 1,533, a decrease from the 2018 figure of 1,873 |
| Number of arts and heritage exhibitions delivered through cultural facilities               | 15  |
| Number of opportunities provided to all residents to participate in Council processes       | 54  |

The following table reviews Council's performance against the indicators of the Annual Plan 2018–19.

✓ Achieved ~ Not achieved

| What we hope to achieve                                     | Actions  | 2018–19 |
|---|--|---------|
| A harmonious community that celebrates diversity            | Deliver 10 youth activities in public spaces that promote pro social behaviour and build a sense of community belonging  | ✓       |
|   | Advocate for and assist people seeking asylum and refugees living in the community by implementing the actions of the Greater Dandenong People Seeking Asylum and Refugees Action Plan 2018-21 | ✓       |
|   | Deliver the Home exhibition and program that features artists from refugee backgrounds including people seeking asylum   | ✓       |
|   | Implement actions from the Reconciliation Action Plan through engagement with the Dandenong and District Aborigines Cooperative and other key Aboriginal led organisations                     | ✓       |
| Increased participation in creative and cultural activities | Provide 10 opportunities for artists from a range of art forms through the annual artists in residency program   | ✓       |
|   | Provide 20 community arts opportunities for artists, residents and businesses through performance, exhibitions and programs  | ✓       |
|   | Host the 2018 Children's Forum   | ✓       |
| A city well known for working together with its community   | Implement year two actions of the Disability Action Plan 2017–23   | ✓       |
|   | Implement year two actions of the Positive Ageing Strategy 2017–25   | ✓       |
|   | Investigate the opportunity and content to encourage participation and promote opportunities for disability sports within CGD  | ✓       |

#### Major initiatives as funded in the 2018–19 Budget

| Initiatives  | Progress  |
|--|---|
| Implement actions from the Reconciliation Action Plan                                  | The first year action plan was approved by the Working Group and Reconciliation Australia to be extended by six months to align with the end of the financial year. Actions within the RAP have progressed well with the majority being completed or commenced. |
| Deliver the Home exhibition featuring artists of Refugee and Asylum Seeker backgrounds | The 2018 Home exhibition was held from 18 October until 24 November and featured work by six artists.   |

# Performance

## Strategic Objective 3: A healthy, liveable and sustainable city

The following table shows progress against Council's four year strategic measures from the Council Plan 2017–21:

| Measure  | Progress  |
|--|---|
| % of kerbside collection waste diverted from landfill              | 46.40 per cent  |
| Number of indigenous seedlings planted                             | 23,005  |
| Number of street trees planted                                     | 2,624   |
| Completion of Climate Change Strategy                              | Four background reports and public consultation activities were completed and will inform the development of the draft document in 2019–20. |
| Delivery of annual report on the Sustainability Strategy           | The 2018 annual report was approved by Council  |
| Number of park, reserve and sportsground upgrades                  | 2   |
| Completion of Capital Works Program                                | 91 per cent of projects have been completed. A small number of projects are dependent on third party authorities for completion.            |
| Increase in shared path network                                    | 692m  |
| Kilometres of streetscapes renewed to a high urban design standard | 0.1km   |
| Increase of canopy cover within areas of low coverage              | The tree planting program was conducted with a focus on areas of low canopy coverage and filling vacant nature strip sites.                 |

The following table reviews Council's performance against the indicators of the Annual Plan 2018–19.

✓ Achieved ~ Not achieved

| What we hope to achieve  | Actions   | 2018–19 |
|--|---|---------|
| A city that delivers a clean and healthy environment for people to enjoy | Develop and deliver a 2018–19 Waste Education Program   | ✓       |
|  | Undertake the annual Sustainability Festival and Awards   | ✓       |
|  | Investigate, in conjunction with the Metropolitan Waste and Resource Recovery Group, and report on alternate waste treatments to increase resource recovery and remove the reliance on landfill   | ✓       |
|  | Undertake a review of the household waste bin packages to understand whether there are any potential incentives to assist in the reduction of waste by households   | ✓       |
|  | Implement actions from the Green Wedge Management Plan:<br>– Complete the Planning Scheme Amendment for the VPO<br>– Advocate to Melbourne Water to undertake monitoring of creeks and waterways, and for the identification of locations for water course gauging stations | ✓       |
|  | Implement year one of the Urban Tree Strategy 2018–23   | ✓       |
|  | Monitor materials recycling and green waste processing sites across the municipality  | ✓       |

| What we hope to achieve  | Actions   | 2018–19 |
|--|---|---------|
| A city that prepares for climate change                            | Complete background reports and prepare a draft Climate Change Strategy<br><i>Four background reports have been completed which will inform the development of a draft Climate Change Strategy.</i>   | ~       |
|  | Publish the annual report on the Sustainability Strategy  | ✓       |
|  | Work regionally with South East Councils Climate Change Alliance (SECCCA) and the Council Alliance for a Sustainable Built Environment (CASBE) to implement various sustainability projects and initiatives   | ✓       |
| A network of quality parks, reserves and sportsgrounds             | Implement walking and cycling programs while improving online access to walking and cycle paths/trails  | ✓       |
|  | Undertake Dandenong Park improvements   | ✓       |
| Infrastructure that supports people and business                   | Advocate to external organisations such as VicRoads and neighbouring municipalities to reduce the barriers to cycling   | ✓       |
|  | Complete the review of the feasibility of a Community Environment Centre  | ✓       |
|  | Consider parking when assessing planning applications through the Greater Dandenong Planning Scheme   | ✓       |
|  | Deliver Council's Capital Works Program   | ✓       |
|  | Implement active transport infrastructure, including paths, cycle lanes and cycle parking to encourage and support walking and cycling activities<br><i>The full program will be completed as soon as stage one of the Hammond road project is constructed.</i> | ~       |
|  | Review the Asset Management Policy<br><i>The policy has been reviewed and minor changes have been made. This will be presented to Council for approval in Q1 2019–20.</i>   | ~       |
|  | Undertake the major stormwater renewal projects program   | ✓       |
| A range of quality streetscapes and public places that build pride | Undertake the road resurfacing program  | ✓       |
|  | Deliver Graffiti Clean Up Day   | ✓       |

# Performance



## Major initiatives as funded in the 2018–19 Budget

| Initiatives   | Progress   |
|---|--|
| Prepare a draft Climate Change Strategy                 | Council has appointed consultants to assist in the development of this strategy. Four background reports and public consultation activities were completed and will inform the development of the draft document in 2019–20. |
| Undertake the major stormwater renewal projects program | The three planned stages of major drainage upgrade works were completed ahead of schedule allowing 2019–20 works to be brought forward.  |
| Deliver a Waste Education Program                       | The 2018–19 program was delivered and included 78 sessions to Early Learning Centres, 27 sessions to primary and secondary schools and 30 sessions to CALD communities.  |
| Graffiti Clean Up Day                                   | The 2019 annual Community Clean Up Day was held on 21 March with approximately 50 residents attending.   |

## Local Government Performance Reporting Framework (LGPRF)

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

| Waste Collection   | 2016     | 2017     | 2018     | 2019     | Comments  |
|--|----------|----------|----------|----------|---|
| <b>Satisfaction</b><br><i>Kerbside bin collection requests</i><br>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000                                | 69.17    | 55.02    | 41.07    | 37.95    |   |
| <b>Service standard</b><br><i>Kerbside collection bins missed</i><br>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000 | 3.33     | 2.44     | 3.95     | 5.06     | The State Government's infrastructure works have provided competition for driver resources which has impacted on performance levels.                                    |
| <b>Service cost</b><br><i>Cost of kerbside garbage bin collection service</i><br>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]                               | \$112.23 | \$114.91 | \$124.79 | \$107.77 | A reduction in the cost of the household garbage service from the previous year was due to a variety of factors including reduced tonnages collected going to landfill. |
| <b>Service cost</b><br><i>Cost of kerbside recyclables collection service</i><br>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]                       | \$17.37  | \$15.47  | \$42.62  | \$59.33  | Costs continue to increase due to the higher cost of recyclables processing.  |

# Performance

## Strategic Objective 4: A city planned for the future

The following table shows progress against Council's four year strategic measures from the Council Plan 2017–21:

| Measure   | Progress   |
|---|--|
| Continued growth in development permits and activity across the municipality                                      | While there has been a slight slow down in application numbers, there remains a good level of growth in both the residential and commercial/industrial areas of the municipality, with many infill residential developments occurring, and a number of large businesses coming to the Dandenong South industrial area. |
| Completion of reviews of Activity Centre Structure Plans for Springvale and Noble Park                            | The development of a new Noble Park Activity Centre Structure Plan has commenced. Planning Scheme Amendment C203 for the Springvale Activity Centre Structure Plan has been prepared and authorised with a rewrite required prior to exhibition.   |
| Number of 10 year capital and renewal plans for major asset classes implemented                                   | 3  |
| 4.5ha of open space per 1,000 head of population  | 4.04ha of open space per head of 1,000 head of population.   |
| Hectares of public open space acquired, renewed or developed  | 4000sqm of additional land has been acquired by Council for open space during 2018–19.   |
| Sustainable Buildings Policy completed and implemented  | The policy has been completed and is now being implemented.  |
| Greater Dandenong Planning Scheme amended to include sustainability performance requirements for new developments | Planning Scheme Amendment C201 (Environmentally Sustainable Design) has been gazetted into the Planning Scheme, and all relevant planning applications are being assessed under this provision.  |
| Number of environmentally sustainable design planning policy actions completed                                    | In 2018–19 Council made significant progress regarding ESD by gazetted the Local ESD Policy into the Greater Dandenong Planning Scheme. This policy is now used in the assessment of all relevant planning applications.   |
| Completion of the Springvale Community Precinct Project   | The project is on track to be completed by August 2020.  |

The following table reviews Council's performance against the indicators of the Annual Plan 2018–19.

✓ Achieved ~ Not achieved

| What we hope to achieve  | Actions   | 2018–19 |
|--|---|---------|
| An adequate supply of residential, commercial and industrial development | Commence the Dandenong South National Employment and Innovation Cluster Structure Plan in conjunction with the Victorian Planning Authority<br><i>This project has been delayed as the VPA are yet to commence work.</i>        | ~       |
|  | Review the Municipal Strategic Statement<br><i>This project has been delayed and will not commence until DELWP advise Council of the timetable to introduce changes to the Greater Dandenong Planning Scheme.</i>               | ~       |
|  | Undertake a desktop review of the Heritage Study 1999 for possible submission to the Victorian Heritage Register  | ✓       |
|  | Complete the Planning Scheme Amendment for the Springvale Activity Centre Structure Plan<br><i>This planning scheme amendment has been received however a rewrite of the documents is required under the guidance of DELWP.</i> | ~       |
| Revitalised activity centres   | Commence the redevelopment of the Masonic Hall Art Gallery  | ✓       |
|  | Implement staged delivery of the Springvale Boulevard project<br><i>Progress has been slower than expected due to approval timeframes and the requirements of external agencies.</i>  | ~       |
|  | Implement the Indian Cultural Precinct Framework  | ✓       |
|  | Monitor the 10 year infrastructure plan for the Activity Centres  | ✓       |
|  | Monitor, implement and promote Activity Centre parking changes  | ✓       |
|  | Progress options to redevelop the Warwick Avenue Precinct<br><i>This project has been delayed as the potential sale of the southern car park is not supported at this time.</i>   | ~       |
|  | Undertake phase two of the Revitalising Central Dandenong project   | ✓       |
|  | Undertake the Afghan Bazaar cultural precinct stage three B streetscape   | ✓       |
|  | Undertake the Walker Street streetscape stage two construction  | ✓       |
|  | Complete the review of the Noble Park Activity Centre Structure Plan  | ✓       |

## Performance

| What we hope to achieve  | Actions  | 2018–19 |
|--|--|---------|
| Assets planned to meet future community needs                                | Develop a Multi Modal Transport Infrastructure Plan for the Dandenong Activity Centre<br><i>Feedback received from VicRoads on the Movement and Place framework will inform how this is applied to the Springvale and Dandenong Activity Centre Plans.</i> | ~       |
|  | Develop a Public Transport Advocacy Statement<br><i>Final comments are being prepared and a statement is expected to be launched in Q1 2019–20.</i>  | ~       |
|  | Develop a Public Lighting Strategy   | ✓       |
|  | Deliver the first half of the stage two Springvale Community Precinct project  | ✓       |
|  | Finalise acquisition of land for the Keysborough South Community Hub and undertake detailed design works for the facility<br><i>Council is currently investigating a number of options in relation to the purchase of an appropriate site.</i>             | ~       |
|  | Review and implement the Municipal Early Years Infrastructure Plan   | ✓       |
| Quality public open space provided across the city                           | Complete background reports and prepare a draft revised Open Space Strategy<br><i>The Discussion Paper is complete and is currently out for public comment.</i>  | ~       |
|  | Complete the review of the Dog Off-leash Strategy and select early actions for implementation  | ✓       |
|  | Develop and implement master plans for Burden Park, Frederick Wachter, Warner and Parkfield Reserves   | ✓       |
|  | Implement the existing Open Space Strategy to improve the quality of parks, reserves and playgrounds   | ✓       |
|  | Implement the master plan for Dandenong Park   | ✓       |
| Increased sustainability of residential, commercial and Council developments | Complete the planning scheme amendment for the Environmentally Sustainable Design local policy   | ✓       |
|  | Develop a policy for the implementation of infill development cost recoveries for impact on existing infrastructure assets   | ✓       |
|  | Meet with social housing providers to investigate and facilitate local opportunities   | ✓       |

## Major initiatives as funded in the 2018–19 Budget

| Initiatives  | Progress  |
|--|---|
| Afghan Bazaar cultural precinct stage 3B streetscape                             | <p>The following activities were completed:</p> <ul style="list-style-type: none"> <li>• The removal of overhead power lines and their relocation underground including new lighting.</li> <li>• Installation of new traffic signals at the intersection of Thomas and Scott streets.</li> <li>• A package of civil works was advertised and awarded in June, completion is expected by late 2019.</li> </ul> |
| Walker Street streetscape stage two construction                                 | <p>Stage two of the Walker Street streetscape renewal was mostly completed incorporating paving, lighting, rejuvenation of bespoke bollards, conduits for smart technologies and water connections to support moveable planter boxes.</p>   |
| Phase two of the Revitalising Central Dandenong project                          | <p>Whilst the Team 11 bid was unsuccessful further opportunities for this project are being investigated.</p>   |
| Redevelopment of the Masonic Hall Art Gallery                                    | <p>The detailed design package for the redevelopment project, which will transform the hall into the Dandenong Gallery of Art, has been completed and stage one funding has been secured for 2019–20.</p>   |
| Dandenong Park Master Plan   | <p>Significant infrastructure and landscape improvements to Dandenong Park have been achieved in accordance with the Council adopted master plan. Major works completed include the completion of a new toilet block, adjoining new picnic and bbq area, the Stan Prior stage, multipurpose court, activity area and landscaping.</p>   |
| Deliver the first half of stage two of the Springvale Community Precinct project | <p>Stage two works have progressed well and the project is on track to be delivered by the end of March 2020. The entire project is on track for completion by August 2020.</p>   |

# Performance

## Local Government Performance Reporting Framework (LGPRF)

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

|   | 2016    | 2017    | 2018    | 2019     | Comments   |
|---|---------|---------|---------|----------|--|
| <b>Roads</b>  |         |         |         |          |  |
| <b>Satisfaction of use</b><br><i>Sealed local road requests</i><br>[Number of sealed local road requests / Kilometres of sealed local roads ] x100  | 44.69   | 61.49   | 52.14   | 76.80    | There has been an increase in Merits for road maintenance which reflects a heavy promotion of the Snap Send Solve app which aims to facilitate an easier alternative for the community to report issues to Council. Council also receives a number of requests for road maintenance on the declared road network which is under the care and management of VicRoads. |
| <b>Condition</b><br><i>Sealed local roads maintained to condition standards</i><br>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100 | 78.02%  | 82.72%  | 79.38%  | 83.55%   |  |
| <b>Service cost</b><br><i>Cost of sealed local road reconstruction</i><br>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]   | \$0.00  | \$0.00  | \$0.00  | \$236.81 | This is council's first year of reconstructions and as such no comparison data is available.   |
| <b>Service Cost</b><br><i>Cost of sealed local road resealing</i><br>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]  | \$19.99 | \$21.38 | \$24.55 | \$19.98  | Costs have been reduced on a year on year basis due to more effective cost and contract management.  |

|  | 2016       | 2017       | 2018       | 2019       | Comments |
|--|------------|------------|------------|------------|----------|
| <b>Statutory Planning</b>  |            |            |            |            |          |
| <b>Timeliness</b><br><i>Time taken to decide planning applications</i><br>[The median number of days between receipt of a planning application and a decision on the application]  | 135.00     | 120.00     | 92.00      | 98.00      |          |
| <b>Service standard</b><br><i>Planning applications decided within required time frames</i><br>[(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100 | 58.38%     | 68.89%     | 70.40%     | 76.70%     |          |
| <b>Service cost</b><br><i>Cost of statutory planning service</i><br>[Direct cost of the statutory planning service / Number of planning applications received]   | \$2,759.44 | \$2,501.64 | \$3,352.97 | \$3,785.03 |          |

### Strategic Objective 5: A diverse and growing economy

The following table shows progress against Council's four year strategic measures from the Council Plan 2017–21:

| Measure  | Progress  |
|--|---|
| Number of training and development, networking and mentoring activities  | 72  |
| Number of food and cultural tours conducted  | 15  |
| Number of statewide events with CGD businesses represented   | 30  |
| Number of business support services and investment attraction activities that facilitate job sustainability and job growth | 22  |
| 4–10 year city improvement program developed to implement sustainable improvements in each activity centre                 | Draft 10 year CIP programs have been prepared for Dandenong, Noble Park and Springvale activity centres.  |
| Kilometres of commercial centre streetscape refurbished  | 0.1km   |
| Number of activities supporting social enterprises   | 2   |
| Progress on the Community Revitalisation and One Per Cent projects   | A range of initiatives have been delivered to increase the work readiness of local jobseekers and connect them to local employment opportunities. |
| Number of businesses participating in export industry workshops and overseas delegations                                   | 6   |

# Performance

The following table reviews Council's performance against the indicators of the Annual Plan 2018–19.

✓ Achieved ~ Not achieved

| What we hope to achieve  | Actions  | 2018–19 |
|--|--|---------|
| A city that supports the economic contribution, strength and diversity of its industries | Develop an Activity Centre's Investment prospectus<br><i>Development Victoria has completed a new prospectus document for the central Dandenong acquisition precinct and discussions are currently being held with relevant authorities regarding a future activity centre prospectus.</i> | ~       |
|  | Publish four editions of 'Talking Business' Magazine and relevant newsletters  | ✓       |
|  | Deliver a minimum of eight events as part of a small business workshop series  | ✓       |
|  | Deliver a minimum of five food manufacturers collaborative network events  | ✓       |
|  | Host the annual Real Estate and Developer Forum<br><i>This forum was postponed until September 2019.</i>   | ~       |
| A tourist destination attracting new visitors  | Host 15 cultural and food tours across Dandenong and Springvale  | ✓       |
|  | Implement a visitor attraction marketing program to attract visitors and keep local residents aware of activities and events   | ✓       |
| A resilient employment hub   | Deliver key event for secondary school students that promotes a diversity of career opportunities  | ✓       |
|  | Lead the Community Revitalisation Employment Project incorporating the One Per Cent initiative   | ✓       |
| A great place for business   | Hold at least one industry golf day event to raise funds in support of local charities   | ✓       |
|  | Monitor and report the number of network activities conducted with a target of 50  | ✓       |
|  | Provide activities that encourage opportunities for women and promote women in business  | ✓       |
| A city where business and community work together  | Deliver a development program for social enterprises   | ✓       |
|  | Finalise bid for A-League team in the South-East and progress the development of a stadium proposal  | ✓       |
| A city that is connected to the global economy   | Deliver activities that provide exposure and knowledge of global trends and encourage internationalisation   | ✓       |
|  | Promote grant, trade mission, and business development programs and facilitate local business participation  | ✓       |
|  | Support the Future of Manufacturing program and the development of the Manufacturing Connectivity Centre   | ✓       |

### Major initiatives as funded in the 2018–19 Budget

| Initiatives   | Progress   |
|---|--|
| Community Revitalisation Employment Project (incorporating One Per Cent initiative) | The Community Revitalisation project, initiated by the Greater Dandenong Regional Employment Taskforce (GDRET) and managed by SEBN, has delivered a range of initiatives designed to increase the work readiness of local jobseekers (including People Seeking Asylum) and connect them to local employment opportunities. Although due to conclude in June 2019, the project has received further funding which will enable it to continue until June 2020. |
| Real Estate and Developer annual forum  | This event was postponed until September 2019.   |

### Strategic Objective 6: An open and effective Council

The following table shows progress against Council's four year strategic measures from the Council Plan 2017–21:

| Measure   | Progress  |
|---|---|
| Community Satisfaction Survey – satisfaction with lobbying on behalf of the community (advocacy)  | 59  |
| Community Satisfaction Survey – satisfaction with community consultation and engagement   | 62  |
| % of decisions made in Council meetings closed to the public  | 0 per cent  |
| Increase in the amount of residents either attending Council meetings or viewing the meetings online  | In person attendance increased by 7 per cent and views online by 55 per cent.   |
| Increase in the level of participation by residents in OurSay consultations   | OurSay consultations had 943 visits. The majority of consultations utilised the Survey Monkey platform in 2018–19.  |
| Increase in the number of registered users accessing the Council digital portal   | 568 new users registered in 2018–19, bringing the total to 2,150  |
| Increase in the number of residents engaging with Council on social media   | 13.2 per cent   |
| \$ amount of Council transactions completed online  | 24,948 transactions were made online totaling \$12,844,636.   |
| Adoption of a revised Long Term Financial Strategy (LTFS) annually which addresses Council's financial sustainability over a rolling 10 year period | The Long Term Financial Strategy for 2019–20 to 2023-24 was adopted by Council on 11 June 2019. The rolling ten year plan will be introduced under the transitional provisions of the revised Local Government Act which has yet to receive royal assent. |
| Capital works funded from operational surpluses in annual budgets meet or exceed targets established in the LTFS                                    | The Long Term Financial Strategy (LTFS) 2018–19 to 2022–23 projected \$38.1 million of capital works to be funded from the operational surplus in the forecast year 2018-19. The 2018-19 annual budget achieved \$38.1 million.                           |
| Underlying financial result remains in surplus (as per the Local Government Performance Reporting Framework measurement)                            | Council achieved an underlying surplus result of \$14.67 million at 30 June 2019.   |

# Performance

The following table reviews Council's performance against the indicators of the Annual Plan 2018–19.

✓ Achieved ~ Not achieved

| What we hope to achieve   | Actions   | 2018–19 |
|---|---|---------|
| A Council connected with the community, providing an effective voice on their behalf                              | Achieve an index score of 62 or higher for community consultation and advocacy (Community Satisfaction Survey)  | ✓       |
|   | Maintain a detailed advocacy register on Council's website and prepare an updated Advocacy document for distribution to local Members of Parliament   | ✓       |
|   | Facilitate Community Forums as requested by Councillors   | ✓       |
|   | Grow Council's social media following by ten per cent from a base figure of 17,000  | ✓       |
|   | Review and update the Community Engagement Framework  | ✓       |
| Decision making which is transparent and accountable  | Achieve an index score of 61 or higher for making decisions in the interest of the community (Community Satisfaction Survey)  | ✓       |
|   | Review the Council Plan 2017–21 and develop the Annual Plan 2019–20   | ✓       |
|   | Undertake community consultation for the Annual Budget 2019–20  | ✓       |
|   | Commence planning preparations for the 2020 Council election including the potential need to conduct an electoral review of Council's ward structure depending on the final requirements of the new Local Government Act  | ✓       |
|   | Develop a Transparency Policy in line with the requirements of the new Local Government Act<br><i>This action has been delayed as the Local Government Act is yet to be presented to Parliament.</i>  | ~       |
|   | Develop and provide guidance to Council on the implementation of the new conflict of interest framework within the new Local Government Act<br><i>This action has been delayed as the Local Government Act is yet to be presented to Parliament.</i>                                  | ~       |
|   | Develop, in conjunction with Council, governance rules to define the meeting procedure regulations for Council in line with the requirements of the new Local Government Act<br><i>This action has been delayed as the Local Government Act is yet to be presented to Parliament.</i> | ~       |
| Produce and adopt the Annual Budget by 30 June 2019 in line with the new requirements of the Local Government Act | ✓   |         |
| An innovative and technologically connected Council   | Complete a redevelopment of Council's intranet and commence redevelopment of the corporate website  | ✓       |
|   | Continue to develop online digital forms to supplement current manual processes and promote these products to the community   | ✓       |
|   | Continue to implement the Digital Strategy and publish to the community the outcomes achieved against the prior year  | ✓       |

| What we hope to achieve   | Actions  | 2018–19 |
|---|--|---------|
| A well-managed and high performing Council  | Maintain all public registers required in accordance with the Local Government Act and associated regulations  | ✓       |
|   | Manage the effective leasing of Council's commercial property portfolio including seeking new lease opportunities for spaces which are currently vacant  | ✓       |
|   | Enhance the Pulse corporate reporting and risk management system across Council for improved performance reporting, risk identification and mitigation   | ✓       |
|   | Ensure Local Government Act general compliance across the organisation through the ongoing management of the legislative compliance system   | ✓       |
|   | Review and update the Audit Advisory Committee Charter based on new responsibilities contained in the Local Government Act<br><i>This action has been delayed as the Local Government Act is yet to be presented to Parliament.</i>  | ~       |
|   | Develop a Revenue and Rating Strategy in line with the requirements of the new Local Government Act<br><i>This action aligns with the Government's intention to introduce the Local Government Bill 2019 into parliament which is expected to occur later in the year.</i> | ~       |
|   | Liaise with the Valuer General to ensure the smooth introduction of centralised valuations and undertake annual rate modelling based on revaluations   | ✓       |
|   | Maintain sound financial practices by completion of the Annual Financial Statements for the year ended 30 June 2018 and receive full audit clearance by the legislated time frame of 30 September (including compliance with the Model Financial Report)                   | ✓       |
|   | Review the Long Term Financial Strategy and seek Council adoption of the revised framework in line with the new requirements of the Local Government Act   | ✓       |
|   | Complete a Workforce Management Plan in line with the requirements of the new Local Government Act<br><i>This action has been delayed as the Local Government Act is yet to be presented to Parliament.</i>  | ~       |
|   | Complete the development of a CEO remuneration policy as required under the new Local Government Act<br><i>This action has been delayed as the Local Government Act is yet to be presented to Parliament.</i>  | ~       |
| Achieve an index score of 76 or higher for customer satisfaction (Community Satisfaction Survey)<br><i>Council achieved a result of 74.</i> | ~  |         |

# Performance

## Major initiatives as funded in the 2018–19 Budget

| Initiatives  | Progress   |
|--|--|
| Implementation of the Digital Strategy   | Implementation continued throughout the year. The largest project underway has been the redevelopment of Council's website and intranet which will be a significant step forward in Council's digital transformation.  |
| Development of a Revenue and Rating Strategy in alignment with the proposed new Local Government Act | This action aligns with the Government's intention to introduce Local Government Bill 2019 into Parliament later this year. Additionally, the rating provisions will remain in the <i>Local Government Act 1989</i> until the rating system review finalises its recommendations to Government in May 2020. This ensures that any changes made to the rating system address the findings of the review. The outcome of these key actions is expected to impact the development of Council's Rating and Revenue Strategy. |
| Development of a Workforce Management Plan   | This project has been delayed due to the review of the LGA which is now back on the State Government agenda and is expected to be presented to Parliament later in 2019.   |
| Redevelopment of Council's intranet  | Stages one and two of the website and intranet redevelopment project were completed. The full rebuild of both sites is now underway and is anticipated to be completed by the end of the 2019–20 financial year.   |

## Local Government Performance Reporting Framework (LGPRF)

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

| Governance  | 2016  | 2017  | 2018  | 2019  | Comments |
|---|-------|-------|-------|-------|----------|
| <b>Transparency</b><br><i>Council decisions made at meetings closed to the public</i><br>[Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors ] x100 | 0.50% | 0.00% | 0.00% | 0.00% |          |

| Governance   | 2016        | 2017        | 2018        | 2019        | Comments  |
|--|-------------|-------------|-------------|-------------|---|
| <b>Consultation and engagement</b><br><i>Satisfaction with community consultation and engagement</i><br>Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement   | 62.00       | 63.00       | 60.00       | 62.00       |   |
| <b>Attendance</b><br><i>Councillor attendance at council meetings</i><br>[The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100 | 98.81%      | 95.65%      | 90.51%      | 84.58%      | All Councillor absences since 2016 have met requirements under the Local Government Act 1989; i.e., all requested leaves of absence have been endorsed by Council. Higher than anticipated absences were reported in 2018–19 due to the resignation of one councillor and a delay in the VEC countback to fill the vacancy over the holiday season break. |
| <b>Service cost</b><br><i>Cost of governance</i><br>[Direct cost of the governance service / Number of Councillors elected at the last Council general election]   | \$53,269.18 | \$54,821.09 | \$55,960.73 | \$57,710.09 |   |

# Performance

## Services Funded

The following table provides information in relation to the services funded in the 2018–19 budget and the sections of the community who are provided the service.

