

CORANGAMITE SHIRE
ANNUAL REPORT
2015-2016



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WELCOME

Corangamite Shire is proud to present the 2015-2016 Annual Report to our community. The report describes Corangamite Shire Council's operations, accomplishments and the challenges we have encountered during the year. It documents and benchmarks, in detail, our performance against strategic objectives set out in the Council Plan 2013-2017, key actions outlined in the Annual Action Plan 2015-2016 and figures set in the 2015-2016 Budget.

For further information and to provide feedback, please contact us on 5593 7100 or email shire@corangamite.vic.gov.au

An electronic version of this report can be viewed online at www.corangamite.vic.gov.au. If you wish to obtain a hardcopy, please visit our Civic Centre at 181 Manifold Street, Camperdown or contact us.

OUR SHIRE

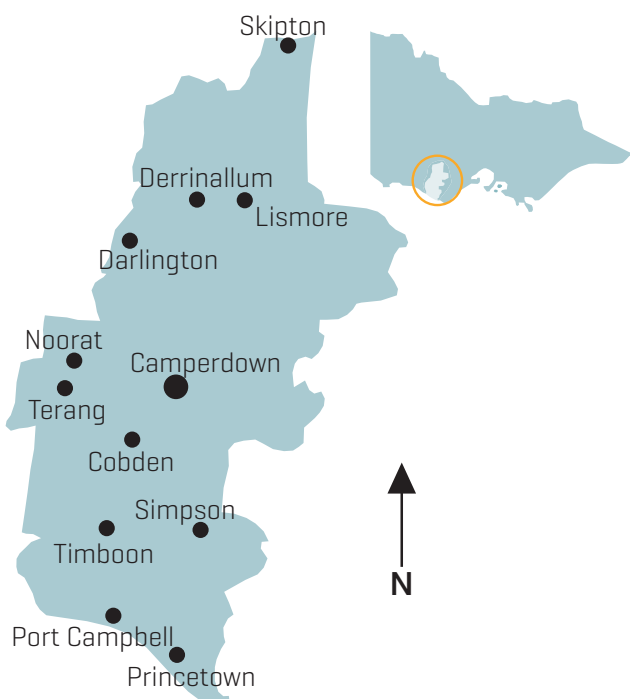
Located two hours south-west of Melbourne, Corangamite is a large rural shire with a population of 15,671 (Estimated Residential Population June 2015).

From the wild Southern Ocean and rugged Shipwreck Coast in the south, our boundaries stretch 120 kilometres past forests and fertile farmland to the grazing expanses of the north. Our large geographic area of 4,400 km² is home to a number of stunning and diverse natural landscapes including the world-renowned Twelve Apostles and Port Campbell National Park. We have state parks, some of the deepest lakes in Australia, dense bush and grassland, and plains dotted with dormant volcanoes as far as the eye can see.

Our largest township Camperdown (pop. 3,320) is both the geographic and commercial centre of Corangamite Shire. Terang (pop. 2,210) and Noorat are a 20 minute drive west, Cobden (pop. 1,886) is 10 minutes south, while Timboon (pop. 2,210) is 30 minutes south. Smaller towns in the north include Skipton, Derrinallum, Darlington and Lismore. In the south there are the small coastal towns of Princetown and Port Campbell and the farming community of Simpson.

Much of the rural area in Corangamite Shire is used for agriculture, particularly dairy farming, sheep and cattle grazing, and grain growing. Tourism is also an important industry, especially in the south along the Great Ocean Road.

Corangamite Shire



History

The Djargurd Wurrung people are the traditional aboriginal owners of the land around Camperdown and district. For tens of thousands of years they successfully occupied the area as a semi-nomadic hunter gatherer society.

The first European settlers to arrive in the Camperdown district were the Manifold brothers; John, Peter and Thomas. Most of Corangamite's townships were settled in the 1840s and 50s and each of our communities has their own story to tell. Simpson was the centre of the post-war dairying area, where after World War II the Soldier Settlement Commission cleared the Heytesbury Forest and settled 430 farms.