### People

Strategic Objective 1: A vibrant, connected and safe community

Strategic Objective 2: A creative city that respects and embraces diversity

| Service                                     | Description  | Net Cost                                       |
|---|--|--|
|   |  | Actual<br>Budget<br>Variance<br>\$000          |
| Community Services Executive                | This function provides the oversight and leadership of the provision of Community Services to the municipality.  | 445<br><u>525</u><br>80                        |
| Community Arts, Culture and Libraries       | The Arts, Culture and Libraries business unit supports the management of cultural venues, the Drum Theatre, festivals and events, public art, cultural development and cultural planning. Library services provide access to a wide range of information for all ages and cultures in a range of formats and locations and are committed to lifelong learning and self-improvement opportunities.        | 8,080<br><u>7,495</u><br>(585) <sup>^</sup>    |
| Community Care                              | Community Care provides services and programs to assist older people and people with a disability to remain living in the community. These include home based and centre based services, specialised community transport and support for clubs and groups within the city.   | 6,484<br><u>3,029</u><br>(3,455)               |
| Community Wellbeing                         | This department focuses on developing and supporting a range of initiatives and services to enhance the health and wellbeing of families. This includes family day care, family support services, kindergarten and child care committee support, preschool field officer program, 'Best Start' and early years projects, immunisation, maternal and child health, parenting programs and youth services. | 3,309<br><u>10,364</u><br>7,055*               |
| Regulatory Services                         | This department provides compliance, education and enforcement functions related to environmental health, animal management, fire prevention, local laws, parking management, planning compliance, public safety and security, litter prevention and school crossings for the entire community.  | (4,180)<br><u>(1,870)</u><br>2,310             |
| Community Development, Sport and Recreation | This department focuses on community advocacy, leisure planning, sport and recreation programs and community grant funding.  | 6,130<br><u>0</u><br>(6,130)*                  |
| <b>Total</b>                                |  | <b>20,268</b><br><b>19,543</b><br><b>(725)</b> |

## Place

## Strategic Objective 3: A healthy, liveable and sustainable city

## Strategic Objective 4: A city planned for the future

| Service                                    | Description   | Net Cost                                      |
|--|---|---|
|  |   | Actual<br>Budget<br>Variance<br>\$000         |
| Building Maintenance                       | Building Maintenance services cover everyday building issues and help maintain other Council properties and structures, including: bus shelters, Council building and land fencing and Council building lighting to ensure safety and amenity for all areas of the community.   | 7,391<br><u>7,328</u><br>(63)                 |
| 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 for the entire community.   | 461<br><u>586</u><br>125                      |
| City Planning Design and Amenity Executive | This directorate provides support to the entire municipality through the oversight of the planning, development, building and regulatory services activities.   | 388<br><u>456</u><br>68                       |
| Engineering Services Executive             | This directorate provides the oversight of the engineering and infrastructure functions of Council which benefit the municipality as a whole.   | 398<br><u>397</u><br>(1)                      |
| Parks                                      | The Parks Service unit maintains the City of Greater Dandenong's parks and public open spaces in order to: <ul style="list-style-type: none"> <li>• Improve the health and wellbeing of the community.</li> <li>• Provide accessible, usable open spaces for residents.</li> <li>• Improve the value of assets within the municipality.</li> </ul>                                | 12,492<br><u>12,386</u><br>(106) <sup>^</sup> |
| Planning and Design                        | This unit provides statutory, strategic, design and sustainability planning services to residents and business as well as monitoring and enforcing planning legislation and permissions.  | 3,069<br><u>3,232</u><br>163                  |
| Roads                                      | Road maintenance is a key function of Council, funding the ongoing upkeep of local roads for all areas of the municipality.   | 6,229<br><u>5,635</u><br>(594) <sup>^</sup>   |
| Infrastructure Services and Planning       | Infrastructure Services and Planning provides support to the municipality through the: <ul style="list-style-type: none"> <li>• Maintenance of the city's road, drainage, and footpath network.</li> <li>• Maintenance of the city's parks, recreational and sporting facilities.</li> <li>• Fleet and waste collection services.</li> <li>• Long term asset planning.</li> </ul> | 27,045<br><u>28,484</u><br>1,439 <sup>^</sup> |
| City Improvement Services                  | The project delivery team performs a project management function with the primary purpose of delivering Council's Capital Works program associated with its roads, drains, facilities and open space which benefit the municipality as a whole.   | 3,735<br><u>1,943</u><br>(1,792) <sup>^</sup> |

# Performance

| Service                         | Description   | Net Cost                                       |
|---------------------------------|---|--|
|                                 |   | Actual<br>Budget<br>Variance<br>\$000          |
| Transport and Civil Development | This unit provides support to the municipality through the long term planning and advocacy of Council's transport network, asset protection and civil development and design. | 540<br>839<br>299                              |
| <b>Total</b>                    |   | <b>61,748</b><br><b>61,286</b><br><b>(462)</b> |

## Opportunity

Strategic Objective 5: A diverse and growing economy

Strategic Objective 6: An open and effective Council

| Service                               | Description   | Net Cost                              |
|---------------------------------------|---|---------------------------------------|
|                                       |   | Actual<br>Budget<br>Variance<br>\$000 |
| Activity Centres Revitalisation (ACR) | ACR provides services to the entire municipality by leading and coordinating the revitalisation of the Dandenong, Springvale and Noble Park activity centres through the stewardship of property development, infrastructure planning, stakeholder engagement and place making.   | 980<br>944<br>(36)^                   |
| South East Business Networks (SEBN)   | SEBN provides support to businesses and industry with a focus on protecting the economic viability of the region by ensuring a stronger, more resilient and globally engaged business community. SEBN promotes the role of women in business and the development and integration of our diverse community into the workplace.   | 731<br>580<br>(151)                   |
| Corporate Services Executive          | Corporate Services is responsible for supporting Council's service delivery areas through activities such as financial planning, budgets, rates, and the systems used to manage and administer the organisation. Another key role is to provide Councillor support and governance services for Council decision making and representation. Communications, community consultation and corporate planning are also coordinated by the directorate. | 546<br>571<br>25                      |
| Economic Development                  | The Economic Development team provides support to businesses and industry and markets the city as a business destination, facilitates business attraction, investment and employment creation, supports existing businesses and measures and monitors the local and regional economy to enhance the economic prosperity of the city.  | 1,099<br>1,393<br>294                 |
| Financial Services                    | Financial Services provides support to Council's service delivery areas by providing strategic financial direction, undertaking essential business processes and supporting the organisation with financial assistance and advice. Property Revenue includes the administration of rates and valuation services.  | 2,327<br>2,375<br>48                  |

| Service  | Description  | Net Cost                                     |
|--|--|--|
|  |  | Actual<br>Budget<br>Variance<br>\$000        |
| Governance   | Governance and Commercial Property is responsible for providing support to Council's direct service delivery areas through the overall governance of the organisation, management of Council's commercial property portfolio, and the management, storage and disposal of corporate records.   | (159)<br>(2)<br><u>157</u>                   |
| Greater Dandenong Business Executive                         | The Greater Dandenong Business Group is responsible for overseeing Council's major activity centres, economic development, investment attraction and future growth.  | 450<br>325<br><u>(125)</u>                   |
| Media and Communications, Customer Service, Civic Facilities | The Media and Communications unit provides support for Council's service delivery areas and the community through media management, marketing and communications campaigns and activities, web management, print shop services, community engagement and corporate planning and reporting.<br><br>The Customer Service unit provides support to the entire municipality through the corporate call centre and three face to face customer service centres. The Civic and Community Facilities unit manages a diverse range of facilities for use or hire by Council and the community. | 4,624<br>5,135<br><u>511<sup>^</sup></u>     |
| Office of the Chief Executive                                | The Office of the Chief Executive has overall responsibility for the operations of the organisation, and carriage of the Strategic Risk Register. Each member of the executive management team reports to the CEO.   | 679<br>639<br><u>(40)</u>                    |
| People and Procurement                                       | People and Procurement Services is responsible for supporting the human resource capital within the organisation through: <ul style="list-style-type: none"> <li>• Occupational health and safety</li> <li>• Purchasing and procurement systems</li> <li>• Industrial relations</li> <li>• Professional development</li> <li>• Payroll</li> <li>• Contract management</li> <li>• Insurance and risk management</li> <li>• Continuous improvement.</li> </ul>   | 4,600<br>4,570<br><u>(30)</u>                |
| Information Technology                                       | The Information Technology unit is responsible for the provision of cost effective information and telecommunication solutions to staff and councillors.   | 4,163<br>4,392<br><u>229</u>                 |
| <b>Total</b>   |  | <b>20,040</b><br><b>20,922</b><br><b>882</b> |

\*A change in organisational structure has occurred between the adoption of the 2018–19 Original Budget and the 2018–19 Actuals.

<sup>^</sup>Actual operating expenditure incurred in the Capital Improvement Program (CIP) has been allocated to these service areas in the 2018–19 Actuals, however, these items were budgeted in the 2018–19 CIP program.

## Infrastructure and development contributions

In accordance with the *Planning and Environment Act 1987*, the City of Greater Dandenong being a collecting agency for infrastructure and development contributions, must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. Council is the collecting agency for the following two Development Contribution Plans (DCP):

- Keysborough South Development Area
- Dandenong South Industrial Area Extension

For the 2018–19 year the following information about infrastructure and development contributions is disclosed:

### KEYSBOROUGH SOUTH DEVELOPMENT CONTRIBUTIONS PLAN

Table 1 Total DCP levies received in 2018–19

| Name of DCP (Year approved)          | Levies received in 2018–19 financial year |                                 |
|--------------------------------------|---|---------------------------------|
|                                      | Development Infrastructure Levies         | Community Infrastructure Levies |
| Keysborough South Development (2008) | \$1,298,880                               | \$60,448                        |
| <b>Total</b>                         | <b>\$1,298,880</b>                        | <b>\$60,448</b>                 |

Table 2 DCP land, works, services or facilities accepted as works-in-kind 2018–19

| Name of DCP                          | Project ID | Project description            | Item purpose            | Project Value \$   |
|--------------------------------------|------------|--------------------------------|-------------------------|--------------------|
| Keysborough South Development (2008) | DI_OS1     | Public open space improvements | Open space improvements | \$3,824,012        |
| Keysborough South Development (2008) | DI_R04     | Stanley Road                   | Internal roadworks      | \$1,550,258        |
| Keysborough South Development (2008) | DI_R05     | Chandler Road                  | Internal roadworks      | \$432,050          |
| Keysborough South Development (2008) | DI_R06     | Church Road                    | Internal roadworks      | \$1,176,173        |
| Keysborough South Development (2008) | DI_R07     | Tyres Lane                     | Internal roadworks      | \$721,301          |
| <b>Total</b>                         |            |                                |                         | <b>\$7,703,793</b> |

Table 3 Total DCP contributions received and expended to date

| Name of DCP                          | Type of levy               | Total levies received (cash) \$ | Total levies expended (cash) \$ | Total works-in-kind accepted (non-cash) \$ | Total DCP contributions received (levies and works-in-kind) \$ |
|--------------------------------------|----------------------------|---------------------------------|---------------------------------|--|--|
| Keysborough South Development (2008) | Development infrastructure | \$35,114,593                    | \$23,695,243                    | \$28,815,220                               | \$63,929,814   |
| Keysborough South Development (2008) | Community infrastructure   | \$1,540,161                     | \$0                             | \$0  | \$1,540,161  |
| <b>Total</b>                         |                            | <b>\$36,654,754</b>             | <b>\$23,695,243</b>             | <b>\$28,815,220</b>                        | <b>\$65,469,974</b>  |



# Performance

Table 4 Land, works, services or facilities delivered in 2018–19 from DCP contributions collected

| Project description            | Project ID | DCP name and year approved           |
|--------------------------------|------------|--------------------------------------|
| Public open space improvements | DI_OS1     | Keysborough South Development (2008) |
| Public open space improvements | DI_OS1     | Keysborough South Development (2008) |
| Stanley Road                   | DI_R04     | Keysborough South Development (2008) |
| Chandler Road                  | DI_R05     | Keysborough South Development (2008) |
| Church Road                    | DI_R06     | Keysborough South Development (2008) |
| Tyres Lane                     | DI_R07     | Keysborough South Development (2008) |
| <b>Total</b>                   |            |                                      |

\*Project expenditure equates to the capital costs prescribed in the approved Development Contribution Plan which are indexed annually.



|  | DCP expended<br>\$ | Works-in-kind accepted<br>\$ | Council's contribution<br>\$ | Other contributions<br>\$ | Total project expenditure*<br>\$ | Percentage of item delivered<br>% |
|--|--------------------|------------------------------|------------------------------|---------------------------|----------------------------------|-----------------------------------|
|  | \$94,098           | \$0                          | \$0                          | \$0                       | \$94,098                         | 0.91%                             |
|  | \$3,824,012        | \$0                          | \$0                          | \$0                       | \$3,824,012                      | 39.15%                            |
|  | \$1,550,258        | \$0                          | \$0                          | \$0                       | \$1,550,258                      | 51.69%                            |
|  | \$432,050          | \$0                          | \$0                          | \$0                       | \$432,050                        | 32.94%                            |
|  | \$1,176,173        | \$0                          | \$0                          | \$0                       | \$1,176,173                      | 25.51%                            |
|  | \$721,301          | \$0                          | \$0                          | \$0                       | \$721,301                        | 26.33%                            |
|  | <b>\$7,797,891</b> | <b>\$0</b>                   | <b>\$0</b>                   | <b>\$0</b>                | <b>\$7,797,891</b>               |                                   |

For the 2018–19 year the following information about infrastructure and development contributions is disclosed:

#### DANDENONG SOUTH INDUSTRIAL AREA EXTENSION DEVELOPMENT CONTRIBUTIONS PLAN

*The Dandenong South Industrial Area Extension DCP was first approved in 2009 and revised in 2015 following an adjustment to the method of the DCP calculation and extension of the DCP lifetime from 2017 to 2030.*

Table 1 Total DCP levies received in 2018–19

| Name of DCP (Year approved)                      | Area        | Levies received in 2018–19 financial year      |
|--|-------------|--|
|  |             | Development Infrastructure Levies (cash)<br>\$ |
| Dandenong South Industrial Area Extension (2015) | LYNDHURST   | \$1,751,335                                    |
| Dandenong South Industrial Area Extension (2015) | KEYSBOROUGH | \$393,693                                      |
| <b>Total</b>                                     |             | <b>\$2,145,028</b>                             |

# Performance

Table 2 DCP land, works, services or facilities accepted as works-in-kind 2018–19

| Name of DCP                                      | Area      | Project ID |
|--|-----------|------------|
| Dandenong South Industrial Area Extension (2015) | LYNDHURST | LR06b      |
| Dandenong South Industrial Area Extension (2015) | LYNDHURST | LI10b      |
| Dandenong South Industrial Area Extension (2015) | LYNDHURST | LI10b      |
| <b>Total</b>                                     |           |            |

Table 3 Total DCP contributions received and expended to date

| Name of DCP                                      | Area        | Type of levy                    |
|--|-------------|---------------------------------|
| Dandenong South Industrial Area Extension (2015) | LYNDHURST   | Development infrastructure levy |
| Dandenong South Industrial Area Extension (2015) | KEYSBOROUGH | Development infrastructure levy |
| <b>Total</b>                                     |             |                                 |

Table 4 Land, works, services or facilities delivered in 2018–19 from DCP contributions collected

| Project description   | Project ID | DCP name and year approved                       |
|---|------------|--|
| Land purchase for realignment of Taylors Road (Bayliss Road to Colemans Road) | LR06b      | Dandenong South Industrial Area Extension (2015) |
| Lyndhurst B6 'Culvert' – Taylors Road over Rodds Drain                        | LI10b      | Dandenong South Industrial Area Extension (2015) |
| Land purchase for Colemans Rd West  | LI10b      | Dandenong South Industrial Area Extension (2015) |
| <b>Total</b>  |            |  |

**Please note:** \*Project expenditure equates to the capital costs prescribed in the approved Development Contribution Plan which are indexed annually.

|  | Project description   | Item purpose    | Project Value \$   |
|--|---|-----------------|--------------------|
|  | Land purchase for realignment of Taylors Road (Bayliss Road to Colemans Road) | Land purchase   | \$598,360          |
|  | Lyndhurst B6 'Culvert' – Taylors Road over Rodds Drain                        | Roads – Bridges | \$2,941,809        |
|  | Land purchase for Colemans Rd West  | Land purchase   | \$597,250          |
|  |   |                 | <b>\$4,137,419</b> |

|  | Total levies received (cash)<br>\$ | Total levies expended (cash)<br>\$ | Total works-in-kind accepted (non cash)*<br>\$ | Total DCP contributions received (levies and works-in-kind)<br>\$ |
|--|------------------------------------|------------------------------------|--|---|
|  | \$14,244,445                       | \$11,946,874                       | \$18,004,150                                   | \$32,248,595  |
|  | \$3,092,565                        | \$355,807                          | \$7,664,410                                    | \$10,756,975  |
|  | <b>\$17,337,010</b>                | <b>\$12,302,681</b>                | <b>\$25,668,560</b>                            | <b>\$43,005,570</b>   |

|  | DCP expended (cash)<br>\$ | Works-in-kind accepted \$ (non cash)<br>\$ | Council's contribution<br>\$ | Other contributions (external agencies)<br>\$ | Total project expenditure*<br>\$ | Percentage of item delivered<br>% |
|--|---------------------------|--|------------------------------|---|----------------------------------|-----------------------------------|
|  | \$0                       | \$598,360                                  | \$0                          | \$0   | \$598,360                        | 44.00%                            |
|  | \$0                       | \$2,941,809                                | \$0                          | \$0   | \$2,941,809                      | 93.00%                            |
|  | \$0                       | \$597,250                                  | \$0                          | \$0   | \$597,250                        | 43.48%                            |
|  | <b>\$0</b>                | <b>\$4,137,419</b>                         | <b>\$0</b>                   | <b>\$0</b>                                    | <b>\$4,137,419</b>               |                                   |

Tiệm Giò Chả  
**MINH ĐỨC**

嘉發食品公司

**SIEU KY**  
Mini Market

SKIN

嘉發食

SPRINGWALK CENTRE  
SPECIALTY SHOPS

WORLD'S FINEST  
TASTE OF HONG KONG





Performance  
Statement

# Performance Statement

## Description of Municipality

The City of Greater Dandenong encompasses an area of 129 kilometres in Melbourne's south-east, approximately 35 kilometres from the central business district. Greater Dandenong has a population of over 160,000 people and is the most multicultural municipality in Australia, with residents from over 150 different birthplaces.

This adds a wealth of diversity to the city through a range of cultural experiences. The city has a vibrant economy in both the retail and manufacturing sectors and is renowned as the manufacturing hub of Victoria. The wholesale trade, health care, and retail trade sectors also provide a significant proportion of employment opportunities.

## Sustainable Capacity Indicators

For the year ended 30 June 2019

| Indicator/Measure  | Result \$  |            |            |            | Material Variations |
|--|------------|------------|------------|------------|---------------------|
|  | 2016       | 2017       | 2018       | 2019       |                     |
| <b>Population</b>  |            |            |            |            |                     |
| <i>Expenses per head of municipal population</i><br>[Total expenses/Municipal population]                | \$1,105.51 | \$1,053.75 | \$1,069.38 | \$1,147.12 |                     |
| <i>Infrastructure per head of municipal population</i><br>[Value of infrastructure/Municipal population] | \$6,033.37 | \$5,945.59 | \$5,897.18 | \$6,072.65 |                     |
| <i>Population density per length of road</i><br>[Municipal population/Kilometres of local roads]         | 219.77     | 235.59     | 238.93     | 237.46     |                     |
| <b>Own-source revenue</b>  |            |            |            |            |                     |
| <i>Own-source revenue per head of municipal population</i><br>[Own-source revenue/Municipal population]  | \$947.90   | \$962.44   | \$990.47   | \$1,026.71 |                     |
| <b>Recurrent grants</b>  |            |            |            |            |                     |
| <i>Recurrent grants per head of municipal population</i><br>[Recurrent grants/Municipal population]      | \$174.51   | \$243.18   | \$199.76   | \$200.45   |                     |
| <b>Disadvantage</b>  |            |            |            |            |                     |
| <i>Relative socio-economic</i><br>[Index of Relative Socio-economic Disadvantage by decile]              | 1          | 1          | 1          | 1          |                     |



### Definitions

“adjusted underlying revenue” means total income other than:

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

“infrastructure” means non-current fixed assets comprising a number of asset classes including roads, drains, footpaths and cycleways, bridges, off-street car parks, recreational leisure and community facilities and parks, open space and streetscapes

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

“population” means the resident population estimated by council

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

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

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

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

# Performance Statement

## Service Performance Indicators

For the year ended 30 June 2019

| <i>Indicator/Measure</i>   | <b>Result \$</b> |             |             |             | <b>Material Variations</b>  |
|--|------------------|-------------|-------------|-------------|---|
|  | <b>2016</b>      | <b>2017</b> | <b>2018</b> | <b>2019</b> |   |
| <b>Aquatic Facilities</b><br><b>Utilisation</b><br><i>Utilisation of aquatic facilities</i><br>[Number of visits to aquatic facilities/Municipal population]   | 4.44             | 4.31        | 4.06        | 4.08        |   |
| <b>Animal Management</b><br><b>Health and Safety</b><br><i>Animal management prosecutions</i><br>[Number of successful animal management prosecutions]   | 25               | 26          | 31          | 29          | Council experienced a 24 per cent reduction in combined dog attack/ rushes in the 2018–19 financial year compared with 2017–18. This represents a 22 per cent reduction in offences prosecuted through the Magistrates Court. |
| <b>Food Safety</b><br><b>Health and Safety</b><br><i>Critical and major non-compliance outcome notifications</i><br>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up/Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100 | 100.00%          | 100.00%     | 100.00%     | 100.00%     |   |
| <b>Governance</b><br><b>Satisfaction</b><br><i>Satisfaction with council decisions</i><br>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]   | 61               | 63          | 63          | 61          |   |

| Indicator/Measure   | Result \$ |        |        | 2019   | Material Variations   |
|---|-----------|--------|--------|--------|---|
|   | 2016      | 2017   | 2018   |        |   |
| <b>Home and Community Care (HACC)</b><br><b>Participation</b><br><i>Participation in the HACC service</i><br>[Number of people that received a HACC service/ Municipal target population for HACC services] x100                                | 13.55%    | N/A    | N/A    |        | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.  |
| <b>Participation</b><br><i>Participation in the HACC service by CALD people</i><br>[Number of CALD people who receive a HACC service/ Municipal target population in relation to CALD people for HACC services] x100                            | 12.23%    | N/A    | N/A    |        | Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.  |
| <b>Libraries</b><br><b>Participation</b><br><i>Active library members</i><br>[Number of active library members/Municipal population] x100   | 33.06%    | 20.23% | 19.22% | 11.32% | Council's active member numbers have declined this year due to the removal of PC users within the calculation. In previous years this data has been unable to be extracted however system changes have enabled their exclusion this year. |
| <b>Maternal and Child Health</b><br><b>Participation</b><br><i>Participation in the MCH service</i><br>[Number of children who attend the MCH service at least once (in the year)/ Number of children enrolled in the MCH service] x100         | 79.66%    | 79.15% | 77.56% | 75.11% |   |
| <b>Participation</b><br><i>Participation in the MCH service by Aboriginal children</i><br>[Number of Aboriginal children who attend the MCH service at least once (in the year)/Number of Aboriginal children enrolled in the MCH service] x100 | 56.60%    | 77.03% | 75.15% | 70.25% |   |

# Performance Statement

## Service Performance Indicators

For the year ended 30 June 2019

| Indicator/Measure  | Result \$ |        |        |        | Material Variations   |
|--|-----------|--------|--------|--------|---|
|  | 2016      | 2017   | 2018   | 2019   |   |
| <b>Roads</b><br><b>Satisfaction</b><br><i>Satisfaction with sealed local roads</i><br>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]   | 66        | 65     | 69     | 67     |   |
| <b>Statutory Planning</b><br><b>Decision making</b><br><i>Council planning decisions upheld at VCAT</i><br>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application/Number of VCAT decisions in relation to planning applications] x100 | 42.31%    | 56.41% | 23.53% | 35.71% | Since the gazettal of a number of Planning Scheme Amendments, VCAT have given more weight to these policies, resulting in an increase in Council decisions being affirmed by VCAT. It is anticipated that going forward we will see more consistency in decision making between Council and VCAT. |
| <b>Waste Collection</b><br><b>Waste diversion</b><br><i>Kerbside collection waste diverted from landfill</i><br>[Weight of recyclables and green organics collected from kerbside bins/Weight of garbage, recyclables and green organics collected from kerbside bins] x100              | 46.40%    | 47.36% | 46.17% | 46.40% |   |

## Definitions

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

“population” means the resident population estimated by council

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

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

# Performance Statement

## Financial Performance Indicators

For the year ended 30 June 2019

| Dimension / indicator / measure  | Result \$  |            |            |            |            | Forecast \$ |            |            | Material Variations and Comments |
|--|------------|------------|------------|------------|------------|-------------|------------|------------|----------------------------------|
|  | 2016       | 2017       | 2018       | 2019       | 2020       | 2021        | 2022       | 2023       |                                  |
| <b>Efficiency</b><br><b>Revenue level</b><br>Average residential rate per residential property assessment<br>[Residential rate revenue / Number of residential property assessments]                               | \$1,192.35 | \$1,234.43 | \$1,258.93 | \$1,327.20 | \$1,361.91 | \$1,378.63  | \$1,396.39 | \$1,412.36 |                                  |
| <b>Expenditure level</b><br>Expenses per property assessment<br>[Total expenses / Number of property assessments]  | \$2,675.09 | \$2,644.92 | \$2,701.55 | \$2,889.34 | \$2,848.05 | \$2,840.77  | \$2,859.82 | \$2,885.91 |                                  |
| <b>Workforce turnover</b><br>Resignations and terminations compared to average staff<br>[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x 100 | 7.97%      | 9.67%      | 9.83%      | 9.90%      | 10.00%     | 10.00%      | 10.00%     | 10.00%     |                                  |

## Financial Performance Indicators

For the year ended 30 June 2019

| Dimension / indicator / measure   | Result \$ |         |         |         |         |         | Forecast \$ |         |   | Material Variations and Comments |
|---|-----------|---------|---------|---------|---------|---------|-------------|---------|---|----------------------------------|
|   | 2016      | 2017    | 2018    | 2019    | 2020    | 2021    | 2022        | 2023    |   |                                  |
| <b>Liquidity</b><br><b>Working capital</b><br>Current assets compared to current liabilities<br>[Current assets/Current liabilities] x100 | 178.97%   | 202.31% | 219.30% | 217.50% | 159.74% | 168.45% | 175.62%     | 183.92% | The forecast years for working capital are expected to decrease as closing cash holdings return to normal levels. Forward forecasts do not project delays in grant funded programs and capital project payments as reflected in the prior actual years. |                                  |
| <b>Unrestricted cash</b><br>Unrestricted cash compared to current liabilities<br>[Unrestricted cash/Current liabilities] x100             | 57.85%    | 81.02%  | 86.14%  | 91.68%  | 64.26%  | 64.79%  | 70.40%      | 77.28%  | Future years are not comparable to prior year actual results as forecast years do not project capital expenditure delays or unspent grants.   |                                  |