Today, there are reminders of our heritage – dry stone walls, cultural sites, homesteads, shipwrecks and buildings such as the Shire town hall, built in 1886 and still used to this day.

Population

Approximately 89 per cent of Corangamite Shire's population was born in Australia, with 6.6 per cent born overseas (and 4.3 per cent not stated). 0.8 per cent identify as Aboriginal or Torres Strait Islander and 2 per cent come from a non-English speaking background.* One of the biggest challenges facing rural communities, and in particular Corangamite Shire, is population decline. Like 10 other Victorian municipalities, our current population of 15,671 is expected to continue to decline between now and 2031**. The flight of youth – where young people leave their rural communities for education and employment opportunities- is a contributing factor. The national trends of ageing population, downturns in manufacturing and the changing face of agriculture are also issues faced by Corangamite Shire.

*ABS Census data 2011

**State Government's *Victoria In Future 2015*

Our name

Corangamite Shire was created in 1994 when the Town of Camperdown and Shires of Heytesbury and Hampden amalgamated. The Shire is named after the large inland Lake Corangamite on its boundary. Corangamite is an aboriginal word to describe 'bitter' or 'salt' referring to the high salt content of the lake.

Economy

The five major industry sectors are:

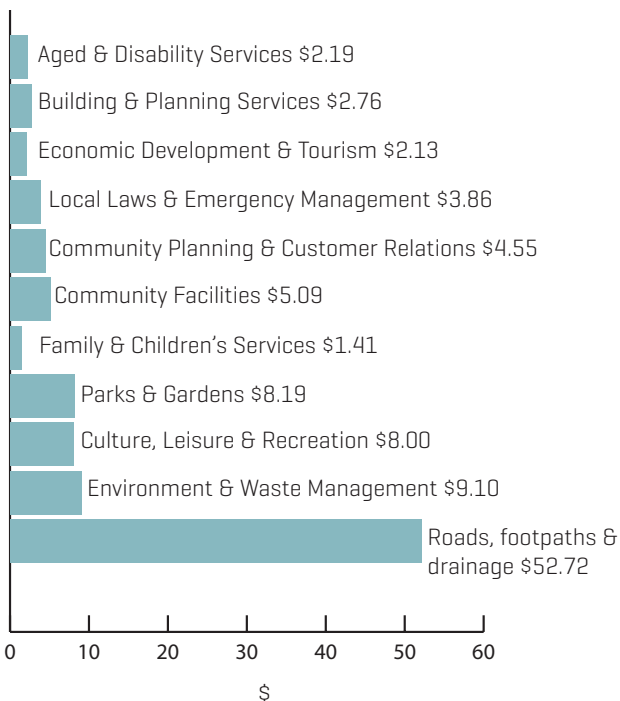
- Agriculture, Forestry and Fishing [2,197 persons or 32.5%]
- Healthcare and Social Assistance [700 or 10.4%]
- Retail Trade [677 or 10%]
- Manufacturing [577 or 8.5%]
- Education and Training [500 or 7.4%]

Agriculture is a major driver of the local economy with the industry employing just under one third of the Shire's population. Corangamite is one of the most productive dairying regions of Australia with dairy contributing \$300 million to the local economy. Cropping, wool and beef production are also important sectors. Tourism is also an important industry with the Twelve Apostles attracting 2.6 million visitors per year.

Services to the community

Corangamite Shire is a large rural shire council employing 179.58 full time equivalent staff who provide a diverse range of services and programs to the community. Services include aged care, recreation, arts and culture, family, children and youth, planning, roads, drains and footpaths, waste, parks, gardens and local laws.

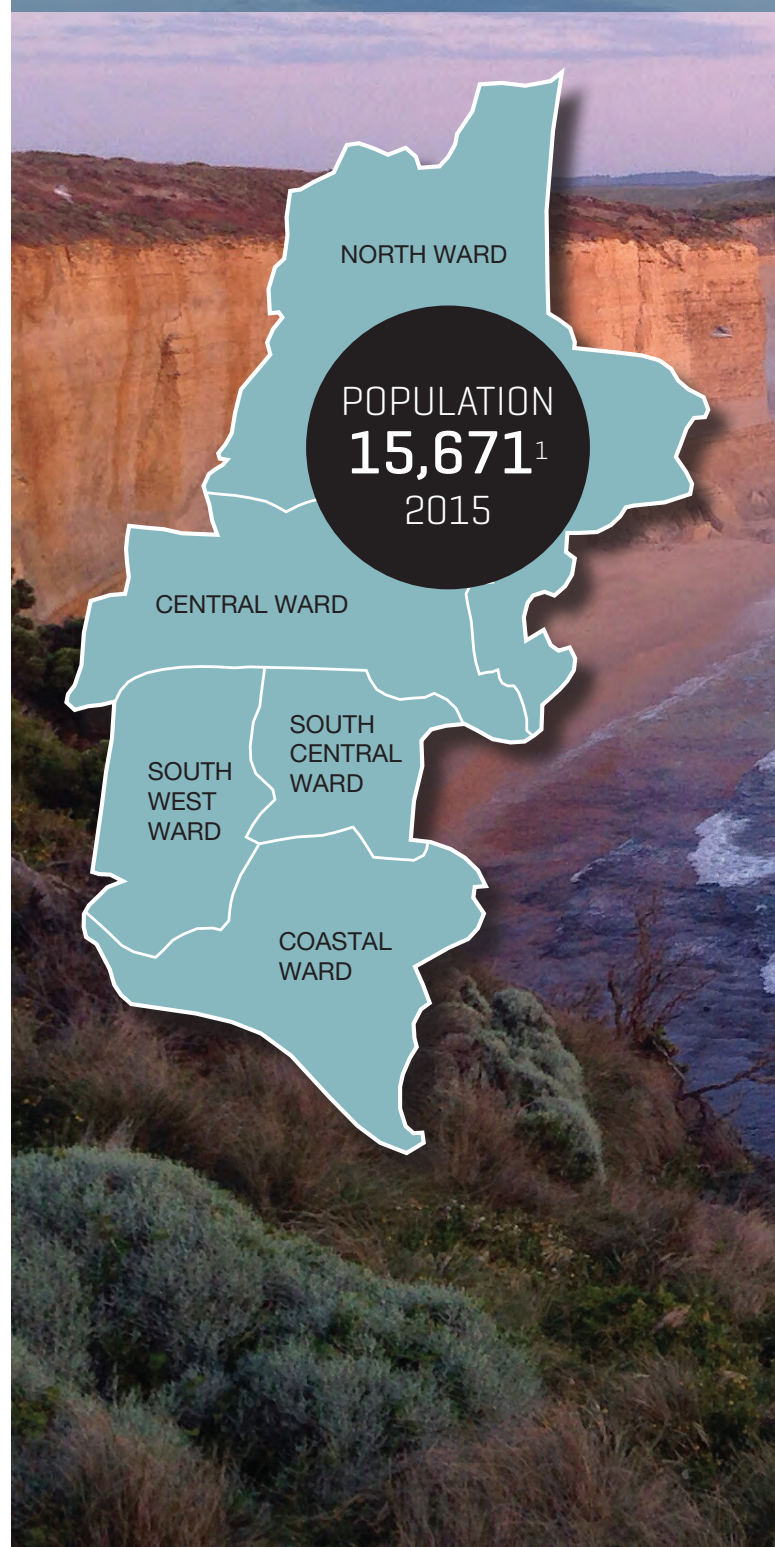
For every \$100 in Council rates and charges:



1 ABS Estimated Resident Population 2015
 2 ABS Census of Population and Housing, 2011
 3 Small area labour markets Department of Employment March 2016
 4 National Institute of Economic and Industry Research [NIEIR] 2016
 5 National Institute of Economic and Industry Research [NIEIR] 2016
 6 ABS Census of Population and Housing, 2011
 7 ABS Census of Population and Housing, 2011

AT A GLANCE

AREA	WARDS
4,400 KM ²	5
COASTLINE	TOWNS
60 KM	12
RATEABLE PROPERTIES	
9,566	



MEDIAN AGE

42 ²

UNEMPLOYMENT RATE

2.31% ³

GROSS REGIONAL PRODUCT

\$1.5 BILLION ⁴

EMPLOYED RESIDENTS

7,861 ⁵

LOCAL BUSINESSES

2,344

VALUE OF BUILDING APPROVALS

\$25 MILLION

AVERAGE HOUSEHOLD

2.43 PEOPLE ⁶

POPULATION BORN OVERSEAS

2.2% ⁷

POPULATION DENSITY

0.04 PERSONS PER HECTARE

Twelve Apostles, Port Campbell National Park





YEAR IN REVIEW

JULY 2015

- The new Retail Area Façade Improvement Program is launched, providing businesses with grants to improve the appearance of their shopfronts
- \$100,000 is awarded to community groups via the annual Community Grants & Facility Program
- Beyond the Bell Community Action Plan officially launched to improve low Year 12 or equivalent attainment rates

AUGUST 2015

- A review of the Corangamite Planning Scheme commences
- Corangamite Shire wins first prize in Technology and Innovation category at the MAV Awards for developing the Roadside Weed Mapping and Works Tracking App

SEPTEMBER 2015

- Corangamite Fun Run Series kicks off

OCTOBER 2015

- Performer Jade Hurley headlines Seniors Festival
- Heart of Corangamite Network wins the 2015 Early Years Award for Outstanding Leadership for Health and Wellbeing
- Young Achievers recognised at the Youth Awards in Terang
- Camperdown Cruise and Rockabilly Festival – Round 7 of the Roller Derby Statewide Stampede held in Camperdown
- Cobden Spring Festival
- Corangamite Shire hosts a Regional Planners Forum, attracting planners from across the state

NOVEMBER 2015

- Camperdown celebrates the opening of the new Camperdown Apex Park
- Cr Jo Beard elected Mayor
- Swimming pools open across the Shire
- Corangamite Shire wins the Local Government Award for Tourism at the 2015 RACV Victorian Tourism Awards

DECEMBER 2015

- Roadside blackberry spraying program starts
- Council adopts the Arts and Culture Plan 2016-2020
- State Government announces Expressions of Interest (EOI) process for the use of vacant Glenormiston College
- Shipwreck Coast Master Plan launched by Minister for Environment, Climate Change and Water, Lisa Neville
- The Lakes and Craters Three Day Horse Trial Event near Camperdown attracts 300 riders from across the country



JANUARY 2016

- Top citizens recognised at our Australia Day celebrations in Camperdown
- Works commence on the Terang Gas Project
- Council welcomes Castle Carey Bridge funding announcement, with Member for Wannon Dan Tehan committing \$2.6 million towards the project
- Staff assist Colac Otway Shire and respond to the Wye River and Separation Creek bushfires, volunteering at the Apollo Bay Relief Centre and Incident Control Centre
- Just under 950 head of cattle go under the hammer at the annual F1 Heifer Feature Sale at Camperdown's Saleyards

FEBRUARY 2016

- More than 100 people attend the opening of the Lismore Discovery Trail
- The 'Linking Skipton' community project to create a walking and cycling circuit around the township was completed

MARCH 2016

- Council hosts a Welcome Event for new residents to Corangamite Shire
- Elm trees inspected across the Shire after suspected Elm Leaf Beetle infestation
- More than 100 people attend the opening of the Simpson Community Hub
- Mayor and Councillors attended a Local Government Act Review workshop in Warrnambool
- Councillors visited Parliament House to discuss priorities for Corangamite Shire
- Corangamite Shire hosts the Barwon South West Population Summit looking at ways to increase population