# Performance Statement

## Financial Performance Indicators

For the year ended 30 June 2019

| Dimension / indicator / measure   | Result \$ |        |        |        |        | Forecast \$ |        |        | Material Variations and Comments   |
|---|-----------|--------|--------|--------|--------|-------------|--------|--------|--|
|   | 2016      | 2017   | 2018   | 2019   | 2020   | 2021        | 2022   | 2023   |  |
| <b>Obligations</b><br><b>Asset renewal</b><br>Asset renewal compared to depreciation<br>[Asset renewal expense/Asset depreciation] x100 | 73.03%    | 68.33% | 66.03% | 72.37% | 99.92% | 84.44%      | 81.37% | 74.82% | Based on asset renewal budgets and timing of major projects. The increase in 2019-20 due to planned major project expenditure (Springvale Community Precinct). |

## Financial Performance Indicators

For the year ended 30 June 2019

| Dimension / indicator / measure  | Result \$ |        |        |        |        | Forecast \$ |        |        | Material Variations and Comments   |
|--|-----------|--------|--------|--------|--------|-------------|--------|--------|--|
|  | 2016      | 2017   | 2018   | 2019   | 2020   | 2021        | 2022   | 2023   |  |
| <b>Loans and borrowings</b><br>Loans and borrowings compared to rates<br>[Interest bearing loans and borrowings / Rate revenue] x100 | 48.52%    | 43.62% | 39.60% | 42.15% | 41.68% | 38.40%      | 35.16% | 32.02% | The result over the 2018–19 and 2019–20 years is steady and reflects loan borrowings of \$10 million in both years and also due to Council retiring existing debt (Local Government Funding Vehicle \$4.9 million) which is proposed to be repaid in full in 2019–20. The decrease in this measure in forward years is due to a combination of higher rate revenue (2.5% rate cap plus favourable supplementary valuations) and lower finance costs and principal repayments as Council continues to reduce the outstanding loan balances. |

# Performance Statement

## Financial Performance Indicators

For the year ended 30 June 2018

| Dimension / indicator / measure   | Result \$ |        |        |        |        | Forecast \$ |        |        | Material Variations and Comments  |
|---|-----------|--------|--------|--------|--------|-------------|--------|--------|---|
|   | 2016      | 2017   | 2018   | 2019   | 2020   | 2021        | 2022   | 2023   |   |
| <b>Loans and borrowings (continued)</b><br>Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings/Rate revenue] x100 | 7.07%     | 5.44%  | 4.99%  | 4.65%  | 8.27%  | 4.40%       | 4.26%  | 4.13%  | The increase in 2019–20 reflects Council retiring existing debt (Local Government Funding Vehicle \$4.9 million) which is proposed to be repaid in full in 2019–20. Council continues to reduce outstanding loan balances thereafter. |
| <b>Indebtedness</b><br>Non-current liabilities compared to own source revenue [Non-current liabilities/ Own source revenue] x100  | 39.99%    | 34.57% | 31.45% | 30.69% | 33.94% | 31.57%      | 28.86% | 26.16% | Forward years are forecast to decrease reflecting the reduction in scheduled and planned repayment of principal on Council's existing borrowings.   |

## Financial Performance Indicators

For the year ended 30 June 2019

| Dimension / indicator / measure  | Result \$ |        |        |       |       | Forecast \$ |       |       | Material Variations and Comments  |
|--|-----------|--------|--------|-------|-------|-------------|-------|-------|---|
|  | 2016      | 2017   | 2018   | 2019  | 2020  | 2021        | 2022  | 2023  |   |
| <b>Operating position</b><br><b>Adjusted underlying result</b><br>Adjusted underlying surplus (or deficit)<br>[Adjusted underlying surplus (deficit)/Adjusted underlying revenue] x100 | 1.87%     | 12.82% | 10.89% | 7.15% | 8.24% | 8.94%       | 9.61% | 9.86% | The decrease in adjusted underlying surplus is mainly due to an increase in expenditure (\$4.85 million) for the recovery of unspent grants relating to the Commonwealth Home Support Program for 2017–18 (\$3.04 million) and 2018–19 (\$1.81 million) where Council is unable to achieve the required target level. These amounts are required to be returned and are part funded from quarantined reserve funds. Also contributing is a \$1.27 million developer reimbursement for expenditure in excess of the mandated amounts on public open space improvements not covered by the Development Contribution Plan. |

# Performance Statement

## Financial Performance Indicators

For the year ended 30 June 2019

| Dimension / indicator / measure   | Result \$ |        |        |        | Forecast \$ |        |        |        | Material Variations and Comments  |
|---|-----------|--------|--------|--------|-------------|--------|--------|--------|---|
|   | 2016      | 2017   | 2018   | 2019   | 2020        | 2021   | 2022   | 2023   |   |
| <b>Stability</b><br><b>Rates concentration</b><br><i>Rates compared to adjusted underlying revenue</i><br>[Rate revenue / Adjusted underlying revenue] x100 | 69.59%    | 64.71% | 66.44% | 67.67% | 70.37%      | 71.46% | 71.93% | 72.49% |   |
| <b>Rates effort</b><br><i>Rates compared to property values</i><br>[Rate revenue/Capital improved value of rateable properties in the municipality] x100    | 0.31%     | 0.32%  | 0.33%  | 0.28%  | 0.30%       | 0.29%  | 0.29%  | 0.28%  | The lower result is due a 24.13% increase in 2018-19 property values compared to rate revenue only increasing by the rate cap of 2.25% plus the effect of supplementary valuations. |

## Definitions

“adjusted underlying revenue” means total income other than:

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

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

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

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

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

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

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

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

“population” means the resident population estimated by council

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

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

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

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

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

# Performance Statement

## Basis of preparation

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

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

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

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 12 June 2018 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting Council.

## Performance Statement

For the year ended 30 June 2019

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### Certification of the Performance Statement

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



Michelle Hansen CPA  
Principal Accounting Officer

Date: 9 September 2019

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

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

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

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



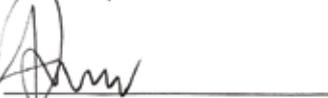
Youhorn Chea  
Councillor

Date: 9 September 2019



Matthew Kirwan  
Councillor

Date: 9 September 2019



John Bennie PSM  
Chief Executive Officer

Date: 9 September 2019



## Independent Auditor's Report

### To the Councillors of the City of Greater Dandenong

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

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Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

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

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

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

---

MELBOURNE  
23 September 2019

  
Jonathan Kyvelidis  
*as delegate for the Auditor-General of Victoria*





Financial  
Overview

# Financial Overview

## Understanding the Financial Report

### Financial Overview

Understanding Council’s financial performance from financial statements prepared in accordance with Australian Accounting Standards can frequently be problematic and the purpose of this overview is to provide readers with greater clarity about the financial outcomes for the 2018–19 financial year.

The financial statements comprise of consolidated financial statements of Council and those entities over which Council has the power to govern the financial and operating policies so as to obtain the benefits from their activities. For 2018–19 this represents the consolidated performance of the Council and Dandenong Market Pty Ltd. Council’s financial statements have been prepared in accordance with the Local Government Model Financial Report as required by the *Local Government (Planning and Reporting) Regulations 2014*.

Council’s 2018-19 Comprehensive Income Statement highlights that Council achieved a surplus for the financial year of \$31.28 million (\$46.93 million in 2017–18). This result is, however, impacted upon by a combination of items – some of which are operational in nature and occur every year and others which are highly dynamic and change significantly each year.

It should be kept in mind that the surplus for the year is not a cash based result but remains an accounting surplus which includes capital grants and capital contributions, but excludes net asset revaluation decrements.

Finally a review of Council’s asset valuations led to a revaluation decrement of \$48.73 million in the value of Council’s land leading to a Comprehensive Income Statement deficit outcome of \$17.45 million.

### Comprehensive Income Statement

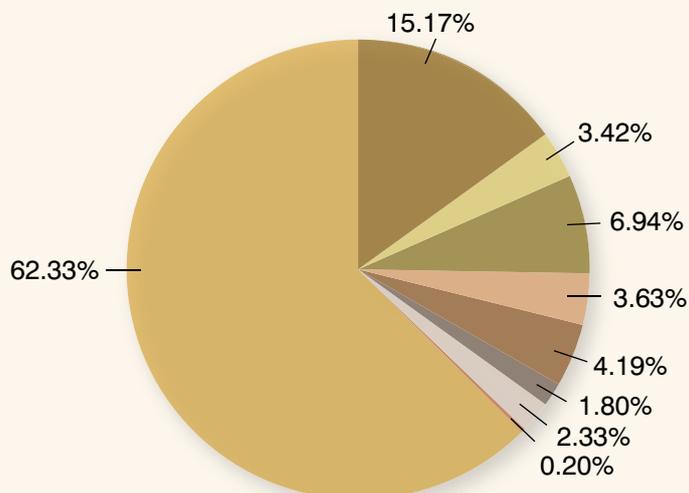
This Statement shows:

- The sources of Council’s revenue under various income headings.
- The expenses incurred in running the Council during the year. These expenses relate only to the operations’ and do not include the cost associated with capital purchases or the building of assets. While capital purchase costs are not included in the expenses there is an item for ‘Depreciation’. This value is the value of the assets ‘used up’ during the year.

### Income

Council’s operating income for 2018–19 was \$226.13 million (\$226.69 million in 2017–18) including rates and charges income (\$140.94 million), fees and charges (\$17.67 million), operating grants (\$34.31 million), capital grants (\$4.07 million), monetary contributions (\$5.27 million), contributions of non-monetary assets, mainly from sub division activity (\$7.73 million), net gain on disposal of property, infrastructure, plant and equipment (\$457,000) and other income (\$15.68 million). The breakdown of operating income by major categories is depicted in the graph below:

- Rates and charges
- Grants – operating
- Contributions – non-monetary
- Other income
- User fees
- Statutory fees and fines
- Grants – capital
- Contributions – monetary
- Net gain on disposal of property, infrastructure, plant and equipment



**Rate and charges income** (including waste collection charges) – general rate income 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 full cost recovery, the number of bins and frequency of collections. Refer note 3.1 of Financial Report for further details on rate income.

**Fees, charges and fines** – Income from these sources were \$17.67 million for the year (\$17.38 million in 2017–18). The major sources of income are:

|                                 |                |
|---------------------------------|----------------|
| Statutory fees and fines        | \$9.47 million |
| Parking fees                    | \$3.36 million |
| Registrations and other permits | \$1.79 million |
| Aged care services              | \$1.07 million |

**Grants operating** – operational grant income comprises:

- Financial Assistance Grants received via the Victoria Grants Commission of \$12.21 million (which includes \$1.55 million for local roads). Tied grants of \$22.10 million which were essentially for community care and community wellbeing services.

**Grants capital** – capital grants received were \$4.07 million. These grants are mainly non-recurrent in nature essentially for the purposes of funding the capital works program and are expended on these services in addition to the funds allocated by Council from other sources of revenue. (Refer note 3.4 of Financial Report).

**Contributions monetary and non-monetary** – contributions monetary (cash) of \$5.27 million received were mainly for public open space development. Capital non-monetary contributions of \$7.73 million were mainly from “gifted” assets from developer activity.

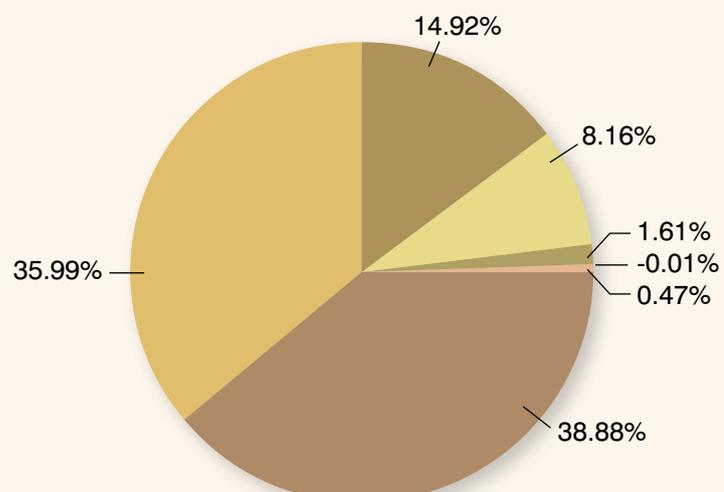
**Other income** (\$15.68 million) – This item of income essentially relates to Dandenong Market revenue from operations, interest received on investments and other sundry income.

### Expenditure

Total operating expenditure for 2018–19 including depreciation was \$194.85 million (\$179.76 million in 2017–18).

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

- Materials and services
- Depreciation and amortisation
- Other
- Borrowing costs
- Bad and doubtful debts
- Fair value adjustment
- Employee Costs



# Financial Overview

**Employee costs (\$75.76 million)** – Employee and labour costs including salary-oncosts such as WorkCover premium, provision for employee entitlements and Council's superannuation contributions on behalf of employees.

**Materials and services (\$70.13 million)** – Included in this category are the following major costs relating to:

|                                       |                 |
|---------------------------------------|-----------------|
| Waste management services             | \$14.83 million |
| Cleaning services                     | \$3.01 million  |
| Park maintenance services             | \$5.10 million  |
| Educator services                     | \$4.23 million  |
| Leisure centre maintenance            | \$1.71 million  |
| Other contract payments               | \$10.86 million |
| Office administration                 | \$5.77 million  |
| Building and general maintenance      | \$6.40 million  |
| Utilities                             | \$4.45 million  |
| Consultants and professional services | \$6.07 million  |
| Information technology                | \$2.43 million  |

**Bad and doubtful debts (-\$26,000)** – mainly due to a change in the provision for doubtful debts methodology from an aged basis to an expected credit loss model in compliance with changes in Australian Accounting Standard AASB 9 Financial Instruments.

**Depreciation and amortisation (\$29.06 million)** – 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.

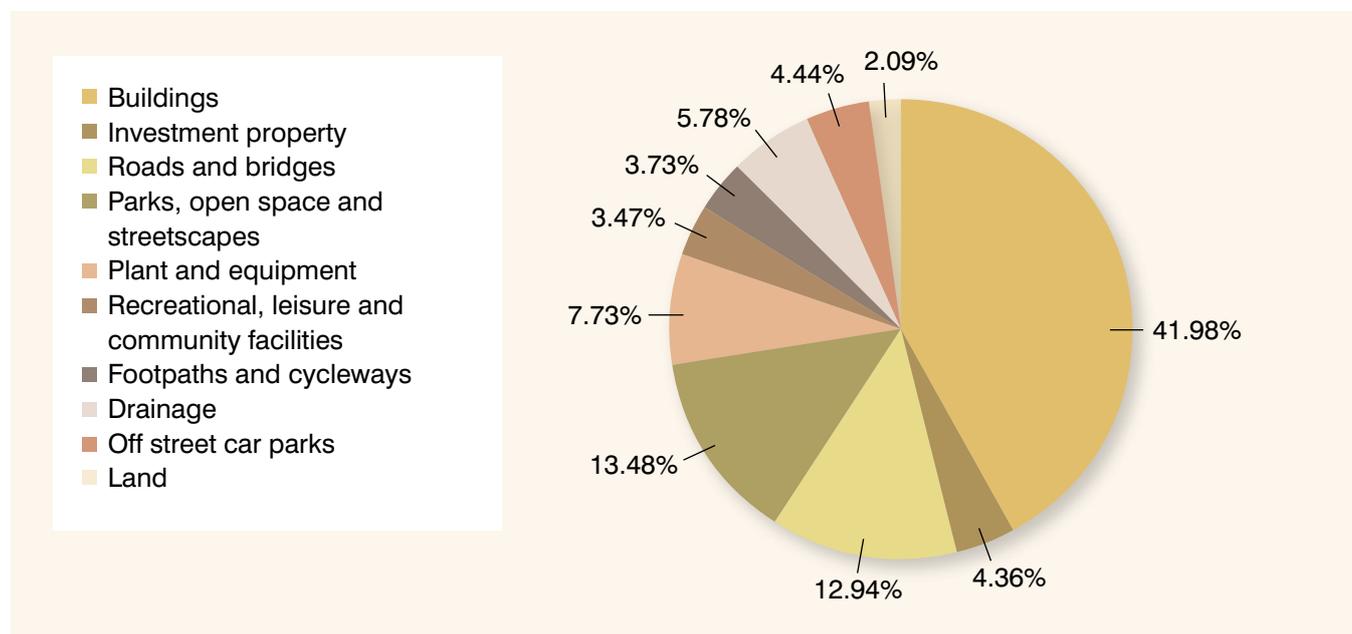
**Borrowing costs (\$3.13 million)** – represents interest on Council's long term borrowings.

**Fair value adjustment for investment property** – Fair value adjustments for investment property of \$907,000, which is a non-cash item. This is the result of several land and building assets classified as 'Investment property' as they are held primarily to earn rental income. This year's adjustment mainly relates to fire damage of a commercial shop building. Australian Accounting Standards require any revaluation of these assets to fair value to be recognised in the Comprehensive Income Statement, rather than in the Asset Revaluation Reserve like other fixed assets held at fair value by Council.

## Capital Expenditure (as per the Capital Works Statement)

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

Council spent \$53.57 million on capital expenditure during the year. This comprises upgrade (\$9.78 million), renewal (\$21.02 million) and new assets (\$22.77 million).



## Balance Sheet

The Balance Sheet discloses Council's net worth and clearly defines what the Council owns as assets and what it owes as liabilities. Assets and liabilities are further separated into current and non-current categories. Current assets or current liabilities are those which will fall due in the next 12 months, or cannot be deferred for greater than 12 months.

Net assets or total equity represents Council's accumulated net worth and includes many infrastructure and community assets such as buildings, land, parks, roads and drains.

The components of the Balance Sheet include:

### *Current and non-current assets*

- Cash and cash equivalents includes cash and investments, i.e. cash held in the bank and in petty cash and the market value of Council's investments.
- Trade and other receivables are monies owed to Council by Ratepayers and others.
- Non-current assets held for sale contains land and buildings which are in the market or under contract for sale.
- Other assets are prepayments of next year's expenses and monies owed to Council, other than from trading, that is not yet received.
- Other financial assets refer to shares held by Council.
- Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc. which has been built up by Council over many years.
- Investment property represents land and building assets that are held for the primary purpose of earning rental income.

### *Current and non-current liabilities*

- Trade and other payables is the value to which Council owes money as at 30 June.
- Trust funds and deposits represent monies held in trust by Council.
- Provisions include leave entitlements and landfill restoration works.
- Income received in advance represents payments received for works or services yet to be done.

### *Net assets*

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of Council as at 30 June.

### *Total equity*

This always equals net assets. It is made up of the following components:

- Accumulated surplus: this is the value of the Council, other than the asset revaluation reserve and other reserves that has been accumulated over time.
- Reserves: this includes asset revaluation reserve and other reserves. Asset revaluation reserve is the value by which the purchase cost of assets has changed over the years and arises as assets are revalued to their replacement cost from time to time. Other reserves include both statutory reserves and discretionary reserves. The statutory reserves apply where funds are gained from the application of legislative requirements to contribute – and where expenditure of the funds is not entirely discretionary (i.e. the funds need to be used for certain expenditure only). These funds are held for future expenditure.

Council's financial position declined by \$17.45 million during the year, made up of a surplus of \$31.28 million and an asset revaluation decrement of \$48.73 million. The difference between the assets and liabilities amounting to \$2.20 billion is the net worth of the Council to its ratepayers and community (\$2.22 billion in 2018).

Council's borrowing at 30 June 2019 was \$58.52 million, which is 41.52% of rate revenue (Government prudential limit is 80%). Loan repayments of \$21.21 million are forecast over the next five years under Council's borrowing strategy. Council intends to retire these debts through cash flows generated from operations.

# Financial Overview

## Council's assets (what Council owns) comprise:

|  | \$M              | %             |
|--|------------------|---------------|
| <b>Assets:</b>                                 |                  |               |
| Land   | 1,127,985        | 48.19         |
| Roads and bridges                              | 328,779          | 14.04         |
| Drainage                                       | 270,485          | 11.55         |
| Buildings (including leasehold improvements)   | 255,239          | 10.90         |
| Footpaths and cycle ways                       | 58,584           | 2.50          |
| Works in progress                              | 32,448           | 1.40          |
| Recreational, leisure and community facilities | 20,497           | 0.88          |
| Parks, open space and streetscapes             | 18,373           | 0.78          |
| Plant and equipment                            | 11,994           | 0.51          |
| Off street car parks                           | 12,245           | 0.52          |
| Cash and other assets                          | 191,009          | 8.16          |
| Other non-current assets                       | 555              | 0.02          |
| Investment property                            | 12,827           | 0.55          |
|  | <b>2,341,020</b> | <b>100.00</b> |

## Council's liabilities (what Council owes) comprise:

|                          | \$M            | %             |
|--------------------------|----------------|---------------|
| Long-term borrowing      | 58,525         | 41.68         |
| Trust funds and deposits | 36,211         | 25.79         |
| Employee entitlements    | 18,950         | 13.49         |
| Creditors                | 26,740         | 19.04         |
|                          | <b>140,426</b> | <b>100.00</b> |

### Statement of changes in equity

During the course of the year the value of total equity, as set out in the Balance Sheet, changes. This Statement shows the values of such changes and how these changes arose. The main reasons for a change in equity stem from:

- The surplus for the year is the value that income exceeded operating costs as described in the Comprehensive Income Statement
- Net asset revaluation increment reflects the change in the replacement value of assets
- Transfer of monies to or from Council's reserves shows the money withdrawn from reserves and used during the year, or placed into reserves for future use.

### Cash Flow Statement

The Cash Flow Statement summarises Council's cash payments and cash receipts for the year. This Statement is presented according to a very specific Australian Accounting Standard and needs some care in analysis. It excludes non-cash expenses such as depreciation but includes payments in relation to capital works projects, proceeds from assets sales and movements in cash that Council may hold as a result of holding trust deposits. The values may differ from those shown in the Comprehensive Income Statement because the Comprehensive Income Statement is prepared on an accrual accounting basis and the Cash Flow Statement is based on the timing of cash receipts and payments.

Council's cash arises from, and is used in, three main areas: Cash flows to and from the following sources:

#### *Cash flows from operating activities*

All cash received into Council's bank account from ratepayers and others who owed money to Council.

- Receipts include the interest earnings from Council's cash investments and movement in trust deposits taken. It does not include the costs associated with the sale of assets.
- Payments include all cash paid by Council from its bank account to staff, creditors and other persons. Also include movement in trust monies repaid. It does not include the costs associated with the creation of assets.

#### *Cash flows from investing activities*

Cash flow from investing activities shows the cash invested in the creation or purchase of property, infrastructure, plant and equipment assets, the cash received from the sale of these assets and cash received from sale of property held for resale.

#### *Cash flows from financing activities*

Cash flows from financing activities includes proceeds from borrowing, the repayment of loans and repayment of other interest-bearing liabilities.

During the 2018–19 financial year Council repaid \$3.30 million of its long term debt and borrowed \$10.00 million for the purpose of completing the Springvale Community Precinct project. This is the first of two tranches of borrowings over the 2018–19 and 2019–20 financial years to fund this project.

The bottom line of the Statement of Cash Flows represents cash at the end of the financial year. This shows the capacity of Council to meet its cash debts and other liabilities.

**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. Commentary must be read in conjunction with the Financial Report.*



THANH THIEN FRESH MARKET

THANH THIEN SPRINGVALE FRESH MARKET

THANH THIEN SPRINGVALE FRESH MARKET

ORCHARD GOLD KIWI FRUIT  
\$ 4.99 kg

WONDER SMALL  
\$ 2.99 kg



Annual Financial  
Report

NASHI PEAR LARGE  
\$ 4.99  
kg

NASHI PEAR LARGE  
\$ 4.99  
kg

LEPPA BUNCH MANGOES  
\$ 4.99  
kg

LEPPA BUNCH MANGOES  
\$ 4.99  
kg

WHITE NECTARIN  
\$ 5.99  
kg



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## Certification of the Financial Statements

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



Michelle Hansen CPA  
Principal Accounting Officer

Date : 9 September 2019

In our opinion the accompanying Financial Statements present fairly the financial transactions of the City of Greater Dandenong for the year ended 30 June 2019 and the financial position of the Council as at that date.

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

We have been authorised by the Council and by the Local Government (Planning and Reporting) Regulation 2014 on 9 September 2019 to certify the Financial Statements in their final form.



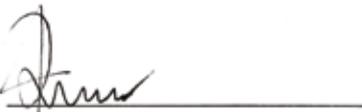
Youhorn Chea  
Councillor

Date : 9 September 2019



Matthew Kirwan  
Councillor

Date : 9 September 2019



John Bennie PSM  
Chief Executive Officer

Date : 9 September 2019



## Independent Auditor's Report

### To the Councillors of the City of Greater Dandenong

|   |  |
|---|--|
| <b>Opinion</b>  | <p>I have audited the consolidated financial report of the City of Greater Dandenong (the council) and its controlled entities (together, the consolidated entity), which comprises the:</p> <ul style="list-style-type: none"> <li>• consolidated entity balance sheet as at 30 June 2019</li> <li>• consolidated entity comprehensive income statement for the year then ended</li> <li>• consolidated entity statement of changes in equity for the year then ended</li> <li>• consolidated entity statement of cash flows for the year then ended</li> <li>• consolidated entity statement of capital works for the year then ended</li> <li>• notes to the financial statements, including significant accounting policies</li> <li>• certification of the financial statements.</li> </ul> <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the consolidated entity as at 30 June 2019 and its financial performance and cash flows for the year then ended, in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p> |
| <b>Basis for Opinion</b>                                      | <p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the consolidated entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>  |
| <b>Councillors' responsibilities for the financial report</b> | <p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the consolidated entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>  |

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

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**Auditor's responsibilities for the audit of the financial report**

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

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

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

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

---

MELBOURNE  
23 September 2019

  
Jonathan Kyvelidis  
as delegate for the Auditor-General of Victoria

## Comprehensive Income Statement

For the year ended 30 June 2019

|  | Note    | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|---------|--------------------------------|--------------------------------|
| <b>Income</b>  |         |                                |                                |
| Rates and charges  | 3.1     | 140,943                        | 132,808                        |
| Statutory fees and fines   | 3.2     | 9,471                          | 9,359                          |
| User fees  | 3.3     | 8,199                          | 8,026                          |
| Grants – operating   | 3.4     | 34,309                         | 33,029                         |
| Grants – capital   | 3.4     | 4,068                          | 4,281                          |
| Contributions – monetary   | 3.5     | 5,269                          | 3,375                          |
| Contributions – non-monetary   | 3.5     | 7,735                          | 19,169                         |
| Net gain on disposal of property, infrastructure, plant and equipment              | 3.6     | 457                            | 141                            |
| Fair value adjustments for investment property                                     | 6.4     | –                              | 1,025                          |
| Other income   | 3.7     | 15,683                         | 15,481                         |
| <b>Total income</b>  |         | <b>226,134</b>                 | <b>226,694</b>                 |
| <b>Expenses</b>  |         |                                |                                |
| Employee costs   | 4.1     | (75,756)                       | (72,378)                       |
| Materials and services   | 4.2     | (70,130)                       | (65,557)                       |
| Depreciation and amortisation  | 4.3     | (29,064)                       | (28,202)                       |
| Bad and doubtful debts   | 4.4     | 26                             | (1,649)                        |
| Borrowing costs  | 4.5     | (3,131)                        | (3,419)                        |
| Fair value adjustments for investment property                                     | 6.4     | (907)                          | –                              |
| Other expenses   | 4.6     | (15,893)                       | (8,555)                        |
| <b>Total expenses</b>  |         | <b>(194,855)</b>               | <b>(179,760)</b>               |
| <b>Surplus for the year</b>  |         | <b>31,279</b>                  | <b>46,934</b>                  |
| <b>Other comprehensive income</b>  |         |                                |                                |
| <b>Items that will not be reclassified to surplus or deficit in future periods</b> |         |                                |                                |
| Net asset revaluation decrement  | 9.1 (a) | (48,728)                       | (17,132)                       |
| Impairment (loss) reversal   | 9.1 (a) | –                              | 47                             |
| <b>Total comprehensive result</b>  |         | <b>(17,449)</b>                | <b>29,849</b>                  |

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

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### Balance Sheet

As at 30 June 2019

|   | Note   | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|---|--------|--------------------------------|--------------------------------|
| <b>Assets</b>                                 |        |                                |                                |
| <b>Current assets</b>                         |        |                                |                                |
| Cash and cash equivalents                     | 5.1(a) | 163,607                        | 154,591                        |
| Trade and other receivables                   | 5.1(c) | 22,929                         | 19,454                         |
| Other assets                                  | 5.2    | 4,473                          | 3,742                          |
| <b>Total current assets</b>                   |        | <b>191,009</b>                 | <b>177,787</b>                 |
| <b>Non-current assets</b>                     |        |                                |                                |
| Trade and other receivables                   | 5.1(c) | 325                            | 325                            |
| Other financial assets                        | 5.1(b) | 230                            | 230                            |
| Property, infrastructure, plant and equipment | 6.2    | 2,136,629                      | 2,160,766                      |
| Investment property                           | 6.4    | 12,827                         | 11,330                         |
| <b>Total non-current assets</b>               |        | <b>2,150,011</b>               | <b>2,172,651</b>               |
| <b>Total assets</b>                           |        | <b>2,341,020</b>               | <b>2,350,438</b>               |
| <b>Liabilities</b>                            |        |                                |                                |
| <b>Current liabilities</b>                    |        |                                |                                |
| Trade and other payables                      | 5.3(a) | 26,740                         | 21,301                         |
| Trust funds and deposits                      | 5.3(b) | 35,311                         | 40,218                         |
| Provisions                                    | 5.5(c) | 17,351                         | 16,412                         |
| Interest-bearing loans and borrowings         | 5.4    | 8,634                          | 3,301                          |
| <b>Total current liabilities</b>              |        | <b>88,036</b>                  | <b>81,232</b>                  |
| <b>Non-current liabilities</b>                |        |                                |                                |
| Trust funds and deposits                      | 5.3(b) | 900                            | 1,287                          |
| Provisions                                    | 5.5(c) | 1,599                          | 1,351                          |
| Interest-bearing loans and borrowings         | 5.4    | 49,891                         | 48,525                         |
| <b>Total non-current liabilities</b>          |        | <b>52,390</b>                  | <b>51,163</b>                  |
| <b>Total liabilities</b>                      |        | <b>140,426</b>                 | <b>132,395</b>                 |
| <b>Net assets</b>                             |        | <b>2,200,594</b>               | <b>2,218,043</b>               |
| <b>Equity</b>                                 |        |                                |                                |
| Accumulated surplus                           |        | 876,273                        | 857,413                        |
| Reserves                                      | 9.1(c) | 1,324,321                      | 1,360,630                      |
| <b>Total equity</b>                           |        | <b>2,200,594</b>               | <b>2,218,043</b>               |

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

## Statement of Changes in Equity

For the year ended 30 June 2019

|   | Note   | Consolidated     |                                  |                                  | Other Reserves<br>\$'000 |
|---|--------|------------------|----------------------------------|----------------------------------|--------------------------|
|   |        | Total<br>\$'000  | Accumulated<br>Surplus<br>\$'000 | Revaluation<br>Reserve<br>\$'000 |                          |
| <b>2019</b>                                       |        |                  |                                  |                                  |                          |
| Balance at beginning of the financial year        |        | 2,218,043        | 857,413                          | 1,290,865                        | 69,765                   |
| Surplus for the year                              |        | 31,279           | 31,279                           | –                                | –                        |
| Net asset revaluation decrement                   | 9.1(a) | (48,728)         | –                                | (48,728)                         | –                        |
| Revaluation reversal – disposed assets            | 9.1(a) | –                | 330                              | (330)                            | –                        |
| Transfers to other reserves                       | 9.1(b) | –                | (21,942)                         | –                                | 21,942                   |
| Transfers from other reserves                     | 9.1(b) | –                | 9,193                            | –                                | (9,193)                  |
| <b>Balance at end of the financial year</b>       |        | <b>2,200,594</b> | <b>876,273</b>                   | <b>1,241,807</b>                 | <b>82,514</b>            |
| <b>2018</b>                                       |        |                  |                                  |                                  |                          |
| Balance at beginning of the financial year        |        | 2,188,194        | 823,671                          | 1,308,037                        | 56,486                   |
| Surplus for the year                              |        | 46,934           | 46,934                           | –                                | –                        |
| Net asset revaluation decrement                   | 9.1(a) | (17,132)         | –                                | (17,132)                         | –                        |
| Revaluation reversal – disposed assets            | 9.1(a) | –                | 87                               | (87)                             | –                        |
| Impairment (loss)/reversal in revaluation reserve | 9.1(a) | 47               | –                                | 47                               | –                        |
| Transfers to other reserves                       | 9.1(b) | –                | (15,849)                         | –                                | 15,849                   |
| Transfers from other reserves                     | 9.1(b) | –                | 2,570                            | –                                | (2,570)                  |
| <b>Balance at end of the financial year</b>       |        | <b>2,218,043</b> | <b>857,413</b>                   | <b>1,290,865</b>                 | <b>69,765</b>            |

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

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### Statement of Cash Flows

For the year ended 30 June 2019

|   | Note   | Consolidated<br>2019<br>Inflows/<br>(Outflows)<br>\$'000 | Consolidated<br>2018<br>Inflows/<br>(Outflows)<br>\$'000 |
|---|--------|--|--|
| <b>Cash flows from operating activities</b>                         |        |  |  |
| Rates and charges   |        | 140,317  | 132,752  |
| Statutory fees and fines  |        | 6,739  | 7,259  |
| User fees   |        | 8,409  | 9,247  |
| Grants – operating  |        | 34,394   | 33,085   |
| Grants – capital  |        | 3,941  | 6,449  |
| Contributions – monetary  |        | 5,025  | 3,353  |
| Interest received   |        | 3,714  | 2,916  |
| Trust funds and deposits taken                                      |        | 31,955   | 39,180   |
| Other receipts  |        | 13,468   | 12,566   |
| Net GST refund  |        | 10,376   | 8,156  |
| Employee costs  |        | (74,515)   | (74,073)   |
| Materials and services  |        | (82,796)   | (69,014)   |
| Trust funds and deposits repaid                                     |        | (36,439)   | (32,540)   |
| Other payments  |        | (8,446)  | (5,420)  |
| <b>Net cash provided by operating activities</b>                    | 9.2    | 56,142   | 73,916   |
| <b>Cash flows from investing activities</b>                         |        |  |  |
| Payments for property, infrastructure, plant and equipment          |        | (51,528)   | (38,231)   |
| Proceeds from sale of property, infrastructure, plant and equipment |        | 857  | 648  |
| <b>Net cash used in investing activities</b>                        |        | (50,671)   | (37,583)   |
| <b>Cash flows from financing activities</b>                         |        |  |  |
| Finance costs   |        | (3,154)  | (3,445)  |
| Proceeds from borrowings  |        | 10,000   | –  |
| Repayment of borrowings   |        | (3,301)  | (3,086)  |
| Repayment of other interest-bearing liabilities                     |        | –  | (1,255)  |
| <b>Net cash provided by (used in) financing activities</b>          |        | 3,545  | (7,786)  |
| Net increase in cash and cash equivalents                           |        | 9,016  | 28,547   |
| Cash and cash equivalents at the beginning of the financial year    |        | 154,591  | 126,044  |
| <b>Cash and cash equivalents at the end of the financial year</b>   | 5.1(a) | <b>163,607</b>   | <b>154,591</b>   |
| Financing arrangements  | 5.6    |  |  |
| Restrictions on cash assets   | 5.1    |  |  |

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

## Statement of Capital Works

For the year ended 30 June 2019

|  | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|--------------------------------|--------------------------------|
| <b>Property</b>                                |                                |                                |
| Land   | 1,118                          | –                              |
| <b>Total land</b>                              | 1,118                          | –                              |
| Buildings                                      | 22,453                         | 13,780                         |
| Leasehold improvements                         | 41                             | 33                             |
| <b>Total buildings</b>                         | 22,494                         | 13,813                         |
| Investment property                            | 2,337                          | –                              |
| <b>Total investment property</b>               | 2,337                          | –                              |
| <b>Total property</b>                          | 25,949                         | 13,813                         |
| <b>Plant and equipment</b>                     |                                |                                |
| Plant, machinery and equipment                 | 2,942                          | 1,692                          |
| Fixtures, fittings and furniture               | 179                            | 28                             |
| Computers and telecommunications               | 178                            | 139                            |
| Library books                                  | 842                            | 980                            |
| <b>Total plant and equipment</b>               | 4,141                          | 2,839                          |
| <b>Infrastructure</b>                          |                                |                                |
| Roads  | 6,873                          | 9,742                          |
| Bridges  | 60                             | 191                            |
| Footpaths and cycleways                        | 1,999                          | 1,143                          |
| Drainage                                       | 3,095                          | 1,123                          |
| Recreational, leisure and community facilities | 1,860                          | 2,861                          |
| Parks, open space and streetscapes             | 7,220                          | 4,173                          |
| Off street car parks                           | 2,377                          | 1,256                          |
| <b>Total infrastructure</b>                    | 23,484                         | 20,489                         |
| <b>Total capital works expenditure</b>         | <b>53,574</b>                  | <b>37,141</b>                  |
| <b>Represented by:</b>                         |                                |                                |
| New asset expenditure                          | 22,771                         | 12,052                         |
| Asset renewal expenditure                      | 21,025                         | 18,614                         |
| Asset upgrade expenditure                      | 9,778                          | 6,475                          |
| <b>Total capital works expenditure</b>         | <b>53,574</b>                  | <b>37,141</b>                  |

The above Statement of Capital Works should be read in conjunction with the accompanying notes.

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### Notes to the Financial Report

#### Overview

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 office is located at 225 Lonsdale Street, Dandenong, 3175.

#### Statement of compliance

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

#### Significant accounting policies

##### (a) Basis of accounting

These consolidated financial statements for the year ended 30 June 2019 comprise the results of operations for both Council and its wholly owned subsidiary, namely the Dandenong Market Pty Ltd.

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

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

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

- the fair value of land, buildings and infrastructure (refer to note 6.2 and 8.4).
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 6.2).
- the determination of employee provisions (refer to note 5.5 (a)).

- the determination of landfill provisions (refer to note 5.5 (b)).

- other area requiring judgements.

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

##### (b) Change in accounting policies and restatement of items in the financial statement due to reclassification.

The following financial statements and accompanying notes have been amended to reflect reclassification.

- Comprehensive income statement and notes 3.2, 3.3, 3.4 and 4.2
- Statement of Cash Flows
- Commitments – note 5.7(b)
- People and relationships – note 7

Provision for doubtful debts - change in methodology from an aged basis to an expected credit loss model in compliance with changes in Australian Accounting Standard AASB 9 Financial Instruments which results a change in accounting policy (note 4.4).

#### Note 1 Performance against budget

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. *The Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of greater than 10 per cent and greater than \$1 million or where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 12 June 2018. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

## 1.1 Income and expenditure

|  | <b>Consolidated<br/>Actual<br/>2019<br/>\$'000</b> | <b>Council<br/>Actual<br/>2019<br/>\$'000<br/>(note 6.3)</b> | <b>Council<br/>Budget<br/>2019<br/>\$'000</b> | <b>Council<br/>Variance<br/>2019<br/>\$'000<br/>Fav (Unfav)</b> | <b>Ref</b> |
|--|--|--|---|---|------------|
| <b>Income</b>  |  |  |   |   |            |
| Rates and charges  | 140,943  | 141,036  | 139,575                                       | 1,461   |            |
| Statutory fees and fines   | 9,471  | 9,471  | 7,950   | 1,521   | 1.1.1      |
| User fees  | 8,199  | 8,199  | 9,628   | (1,429)   | 1.1.2      |
| Grants – operating   | 34,309   | 34,309   | 28,148  | 6,161   | 1.1.3      |
| Grants – capital   | 4,068  | 4,068  | 1,256   | 2,812   | 1.1.4      |
| Contributions – monetary   | 5,269  | 5,269  | 2,398   | 2,871   | 1.1.5      |
| Contributions – non-monetary   | 7,735  | 7,735  | 15,000  | (7,265)   | 1.1.6      |
| Net gain on disposal of property,<br>infrastructure, plant and equipment | 457  | 457  | 661   | (204)   | 1.1.7      |
| Other income   | 15,683   | 11,368   | 10,350  | 1,018   | 1.1.8      |
| <b>Total income</b>  | <b>226,134</b>                                     | <b>221,912</b>   | <b>214,966</b>                                | <b>6,946</b>  |            |
| <b>Expenses</b>  |  |  |   |   |            |
| Employee costs   | (75,756)   | (74,820)   | (76,894)                                      | 2,074   | 1.1.9      |
| Materials and services   | (70,130)   | (66,957)   | (63,726)                                      | (3,231)   | 1.1.10     |
| Bad and doubtful debts   | 26   | 72   | (1,097)                                       | 1,169   | 1.1.11     |
| Depreciation and amortisation  | (29,064)   | (29,054)   | (29,945)                                      | 891   | 1.1.12     |
| Borrowing costs  | (3,131)  | (3,131)  | (3,171)                                       | 40  |            |
| Fair value adjustments for investment property                           | (907)  | (907)  | –   | (907)   | 1.1.13     |
| Other expenses   | (15,893)   | (15,732)   | (4,767)                                       | (10,965)  | 1.1.14     |
| <b>Total expenses</b>  | <b>(194,855)</b>                                   | <b>(190,529)</b>   | <b>(179,600)</b>                              | <b>(10,929)</b>   |            |
| <b>Surplus for the year</b>  | <b>31,279</b>                                      | <b>31,383</b>  | <b>35,366</b>                                 | <b>(3,983)</b>  |            |

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### 1.1 Income and expenditure (continued)

#### Explanation of material variations

| Ref   | Item                     | Explanation  |
|-------|--------------------------|--|
| 1.1.1 | Statutory fees and fines | <p>Statutory fees and fines are \$1.52 million higher than the Original Budget due mainly to:</p> <ul style="list-style-type: none"> <li>– higher than anticipated parking fine income and Infringement Court cost recoveries (\$1.26 million).</li> <li>– reclassification of subdivision, plan checking and stormwater fees from User Fees to Statutory Fees to reflect the statutory nature of these fees (\$333,000).</li> </ul> <p>Partly offset by lower planning application fee income as a result of lower development activity (\$264,000).</p>  |
| 1.1.2 | User fees                | <p>User fee income was \$1.43 million lower than the Original Budget due to:</p> <ul style="list-style-type: none"> <li>– reclassification of subdivision, plan checking and stormwater fees from User Fees to Statutory Fees to reflect the statutory nature of these fees (\$333,000).</li> <li>– lower Commercial Home and Community Care fee income due to a reduction in the number of clients following the transition of the former Home Care Package clients to Mecwacare, the effect of which was not known at the time of adopting the Original Budget, but it was adjusted through the Mid Year Budget Review (\$384,000).</li> <li>– lower parking ticket machine income caused by a reduction in the number of parking bays requiring payment and lower rates charged within localities across Dandenong Central Activity District (\$426,000).</li> </ul>  |
| 1.1.3 | Grants – operating       | <p>Operating grant income was \$6.16 million higher than the Original Budget due to:</p> <ul style="list-style-type: none"> <li>– higher Community Services program grant funding than expected in the Original Budget for Family Day Care, New Directions – Mothers and Babies, Child First, Playgroups Initiative, Child First, Right@Home, Enhanced Maternal and Child Health, Refugee Immunisation, Drug Strategy and Market Street Occasional Care Centre Community and Sustainability Support. This was due to a number of factors – grant funding relating to 2019–20 programs being received early, growth funding received or grant funding not known at the time of adopting the 2018–19 Original Budget (\$2.47 million).</li> <li>– higher than anticipated Community Care grant income due to the recognition of all grant funding received, however, the Original Budget was based on the grant funding expected to be recognised from estimated target achievement levels (\$1.86 million).</li> <li>– the early distribution of 50% of the 2018–19 and 2019–20 Financial Assistance Grant funding allocation in June of the preceding financial years. The 2018–19 actuals reflect 50% of the 2018–19 allocation and 50% of the 2019–20 allocation. Whilst 100% has effectively been received in 2018–19, both of the allocations were higher than expected in the Original Budget representing a favourable variance of \$791,000.</li> </ul> |
| 1.1.4 | Grants – capital         | <p>Capital grant income was \$2.81 million higher than the Original Budget due to:</p> <ul style="list-style-type: none"> <li>– grant funding not known at the time of adopting the Original Budget for capital projects including Ross Reserve Upgrade (\$1.22 million), two Black Spot projects (\$416,000) and Safe System Road Infrastructure Program (\$443,000).</li> <li>– grant funding carried over from 2017–18 for Yarraman Oaks Primary New Early Years Learning Facility (\$617,500).</li> </ul>  |

## 1.1 Income and expenditure (continued)

### Explanation of material variations

| Ref   | Item  | Explanation   |
|-------|---|---|
| 1.1.5 | Contributions – monetary  | <p>The \$2.87 million favourable variance in monetary contributions is due to:</p> <ul style="list-style-type: none"> <li>– the requirement to recognise Community Infrastructure Levies as income (\$1.54 million). These levies were previously accounted for in the Balance Sheet. The \$1.54 million income recognised in 2018-19 has been transferred to reserves.</li> <li>– a greater level of economic activity than anticipated, resulting in Council receiving higher than budgeted open space contributions from developers (\$793,000). These contributions are restricted in their use and are transferred to reserves at the end of the financial year which are set aside for open space projects. The timing of receipt and amount of open space contributions are difficult to predict.</li> <li>– Developer Contribution Plan (DCP) funding of \$343,000 in relation to the Keysborough South Industrial Buffer capital project which carried over from 2017–18, so was not included in the Original Budget.</li> </ul> |
| 1.1.6 | Contributions – non-monetary  | <p>These contributions represent assets that are transferred to Council's ownership from developers upon completion of subdivisions. Refer to note 3.5 and 6.2 for further details about contributed assets. In 2018–19, they related mainly to land under roads, bridges and footpaths. The number of subdivisions that are completed vary from year to year and the timing of these asset transfers is outside of Council's control and difficult to predict. This item is a non-cash accounting entry.</p>   |
| 1.1.7 | Net gain on disposal of property, infrastructure, plant and equipment | <p>The disposal of property, infrastructure, plant and equipment was \$204,000 unfavourable to the Original Budget mainly due to higher than expected cost of fleet sold (\$214,000). This is a non-cash accounting entry.</p>  |
| 1.1.8 | Other income  | <p>The favourable variance of \$1.02 million in other income is mainly attributable to a higher than anticipated income for:</p> <ul style="list-style-type: none"> <li>– interest return on investments (\$1.86 million).</li> <li>– unbudgeted contributions from developers for Council to undertake corrective works at open space sites which did not meet the required standard at the time of hand-over to Council (\$277,000).</li> <li>– recoveries for the Team 11 project driven by higher project costs (\$208,000).</li> <li>– asset protection reinstatement recoveries (\$193,000).</li> </ul> <p>The above favourable income variances are mostly offset by lower recoveries from member councils in relation to a delay in Spring Valley landfill works (\$2.06 million).</p>  |
| 1.1.9 | Employee costs  | <p>Employee costs were favourable to the 2018–19 Original Budget by \$2.08 million due mainly to lower than anticipated salaries, overtime and associated oncosts as a result of vacant positions, a delay in recruitment and a number of grant funded programs that have been carried over to the 2019–20 financial year. In addition, Fringe Benefits Tax was lower than anticipated. These favourable variances were mostly offset by higher temporary agency staff costs (\$3.13 million).</p>  |

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### 1.1 Income and expenditure (continued)

#### Explanation of material variations

| Ref    | Item   | Explanation  |
|--------|--|--|
| 1.1.10 | Materials and services                         | <p>The \$3.23 million unfavourable variance is due to a number of factors:</p> <ul style="list-style-type: none"> <li>– \$5.16 million in expenditure in the capital program that was not able to be capitalised to the asset register because it was not capital in nature, it did not meet the capitalisation threshold or it related to non-Council owned assets (\$1.68 million relating to prior year and \$3.48 million relating to the current year).</li> <li>– higher payments to educators in the Family Day Care program due to unbudgeted growth funding not known at the time of adopting the Original Budget (\$985,000),</li> <li>– partly offset by lower costs relating to a delay in Spring Valley landfill works (\$2.57 million).</li> </ul>   |
| 1.1.11 | Bad and doubtful debts                         | <p>The favourable variance of \$1.17 million in bad and doubtful debts is due to a change in the provision for doubtful debts methodology from an aged basis to an expected credit loss model in compliance with changes in Australian Accounting Standard AASB 9 <i>Financial Instruments</i>.</p>  |
| 1.1.12 | Depreciation and amortisation                  | <p>Depreciation expense was lower than the Original Budget due mainly to finalisation of the 2017–18 year end fixed asset balances which occurred after the adoption of the Original Budget. Depreciation expense was revised down during the Mid Year Budget Review to \$29.16 million which is in line with the actual result of \$29.06 million.</p>  |
| 1.1.13 | Fair value adjustments for investment property | <p>The fair value valuation of investment property is determined annually by independent valuers. Changes to fair value are recorded in the Income Statement each year. Council's investment properties decreased by \$907,000 in 2018–19, which is mainly due to the impact of a commercial shop damaged by fire in 2019. This item is difficult to predict and is not included in the Original Budget. It is a non-cash accounting entry.</p>  |
| 1.1.13 | Other expenses                                 | <p>The unfavourable variance of \$10.97 million to the 2018–19 Original Budget is due to:</p> <ul style="list-style-type: none"> <li>– \$4.85 million for Home and Community Care funding received in 2017–18 and 2018–19 where Council is unable to achieve the required target level. Council received advice in January 2019 from the Australian Department of Health that \$3.04 million relating to the funding period 1 July 2017 – 30 June 2018 is required to be returned (to be funded from reserves). It is expected that further amounts will also be required to be returned in relation to the current 2018–19 financial year (\$1.81 million).</li> <li>– \$3.01 million in asset write offs which are not budgeted for as they are difficult to predict and represent a non-cash accounting entry. The asset write offs mainly relate to the renewal and replacement of roads, buildings and footpaths.</li> <li>– \$1.64 million in capital program expenditure relating to non-Council owned assets mainly for undergrounding of power lines in the Bangholme Road and Afghan Precinct projects (represents contribution expenditure).</li> <li>– \$1.27 million relating to a developer reimbursement for expenditure in excess of the mandated amounts on public open space improvements in the Keysborough South Stages 2 and 3 areas. This amount is not covered by the Development Contribution Plan (DCP).</li> </ul> |

## 1.2 Capital works

|  | Consolidated<br>Actual<br>2019<br>\$'000 | Council<br>Actual<br>2019<br>\$'000 | Council<br>Budget<br>2019<br>\$'000 | Council<br>Variance<br>2019<br>\$'000<br><i>Fav (Unfav)</i> | Ref    |
|--|--|-------------------------------------|-------------------------------------|---|--------|
| <b>Property</b>                                |  |                                     |                                     |   |        |
| Land   | 1,118                                    | 1,118                               | 3,000                               | 1,882   | 1.2.1  |
| <b>Total land</b>                              | <b>1,118</b>                             | <b>1,118</b>                        | <b>3,000</b>                        | <b>1,882</b>  |        |
| Buildings                                      | 22,453                                   | 22,453                              | 27,446                              | 4,993   | 1.2.2  |
| Leasehold improvements                         | 41                                       | 41                                  | 100                                 | 59  |        |
| <b>Total buildings</b>                         | <b>22,494</b>                            | <b>22,494</b>                       | <b>27,546</b>                       | <b>5,052</b>  |        |
| Investment property                            | 2,337                                    | 2,337                               | –                                   | (2,337)   | 1.2.3  |
| <b>Total investment property</b>               | <b>2,337</b>                             | <b>2,337</b>                        | <b>–</b>                            | <b>(2,337)</b>  |        |
| <b>Total property</b>                          | <b>25,949</b>                            | <b>25,949</b>                       | <b>30,546</b>                       | <b>4,597</b>  |        |
| <b>Plant and equipment</b>                     |  |                                     |                                     |   |        |
| Plant, machinery and equipment                 | 2,942                                    | 2,942                               | 2,378                               | (564)   | 1.2.4  |
| Fixtures, fittings and furniture               | 179                                      | 179                                 | 152                                 | (27)  |        |
| Computers and telecommunications               | 178                                      | 178                                 | 130                                 | (48)  |        |
| Library books                                  | 842                                      | 842                                 | 1,161                               | 319   |        |
| <b>Total plant and equipment</b>               | <b>4,141</b>                             | <b>4,141</b>                        | <b>3,821</b>                        | <b>(320)</b>  |        |
| <b>Infrastructure</b>                          |  |                                     |                                     |   |        |
| Roads  | 6,873                                    | 6,873                               | 7,793                               | 920   | 1.2.5  |
| Bridges  | 60                                       | 60                                  | 687                                 | 627   | 1.2.6  |
| Footpaths and cycleways                        | 1,999                                    | 1,999                               | 1,795                               | (204)   |        |
| Drainage                                       | 3,095                                    | 3,095                               | 3,245                               | 150   |        |
| Recreational, leisure and community facilities | 1,860                                    | 1,860                               | 2,226                               | 366   |        |
| Parks, open space and streetscapes             | 7,220                                    | 7,220                               | 8,712                               | 1,492   | 1.2.7  |
| Off street car parks                           | 2,377                                    | 2,377                               | 1,087                               | (1,290)   | 1.2.8  |
| <b>Total infrastructure</b>                    | <b>23,484</b>                            | <b>23,484</b>                       | <b>25,545</b>                       | <b>2,061</b>  |        |
| <b>Total capital works expenditure</b>         | <b>53,574</b>                            | <b>53,574</b>                       | <b>59,912</b>                       | <b>6,338</b>  |        |
| <b>Represented by:</b>                         |  |                                     |                                     |   |        |
| New asset expenditure                          | 22,771                                   | 22,771                              | 27,811                              | 5,040   | 1.2.9  |
| Asset renewal expenditure                      | 21,025                                   | 21,025                              | 21,301                              | 276   |        |
| Asset upgrade expenditure                      | 9,778                                    | 9,778                               | 10,800                              | 1,022   | 1.2.10 |
| <b>Total capital works expenditure</b>         | <b>53,574</b>                            | <b>53,574</b>                       | <b>59,912</b>                       | <b>6,338</b>  |        |

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### 1.2 Capital works (continued)

#### Explanation of material variations

| Ref   | Item                           | Explanation   |
|-------|--------------------------------|---|
| 1.2.1 | Land                           | Acquisitions of land were lower than the 2018–19 Original Budget by \$1.88 million due to a delay in the purchase of a land site for the Keysborough South Community Hub (\$3 million) partly offset by an unbudgeted strategic land acquisition in Lonsdale Street, Dandenong (\$1.12 million).  |
| 1.2.2 | Buildings                      | Capital expenditure on buildings was lower than the 2018–19 Original Budget by \$4.99 million due to: <ul style="list-style-type: none"> <li>– Springvale Community Precinct project (\$5.26 million, caused by a delay in the multi-year project).</li> <li>– Thomas Carroll Pavilion project (\$1.95 million, due to redesign).</li> <li>– Keysborough South Community Hub Building Design project (\$1.00 million, due to the delay in acquiring a land site).</li> </ul> Partly offset by Alex Nelson Reserve Pavilion project (\$1.38 million, which was carried over from the prior financial year).  |
| 1.2.3 | Investment property            | The unfavourable variance of \$2.34 million to the 2018–19 Original Budget is due to an strategic property acquisition in Lonsdale Street, Dandenong which was included in the 2019–20 Mid Year Budget Review.  |
| 1.2.4 | Plant, machinery and equipment | Plant, machinery and equipment experienced an unfavourable variance of \$564,000 to the 2018–19 Original Budget due mainly to the purchase of a specialised jet truck for Council's drainage network (\$590,000) which was carried over from the prior financial year, so wasn't included in the 2018–19 Original Budget.   |
| 1.2.5 | Roads                          | Capital expenditure on roads was lower than the 2018–19 Original Budget by \$920,000 due to: <ul style="list-style-type: none"> <li>– a total favourable variance of \$1.52 million in the Local Road Surface/Rehabilitation Program and Bangholme Road multi-year project due to \$1.80 million that was transferred to operating expenditure as it could not be capitalised to the asset register, mainly caused by the undergrounding of power lines and lighting (works on non-Council assets).</li> <li>– a combination of savings and a delay in the reserve funded Development Contribution Plan (DCP) Perry Road South Upgrade Design project (\$620,000) with \$244,000 to be carried over to the 2019–20 financial year.</li> </ul> These favourable variances were partly offset by the Safe System Road Infrastructure Program project which was grant funded and included in the 2018–19 Mid Year Budget Review (\$420,000) and \$842,000 of major road works transferred from operating expenditure as it was considered capital in nature. |
| 1.2.6 | Bridges                        | The favourable variance of \$627,000 to the Original Budget is due to a delay in the DCP Lyndhurst Bridge and Bridge Rectification projects (\$468,000 – both projects to be carried over to the 2019–20 financial year) and lower than anticipated expenditure in relation to the municipal-wide bridges renewal program (\$159,000 program savings).  |