APRIL 2016

- Member for Western Victoria Gayle Tierney opens Terang's new \$1.94 million Children's Centre.
- Local Roads Program in full swing with a \$732,000 upgrade to a section of the Terang-Framlingham Road
- Cr Harkin wins McArthur Fellowship Award

MAY 2016

- Council calls for urgent support for the dairy industry following the cuts to farm gate milk prices
- Council releases Draft Budget 2016-2017
- Council releases list of priorities in the lead-up to Federal Election
- Robert Burns Scottish Festival is held

JUNE 2016

- Council welcomes State Government funding announcement for \$9.8 million towards Stage 1 of the Shipwreck Coast Master Plan
- Mayor and CEO meet with Minister for Agriculture Jaala Pulford MP to discuss the dairy crisis
- Mayor Beard, Cr Gstrein and CEO Andrew Mason attend the National General Assembly in Canberra



A MESSAGE FROM THE MAYOR

On behalf of my fellow Councillors, I am delighted to present Corangamite Shire's Annual Report 2015-2016.

In what has been a rewarding and challenging year for the south-west region (and my first as Mayor), Corangamite Shire continues to be proactive and productive on many levels - working hard and smart to deliver key projects, essential services, and to strongly advocate on issues that affect our communities. This Annual Report 2015-2016 is an honest and frank assessment of what we have achieved, whether we have delivered on the commitments made in our Council Plan 2013-2017, the challenges we face, and what we could do better.

In 2015-2016, Council continued to provide value to the community through responsible financial management, asset maintenance, making efficiencies in our operations and encouraging innovation. The modest rate rise of 5 per cent has remained the same over the past five years and in line with our long term commitment of keeping rate rises steady.

A number of significant community projects were realised in 2015-2016. Camperdown's Apex Park redevelopment was completed, Simpson's new Community Hub opened, Lismore's Discovery Trail was launched, the Linking Skipton project was finalised, and Terang's new \$2 million children's centre was officially opened and started operating. All of these projects were identified as a priority by each community during a community planning process, which resulted in residents having more involvement, pride and ownership over the projects. As a Councillor, it is incredibly rewarding working with your community to achieve a vision.

One of Council's new initiatives, the Retail Area Façade Improvement Program, distributed \$ for \$ funding to 31 businesses wanting to improve their shopfronts. The broader aim of the program was to help revitalise streetscapes in our local towns and it was well-subscribed and the results so encouraging that a second round of the program is planned for 2016-2017. More

than \$150,000 funding was also distributed to community groups and committees through the Community Grants Program, Facility Grants Program and Environment Support Fund.

2015-2016 was not without its challenges. In May 2016 we called for immediate support of the dairy industry after some of the major processors cut the farm-gate milk price. With nearly 500 farms across the Shire and agriculture accounting for one third of our workforce, the negative impacts have reverberated across our municipality. In March, we once again continued to lobby the State Government to give urgent attention to the crumbling arterial road network in our Shire. I want to thank local businesses who have strongly supported and contributed to all of our behind-the-scenes work.

In May 2016, we joined with other Great South Coast Councils to loudly voice our opposition to Deakin University's proposal to close its Warrnambool campus. Tertiary education opportunities are so important, particularly in regional areas, that it was vital we worked together to put up a fight. In June 2016, we released a list of our top priorities in the lead-up to the Federal Election. Population decline and an ageing population continue to be issues that we need to address.

I want to thank my fellow Councillors and staff for continuing to work together respectfully to make Corangamite Shire a great place to live, work and visit. In particular, I'd like to mention Councillors Geoff Smith and Chris O'Connor who have indicated they will not be standing at the next Council Elections. It has been an honour and a privilege to work alongside you both. Our communities have benefitted enormously from your contribution.