## 1.2 Capital works (continued)

### Explanation of material variations

| Ref    | Item                               | Explanation   |
|--------|------------------------------------|---|
| 1.2.7  | Parks, open space and streetscapes | <p>Capital expenditure on parks, open space and streetscapes was \$1.49 million lower than the 2018–19 Original Budget due mainly to delays in the following projects (to be carried over to the 2019–20 financial year):</p> <ul style="list-style-type: none"> <li>– Springvale Road Boulevard (\$2.09 million)</li> <li>– Douglas Street, Noble Park – Streetscape Upgrade (\$300,000)</li> <li>– Robert Booth Reserve – Baseball Lighting (\$177,000)</li> </ul> <p>The favourable variance also relates to Thomas Street Precinct Afghan Enhancement project (\$219,000), where \$295,000 was transferred to operating expenditure because it could not be capitalised to the asset register.</p> <p>These favourable variances are partly offset by \$1.17 million for Dandenong Park Master Plan Implementation project and Walker Street, Dandenong – Streetscape project (\$525,000) which were carried over from the prior financial year, so were not included in the 2018–19 Original Budget.</p> |
| 1.2.8  | Off street car parks               | <p>Off street car parks experienced an unfavourable variance of \$1.29 million to the 2018–19 Original Budget due mainly to the Tatterson Park Car Park and Access Road (\$1.01 million) and Metro 3175 (\$232,000) projects which were carried over from the 2017–18 financial year.</p>   |
| 1.2.9  | New asset expenditure              | <p>Lower than anticipated capital expenditure on new assets of \$7.38 million relates to a delay in two substantial projects which are expected to be carried over to 2019–20 (Springvale Community Precinct \$5.26 million and Keysborough South Community Hub (land acquisition and building design \$4.00 million), partly offset by the Yarraman Oaks Early Learning Facility project not included in the 2018–19 Original Budget as it was carried over from the 2017–18 financial year (\$833,000) and the unbudgeted strategic land acquisition at 275 Lonsdale Street, Dandenong (\$1.12 million).</p>  |
| 1.2.10 | Asset upgrade expenditure          | <p>Asset upgrade expenditure was \$1.02 million lower than anticipated due to:</p> <ul style="list-style-type: none"> <li>– Bangholme Road (\$906,000) where a significant amount was transferred to operating expenditure because it could not be capitalised to the asset register.</li> <li>– a delay in a number of projects which are expected to be carried over to 2019–20 (Springvale Road Boulevard \$644,000, Thomas Carroll Pavilion \$400,000, DCP Lyndhurst B1 Bridge \$398,000).</li> <li>– a combination of savings and a delay in the reserve funded Development Contribution Plan (DCP) Perry Road South Upgrade Design project (\$620,000) with \$244,000 to be carried over to the 2019–20 financial year.</li> </ul> <p>These favourable variances are partly offset by projects not included in the 2018–19 Original Budget as they were carried over from the 2017–18 financial year (Alex Nelson Reserve \$1.37 million and Robert Booth Reserve Pavilion \$705,000).</p>              |

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### Note 2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

#### 2.1a Chief Executive Office

The Office of the Chief Executive has overall responsibility for the operations of the organisation, and carriage of the Strategic Risk Register. Each member of the executive management team reports to the CEO.

#### Corporate Services

The Corporate Services directorate is responsible for a broad range of organisational functions including financial planning, marketing and communications, governance, information and telecommunications, organisational development and corporate planning. The departments which make up this directorate include Financial Services, Information Technology, Governance, Customer Service and Civic Facilities, Media and Communications, and People and Procurement.

#### Greater Dandenong Business

Greater Dandenong Business is responsible for Council's major activity centres, economic development, investment attraction and future growth. Attracting investment and showcasing business are key roles in establishing Greater Dandenong as a regional capital. The departments which make up Greater Dandenong Business include Economic Development, Activity Centres Revitalisation, and South East Business Networks (SEBN).

#### City Planning Design and Amenity

The City Planning, Design and Amenity directorate is focused on the development of our built and natural environments and ensuring that Council's activities match the community's future needs for facilities, housing, and sustainability. It oversees the functions of Building Services, Planning and Design, and Regulatory Services.

#### Engineering Services

Engineering Services is primarily focused on roads and footpaths, transport, parks and gardens, waste services, recreational and sporting facilities and Council's capital works program. It includes the departments of City Projects and Asset Improvement, Infrastructure Services and Planning, and Transport and Civil Development.

#### Community Services

Community Services provides direct services to the community across a wide range of programs such as sport and recreation, libraries, youth and families, children's services, festivals and events, support for older people and community advocacy. This directorate manages Community Care, Community Arts, Culture and Libraries, Community Wellbeing and Community Development, Sport and Recreation.

#### Non-attributable

The items that cannot be reliably attributable to a directorate. For example furniture, fixtures and fittings that cannot be identified by a location or work in progress that cannot be easily allocated across directorate.

## Note 2.1 Analysis of Council results by program

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

|                                   | Income<br>\$'000 | Expenses<br>\$'000 | Surplus/<br>(Deficit)<br>\$'000 | Grants<br>included in<br>income<br>\$'000 | Total<br>assets<br>\$'000 |
|-----------------------------------|------------------|--------------------|---------------------------------|---|---------------------------|
| <b>2019</b>                       |                  |                    |                                 |   |                           |
| CEO Services                      | –                | (679)              | (679)                           | –   | 12                        |
| City Planning, Design and Amenity | 19,348           | (16,861)           | 2,487                           | 441                                       | 78,437                    |
| Community Services                | 24,741           | (55,982)           | (31,241)                        | 20,991                                    | 614,662                   |
| Corporate Services                | 141,591          | (27,565)           | 114,026                         | 12,246                                    | 306,167                   |
| Engineering Services              | 35,544           | (83,545)           | (48,001)                        | 4,434                                     | 1,339,849                 |
| Greater Dandenong Business        | 688              | (3,932)            | (3,244)                         | 265                                       | 125                       |
| Non-attributable*                 | –                | (1,965)            | (1,965)                         | –   | 617                       |
| <b>Total for Council</b>          | <b>221,912</b>   | <b>(190,529)</b>   | <b>31,383</b>                   | <b>38,377</b>                             | <b>2,339,869</b>          |
| Dandenong Market Pty Ltd**        | 4,222            | (4,326)            | (104)                           | –   | 1,151                     |
| <b>Consolidated Total</b>         | <b>226,134</b>   | <b>(194,855)</b>   | <b>31,279</b>                   | <b>38,377</b>                             | <b>2,341,020</b>          |
| <b>2018</b>                       |                  |                    |                                 |   |                           |
| CEO Services                      | 1                | (613)              | (612)                           | –   | 12                        |
| City Planning, Design and Amenity | 17,199           | (16,349)           | 850                             | 404                                       | 74,921                    |
| Community Services                | 23,359           | (47,402)           | (24,043)                        | 19,333                                    | 647,548                   |
| Corporate Services                | 136,863          | (26,228)           | 110,635                         | 11,981                                    | 289,632                   |
| Engineering Services              | 43,341           | (77,978)           | (34,637)                        | 4,619                                     | 1,335,282                 |
| Greater Dandenong Business        | 1,675            | (3,676)            | (2,001)                         | 973                                       | 192                       |
| Non-attributable*                 | –                | (3,290)            | (3,290)                         | –   | 1,665                     |
| <b>Total for Council</b>          | <b>222,438</b>   | <b>(175,536)</b>   | <b>46,902</b>                   | <b>37,310</b>                             | <b>2,349,252</b>          |
| Dandenong Market Pty Ltd**        | 4,256            | (4,224)            | 32                              | –   | 1,186                     |
| <b>Consolidated Total</b>         | <b>226,694</b>   | <b>(179,760)</b>   | <b>46,934</b>                   | <b>37,310</b>                             | <b>2,350,438</b>          |

\*Non-attributable represents income, expense, grant or asset items that are not specifically attributable to one of the directorates.

\*\*Dandenong Market Pty Ltd (DMPL) income, expense, grant and asset items are adjusted for consolidation adjustment between Council and DMPL – refer note 6.3

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### Note 3 Funding for the delivery of our services

#### 3.1 Rates and charges

Council uses the Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land and all improvements on it, and is determined by independent valuers and certified by the Valuer General Victoria. The valuation base used to calculate general rates for 2018–19 was \$48.37 billion (\$38.96 billion in 2017–18).

|  | <b>Consolidated<br/>2019<br/>\$'000</b> | <b>Consolidated<br/>2018<br/>\$'000</b> |
|--|---|---|
| Residential                              | 54,657                                  | 52,762                                  |
| Commercial                               | 12,428                                  | 12,241                                  |
| Industrial                               | 49,219                                  | 47,103                                  |
| Farm                                     | 434                                     | 337                                     |
| Cultural and recreational                | 505                                     | 438                                     |
| Waste management charge – residential    | 19,234                                  | 16,342                                  |
| Supplementary rates and rates adjustment | 2,291                                   | 1,547                                   |
| Maintenance levy                         | 1,497                                   | 1,381                                   |
| Interest on rates and charges            | 678                                     | 657                                     |
| <b>Total rates and charges</b>           | <b>140,943</b>                          | <b>132,808</b>                          |

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2018 and the valuation is first applied to the rating period commencing 1 July 2018.

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

#### 3.2 Statutory fees and fines

|                                       |              |              |
|---------------------------------------|--------------|--------------|
| Infringements and costs               | 4,730        | 4,270        |
| Court recoveries                      | 1,916        | 1,734        |
| Building and town planning fees*      | 2,162        | 2,405        |
| Subdivision*                          | 144          | 430          |
| Land information certificates         | 89           | 111          |
| Election fines                        | 13           | 140          |
| Permits                               | 417          | 269          |
| <b>Total statutory fees and fines</b> | <b>9,471</b> | <b>9,359</b> |

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

\*Prior year comparative figures have been amended to reflect the reclassification of subdivision, plan checking and storm water fees from user fees to statutory fees to reflect the statutory nature of these fees.

|  | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|--------------------------------|--------------------------------|
| <b>3.3 User fees</b>   |                                |                                |
| Aged and health services   | 1,073                          | 1,331                          |
| Child care/children's programs   | 999                            | 950                            |
| Parking  | 3,360                          | 3,250                          |
| Registration and other permits   | 1,789                          | 1,458                          |
| Asset protection fees  | 364                            | 348                            |
| Other fees and charges   | 614                            | 689                            |
| <b>Total user fees</b>   | <b>8,199</b>                   | <b>8,026</b>                   |
| <p>User fees are recognised as revenue when the service has been provided or Council has otherwise earned the income.</p> <p>Prior year comparative figures have been amended to reflect the reclassification of subdivision, plan checking and storm water fees from user fees to statutory fees to reflect the statutory nature of these fees.</p> |                                |                                |
| <b>3.4 Funding from other levels of government</b>   |                                |                                |
| Grants were received in respect of the following:  |                                |                                |
| <b>Summary of grants</b>   |                                |                                |
| Commonwealth funded grants   | 25,102                         | 26,342                         |
| State funded grants  | 13,275                         | 10,968                         |
| <b>Total grants received</b>   | <b>38,377</b>                  | <b>37,310</b>                  |
| <b>a) Operating grants</b>   |                                |                                |
| <b>Recurrent – Commonwealth Government</b>   |                                |                                |
| Financial Assistance Grants (via Victoria Grants Commission)*  | 12,206                         | 11,941                         |
| Family day care  | 4,193                          | 3,152                          |
| Family and children services   | 330                            | 325                            |
| General home care  | 7,287                          | 6,951                          |
| Libraries  | 152                            | 110                            |
| Maternal and child health*   | 62                             | 82                             |
| Volunteer  | –                              | 16                             |
| <b>Recurrent – State Government</b>  |                                |                                |
| Aged care  | 2,633                          | 2,763                          |
| Maternal and child health*   | 2,573                          | 2,206                          |
| Family and children services   | 1,698                          | 1,763                          |
| Libraries  | 1,032                          | 1,008                          |
| Community development  | 107                            | 206                            |
| School crossing supervisors  | 417                            | 306                            |
| Other  | 22                             | 19                             |
| Right @ Home   | 225                            | 427                            |
| Community wellbeing*   | 213                            | 198                            |
| Community education  | 57                             | 57                             |
| Emergency management   | 40                             | 40                             |
| <b>Total recurrent operating grants</b>  | <b>33,247</b>                  | <b>31,570</b>                  |
| <b>Non-recurrent – Commonwealth Government</b>   |                                |                                |
| Community development  | 15                             | 20                             |
| Community wellbeing  | 120                            | –                              |

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## FOR THE YEAR ENDED 30 JUNE 2019

|  | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|--------------------------------|--------------------------------|
| <b>Non-recurrent – State Government</b>  |                                |                                |
| Environmental planning   | 234                            | 295                            |
| Family and children services   | 61                             | –                              |
| Maternal and child health  | 71                             | –                              |
| Community development  | 430                            | 993                            |
| Sports and recreation  | –                              | 27                             |
| Waste management   | 131                            | 124                            |
| <b>Total non-recurrent operating grants</b>  | <b>1,062</b>                   | <b>1,459</b>                   |
| <b>Total operating grants</b>  | <b>34,309</b>                  | <b>33,029</b>                  |
| *Payments for Financial Assistance Grants received via the Victorian Grants Commission can vary year on year. Whilst 2017–18 and 2018–19 financial years reflect 100% of funding received – 50% of the fundings for both year relates to early distribution of the funding in June for the following year. |                                |                                |
| *Comparative figure for 2017–18 have been amended to reflect the correct classification of funding source from State to Federal for community wellbeing and maternal and child health.   |                                |                                |
| <b>b) Capital grants</b>   |                                |                                |
| <b>Recurrent – Commonwealth Government</b>   |                                |                                |
| Roads to recovery  | –                              | 1,348                          |
| <b>Recurrent – State Government</b>  |                                |                                |
| Sports and recreation  | 47                             | –                              |
| <b>Total recurrent capital grants</b>  | <b>47</b>                      | <b>1,348</b>                   |
| <b>Non-recurrent – Commonwealth Government</b>   |                                |                                |
| Sports and recreation – Tattersson Park  | 311                            | 1,703                          |
| Community safety   | 9                              | 167                            |
| Roads  | 417                            | 527                            |
| <b>Non-recurrent – State Government</b>  |                                |                                |
| Roads  | 397                            | 36                             |
| Libraries – Springvale Community Precinct  | 257                            | 205                            |
| Sports and recreation  | 2,630                          | 185                            |
| Community education  | –                              | 97                             |
| Community safety   | –                              | 13                             |
| <b>Total non-recurrent capital grants</b>  | <b>4,021</b>                   | <b>2,933</b>                   |
| <b>Total capital grants</b>  | <b>4,068</b>                   | <b>4,281</b>                   |
| <b>Unspent grants received on condition that they be spent in a specific manner</b>  |                                |                                |
| Balance at start of the year   | 10,689                         | 8,947                          |
| Received during the financial year and remained unspent at balance date  | 11,006                         | 9,636                          |
| Received in prior years and spent during the financial year  | (9,921)                        | (7,894)                        |
| <b>Balance at end of the year*</b>   | <b>11,774</b>                  | <b>10,689</b>                  |

Grant income is recognised when Council obtains control of the contribution. Control is normally obtained upon receipt (or acquittal) or upon earlier notification that a grant has been secured.

\*The increase in unspent grants at the end of the year in 2019 and 2018 relates to the early distribution by the Victoria Grants Commission of approximately 50% of the Financial Assistance Grants funding for the following financial year (2018–19: \$6.25 million, 2017–18: \$5.92 million).

|   | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|---|--------------------------------|--------------------------------|
| <b>3.5 Contributions</b>  |                                |                                |
| <b>Monetary</b>   |                                |                                |
| Community contributions (for capital works)   | 140                            | 23                             |
| Other contributions   | 313                            | 20                             |
| <b>Total non-developer contributions</b>  | <b>453</b>                     | <b>43</b>                      |
| Open space contributions (for future capital works)*  | 2,793                          | 2,922                          |
| Development infrastructure levies (for capital works completed)   | 483                            | 410                            |
| Community infrastructure levies**   | 1,540                          | –                              |
| <b>Total developer contributions</b>  | <b>4,816</b>                   | <b>3,332</b>                   |
| <b>Total monetary contributions</b>   | <b>5,269</b>                   | <b>3,375</b>                   |
| Non-monetary  | 7,735                          | 19,169                         |
| <b>Total contributions</b>  | <b>13,004</b>                  | <b>22,544</b>                  |
| <i>*Public open space contributions received during the financial year are transferred to the Open Space Reserve. Refer note 9.1(b).</i>  |                                |                                |
| <i>**During the 2018–19 financial year there was a change in the interpretation assessment for Community Infrastructure Levies which were previously recognised in the Balance Sheet.</i> |                                |                                |
| <i>Contributions of non-monetary assets were received in relation to the following asset classes:</i>   |                                |                                |
| Land  | 4,506                          | 9,179                          |
| Buildings   | –                              | 225                            |
| Infrastructure  | 3,229                          | 9,765                          |
| <b>Total non-monetary contributions</b>   | <b>7,735</b>                   | <b>19,169</b>                  |
| Monetary and non-monetary contributions are recognised as revenue when Council obtains control over the contributed asset.  |                                |                                |
| <b>3.6 Net gain on disposal of property, infrastructure, plant and equipment</b>  |                                |                                |
| <i>Net gain on sale of property, infrastructure, plant and equipment</i>  |                                |                                |
| Proceeds of sale  | 857                            | 648                            |
| Less carrying amount of assets sold   | (400)                          | (507)                          |
|   | 457                            | 141                            |
| <b>Total net gain on disposal of property, infrastructure, plant and equipment</b>  | <b>457</b>                     | <b>141</b>                     |
| The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.   |                                |                                |
| <b>3.7 Other income</b>   |                                |                                |
| Interest on investments   | 3,661                          | 2,922                          |
| Interest – other  | 3                              | 2                              |
| Dandenong Market revenue from operations  | 5,755                          | 5,738                          |
| Property rental   | 1,844                          | 1,665                          |
| Other rent  | 1,102                          | 1,060                          |
| Recoveries  | 2,044                          | 2,960                          |
| Other   | 1,274                          | 1,134                          |
| <b>Total other income</b>   | <b>15,683</b>                  | <b>15,481</b>                  |

Interest is recognised as it is earned.

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

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## FOR THE YEAR ENDED 30 JUNE 2019

**Consolidated  
2019  
\$'000**      **Consolidated  
2018  
\$'000**

### Note 4 The cost of delivering services

#### 4.1 a) Employee costs

|                             |               |               |
|-----------------------------|---------------|---------------|
| Wages and salaries          | 59,230        | 57,195        |
| WorkCover                   | 1,547         | 1,694         |
| Casual staff                | 788           | 940           |
| Superannuation              | 5,650         | 5,416         |
| Long service leave oncost   | 2,184         | 1,343         |
| Fringe benefits tax         | 359           | 435           |
| Other                       | 5,998         | 5,355         |
| <b>Total employee costs</b> | <b>75,756</b> | <b>72,378</b> |

#### b) Superannuation

Council made contributions to the following funds:

##### Defined benefit fund

|   |     |     |
|---|-----|-----|
| Employer contribution to Local Authorities Superannuation Fund (Vision Super) | 397 | 473 |
|   | 397 | 473 |
| Employer contributions payable at reporting date.                             | -   | -   |

##### Accumulation funds

|   |       |       |
|---|-------|-------|
| Employer contribution to Local Authorities Superannuation Fund (Vision Super) | 3,412 | 3,353 |
| Employer contribution – other funds   | 1,852 | 1,631 |
|   | 5,264 | 4,984 |
| Employer contributions payable at reporting date (Dandenong Market Pty Ltd)   | 1     | 4     |

Refer note 9.3 for further information relating to Council's superannuation obligation.

#### 4.2 Materials and services

|  |               |               |
|--|---------------|---------------|
| Waste management services                    | 14,831        | 13,702        |
| Cleaning services                            | 3,010         | 2,923         |
| Park maintenance services                    | 5,104         | 3,848         |
| Educator services                            | 4,226         | 3,170         |
| Leisure centre maintenance                   | 1,707         | 1,426         |
| Building maintenance services                | 3,503         | 4,107         |
| Security services                            | 1,246         | 1,037         |
| Meals for delivery                           | 496           | 571           |
| Library resources                            | 498           | 305           |
| Property valuation services                  | 194           | 371           |
| Other contract payments                      | 10,865        | 10,310        |
| General maintenance                          | 2,895         | 2,008         |
| Works in progress (unable to be capitalised) | 1,683         | 3,006         |
| Utilities                                    | 4,450         | 4,017         |
| Office administration                        | 5,775         | 5,585         |
| Information technology                       | 2,433         | 2,425         |
| Insurance                                    | 1,144         | 850           |
| Consultants and professional services        | 6,070         | 5,896         |
| <b>Total materials and services</b>          | <b>70,130</b> | <b>65,557</b> |

In order to comply with the Local Government Model Financial Report (LGMFR) prior year comparatives have been amended to further breakdown contract payments by major services.

|   | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|---|--------------------------------|--------------------------------|
| <b>4.3 Depreciation and amortisation</b>  |                                |                                |
| <b>Depreciation</b>   |                                |                                |
| Property  | 5,957                          | 5,516                          |
| Plant and equipment   | 3,858                          | 3,886                          |
| Infrastructure  | 19,249                         | 18,800                         |
| <b>Total depreciation and amortisation</b>  | <b>29,064</b>                  | <b>28,202</b>                  |
| Refer to 6.2 for a more detailed breakdown of depreciation and amortisation charges.  |                                |                                |
| <b>4.4 Bad and doubtful debts</b>   |                                |                                |
| Parking fine debtors  | (14)                           | 786                            |
| Other debtors   | (12)                           | 863                            |
| <b>Total bad and doubtful debts</b>   | <b>(26)</b>                    | <b>1,649</b>                   |
| <b>Movement in provisions for doubtful debts</b>  |                                |                                |
| Balance at the beginning of the year  | 2,643                          | 1,768                          |
| Reversal of previously recognised provisions AASB 9 adjustment*   | (1,114)                        | –                              |
| New provisions recognised during the year   | 1,042                          | 1,652                          |
| Amounts already provided for and written off as uncollectible   | (888)                          | (777)                          |
| Amounts provided for but recovered during the year  | –                              | –                              |
| <b>Balance at end of year</b>   | <b>1,683</b>                   | <b>2,643</b>                   |
| *In accordance with changes to the Australian Accounting Standard AASB 9 Financial Instruments, provision for doubtful debts is recognised on an expected credit loss model. This model considers both historic and forward looking information in determining the level of impairment. |                                |                                |
| <b>4.5 Borrowing costs</b>  |                                |                                |
| Interest – borrowings   | 3,131                          | 3,345                          |
| Interest – other  | –                              | 74                             |
| <b>Total borrowing costs</b>  | <b>3,131</b>                   | <b>3,419</b>                   |

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council. Borrowing costs include interest on bank overdrafts and interest on borrowings.

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

|  | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|--------------------------------|--------------------------------|
| <b>4.6 Other expenses</b>  |                                |                                |
| Auditors' remuneration – VAGO – audit of the financial statements, performance statement and grant acquittals                                      | 88                             | 86                             |
| Auditors' remuneration – internal  | 147                            | 100                            |
| Audit – other  | 1                              | 1                              |
| Councillors' allowances  | 443                            | 434                            |
| Council election   | 35                             | –                              |
| Operating lease / rentals  | 1,047                          | 1,042                          |
| Assets written-off   | 3,167                          | 2,828                          |
| Landfill provisions  | 16                             | 895                            |
| Impairment loss (reversal)   | –                              | (238)                          |
| Commonwealth Home Care Support Program – return of unexpended grant funds  | 4,853                          | –                              |
| Developer reimbursement  | 1,269                          | –                              |
| Other expenses   | 783                            | 876                            |
| Community grants and contributions   | 2,404                          | 2,246                          |
| Contributions – non Council assets   | 1,640                          | 285                            |
| <b>Total other expenses</b>  | <b>15,893</b>                  | <b>8,555</b>                   |
| <b>Note 5 Our financial position</b>   |                                |                                |
| <b>5.1 Financial assets</b>  |                                |                                |
| <b>(a) Cash and cash equivalents</b>   |                                |                                |
| Cash on hand   | 3,492                          | 4,189                          |
| Cash at bank   | 8,818                          | 16,885                         |
| Term deposits  | 151,297                        | 133,517                        |
| <b>Total cash and cash equivalents</b>   | <b>163,607</b>                 | <b>154,591</b>                 |
| <b>(b) Other financial assets</b>  |                                |                                |
| <b>Non-current</b>   |                                |                                |
| <i>Financial assets held for sale</i>  |                                |                                |
| Unlisted shares – Regional Kitchen Pty Ltd – at fair value   | 230                            | 230                            |
| <b>Total non-current other financial assets</b>  | <b>230</b>                     | <b>230</b>                     |
| <b>Total other financial assets</b>  | <b>230</b>                     | <b>230</b>                     |
| <i>Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:</i> |                                |                                |
| – Trust funds and deposits (note 5.3(b))   | 36,211                         | 41,505                         |
| <b>Total restricted funds</b>  | <b>36,211</b>                  | <b>41,505</b>                  |
| <b>Total unrestricted cash and cash equivalents</b>  | <b>127,396</b>                 | <b>113,086</b>                 |
| <b>Intended allocations*</b>   |                                |                                |
| Although not externally restricted the following amounts have been allocated for specific future purposes by Council:                              |                                |                                |
| Employee provisions (note 5.5 (a))   | 18,039                         | 16,868                         |
| Statutory and other reserves (note 9.1(b))   | 82,514                         | 69,765                         |
| Cash held to fund carried forward operational projects   | 10,286                         | 9,597                          |
| Cash held to fund carried forward capital works (net)  | 16,190                         | 16,659                         |
| <b>Total funds subject to intended allocations</b>   | <b>127,029</b>                 | <b>112,889</b>                 |

\*Users of the financial report should refer to note 9.1(b) for details of funds held in reserve and note 5.7 for details of existing Council commitments.

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

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

### (c) Trade and other receivables

#### Current

##### Statutory receivables

|  |       |         |
|--|-------|---------|
| Rates debtors  | 7,753 | 7,132   |
| Infringement debtors                                   | 8,798 | 7,119   |
| Provision for doubtful debts – infringements           | (968) | (1,897) |
| Other statutory debtors                                | 2,673 | 2,738   |
| Provision for doubtful debts – other statutory debtors | (99)  | (149)   |
| Net GST receivable                                     | 2,296 | 1,998   |

##### Non statutory receivables

|  |               |               |
|--|---------------|---------------|
| Other debtors                                    | 3,092         | 3,110         |
| Provision for doubtful debts – other debtors     | (616)         | (597)         |
| <b>Total current trade and other receivables</b> | <b>22,929</b> | <b>19,454</b> |

#### Non-current

##### Non statutory receivables

|  |               |               |
|--|---------------|---------------|
| Narre Warren landfill – financial contribution       | 252           | 252           |
| Other debtors – refundable deposit                   | 73            | 73            |
| <b>Total non-current trade and other receivables</b> | <b>325</b>    | <b>325</b>    |
| <b>Total trade and other receivables</b>             | <b>23,254</b> | <b>19,779</b> |

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised on an expected credit loss model per AASB 9 Financial Instruments. This model considers both historic and forward looking information in determining the level of impairment. Long term receivables are carried at amortised cost using the effective interest rate method.

#### i) Ageing of receivables

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

|  |              |              |
|--|--------------|--------------|
| Current (not yet due)  | 669          | 1,247        |
| Past due by up to 30 days  | 524          | 302          |
| Past due between 31 and 180 days   | 534          | 512          |
| Past due between 181 and 365 days  | 157          | 85           |
| Past due by more than 1 year*  | 917          | 692          |
| <b>Total trade and other receivables (excluding statutory receivables)</b> | <b>2,801</b> | <b>2,838</b> |

\*Prior year comparative figures have been amended to reflect the exclusion of the value of debt that was impaired for Dandenong Market Pty Ltd.

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## FOR THE YEAR ENDED 30 JUNE 2019

|  | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|--------------------------------|--------------------------------|
| <b>(ii) Ageing of individually impaired receivables</b>  |                                |                                |
| At balance date, trade and other receivables (excluding statutory receivables) representing financial assets with a nominal value of \$549,000 (2018 \$556,000) were impaired. The amount of the provision raised against these debtors was \$549,000 (2018 \$556,000). They have been individually impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements. |                                |                                |
| <b>Ageing of all impaired trade and other receivables (excluding statutory receivables)</b>  |                                |                                |
| Current (not yet due)  | 16                             | –                              |
| Past due by up to 30 days  | 20                             | 4                              |
| Past due between 31 and 180 days   | 21                             | 342                            |
| Past due between 181 and 365 days  | 4                              | 211                            |
| Past due by more than 1 year   | 555                            | 40                             |
| <b>Total trade and other receivables (excluding statutory receivables)</b>   | <b>616</b>                     | <b>597</b>                     |
| <b>5.2 Other assets</b>  |                                |                                |
| Prepayments  | 3,060                          | 2,768                          |
| Accrued income   | 1,257                          | 754                            |
| Other  | 156                            | 220                            |
| <b>Total other assets</b>  | <b>4,473</b>                   | <b>3,742</b>                   |
| <b>5.3 Payables</b>  |                                |                                |
| <b>(a) Trade and other payables</b>  |                                |                                |
| Trade payables   | 15,973                         | 16,095                         |
| Accrued expenses   | 10,767                         | 5,206                          |
| <b>Total trade and other payables</b>  | <b>26,740</b>                  | <b>21,301</b>                  |
| <b>(b) Trust funds and deposits</b>  |                                |                                |
| <b>Current</b>   |                                |                                |
| Fire services property levy  | 738                            | 1,194                          |
| Road deposits  | 2,609                          | 402                            |
| Landscape deposits   | 836                            | 1,042                          |
| Open space contributions   | 1,873                          | 2,683                          |
| Development contribution plans (DCP)   | 26,635                         | 32,510                         |
| Other refundable deposits  | 2,620                          | 2,387                          |
| <b>Total current trust funds and deposits</b>  | <b>35,311</b>                  | <b>40,218</b>                  |
| <b>Non-current</b>   |                                |                                |
| Other refundable deposits  | 900                            | 1,287                          |
| <b>Total non-current trust funds and deposits</b>  | <b>900</b>                     | <b>1,287</b>                   |
| <b>Total trust funds and deposits</b>  | <b>36,211</b>                  | <b>41,505</b>                  |

### **Purpose and nature of items**

**Fire Services Property Levy** – Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a quarterly basis. Amounts disclosed here will be remitted to the State Government in line with that process.

**Roads and landscape deposits** – are taken by Council as a form of surety during the maintenance period of a development or held due to outstanding works identified after the maintenance period which have not been addressed by the contracted builder or developer.

**Development contribution plans (DCP)** – amounts received from developers relating to the DCP are held as deposits and are a surety for the construction of DCP infrastructure. Upon completion of the infrastructure, Council will refund the developer the deposit. Due to the uncertainty of when the developer may submit a claim for refund, the monies held are treated as a current liability.

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

|   | <b>Consolidated<br/>2019<br/>\$'000</b> | <b>Consolidated<br/>2018<br/>\$'000</b> |
|---|---|---|
| <b>5.4 Interest-bearing loans and borrowings</b>  |   |   |
| <b>Current</b>  |   |   |
| Borrowings – secured  | 8,634                                   | 3,301                                   |
|   | <b>8,634</b>                            | <b>3,301</b>                            |
| <b>Non-current</b>  |   |   |
| Borrowings – secured  | 49,891                                  | 48,525                                  |
|   | <b>49,891</b>                           | <b>48,525</b>                           |
| <b>Total interest-bearing loans and borrowings</b>  | <b>58,525</b>                           | <b>51,826</b>                           |
| Borrowings are secured over the general rates of Council as per section 141 of the <i>Local Government Act 1989</i> . |   |   |
| a) The maturity profile for Council's borrowings is:  |   |   |
| Not later than one year   | 8,634                                   | 3,301                                   |
| Later than one year and not later than five years   | 16,725                                  | 13,643                                  |
| Later than five years   | 33,166                                  | 34,882                                  |
|   | <b>58,525</b>                           | <b>51,826</b>                           |

Borrowings are initially measured at fair value, being the cost of the interest bearing liabilities, net of transaction costs. The measurement basis subsequent to initial recognition depends on whether the Council has categorised its interest-bearing liabilities as either financial liabilities designated at fair value through the profit and loss, or financial liabilities at amortised cost. Any difference between the initial recognised amount and the redemption value is recognised in the net result over the period of the borrowing using the effective interest method.

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

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## FOR THE YEAR ENDED 30 JUNE 2019

|   | Consolidated        |   | Total<br>\$ '000                        |
|---|---------------------|---|---|
|   | Employee<br>\$ '000 | Landfill<br>restoration<br>\$ '000      |   |
| <b>5.5 Provisions</b>   |                     |   |   |
| <b>2019</b>   |                     |   |   |
| Balance at beginning of the financial year  | 16,868              | 895                                     | 17,763                                  |
| Additional provisions   | 8,002               | 16                                      | 8,018                                   |
| Amounts used  | (7,214)             | –                                       | (7,214)                                 |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | 383                 | –                                       | 383                                     |
| Balance at the end of the financial year  | 18,039              | 911                                     | 18,950                                  |
| <b>2018</b>   |                     |   |   |
| Balance at beginning of the financial year  | 17,081              | –                                       | 17,081                                  |
| Additional provisions   | 6,970               | 895                                     | 7,865                                   |
| Amounts used  | (7,137)             | –                                       | (7,137)                                 |
| Change in the discounted amount arising because of time and the effect of any change in the discount rate | (46)                | –                                       | (46)                                    |
| Balance at the end of the financial year  | 16,868              | 895                                     | 17,763                                  |
|   |                     | <b>Consolidated<br/>2019<br/>\$'000</b> | <b>Consolidated<br/>2018<br/>\$'000</b> |
| <b>(a) Employee provisions</b>  |                     |   |   |
| <i>Current provisions expected to be wholly settled within 12 months</i>                                  |                     |   |   |
| Annual leave  |                     | 5,935                                   | 5,715                                   |
| Long service leave  |                     | 869                                     | 881                                     |
| Other   |                     | 473                                     | 407                                     |
|   |                     | 7,277                                   | 7,003                                   |
| <i>Current provisions expected to be wholly settled after 12 months</i>                                   |                     |   |   |
| Annual leave  |                     | 117                                     | 109                                     |
| Long service leave  |                     | 9,365                                   | 9,204                                   |
|   |                     | 9,482                                   | 9,313                                   |
| <b>Total current employee provisions</b>  |                     | 16,759                                  | 16,316                                  |
| <b>Non-current</b>  |                     |   |   |
| Long service leave  |                     | 1,280                                   | 552                                     |
| <b>Total non-current employee provisions</b>  |                     | 1,280                                   | 552                                     |
| <i>Aggregate carrying amount of employee provisions:</i>  |                     |   |   |
| Current   |                     | 16,759                                  | 16,316                                  |
| Non-current   |                     | 1,280                                   | 552                                     |
| <b>Total aggregate carrying amount of employee provisions</b>   |                     | 18,039                                  | 16,868                                  |

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

### Wages, salaries and annual leave

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

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

### Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability.

|  | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|--------------------------------|--------------------------------|
| Key assumptions:                             |                                |                                |
| – discount rate                              | 1.13%                          | 2.33%                          |
| – index rate                                 | 3.00%                          | 2.50%                          |
| – settlement rate long service leave (years) |                                |                                |
| long service leave (years)                   | 7                              | 7                              |
| annual leave (days)                          | 260                            | 260                            |
| <b>(b) Landfill restoration</b>              | <b>\$'000</b>                  | <b>\$'000</b>                  |
| Current                                      | 592                            | 96                             |
| Non-current                                  | 319                            | 799                            |
|  | 911                            | 895                            |

The former Springvalley landfill has been closed to the receipt of refuse since December 1998. The former landfill is located between Clarke Road and Springvale Road and the premises was used as a landfill for disposal of waste from 1993 to 1999 under a licence issued by the Environmental Protection Authority (EPA). The landfill is owned by the City of Greater Dandenong and is used as recreational open space. Under the terms of a licence agreement with the Environment Protection Authority (EPA) and Pollution Abatement notices, Council is required to monitor, progressively rehabilitate and conduct rectification works.

The provision for landfill rehabilitation has been calculated based on the present value of the expected cost of works to be undertaken including site aftercare and monitoring costs. The expected cost of works has been estimated based on current understanding of work required to progressively rehabilitate the sites to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

The City of Greater Dandenong shares the commitment for rehabilitation and aftercare management of the landfill with other stakeholder Councils. Council's interest or share of the costs is 19.88%. In the financial report for 30 June 2019, Council has an amount of \$911,000 (30 June 2018 \$895,000) as a provision for the restoration of the Springvalley Road landfill site which includes aftercare costs to meet EPA obligations.

|                                     | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|-------------------------------------|--------------------------------|--------------------------------|
| Key assumptions:                    |                                |                                |
| – discount rate                     | 1.23%                          | 2.44%                          |
| – index rate                        | 2.50%                          | 2.00%                          |
| – settlement rate                   | 15 years                       | 15 years                       |
| <b>(c) Total provisions summary</b> |                                |                                |
| Current                             | 17,351                         | 16,412                         |
| Non-current                         | 1,599                          | 1,351                          |
| <b>Total provisions</b>             | <b>18,950</b>                  | <b>17,763</b>                  |

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## FOR THE YEAR ENDED 30 JUNE 2019

|   | <b>Consolidated<br/>2019<br/>\$'000</b> | <b>Consolidated<br/>2018<br/>\$'000</b> |
|---|---|---|
| <b>5.6 Financing arrangements</b>               |   |   |
| Interest-bearing loans and borrowings – secured | 58,525                                  | 51,826                                  |
| Credit card facilities                          | 200                                     | 200                                     |
| Bank overdraft                                  | 2,500                                   | 2,500                                   |
| <b>Total facilities</b>                         | <b>61,225</b>                           | <b>54,526</b>                           |
| Used facilities                                 | 58,571                                  | 51,828                                  |
| <b>Unused facilities</b>                        | <b>2,654</b>                            | <b>2,698</b>                            |

### 5.7 (a) Commitments

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value by way of note and presented inclusive of the GST payable. All contract commitments are disclosed excluding schedule of rate contracts which vary from year to year depending on the volume of services required.

|                                      | Consolidated                       |   |  |                                 | Total<br>\$'000 |
|--------------------------------------|------------------------------------|---|--|---------------------------------|-----------------|
|                                      | Not later<br>than 1 year<br>\$'000 | Later than<br>1 year and<br>not later<br>than 2 years<br>\$'000 | Later than<br>2 years and<br>not later<br>than 5 years<br>\$'000 | Later than<br>5 years<br>\$'000 |                 |
| <b>2019</b>                          |                                    |   |  |                                 |                 |
| <b>Operating</b>                     |                                    |   |  |                                 |                 |
| Building maintenance services        | 2,950                              | 2,730   | 8,522  | 2,955                           | 17,157          |
| Cleaning services                    | 2,138                              | 1,732   | 185  | –                               | 4,055           |
| Consultancies                        | 123                                | 38  | –  | –                               | 161             |
| Garbage collection                   | 7,367                              | 7,634   | 1,954  | –                               | 16,955          |
| Hard waste collection                | 1,691                              | 1,738   | 4,589  | –                               | 8,018           |
| Leisure centres management services  | 2,913                              | 2,983   | –  | –                               | 5,896           |
| Meals for delivery                   | 550                                | –   | –  | –                               | 550             |
| Open space management                | 1,701                              | 276   | –  | –                               | 1,977           |
| Other contracts                      | 4,789                              | 726   | 664  | –                               | 6,179           |
| Parking management                   | 231                                | 145   | –  | –                               | 376             |
| Recycling                            | 3,773                              | 3,878   | 1,006  | –                               | 8,657           |
| Works (roads and drains) services    | 553                                | 32  | –  | –                               | 585             |
| Dandenong Market Pty Ltd commitments | 1,711                              | 1,752   | 249  | –                               | 3,712           |
| <b>Total 2019 Operating</b>          | <b>30,490</b>                      | <b>23,664</b>   | <b>17,169</b>  | <b>2,955</b>                    | <b>74,278</b>   |
| <b>Capital</b>                       |                                    |   |  |                                 |                 |
| Buildings                            | 21,488                             | 5,339   | –  | –                               | 26,827          |
| Roads                                | 5,286                              | –   | –  | –                               | 5,286           |
| Drainage                             | 404                                | –   | –  | –                               | 404             |
| Parks, open space and streetscapes   | 850                                | –   | –  | –                               | 850             |
| <b>Total 2019 Capital</b>            | <b>28,028</b>                      | <b>5,339</b>  | <b>–</b>   | <b>–</b>                        | <b>33,367</b>   |
| <b>2018</b>                          |                                    |   |  |                                 |                 |
| <b>Operating</b>                     |                                    |   |  |                                 |                 |
| Building maintenance services        | 3,421                              | 2,730   | 8,355  | 2,897                           | 17,403          |
| Cleaning services                    | 1,635                              | 1,488   | –  | –                               | 3,123           |
| Consultancies                        | 205                                | –   | –  | –                               | 205             |
| Garbage collection                   | 6,539                              | 6,735   | 8,724  | –                               | 21,998          |
| Hard waste collection                | 463                                | –   | –  | –                               | 463             |
| Leisure centres management services  | 1,314                              | –   | –  | –                               | 1,314           |
| Meals for delivery                   | 495                                | 454   | –  | –                               | 949             |
| Open space management                | 1,536                              | 1,015   | 110  | –                               | 2,661           |
| Other contracts                      | 4,868                              | 823   | 1,411  | 360                             | 7,462           |
| Parking management                   | 246                                | 251   | 784  | 272                             | 1,553           |
| Recycling                            | 4,016                              | 4,097   | 5,244  | –                               | 13,357          |
| Works (roads and drains) services    | 507                                | 204   | –  | –                               | 711             |
| Dandenong Market Pty Ltd commitments | 1,222                              | 1,224   | 1,457  | –                               | 3,903           |
| <b>Total 2018 Operating</b>          | <b>26,467</b>                      | <b>19,021</b>   | <b>26,085</b>  | <b>3,529</b>                    | <b>75,102</b>   |
| <b>Capital</b>                       |                                    |   |  |                                 |                 |
| Buildings                            | 6,188                              | 250   | 160  | –                               | 6,598           |
| Roads                                | 3,305                              | –   | –  | –                               | 3,305           |
| Drainage                             | 4,113                              | –   | –  | –                               | 4,113           |
| Parks, open space and streetscapes   | 1,671                              | –   | –  | –                               | 1,671           |
| <b>Total 2018 Capital</b>            | <b>15,277</b>                      | <b>250</b>  | <b>160</b>   | <b>–</b>                        | <b>15,687</b>   |

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## FOR THE YEAR ENDED 30 JUNE 2019

|  | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|--------------------------------|--------------------------------|
| <b>5.7 (b) Operating lease commitments</b>   |                                |                                |
| At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment, fleet and properties for use within Council's activities. These obligations are not recognised as liabilities. |                                |                                |
| Not later than one year  | 900                            | 834                            |
| Later than one year and not later than five years  | 1,179                          | 1,408                          |
| Later than five years  | –                              | 13                             |
|  | <b>2,079</b>                   | <b>2,255</b>                   |

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

Prior year comparative figures have been restated on a consistent basis with the current year commitments.

### Note 6 Assets we manage

#### Note content:

- 6.1 Non-current assets classified as held for sale
- 6.2 Property, infrastructure, plant and equipment
  - (a) Summary of Property, Infrastructure, Plant and Equipment
  - (b) Summary of Work in Progress (WIP)
  - (c) Details of Property Category
  - (d) Details of Plant and Equipment Category
  - (e) Details of Infrastructure Category
  - (f) Recognition
  - (g) Depreciation and Amortisation
  - (h) Revaluation
  - (i) Valuation of Property
  - (j) Valuation of Infrastructure
  - (k) Reconciliation of Specialised Land

#### 8.4\* Fair value measurement

*\*This note includes additional details about the fair value hierarchy and impairment of assets.*

### 6.1 Non-current assets classified as held for sale

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of its carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets, disposal groups and related liabilities and assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification. At 30 June 2019, there were no non-current assets classified as held for sale.

Note 6.2 Property, infrastructure, plant and equipment

(a) SUMMARY OF PROPERTY, INFRASTRUCTURE, PLANT AND EQUIPMENT  
(net carrying amount)

Consolidated

|                        | At fair value/cost 30 June 2018 | Acquisitions *   | Contributions | Revaluation     | Depreciation & amortisation | Impairment (loss) / reversal | Disposals    | Write Offs       | Transfers     | At fair value/cost 30 June 2019 |
|------------------------|---------------------------------|------------------|---------------|-----------------|-----------------------------|------------------------------|--------------|------------------|---------------|---------------------------------|
|                        |                                 | (Stmnt Cap Wrks) | (Note 3.5)    | (Note 9.1(a))   | (Note 4.3)                  | (Note 4.6 & 9.1(a))          | (Note 3.6)   | (Note 4.2 & 4.6) | (Note 6.2(b)) |                                 |
|                        | \$'000                          | \$'000           | \$'000        | \$'000          | \$'000                      | \$'000                       | \$'000       | \$'000           | \$'000        | \$'000                          |
| Land                   | 1,192,732                       | 1,112            | 4,506         | (70,452)        | -                           | -                            | -            | -                | 87            | 1,127,985                       |
| Buildings              | 249,137                         | 7,224            | -             | -               | (5,957)                     | -                            | -            | (588)            | 5,423         | 255,239                         |
| Plant and equipment    | 11,637                          | 4,433            | -             | -               | (3,858)                     | -                            | (400)        | (15)             | 197           | 11,994                          |
| Infrastructure         | 684,248                         | 10,660           | 3,229         | 21,724          | (19,249)                    | -                            | -            | (2,564)          | 10,915        | 708,963                         |
| Work in progress (WIP) | 23,012                          | 27,741           | -             | -               | -                           | -                            | -            | (1,683)          | (16,622)      | 32,448                          |
|                        | <b>2,160,766</b>                | <b>51,170</b>    | <b>7,735</b>  | <b>(48,728)</b> | <b>(29,064)</b>             | <b>-</b>                     | <b>(400)</b> | <b>(4,850)</b>   | <b>-</b>      | <b>2,136,629</b>                |

\*The acquisitions of property, infrastructure, plant and equipment above of \$51.17 million differs to the total capital expenditure of \$53.57 million in the Statement of Capital Works due to \$2.40 million acquisitions/capital expenditure relating to Investment Property assets which are (Note 6.4) not included in Note 6.2(a) above.

(b) SUMMARY OF WORK IN PROGRESS

|                     | Opening WIP 30 June 2018 | Additions     | Transfers       | Write Offs     | Closing WIP 30 June 2019 |
|---------------------|--------------------------|---------------|-----------------|----------------|--------------------------|
|                     | \$'000                   | \$'000        | \$'000          | \$'000         | \$'000                   |
| Property            | 9,045                    | 15,029        | (5,483)         | (611)          | 17,980                   |
| Plant and equipment | 44                       | 160           | (26)            | (18)           | 160                      |
| Infrastructure      | 13,923                   | 12,552        | (11,113)        | (1,054)        | 14,308                   |
| <b>Total</b>        | <b>23,012</b>            | <b>27,741</b> | <b>(16,622)</b> | <b>(1,683)</b> | <b>32,448</b>            |

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## FOR THE YEAR ENDED 30 JUNE 2019

### (c) PROPERTY

|   | Land – specialised | Land – non-specialised | Total land       | Buildings – specialised | Leasehold improvements | Total buildings | Work in progress | TOTAL PROPERTY   |
|---|--------------------|------------------------|------------------|-------------------------|------------------------|-----------------|------------------|------------------|
|   | \$'000             | \$'000                 | \$'000           | \$'000                  | \$'000                 | \$'000          | \$'000           | \$'000           |
| <b>Opening balance at 1 July 2018</b>             |                    |                        |                  |                         |                        |                 |                  |                  |
| At cost   | 44,031             | –                      | 44,031           | –                       | 2,001                  | 2,001           | 9,045            | 55,077           |
| At fair value                                     | 974,001            | 174,700                | 1,148,701        | 387,834                 | –                      | 387,834         | –                | 1,536,535        |
| Accumulated depreciation                          | –                  | –                      | –                | (139,544)               | (1,154)                | (140,698)       | –                | (140,698)        |
|   | <b>1,018,032</b>   | <b>174,700</b>         | <b>1,192,732</b> | <b>248,290</b>          | <b>847</b>             | <b>249,137</b>  | <b>9,045</b>     | <b>1,450,914</b> |
| <b>Movements in fair value/cost</b>               |                    |                        |                  |                         |                        |                 |                  |                  |
| Additions at cost                                 | 2                  | –                      | 2                | –                       | 846                    | 846             | 15,029           | 15,877           |
| Additions at fair value                           | –                  | 1,110                  | 1,110            | 6,378                   | –                      | 6,378           | –                | 7,488            |
| Contributed assets at cost                        | 485                | –                      | 485              | –                       | –                      | –               | –                | 485              |
| Contributed assets at fair value                  | 1,384              | 2,637                  | 4,021            | –                       | –                      | –               | –                | 4,021            |
| Revaluation increments (decrements)               | (66,169)           | (4,283)                | (70,452)         | –                       | –                      | –               | –                | (70,452)         |
| Fair value/cost of assets disposed                | –                  | –                      | –                | –                       | –                      | –               | –                | –                |
| Fair value/cost of assets written off             | –                  | –                      | –                | (1,504)                 | –                      | (1,504)         | (611)            | (2,115)          |
| Transfers in (out)                                | 87                 | –                      | 87               | 4,814                   | 614                    | 5,428           | (5,483)          | 32               |
|   | <b>(64,211)</b>    | <b>(536)</b>           | <b>(64,747)</b>  | <b>9,688</b>            | <b>1,460</b>           | <b>11,148</b>   | <b>8,935</b>     | <b>(44,664)</b>  |
| <b>Movements in accumulated depreciation</b>      |                    |                        |                  |                         |                        |                 |                  |                  |
| Depreciation and amortisation                     | –                  | –                      | –                | (5,802)                 | (155)                  | (5,957)         | –                | (5,957)          |
| Accumulated depreciation of contributed assets    | –                  | –                      | –                | –                       | –                      | –               | –                | –                |
| Accumulated depreciation of write offs            | –                  | –                      | –                | 916                     | –                      | 916             | –                | 916              |
| Impairment loss/(reversal) in revaluation reserve | –                  | –                      | –                | –                       | –                      | –               | –                | –                |
| Revaluation (increments) decrements               | –                  | –                      | –                | –                       | –                      | –               | –                | –                |
| Transfers (in) out                                | –                  | –                      | –                | (5)                     | –                      | (5)             | –                | (5)              |
|   | <b>–</b>           | <b>–</b>               | <b>–</b>         | <b>(4,891)</b>          | <b>(155)</b>           | <b>(5,046)</b>  | <b>–</b>         | <b>(5,046)</b>   |
| <b>Closing balance at 30 June 2019</b>            |                    |                        |                  |                         |                        |                 |                  |                  |
| At cost   | 44,605             | –                      | 44,605           | –                       | 3,461                  | 3,461           | 17,980           | 66,046           |
| At fair value                                     | 909,216            | 174,164                | 1,083,380        | 397,522                 | –                      | 397,522         | –                | 1,480,902        |
| Accumulated depreciation                          | –                  | –                      | –                | (144,435)               | (1,309)                | (145,744)       | –                | (145,744)        |
|   | <b>953,821</b>     | <b>174,164</b>         | <b>1,127,985</b> | <b>253,087</b>          | <b>2,152</b>           | <b>255,239</b>  | <b>17,980</b>    | <b>1,401,204</b> |

\*Refer to note 6.2 (k) for a reconciliation of specialised land.

**(c) PLANT AND EQUIPMENT**

|  | Consolidated                                   |  |  |                            |                               |   |
|--|--|--|--|----------------------------|-------------------------------|---|
|  | Plant,<br>machinery and<br>equipment<br>\$'000 | Fixtures,<br>fittings and<br>furniture<br>\$'000 | Computers<br>and<br>telecomm's<br>\$'000 | Library<br>books<br>\$'000 | Work in<br>progress<br>\$'000 | TOTAL<br>PLANT AND<br>EQUIPMENT<br>\$'000 |
| <b>Opening balance at 1 July 2018</b>        |  |  |  |                            |                               |   |
| At cost                                      | 15,301   | 7,032  | 6,574                                    | 7,163                      | 44                            | 36,114                                    |
| Accumulated depreciation                     | (8,953)  | (5,831)  | (5,576)                                  | (4,073)                    | –                             | (24,433)                                  |
|  | <b>6,348</b>                                   | <b>1,201</b>                                     | <b>998</b>                               | <b>3,090</b>               | <b>44</b>                     | <b>11,681</b>                             |
| <b>Movements in cost</b>                     |  |  |  |                            |                               |   |
| Acquisition of assets at cost                | 2,839  | 198  | 557                                      | 839                        | 160                           | 4,593                                     |
| Cost of assets disposed                      | (2,493)  | –  | –  | –                          | –                             | (2,493)                                   |
| Cost of assets written off                   | (2)  | –  | –  | (67)                       | (18)                          | (87)                                      |
| Transfers in (out)                           | –  | 37   | 121                                      | –                          | (26)                          | 132                                       |
|  | <b>344</b>                                     | <b>235</b>                                       | <b>678</b>                               | <b>772</b>                 | <b>116</b>                    | <b>2,145</b>                              |
| <b>Movements in accumulated depreciation</b> |  |  |  |                            |                               |   |
| Depreciation and amortisation                | (1,750)  | (477)  | (602)                                    | (1,029)                    | –                             | (3,858)                                   |
| Accumulated depreciation of disposals        | 2,093  | –  | –  | –                          | –                             | 2,093                                     |
| Accumulated depreciation of write offs       | 2  | –  | –  | 52                         | –                             | 54  |
| Transfers (in) out                           | –  | 39   | –  | –                          | –                             | 39  |
|  | <b>345</b>                                     | <b>(438)</b>                                     | <b>(602)</b>                             | <b>(977)</b>               | <b>–</b>                      | <b>(1,672)</b>                            |
| <b>Closing balance at 30 June 2019</b>       |  |  |  |                            |                               |   |
| At cost                                      | 15,645   | 7,267  | 7,252                                    | 7,935                      | 160                           | 38,259                                    |
| Accumulated depreciation                     | (8,608)  | (6,269)  | (6,178)                                  | (5,050)                    | –                             | (26,105)                                  |
|  | <b>7,037</b>                                   | <b>998</b>                                       | <b>1,074</b>                             | <b>2,885</b>               | <b>160</b>                    | <b>12,154</b>                             |

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## FOR THE YEAR ENDED 30 JUNE 2019

|   | Consolidated    |               |                         |                 |  |                                    |                      |                  |                       |   |
|---|-----------------|---------------|-------------------------|-----------------|--|------------------------------------|----------------------|------------------|-----------------------|---|
|   | Roads           | Bridges       | Footpaths and cycleways | Drainage        | Recreational, leisure and community facilities | Parks, open space and streetscapes | Off street car parks | Work in progress | TOTAL INFRA-STRUCTURE | GRAND TOTAL PROPERTY, PLANT & EQUIP, INFRAST. |
|   | \$'000          | \$'000        | \$'000                  | \$'000          | \$'000   | \$'000                             | \$'000               | \$'000           | \$'000                | \$'000  |
| <b>Opening balance at 1 July 2018</b>             |                 |               |                         |                 |  |                                    |                      |                  |                       |   |
| At cost   | -               | -             | -                       | -               | 38,259   | 43,303                             | -                    | 13,923           | 95,485                | 186,676                                       |
| At fair value                                     | 473,159         | 64,272        | 79,256                  | 400,377         | -  | -                                  | 16,276               | -                | 1,033,340             | 2,569,875                                     |
| Accumulated depreciation                          | (201,248)       | (17,346)      | (21,436)                | (141,269)       | (18,069)                                       | (25,772)                           | (5,514)              | -                | (430,654)             | (595,785)                                     |
|   | <b>271,911</b>  | <b>46,926</b> | <b>57,820</b>           | <b>259,108</b>  | <b>20,190</b>                                  | <b>17,531</b>                      | <b>10,762</b>        | <b>13,923</b>    | <b>698,171</b>        | <b>2,160,766</b>                              |
| <b>Movements in fair value/cost</b>               |                 |               |                         |                 |  |                                    |                      |                  |                       |   |
| Acquisition of assets at cost                     | -               | -             | -                       | -               | 1,168  | 896                                | -                    | 12,552           | 14,616                | 35,086  |
| Acquisition of assets at fair value               | 5,209           | -             | 1,992                   | 320             | -  | -                                  | 1,075                | -                | 8,596                 | 16,084  |
| Contributed assets at cost                        | -               | -             | -                       | -               | -  | -                                  | -                    | -                | -                     | 485   |
| Contributed assets at fair value                  | 1,472           | 400           | 418                     | 1,027           | -  | -                                  | -                    | -                | 3,317                 | 7,338   |
| Revaluation increments (decrements)               | 19,305          | -             | 5,301                   | 20,859          | -  | -                                  | 311                  | -                | 45,776                | (24,676)                                      |
| Fair value/cost of assets disposed                | -               | -             | -                       | -               | -  | -                                  | -                    | -                | -                     | (2,493)                                       |
| Fair value/cost of assets written off             | (4,065)         | -             | (840)                   | (353)           | (129)  | (140)                              | (263)                | (1,054)          | (6,844)               | (9,046)                                       |
| Transfers in (out)                                | 6,628           | 96            | 690                     | 1,128           | 819  | 1,437                              | 151                  | (11,113)         | (164)                 | -   |
|   | <b>28,549</b>   | <b>496</b>    | <b>7,561</b>            | <b>22,981</b>   | <b>1,858</b>                                   | <b>2,193</b>                       | <b>1,274</b>         | <b>385</b>       | <b>65,297</b>         | <b>22,778</b>                                 |
| <b>Movements in accumulated depreciation</b>      |                 |               |                         |                 |  |                                    |                      |                  |                       |   |
| Depreciation and amortisation                     | (9,101)         | (830)         | (1,946)                 | (3,965)         | (1,633)  | (1,470)                            | (304)                | -                | (19,249)              | (29,064)                                      |
| Accumulated depreciation of contributed assets    | (27)            | (34)          | (17)                    | (10)            | -  | -                                  | -                    | -                | (88)                  | (88)  |
| Accumulated depreciation of disposals             | -               | -             | -                       | -               | -  | -                                  | -                    | -                | -                     | 2,093   |
| Accumulated depreciation of write offs            | 2,512           | -             | 280                     | 108             | 116  | 119                                | 91                   | -                | 3,226                 | 4,196   |
| Revaluation (increments) decrements               | (11,623)        | -             | (5,114)                 | (7,737)         | -  | -                                  | 422                  | -                | (24,052)              | (24,052)                                      |
| Impairment loss/(reversal) in revaluation reserve | -               | -             | -                       | -               | -  | -                                  | -                    | -                | -                     | -   |
| Impairment loss/(reversal) in operating result    | -               | -             | -                       | -               | -  | -                                  | -                    | -                | -                     | -   |
| Transfers (in) out                                | -               | -             | -                       | -               | (34)   | -                                  | -                    | -                | (34)                  | -   |
|   | <b>(18,239)</b> | <b>(864)</b>  | <b>(6,797)</b>          | <b>(11,604)</b> | <b>(1,551)</b>                                 | <b>(1,351)</b>                     | <b>209</b>           | <b>-</b>         | <b>(40,197)</b>       | <b>(46,915)</b>                               |
| <b>Closing balance at 30 June 2019</b>            |                 |               |                         |                 |  |                                    |                      |                  |                       |   |
| At cost   | -               | -             | -                       | -               | 40,117   | 45,496                             | -                    | 14,308           | 99,921                | 204,226                                       |
| At fair value                                     | 501,708         | 64,768        | 86,817                  | 423,358         | -  | -                                  | 17,550               | -                | 1,094,201             | 2,575,103                                     |
| Accumulated depreciation                          | (219,487)       | (18,210)      | (28,233)                | (152,873)       | (19,620)                                       | (27,123)                           | (5,305)              | -                | (470,851)             | (642,700)                                     |
|   | <b>282,221</b>  | <b>46,558</b> | <b>58,584</b>           | <b>270,485</b>  | <b>20,497</b>                                  | <b>18,373</b>                      | <b>12,245</b>        | <b>14,308</b>    | <b>723,271</b>        | <b>2,136,629</b>                              |

**(f) Recognition***Acquisition*

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

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

In accordance with Council's policy, the threshold limits detailed in note 6.2 have been applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

*Recognition thresholds*

Council has set a threshold limit for all classes of assets (refer section (g) of this note), which means that all assets with a value equal or greater than this threshold are recognised in these financial statements.

*Land under roads*

In accordance with options available under Australian Accounting Standards, Council has opted to recognise all land under roads acquired after 30 June 2008 using the cost basis. Council does not recognise land under roads that it controlled prior to that period in its financial report.

*Finance leases*

Council does not have any financial leases.

*Repairs and maintenance*

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold, the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

*Leasehold improvements*

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 5 to 21 year period.

**(g) Depreciation and amortisation**

All asset classes except land, land under roads and art works, having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

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

Road earthworks are depreciated on the basis that they are assessed as having a limited useful life.

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

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## FOR THE YEAR ENDED 30 JUNE 2019

### (g) Depreciation and amortisation (continued)

Depreciation periods used are listed below and are consistent with the prior year unless marked with an \*.

|  | Depreciation<br>period<br>(years) | Threshold<br>limit<br>\$'000 |
|--|-----------------------------------|------------------------------|
| <i>Property</i>  |                                   |                              |
| <i>Land</i>  |                                   |                              |
| Land   | N/A                               | –                            |
| Land under roads   | N/A                               | –                            |
| <i>Buildings</i>   |                                   |                              |
| Buildings  | 50–100                            | 5                            |
| Leasehold improvements   | Lease term                        | –                            |
| <i>Plant and equipment</i>   |                                   |                              |
| <i>Plant and equipment</i>   |                                   |                              |
| Heavy plant and equipment  | 7                                 | 2                            |
| Buses, quads and trailers  | 10                                | 2                            |
| Light plant and equipment, passenger and light commercial vehicles   | 5                                 | 2                            |
| <i>Fixtures, fittings and furniture</i>  |                                   |                              |
| Fixtures, fittings, furniture and equipment  | 6                                 | 2                            |
| Musical instruments  | 20                                | 2                            |
| Art works  | N/A                               | 2                            |
| <i>Computers and telecommunications</i>  |                                   |                              |
| Software, hand held devices / mobile phones  | 3                                 | 2                            |
| Hardware and equipment   | 5                                 | 2                            |
| Library books  | 5                                 | –                            |
| <i>Infrastructure</i>  |                                   |                              |
| <i>Roads</i>   |                                   |                              |
| Seal   | 12–20                             | 20                           |
| Substructure   | 100                               | 20                           |
| Kerb and channel   | 15–80                             | 5                            |
| Existing local area traffic management (LATM) devices  | 5–30                              | 5                            |
| New local area traffic management (LATM) devices   | 5–30                              | –                            |
| On-street car parks  | 20–100                            | 5                            |
| Bridges  | 20–100                            | 5                            |
| Footpaths and cycleways  | 10–50                             | –                            |
| <i>Drainage</i>  |                                   |                              |
| New pipes and pits   | 100                               | –                            |
| Existing pipes and pits  | 100                               | 5                            |
| Gross pollutant traps  | 50                                | 5                            |
| <i>Recreational, leisure and community facilities</i>  |                                   |                              |
| Recreational equipment and facilities, electronic screens, scoreboards. Sportsgrounds, grass (turf), courts, hardstand, other ground surfaces. Minor structures (sporting, shade structures and retaining walls), irrigation, sportsfield drainage, controllers, sensors, water tanks/pumps. | 10–20                             | 2                            |
| Playgrounds  | 15                                | 2                            |
| Outdoor pools  | 50                                | 2                            |
| <i>Parks, open space and streetscapes</i>  |                                   |                              |
| Open space furniture, fencing, bollards and gates.   | 10–50                             | 2                            |
| Flood prevention – retarding/detention basins  | 20                                | 2                            |
| Surface drainage – unformed open drains, water quality devices – wetlands, rain gardens and bioretention swales.   | 10                                | 2                            |

|  | Depreciation<br>period<br>(years) | Threshold<br>limit<br>\$'000 |
|--|-----------------------------------|------------------------------|
| Surface drainage – formed open drains. Public art.   | 50                                | 2                            |
| Signs, parking meters, ticket machines and equipment.  | 10–20                             | 2                            |
| Lighting, passive grass/surface, horticultural plantings and gardens, natural bush and vegetation. | 10–20                             | 2                            |
| Off street car parks   | 20–100                            | 5                            |

#### (h) Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than land under roads, leasehold improvements, recreational, leisure and community facilities, parks, open space and streetscapes and plant and equipment are measured at their fair value, being the amount for which the assets could be exchanged between knowledgeable willing parties in an arm's length transaction. Subsequent to the initial recognition of assets, non-current physical assets (other than the asset classes detailed directly above) are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At reporting date each year, Council reviews the carrying value of the individual classes of assets to ensure that each asset class materially approximates its fair value. Where the carrying value materially differs from the fair value, the class of assets is revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. Further details of the fair value hierarchy are included in note 8.4 and are explained below for each asset class.

In addition, Council undertakes a formal revaluation of land, buildings and infrastructure assets on a regular basis ranging from two to five years. The valuation is performed either by appropriately experienced Council officers or independent experts.

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

**Specialised land** is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restrictions of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 85%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently, land values range between \$14 and \$2,800 per square metre.

| Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--------------------------------|--------------------------------|
| 909,216                        | 974,001                        |

*Note – Specialised land valued at fair value disclosed here, excludes land under roads which are valued at cost.*

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## FOR THE YEAR ENDED 30 JUNE 2019

|   | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|---|--------------------------------|--------------------------------|
| (h) Revaluation (continued)   |                                |                                |
| <b>Specialised buildings</b> are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs are calculated on a square metre basis and range from \$320 to \$52,000 per square metre. The remaining useful lives of specialised buildings are determined on the basis of the current condition of buildings and vary from 1 year to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings. | 253,087                        | 248,290                        |
| <b>Infrastructure assets</b> are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 1 year to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.   | 670,093                        | 646,527                        |

*Note – Infrastructure assets at fair value disclosed here, excludes 'Recreational, leisure and community facilities', 'Parks, open space and streetscapes' and 'Work in progress' which are valued at cost.*

### (i) Valuation of Property

#### Valuation of land and buildings

The last formal valuation of land and buildings at 1 January 2018 was undertaken by qualified independent valuers, Proval (Vic) Pty Ltd. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the Comprehensive Income Statement.

Since the last formal revaluation of land at 1 January 2018, the residential sector of the property market has experienced an average 8% decrease, whilst commercial and industrial sectors have increased. The majority of Council's land is in the residential sector. An indexed revaluation of all land at fair value was performed at 1 January 2019 resulting in a decrement of \$70.45 million (8.12%).

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

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

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

|                          | Level 1 | Non-specialised<br>Level 2 | Specialised<br>Level 3 | Date of last<br>valuation |
|--------------------------|---------|----------------------------|------------------------|---------------------------|
| Land*                    | –       | 174,164                    | 909,216                | 1–Jan–19                  |
| Buildings*               | –       | –                          | 253,087                | 1–Jan–18                  |
| Total written down value | –       | 174,164                    | 1,162,303              |                           |

\*Land at fair value excludes land under roads which are valued at cost and buildings at fair value excludes leasehold improvements which are valued at cost.

\*\*Additional details about the fair value hierarchy can be found in note 8.4.

### Land under roads

Land under roads is valued at cost based on Council valuation for acquisitions after 30 June 2008. Deemed cost valuations have been undertaken using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the Comprehensive Income Statement. The acquisitions for the year include new assets from subdivision activity.

### (j) Valuation of Infrastructure

Valuation of infrastructure assets at fair value (except 'Parks, open space and streetscapes' and 'Recreational, leisure and community facilities' which are valued at cost, and bridges which are independently valued) has been determined in accordance with a Council valuation. Four infrastructure asset classes were revalued at 30 June 2019 which included roads, footpaths and cycleways, drainage and off-street car parks resulting in a net increment of \$21.72 million in 2018–19. The fair value of infrastructure is valued using the depreciated replacement cost method. This cost represents the replacement cost of the asset after applying depreciation rates on a useful life basis. Where condition data was available for assets, remaining useful life was revised based on condition. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 1 year to 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

The valuation of bridges at 31 March 2017 was undertaken by qualified independent valuers, Sterling Group and WT Partnership. The methodology used depreciated replacement costs to quantify fair value and remaining useful life was revised based on condition.

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

|                                 | <u>Level 1</u> | <i>Non-specialised</i><br><u>Level 2</u> | <i>Specialised</i><br><u>Level 3</u> | <u>Date of last valuation</u> |
|---------------------------------|----------------|--|--------------------------------------|-------------------------------|
| Roads                           | –              | –  | 282,221                              | Jun-19                        |
| Bridges                         | –              | –  | 46,558                               | Mar-17                        |
| Footpaths and cycleways         | –              | –  | 58,584                               | Jun-19                        |
| Drainage                        | –              | –  | 270,485                              | Jun-19                        |
| Off street car parks            | –              | –  | 12,245                               | Jun-19                        |
| <b>Total written down value</b> | –              | –  | 670,093                              |                               |

|  | <b>Consolidated<br/>2019<br/>\$'000</b> | <b>Consolidated<br/>2018<br/>\$'000</b> |
|--|---|---|
| <b>(k) Reconciliation of specialised land at fair value*</b> |   |   |
| Parks and reserves   | 604,882                                 | 652,460                                 |
| Floodway   | 9,528                                   | 9,410                                   |
| Public use   | 21,637                                  | 23,320                                  |
| Industrial   | 46,813                                  | 39,964                                  |
| Other  | 226,356                                 | 248,847                                 |
| <b>Total specialised land</b>                                | <b>909,216</b>                          | <b>974,001</b>                          |

\*Excludes land under roads which represents specialised land valued at cost.

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## FOR THE YEAR ENDED 30 JUNE 2019

### **Note 6.3 Investments in associates, joint arrangements and subsidiaries**

#### **Committees of management**

All entities controlled by Council that have material revenues, expenses, assets or liabilities, such as committees of management, have been included in this financial report. Any transactions between these entities and Council have been eliminated in full.

At balance date there were no committees of management that was controlled by the Council.

#### **Principles of consolidation**

Subsidiaries are all entities over which Council has control. Council controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Council. They are deconsolidated from the date that control ceases.

Where dissimilar accounting policies are adopted by entities and their effect is considered material, adjustments are made to ensure consistent policies are adopted in these financial statements.

In the process of preparing consolidated financial statements all material transactions and balances between consolidated entities are eliminated.

Entities consolidated into Council include:

- Dandenong Market Pty Ltd

### **Reconciliation of Council, The Dandenong Market Pty Ltd (DMPL) and consolidated accounts**

Dandenong Market Pty Ltd manages the Dandenong Market on the terms set out in a management service agreement dated 30 November 2012 between Dandenong Market Pty Ltd and City of Greater Dandenong. The management service agreement runs concurrently with the Lease Agreement (50 years) and provides for annual agreement extensions at Council's discretion. An extension has been exercised by Council up to 30 June 2020. The following Comprehensive Income Statement, Balance Sheet and Statement of Cash Flows has been provided to show the individual financial positions of the Council and The Dandenong Market Pty Ltd and consolidated accounts for the 2018–19 financial year. These financial statements should be read in conjunction with the accompanying notes in the financial report.

## Comprehensive Income Statement

For the year ended 30 June 2019

Consolidated

|  | Council<br>2019<br>\$'000 | DMPL<br>2019<br>\$'000 | Consolidation<br>Adjustment<br>2019<br>\$'000 | Consolidated<br>Accounts<br>2019<br>\$'000 |
|--|---------------------------|------------------------|---|--|
| <b>Income</b>  |                           |                        |   |  |
| Rates and charges  | 141,036                   | –                      | (93)  | 140,943                                    |
| Statutory fees and fines   | 9,471                     | –                      | –   | 9,471                                      |
| User fees  | 8,199                     | –                      | –   | 8,199                                      |
| Grants – operating   | 34,309                    | –                      | –   | 34,309                                     |
| Grants – capital   | 4,068                     | –                      | –   | 4,068                                      |
| Contributions – monetary   | 5,269                     | –                      | –   | 5,269                                      |
| Contributions – non-monetary   | 7,735                     | –                      | –   | 7,735                                      |
| Net gain on disposal of property, infrastructure,<br>plant and equipment               | 457                       | –                      | –   | 457  |
| Fair value adjustments for investment property   | –                         | –                      | –   | –  |
| Other income   | 11,368                    | 5,905                  | (1,590)                                       | 15,683                                     |
| <b>Total income</b>  | <b>221,912</b>            | <b>5,905</b>           | <b>(1,683)</b>                                | <b>226,134</b>                             |
| <b>Expenses</b>  |                           |                        |   |  |
| Employee costs   | (74,820)                  | (984)                  | 48  | (75,756)                                   |
| Materials and services   | (66,957)                  | (3,361)                | 188   | (70,130)                                   |
| Bad and doubtful debts   | 72                        | (46)                   | –   | 26   |
| Depreciation and amortisation  | (29,054)                  | (10)                   | –   | (29,064)                                   |
| Borrowing costs  | (3,131)                   | –                      | –   | (3,131)                                    |
| Fair value adjustments for investment property   | (907)                     | –                      | –   | (907)                                      |
| Other expenses   | (15,732)                  | (1,608)                | 1,447   | (15,893)                                   |
| <b>Total expenses</b>  | <b>(190,529)</b>          | <b>(6,009)</b>         | <b>1,683</b>                                  | <b>(194,855)</b>                           |
| <b>Net surplus for the year</b>  | <b>31,383</b>             | <b>(104)</b>           | <b>–</b>                                      | <b>31,279</b>                              |
| <b>Other comprehensive income</b>  |                           |                        |   |  |
| <b>Items that will not be reclassified to surplus or deficit<br/>in future periods</b> |                           |                        |   |  |
| Net asset revaluation decrement  | (48,728)                  | –                      | –   | (48,728)                                   |
| <b>Total comprehensive result</b>  | <b>(17,345)</b>           | <b>(104)</b>           | <b>–</b>                                      | <b>(17,449)</b>                            |

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### Balance Sheet

As at 30 June 2019

Consolidated

|   | Council<br>2019<br>\$'000 | DMPL<br>2019<br>\$'000 | Consolidation<br>Adjustment<br>2019<br>\$'000 | Consolidated<br>Accounts<br>2019<br>\$'000 |
|---|---------------------------|------------------------|---|--|
| <b>Assets</b>                                 |                           |                        |   |  |
| <b>Current assets</b>                         |                           |                        |   |  |
| Cash and cash equivalents                     | 162,637                   | 970                    | –   | 163,607                                    |
| Trade and other receivables                   | 22,791                    | 138                    | –   | 22,929                                     |
| Other assets                                  | 4,444                     | 40                     | (11)  | 4,473                                      |
| <b>Total current assets</b>                   | <b>189,872</b>            | <b>1,148</b>           | <b>(11)</b>                                   | <b>191,009</b>                             |
| <b>Non-current assets</b>                     |                           |                        |   |  |
| Trade and other receivables                   | 325                       | –                      | –   | 325  |
| Other financial assets                        | 230                       | –                      | –   | 230  |
| Property, infrastructure, plant and equipment | 2,136,615                 | 14                     | –   | 2,136,629                                  |
| Investment property                           | 12,827                    | –                      | –   | 12,827                                     |
| <b>Total non-current assets</b>               | <b>2,149,997</b>          | <b>14</b>              | <b>–</b>                                      | <b>2,150,011</b>                           |
| <b>Total assets</b>                           | <b>2,339,869</b>          | <b>1,162</b>           | <b>(11)</b>                                   | <b>2,341,020</b>                           |
| <b>Liabilities</b>                            |                           |                        |   |  |
| <b>Current liabilities</b>                    |                           |                        |   |  |
| Trade and other payables                      | 26,299                    | 452                    | (11)  | 26,740                                     |
| Trust funds and deposits                      | 35,069                    | 242                    | –   | 35,311                                     |
| Provisions                                    | 17,296                    | 55                     | –   | 17,351                                     |
| Interest-bearing loans and borrowings         | 8,634                     | –                      | –   | 8,634                                      |
| <b>Total current liabilities</b>              | <b>87,298</b>             | <b>749</b>             | <b>(11)</b>                                   | <b>88,036</b>                              |
| <b>Non-current liabilities</b>                |                           |                        |   |  |
| Trust funds and deposits                      | 900                       | –                      | –   | 900  |
| Provisions                                    | 1,537                     | 62                     | –   | 1,599                                      |
| Interest-bearing loans and borrowings         | 49,891                    | –                      | –   | 49,891                                     |
| <b>Total non-current liabilities</b>          | <b>52,328</b>             | <b>62</b>              | <b>–</b>                                      | <b>52,390</b>                              |
| <b>Total liabilities</b>                      | <b>139,626</b>            | <b>811</b>             | <b>(11)</b>                                   | <b>140,426</b>                             |
| <b>Net assets</b>                             | <b>2,200,243</b>          | <b>351</b>             | <b>–</b>                                      | <b>2,200,594</b>                           |
| <b>Equity</b>                                 |                           |                        |   |  |
| Accumulated surplus                           | 875,922                   | 351                    | –   | 876,273                                    |
| Reserves                                      | 1,324,321                 | –                      | –   | 1,324,321                                  |
| <b>Total equity</b>                           | <b>2,200,243</b>          | <b>351</b>             | <b>–</b>                                      | <b>2,200,594</b>                           |

## Statement of Cash Flows

For the year ended 30 June 2019

Consolidated

|   | Council<br>2019<br>\$'000 | DMPL<br>2019<br>\$'000 | Consolidation<br>Adjustment<br>2019<br>\$'000 | Consolidated<br>Accounts<br>2019<br>\$'000 |
|---|---------------------------|------------------------|---|--|
| <b>Cash flows from operating activities</b>                         |                           |                        |   |  |
| Rates and charges   | 140,410                   | –                      | (93)  | 140,317                                    |
| Statutory fees and fines  | 6,739                     | –                      | –   | 6,739                                      |
| User fees   | 8,409                     | –                      | –   | 8,409                                      |
| Grants – operating  | 34,394                    | –                      | –   | 34,394                                     |
| Grants – capital  | 3,941                     | –                      | –   | 3,941                                      |
| Contributions – monetary  | 5,025                     | –                      | –   | 5,025                                      |
| Interest received   | 3,707                     | 7                      | –   | 3,714                                      |
| Trust funds and deposits taken                                      | 31,902                    | 53                     | –   | 31,955                                     |
| Other receipts  | 8,826                     | 6,526                  | (1,884)                                       | 13,468                                     |
| Net GST refund/(payments)   | 10,506                    | (130)                  | –   | 10,376                                     |
| Employee costs  | (73,607)                  | (962)                  | 54  | (74,515)                                   |
| Materials and services  | (79,205)                  | (5,463)                | 1,872   | (82,796)                                   |
| Trust funds and deposits repaid                                     | (36,423)                  | (16)                   | –   | (36,439)                                   |
| Other payments  | (8,439)                   | (58)                   | 51  | (8,446)                                    |
| <b>Net cash provided by operating activities</b>                    | <b>56,185</b>             | <b>(43)</b>            | <b>–</b>                                      | <b>56,142</b>                              |
| <b>Cash flows from investing activities</b>                         |                           |                        |   |  |
| Payments for property, infrastructure, plant and equipment          | (51,528)                  | –                      | –   | (51,528)                                   |
| Proceeds from sale of property, infrastructure, plant and equipment | 857                       | –                      | –   | 857  |
| <b>Net cash used in investing activities</b>                        | <b>(50,671)</b>           | <b>–</b>               | <b>–</b>                                      | <b>(50,671)</b>                            |
| <b>Cash flows from financing activities</b>                         |                           |                        |   |  |
| Finance costs   | (3,154)                   | –                      | –   | (3,154)                                    |
| Proceeds from borrowings  | 10,000                    | –                      | –   | 10,000                                     |
| Repayment of borrowings   | (3,301)                   | –                      | –   | (3,301)                                    |
| <b>Net cash provided by financing activities</b>                    | <b>3,545</b>              | <b>–</b>               | <b>–</b>                                      | <b>3,545</b>                               |
| Net increase in cash and cash equivalents                           | 9,059                     | (43)                   | –   | 9,016                                      |
| Cash and cash equivalents at the beginning of the financial year    | 153,578                   | 1,013                  | –   | 154,591                                    |
| <b>Cash and cash equivalents at the end of the financial year</b>   | <b>162,637</b>            | <b>970</b>             | <b>–</b>                                      | <b>163,607</b>                             |

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

|  | <b>Consolidated<br/>2019<br/>\$'000</b> | <b>Consolidated<br/>2018<br/>\$'000</b> |
|--|---|---|
| <b>6.4 Investment property</b>         |   |   |
| Balance at beginning of financial year | 11,330                                  | 10,305                                  |
| Additions                              | 2,404                                   | –                                       |
| Fair value adjustments                 | (907)                                   | 1,025                                   |
| Balance at end of financial year       | 12,827                                  | 11,330                                  |

### *Valuation of investment property*

Valuation of investment property has been determined in accordance with an independent valuation by Proval (Vic) Pty Ltd who have recent experience in the location and category of the property being valued. The valuation is at fair value, based on the current market value for the property.

Investment property, comprising retail complexes, are held to generate long-term rental yields. Investment property is measured initially at cost, including transaction costs. Costs incurred subsequent to initial acquisition are capitalised when it is probable that future economic benefit in excess of the originally assessed performance of the asset will flow to the Council. Subsequent to initial recognition at cost, investment property is carried at fair value, determined annually by independent valuers. Changes to fair value are recorded in the Comprehensive Income Statement in the period that they arise. Investment property are not subject to depreciation. Rental income from the leasing of investment properties is recognised in the Comprehensive Income Statement on a straight line basis over the lease term.

At 30 June 2019, one investment property building was impaired by fire damage. This has been reflected in the fair value valuation at 30 June 2019 and an overall fair value decrement was recognised as an expense in the Comprehensive Income Statement in 2018–19.

## Note 7 People and relationships

### 7.1 Council and key management remuneration

#### (a) Related parties

##### Parent entity

City of Greater Dandenong

##### Subsidiaries

Dandenong Market Pty Ltd – detailed in note 6.3

#### (b) Key Management Personnels

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

|   | 2019<br>No. | 2018<br>No. |
|---|-------------|-------------|
| <b>Councillors</b>  |             |             |
| <b>From 9 January 2019 to Current</b>                               |             |             |
| Councillor Sophie Tan   |             |             |
| <b>From 1 July 2018 to Current</b>                                  |             |             |
| Councillor Roz Blades AM (Mayor 16 November 2018 – Current)         |             |             |
| Councillor Youhorn Chea (Mayor 17 November 2017 – 15 November 2018) |             |             |
| Councillor Jim Memeti   |             |             |
| Councillor Matthew Kirwan   |             |             |
| Councillor Angela Long  |             |             |
| Councillor Sean O'Reilly  |             |             |
| Councillor Maria Sampey   |             |             |
| Councillor Loi Truong   |             |             |
| Councillor Tim Dark   |             |             |
| Councillor Zaynoun Melhem   |             |             |
| <b>From 1 July 2018 to 24 November 2018</b>                         |             |             |
| Councillor Heang Tak  |             |             |
| <b>Total number of Councillors</b>                                  | <b>12</b>   | <b>11</b>   |
| <b>Other Key Management Personnel</b>                               |             |             |
| Mick Jaensch – Director Corporate Services                          |             |             |
| Jody Bosman – Director City Planning, Design and Amenity            |             |             |
| Martin Fidler – Director Community Services                         |             |             |
| Julie Reid – Director Engineering Services                          |             |             |
| Paul Kearsley – Group Manager Greater Dandenong Business            |             |             |
|   | <b>5</b>    | <b>5</b>    |
| <b>Chief Executive Officer</b>                                      |             |             |
| John Bennie PSM   | 1           | 1           |
| <b>Total key management personnel</b>                               | <b>18</b>   | <b>17</b>   |
| <b>Dandenong Market Board Members</b>                               |             |             |
| Ms Julie Busch – Director   |             |             |
| Mr Franz Madlener – Director  |             |             |
| Mr Tom Mollenkopf – Director  |             |             |
| Mr Tim Cockayne – Director  |             |             |
| Ms Donna McMaster – Director  |             |             |
| General Manager   |             |             |
| <b>Total number of Dandenong Market Board Members</b>               | <b>6</b>    | <b>6</b>    |

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### (c) Remuneration of Key Management Personnel

|  | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|--------------------------------|--------------------------------|
| Total remuneration of key management personnel was as follows:   |                                |                                |
| Short-term benefits*   | 2,518                          | 2,453                          |
| Long-term benefits   | 57                             | 49                             |
| Post employment benefit  | 160                            | 152                            |
| Termination benefits   | –                              | –                              |
|  | <b>2,735</b>                   | <b>2,654</b>                   |
|  | <b>2019<br/>No.</b>            | <b>2018<br/>No.</b>            |
| The numbers of key management personnel, whose total remuneration from Council and any related entities fall within the following bands: |                                |                                |
| \$10,000 – \$19,999  | 2                              | –                              |
| \$20,000 – \$29,999  | 4                              | 4                              |
| \$30,000 – \$39,999  | 9                              | 10                             |
| \$60,000 – \$69,999 <sup>1</sup>   | 1                              | 1                              |
| \$80,000 – \$89,999 <sup>1</sup>   | 1                              | 1                              |
| \$230,000 – \$239,999  | 1                              | 1                              |
| \$270,000 – \$279,999*   | –                              | 2                              |
| \$280,000 – \$289,999*   | 3                              | 2                              |
| \$290,000 – \$299,999*   | 1                              | 1                              |
| \$310,000 – \$319,999  | 1                              | –                              |
| \$410,000 – \$419,999  | –                              | 1                              |
| \$430,000 – \$439,999  | 1                              | –                              |
| <b>Total</b>   | <b>24</b>                      | <b>23</b>                      |

“Total remuneration” comprises base salary, superannuation, annual leave entitlements, long service leave entitlements, allowances and fringe benefits tax paid by Council.

<sup>1</sup>2017–18 comparative figures have been amended to include the car benefit provided to Mayor during their mayoral term and this has resulted in a change in income band.

\*Comparative figures have been amended due to an allowance that was included twice in calculating the “Total remuneration” and to include the accrued annual leave entitlements for the year in calculating the “Total remuneration”. These amendments have resulted in net reduction of \$38,000 and also change in income bands for key management personnels.

**(d) Senior Officers remuneration****2019  
No.****2018  
No.**

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

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$148,000.

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

Income range:

|   |               |               |
|---|---------------|---------------|
| < \$147,999   | –             | –             |
| \$148,000 – \$149,999   | 4             | 5             |
| \$150,000 – \$159,999   | 7             | 5             |
| \$160,000 – \$169,999   | 11            | 9             |
| \$170,000 – \$179,999   | 2             | 2             |
| \$180,000 – \$189,999   | 2             | 4             |
| \$190,000 – \$199,999   | 6             | 7             |
| \$200,000 – \$209,999   | 2             | –             |
| \$210,000 – \$219,999   | 2             | –             |
| \$220,000 – \$229,999   | 1             | 1             |
|   | <b>37</b>     | <b>33</b>     |
|   | <b>\$'000</b> | <b>\$'000</b> |
| Total remuneration for the reporting year for Senior Officers included above, amounted to:* | 6,431         | 5,831         |

“*Total remuneration*” comprises base salary, superannuation, annual leave entitlements, long service leave entitlements, allowances and fringe benefits tax paid by Council.

\*Comparative figures have been amended due to an allowance that was duplicated in calculating the “*Total remuneration*”. This has resulted in a reduction of income by \$11,000 and a reduction in the number of senior officers by one.

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### 7.2 Related party disclosure

#### (a) Transactions with related parties

(i) During 2018–19 Council entered into the following transactions with related party Dandenong Market Pty Ltd (DMPL).

|   | 2019<br>Excl GST<br>\$'000 | 2018<br>Excl GST<br>\$'000 |
|---|----------------------------|----------------------------|
| <b>Received from DMPL</b>                           |                            |                            |
| Rent received                                       | 1,447                      | 1,378                      |
| Refund of gift vouchers not redeemed by the Council | 11                         | 10                         |
| <b>Total received</b>                               | <b>1,458</b>               | <b>1,388</b>               |
| <b>Paid to DMPL</b>                                 |                            |                            |
| Contributions for festival/events                   | 82                         | 81                         |
| Payment for Gift vouchers                           | 48                         | 50                         |
| Payment for other items                             | 13                         | –                          |
| <b>Total paid</b>                                   | <b>143</b>                 | <b>131</b>                 |

Councillor Memeti has a financial interest in a stall at Dandenong Market. The financial arrangements are at arms length based on commercial terms. A number of related parties have minority shareholdings in public companies, which have dealings with the Council from time to time.

(ii) During the financial year ended 30 June 2019, John Bennie CEO was a non-executive board member of the following organisations to which Council has paid the following amounts;

MAV Insurance (which operates under the umbrella of Municipal Association of Victoria) a value of \$2.15 million (2017–18 \$1.42 million), the transaction was for the provision of Workcare self-insurance scheme.

Community Chef \$517,000 (2017–18 \$525,000) agreement for delivery of meals.

Chisholm institute \$26,000 (2017–18 \$13,000) for the provision of external training courses.

#### (b) Outstanding balances with related parties

The following transaction was outstanding at 30 June

|   |           |           |
|---|-----------|-----------|
| Refund of gift vouchers not redeemed by the Council | 11        | 10        |
|   | <b>11</b> | <b>10</b> |

#### (c) Loans to/from related parties

No loans were made, guaranteed or secured by the Council to related parties during 2018–19 (2017–18 \$nil)

#### (d) Commitments to/from related parties

Under the Management Services Agreement with Dandenong Market Pty Ltd (DMPL) an extension has been exercised up to 30 June 2020.

|  |              |              |
|--|--------------|--------------|
| A commitment for rent of the Market premises is as follows | 1,447        | 1,447        |
|  | <b>1,447</b> | <b>1,447</b> |

## Note 8 Managing uncertainties

### 8.1 Contingent assets and liabilities

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

#### (a) Contingent assets

|  | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|--------------------------------|--------------------------------|
| <b>Operating lease receivables</b>   |                                |                                |
| The Council has entered into commercial property leases on selected properties. These properties are held under operating leases and have remaining non-cancellable lease terms of between 1 and 50 years. |                                |                                |
| Future minimum rentals receivable under non-cancellable operating leases are as follows:   |                                |                                |
| Not later than one year  | 1,724                          | 1,783                          |
| Later than one year and not later than five years  | 2,702                          | 3,094                          |
| Later than five years  | 274                            | 354                            |
|  | <b>4,700</b>                   | <b>5,231</b>                   |

#### Developer contributions

Greater Dandenong acquires infrastructure assets, such as local roads, footpaths, kerb and channel and drains etc, from developers, as subdivisional contributions. The amount and value of assets acquired depends on the size of the development and the level of growth within the municipality. Developers construct infrastructure assets which are vested with Council when Council issues a Statement of Compliance. These assets are brought to account as revenue (Contributions – Non Monetary Assets) and capitalised. At reporting date, developers had commenced construction of assets that will eventually be transferred to the Council subject to Council issuing a Statement of Compliance. Council cannot reliably measure the value of the assets involved prior to completion and the timing of recognition.

#### (b) Contingent liabilities

##### Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

##### *Future superannuation contributions*

In addition to the disclosed contributions, Council has paid unfunded liability payments to Vision Super totalling Nil during 2018–19 year (Nil for 2017–18). At 30 June 2019 the outstanding contribution of \$1,000 relates to Dandenong Market Pty Ltd and there were no loans issued from or to the above schemes.

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2020 is estimated to be \$409,120.

##### Development Contribution Plans (DCP)

Council has three sites that are subject to formal development contribution plans, two are in Keysborough and one in Lyndhurst. All three sites are covered by a DCP.

A DCP provides the framework for the provision and funding of infrastructure to facilitate the set development area and the purpose of a DCP is to provide a “fair distribution of costs for works and services, including roads, traffic management and community facilities to all the proper servicing in the area”.

New development in each of the areas is required to meet its share of the total cost of delivering the required infrastructure works – as measured by its projected share of usage – through development contributions collected under the DCP's. The balance of works not covered by development contributions has been agreed to be funded by Council. The total value of these works is estimated to be around \$14.7 million.

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### Landfills

The City of Greater Dandenong may be liable for the consequences of disposing refuse at a number of legacy landfill sites. A legacy site refers to a landfill that has been decommissioned and is no longer receiving waste. At balance date Council is unable to assess whether there are any financial implications.

### (c) Guarantees for loans to other entities

Financial guarantee contracts are not recognised as a liability in the Balance Sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that right will be exercised. Details of guarantees that Council has provided, that are not recognised in the Balance Sheet are disclosed below.

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

As at 30 June 2019, Council's maximum potential exposure is as follows:

| Entities  | Amount<br>outstanding<br>30 June 2019<br>\$'000 | Amount<br>outstanding<br>30 June 2018<br>\$'000 | Year<br>loan<br>commenced |
|---|---|---|---------------------------|
| Dandenong Basketball Association                    | –   | 50  | 14 July 2004              |
| Keysborough Bowls Club Inc.                         | 110   | 123   | 18 May 2015               |
| <b>Total Guarantees for loans to other entities</b> | <b>110</b>                                      | <b>173</b>                                      |                           |

### (d) Legal actions

Council is presently involved in a number of confidential legal matters, which are being conducted through Council's solicitors. The estimated potential financial effect of these matters may be up to \$1.56 million (\$856,000 as at 30 June 2018).

### Note 8.2 Change in accounting standards

The following new Australian Accounting Standards have been issued or amended and are not mandatory for the 30 June 2019 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

| <b>Pronouncement</b>  | <b>AASB 15 Revenue from Contracts with Customers</b>   |
|-----------------------|--|
| <b>Background</b>     | The standard shifts the focus from the transaction-level to a contract-based approach. Recognition is determined based on what the customer expects to be entitled to (rights and obligations), while measuring encompasses estimation by the entity of the amount expected to be entitled for performing under the contract.                      |
| <b>Impact/action</b>  | The full impact of this standard is not known however it is most likely to impact where contracts extend over time, where there are rights and obligations that may vary the timing or amount of the consideration, or where there are multiple performance elements. This has the potential to impact on the recognition of certain grant income. |
| <b>Effective date</b> | Periods beginning on or after 1 January 2019.  |

| <b>Pronouncement</b>  | <b>AASB 16 Leases</b>  |
|-----------------------|--|
| <b>Background</b>     | This standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The classification of leases as either finance leases or operating leases is eliminated for lessees. Leases will be recognised in the Balance Sheet by capturing the present value of the minimum lease payments and showing a 'right-of-use' asset, while future lease payments will be recognised as a financial liability. The nature of the expense recognised in the profit or loss will change. Rather than being shown as rent, or as leasing costs, it will be recognised as depreciation on the right-of-use asset, and an interest charge on the lease liability. The interest charge will be calculated using the effective interest method, which will result in a gradual reduction of interest expense over the lease term. |
| <b>Impact/action</b>  | Council has elected to adopt the modified retrospective approach to the transition to the new lease standard. This will mean that only existing operating leases for non low value assets, with remaining terms greater than 12 months, will be recognised on transition (1 July 2019). Based on our current lease commitments and an assumption of a continuation of the current leasing arrangements. Council expects that the transition to the new standard will see the initial recognition of \$2.8 million lease related assets and an equivalent liability.  |
| <b>Effective date</b> | Periods beginning on or after 1 January 2019.  |

| <b>Pronouncement</b>  | <b>AASB 1058 Income for Not-for-Profit Entities</b>   |
|-----------------------|---|
| <b>Background</b>     | This standard is expected to apply to certain transactions currently accounted for under AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable a not-for-profit entity to further its objectives. |
| <b>Impact/action</b>  | Impacts on the level and nature of the disclosures will be assessed based on the eventual implications arising from the application of this standard.   |
| <b>Effective date</b> | Periods beginning on or after 1 January 2019.   |

### Rounding

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

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### 8.3 Financial instruments

#### (a) Objectives and policies

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

#### (b) Market risk

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

#### Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Interest rate risk arises primarily from long term loans and borrowings at fixed rates which exposes us to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

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

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

#### (c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in the Balance

Sheet. Particularly significant area of credit risk exists in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

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

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the Council's financial assets is minimal. Rates debtors are secured by a charge over the rateable property. Council has assessed that 11% of parking infringement debts owing to Council are unlikely to be collected and has raised a provision for doubtful debts over those debts based on an assessment of collectability. The collection of long overdue parking infringement debts is managed by Fines Victoria.

Refer note 5.1 for financial assets which are determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the Balance Sheet, such as when Council provides a guarantee for another party. Details of Council's contingent liabilities are disclosed in note 8.1.

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the Balance Sheet and notes to the financial statements. Council does not hold any collateral (in respect to non-rate debtors).

#### (d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the Balance Sheet and the amounts related to financial guarantees disclosed in note 8.1, and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at note 5.4.

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

#### **(e) Sensitivity disclosure analysis**

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

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 1.15%.

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

#### **8.4 Fair value measurement**

##### *Fair value hierarchy*

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

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

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

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

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

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

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

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

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

##### *Impairment of assets*

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

#### **8.5 Events occurring after balance date**

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

#### **8.6 Adjustments directly to equity**

There were no adjustments to opening equity balances in the 2018–19 financial year.

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### Note 9 Other matters

#### 9.1 Reserves

|   | Balance at<br>beginning of<br>reporting period<br>\$'000 | Increment<br>(decrement)<br>\$'000 | Reversal of<br>previous<br>revaluations<br>for assets<br>disposed<br>\$'000 | Impairment<br>loss (credited<br>against<br>previous<br>increments)/<br>reversal<br>\$'000 | Balance at<br>end of<br>reporting<br>period<br>\$'000 |
|---|--|------------------------------------|---|---|---|
| <b>(a) Asset revaluation reserves</b>   |  |                                    |   |   |   |
| <b>2019</b>                             |  |                                    |   |   |   |
| <b>Property</b>                         |  |                                    |   |   |   |
| Land                                    | 867,966  | (70,452)                           | –   | –   | 797,514   |
| Buildings                               | 25,102   | –                                  | (330)   | –   | 24,772  |
|   | 893,068  | (70,452)                           | (330)   | –   | 822,286   |
| <b>Infrastructure</b>                   |  |                                    |   |   |   |
| Roads                                   | 188,977  | 7,681                              | –   | –   | 196,658   |
| Bridges                                 | 20,324   | –                                  | –   | –   | 20,324  |
| Footpaths and cycleways                 | 15,101   | 188                                | –   | –   | 15,289  |
| Drainage                                | 170,324  | 13,122                             | –   | –   | 183,446   |
| Off street car parks                    | 3,071  | 733                                | –   | –   | 3,804   |
|   | 397,797  | 21,724                             | –   | –   | 419,521   |
| <b>Total asset revaluation reserves</b> | <b>1,290,865</b>   | <b>(48,728)</b>                    | <b>(330)</b>  | <b>–</b>  | <b>1,241,807</b>                                      |
| <b>2018</b>                             |  |                                    |   |   |   |
| <b>Property</b>                         |  |                                    |   |   |   |
| Land                                    | 883,045  | (15,027)                           | (52)  | –   | 867,966   |
| Buildings                               | 27,195   | (2,105)                            | (35)  | 47  | 25,102  |
|   | 910,240  | (17,132)                           | (87)  | 47  | 893,068   |
| <b>Infrastructure</b>                   |  |                                    |   |   |   |
| Roads                                   | 188,977  | –                                  | –   | –   | 188,977   |
| Bridges                                 | 20,324   | –                                  | –   | –   | 20,324  |
| Footpaths and cycleways                 | 15,101   | –                                  | –   | –   | 15,101  |
| Drainage                                | 170,324  | –                                  | –   | –   | 170,324   |
| Off street car parks                    | 3,071  | –                                  | –   | –   | 3,071   |
|   | 397,797  | –                                  | –   | –   | 397,797   |
| <b>Total asset revaluation reserves</b> | <b>1,308,037</b>   | <b>(17,132)</b>                    | <b>(87)</b>   | <b>47</b>   | <b>1,290,865</b>                                      |

The asset revaluation reserve is used to record increments and decrements on the revaluation of non-current assets, as described in accounting policy note 6.2.

|  | Balance at<br>beginning of<br>reporting period | Transfer to<br>accumulated<br>surplus | Transfer<br>from<br>accumulated<br>surplus | Balance at<br>end of<br>reporting<br>period |
|--|--|---------------------------------------|--|---|
|  | \$'000   | \$'000                                | \$'000                                     | \$'000                                      |
| <b>9.1 Reserves (continued)</b>                        |  |                                       |  |   |
| <b>(b) Other reserves</b>                              |  |                                       |  |   |
| <b>2019</b>  |  |                                       |  |   |
| Insurance reserve                                      | 876  | (35)                                  | 146  | 987   |
| Re-vegetation reserves                                 | 334  | (62)                                  | –  | 272   |
| Open space – planning, development and improvements    | 9,220  | (2,843)                               | 2,793                                      | 9,170                                       |
| Open space – acquisitions                              | 6,000  | (82)                                  | –  | 5,918                                       |
| Keysborough South maintenance levy                     | 1,508  | (1,392)                               | 1,497                                      | 1,613                                       |
| Major projects reserve                                 | 28,663   | (200)                                 | 10,347                                     | 38,810                                      |
| General reserve  | 3,880  | (3,040)                               | –  | 840   |
| Council funded development contributions reserve       | 12,702   | (259)                                 | 3,260                                      | 15,703                                      |
| Spring Valley landfill rehabilitation                  | 1,064  | (140)                                 | –  | 924   |
| Springvale Activity Precinct – parking and development | 166  | (70)                                  | 139  | 235   |
| Dandenong Activity Precinct – parking and development  | 452  | (1,070)                               | 1,000                                      | 382   |
| Local Government Funding Vehicle                       | 4,900  | –                                     | –  | 4,900                                       |
| Grants in advance reserve                              | –  | –                                     | 1,220                                      | 1,220                                       |
| Keysborough South Community Infrastructure Levies      | –  | –                                     | 1,540                                      | 1,540                                       |
| <b>Total other reserves</b>                            | <b>69,765</b>                                  | <b>(9,193)</b>                        | <b>21,942</b>                              | <b>82,514</b>                               |
| <b>2018</b>  |  |                                       |  |   |
| Insurance reserve                                      | 625  | (54)                                  | 305  | 876   |
| Re-vegetation reserves                                 | 371  | (37)                                  | –  | 334   |
| Open space – planning, development and improvements    | 6,642  | (343)                                 | 2,921                                      | 9,220                                       |
| Open space – acquisitions                              | 6,000  | –                                     | –  | 6,000                                       |
| Keysborough South maintenance levy                     | 1,178  | (1,051)                               | 1,381                                      | 1,508                                       |
| Major projects reserve                                 | 21,952   | (279)                                 | 6,990                                      | 28,663                                      |
| General reserve  | 1,780  | –                                     | 2,100                                      | 3,880                                       |
| Council funded development contributions reserve       | 11,729   | (27)                                  | 1,000                                      | 12,702                                      |
| Spring Valley landfill rehabilitation                  | 1,011  | (29)                                  | 82   | 1,064                                       |
| Springvale Activity Precinct – parking and development | 298  | (202)                                 | 70   | 166   |
| Dandenong Activity Precinct – parking and development  | –  | (548)                                 | 1,000                                      | 452   |
| Local Government Funding Vehicle                       | 4,900  | –                                     | –  | 4,900                                       |
| Grants in advance reserve                              | –  | –                                     | –  | –   |
| Keysborough South Community Infrastructure Levies      | –  | –                                     | –  | –   |
| <b>Total other reserves</b>                            | <b>56,486</b>                                  | <b>(2,570)</b>                        | <b>15,849</b>                              | <b>69,765</b>                               |

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### **Nature and purpose of other reserves:**

#### Insurance reserve

The insurance reserve has been created to meet large and unexpected policy excesses on multiple insurance claims.

#### Re-vegetation reserves

The purpose of this reserve fund is to meet native re-vegetation requirements on Council's reserves.

#### Open space – planning, development and improvements

Funds set aside in this reserve will be utilised exclusively for allocation towards enhancing the City's open space via planning, development and improvements.

#### Open space – acquisitions

Funds set aside in this reserve will be utilised exclusively for open space land acquisitions.

#### Keysborough South maintenance levy

This reserve has been established to ensure full accountability of the levies received for the Keysborough and Somerfield Estates reflecting costs of maintaining an additional 15% open space beyond that of traditional estates.

#### Major projects reserve

The major projects reserve holds proceeds from the sale of Council's property assets or surplus Council funds and will be utilised for investing in other properties or funding future major projects.

#### General reserve

This reserve relates to financial impacts of future aged care sector reforms.

#### Council funded development contributions reserve

The reserve for Council funded development contribution plans holds funds in respect of Council's contribution to the two major developments in Dandenong South (C87) and Keysborough (C36).

#### Spring Valley landfill rehabilitation reserve

The purpose of this reserve is to rehabilitate the Spring Valley landfill site at Clarke Road, Springvale South.

#### Springvale Activity Precinct parking and development reserve

The purpose of the reserve is to fund development in the Springvale Activity Centre.

#### Dandenong Activity Precinct parking and development reserve

The purpose of the reserve is to fund development in the Dandenong Activity Centre.

#### Local Government Funding Vehicle

The purpose of this reserve is to provide for the \$4.90 million principal repayment required on maturity of the interest-only Local Government Funding Vehicle (LGFV) in 2019–20 and to provide future borrowing capacity for major infrastructure projects.

#### Grants in advance reserve

This reserve holds funds from capital grants received in advance of the project works.

#### Keysborough South Community Infrastructure Levies

These reserve funds relate to Community Infrastructure Levies received in relation to the Keysborough South Development Contributions Plan.

|  | Note    | Consolidated<br>2019<br>\$'000 | Consolidated<br>2018<br>\$'000 |
|--|---------|--------------------------------|--------------------------------|
| <b>(c) Total reserves summary</b>  |         |                                |                                |
| Asset revaluation reserve  | 9.1 (a) | 1,241,807                      | 1,290,865                      |
| Other reserves   | 9.2(b)  | 82,514                         | 69,765                         |
| <b>Total reserves</b>  |         | <b>1,324,321</b>               | <b>1,360,630</b>               |
| <b>9.2 Reconciliation of cash flows from operating activities to surplus</b> |         |                                |                                |
| <b>Surplus for the year</b>  |         | <b>31,279</b>                  | <b>46,934</b>                  |
| Depreciation and amortisation  |         | 29,064                         | 28,202                         |
| Impairment loss (reversal)   |         | –                              | (238)                          |
| Gain on disposal of property, infrastructure, plant and equipment            |         | (457)                          | (141)                          |
| Fair value adjustments   |         | 907                            | (1,025)                        |
| Contributions of non-monetary assets   |         | (7,735)                        | (19,169)                       |
| Works in progress unable to be capitalised (expensed)                        |         | 1,683                          | 3,006                          |
| Assets written-off   |         | 3,167                          | 2,828                          |
| Borrowing costs  |         | 3,131                          | 3,419                          |
| <b>Change in assets and liabilities</b>                                      |         |                                |                                |
| Increase (decrease) in trade and other receivables                           |         | (3,475)                        | 333                            |
| (Decrease) increase in trust funds and deposits                              |         | (5,294)                        | 6,057                          |
| Increase in other assets   |         | (731)                          | (1,113)                        |
| Increase in trade and other payables   |         | 3,416                          | 4,141                          |
| Increase in provisions   |         | 1,187                          | 682                            |
| <b>Net cash provided by operating activities</b>                             |         | <b>56,142</b>                  | <b>73,916</b>                  |

# Annual Financial Report

## FOR THE YEAR ENDED 30 JUNE 2019

### 9.3 Superannuation

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

#### *Accumulation*

The Fund's accumulation categories receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2019, this was 9.5% required under Superannuation Guarantee legislation).

#### *Defined Benefit*

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

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

#### *Funding arrangements*

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

As at 30 June 2018, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 106.0%.

The financial assumptions used to calculate the VBIs were:

|                        |         |
|------------------------|---------|
| Net investment returns | 6.0% pa |
| Salary information     | 3.5% pa |
| Price inflation (CPI)  | 2.0% pa |

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

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2018 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

#### *Employer contributions*

##### *Regular contributions*

On the basis of the results of the 2018 interim actuarial investigation conducted by the Fund Actuary, the Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2019, this rate was 9.5% of members' salaries (9.5% in 2017–18). This rate will increase in line with any increases in the SG contribution rate.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

### The 2018 interim actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2018 and a full actuarial investigation was conducted as at 30 June 2017.

The Fund's actuarial investigations identified the following for the Defined Benefit category of which Council is a contributing employer:

|                                       | 2018<br>\$ million | 2017<br>\$ million |
|---------------------------------------|--------------------|--------------------|
| A VBI surplus                         | 131.9              | 69.8               |
| A total service liability surplus     | 218.3              | 193.5              |
| A discounted accrued benefits surplus | 249.1              | 228.8              |

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2018.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2018.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2018.

The Council was notified of the 30 June 2018 VBI during August 2018 (2017: in August 2017).

### 2019 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2019 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2019.

#### Superannuation contributions

| Scheme       | Type of scheme   | Rate  | Consolidated<br>2019 | Consolidated<br>2018 |
|--------------|------------------|-------|----------------------|----------------------|
|              |                  |       | \$'000               | \$'000               |
| Vision Super | Defined benefits | 9.50% | 397                  | 473                  |
| Vision Super | Accumulation     | 9.50% | 3,412                | 3,353                |
| Other funds  | Accumulation     | 9.50% | 1,852                | 1,631                |

There were no payments made to Vision Super unfunded liability during 2018–19 (2017–18 – \$nil).

As at 30 June 2019 outstanding contribution payable of \$1,000 relates to Dandenong Market Pty Ltd and no loans issued from or to the above schemes.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2020 is \$409,120.

## Customer Service Centre locations

### **Dandenong Civic Centre**

Level 2, 225 Lonsdale Street, Dandenong

Hours of operation: 8.30am–5pm Monday to Friday

### **Springvale**

397–405 Springvale Road, Springvale

Hours of operation: 8.30am–5pm Monday to Friday

### **Parkmore**

Shop A7, Parkmore Shopping Centre

Cheltenham Road, Keysborough

Hours of operation: 9am–5pm Monday to Friday, 9am–1pm Saturday

 Phone **8571 1000**

 Fax **8571 5196**

 [council@cgd.vic.gov.au](mailto:council@cgd.vic.gov.au)



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