Mayor Jo Beard



A MESSAGE FROM THE CEO

As a large rural shire with a small, dispersed population base and a relatively modest budget, I am incredibly proud of the work we do in our local communities.

2015-2016 has been no exception. We invested \$13.7 million into our capital works program, debt was reduced by \$1.6 million and there were no new borrowings, with \$482,000 transferred to reserves for any future superannuation payouts and landfill rehabilitation. We delivered an operating surplus of \$12,000.

We secured \$13.08 million in grants from the State and Federal Government to pay for local projects and services without placing further financial burden on our ratepayers.

As an organisation, we continue to focus on being resourceful and innovative. Shared service agreements with other councils or organisations are a way of the future, especially with rate capping and the need to stretch our resources further. Corangamite Shire has quickly embraced the concept and is reaping the benefits. In 2015-2016 our annual \$2 million road reseal program was completed in a joint contract with Warrnambool City Council – the first of its kind in the region. The outcome was 8 per cent of our local sealed road network resurfaced with a 12 per cent reduction in costs compared to the previous year. Collaborating with our Local Government neighbours will continue to characterise the way we advocate on local and regional issues, deliver projects and procure assets.

In November 2015, the final report of the Victorian Electoral Commission's Electoral Representation Review found that the current ward structure and number of Councillors in Corangamite Shire should remain the same. Conducted every 12 years, a representation review ensures the electoral structure of a local council provides fair and equitable representation for all voters. In writing our submission, we emphasised that the current structure is fair and any changes would only mean more

costs to ratepayers. We also welcomed the Victorian Government's comprehensive review of the *Local Government Act 1989* [currently underway] and have the expectation that updated legislation should better reflect the essential role of local government. A number of our Councillors have attended consultation sessions in Warrnambool and we look forward to seeing the draft Act.

Corangamite Shire's work continues to be well received by residents and this is reflected in our 2016 Community Satisfaction Results. Our performance ratings remain significantly higher than the Large Rural and State-wide Council averages, except for Sealed Local Roads where performance is significantly lower, largely as a result of the condition of the State Government funded and managed road network. Customer Service increased three points from 2014-2015, and is at its highest level since 2012. This result is not only a credit to our frontline Community Relations team, but our entire workforce. The challenge continues with roads and weed control rating poorly despite extra funding and resources channelled to both of these key areas in 2015-2016.

I want to thank all members of staff for their outstanding work in 2015-2016. I also wish to acknowledge the leadership and support of our 2015 Mayor Cr Chris O'Connor and 2016 Mayor Jo Beard and Councillors. Our work continues to benefit from the professional and respectful manner with which our Councillors treat each other and Shire staff.

Andrew Mason
Chief Executive

OPERATIONAL PERFORMANCE

The 2015-2016 Corangamite Shire Annual Report measures Council's performance against what we said we would do in our 2013-2017 Council Plan. The Council Plan outlines six key areas that are used to measure our performance over five years. This table summarises Council's achievements and results in 2015-2016 in these areas. **A more detailed report starts on page 29.**

	STRATEGIC THEME 1	STRATEGIC THEME 2	STRATEGIC THEME 3
	Stewardship, Governance, Advocacy & Collaboration	Positioning for Economic Growth	Sustaining our Natural Assets
MAJOR ACHIEVEMENTS 2015-2016	<ul style="list-style-type: none"> Completion of third term as Mayor for Chris O'Connor New Mayor Jo Beard elected Review of 'Processes of Municipal Government Local Law No.3 [2009] Community satisfaction rating for Customer Service increased by 3 points 	<ul style="list-style-type: none"> Third round of the Business Infrastructure Support Fund Winner of the Local Government Award for Tourism at the 2015 RACV Victorian Tourism Awards Camperdown Regional Livestock Selling Facility increased market share from 33.6% to 35.5% 	<ul style="list-style-type: none"> Completed annual roadside weed control program - 950 kms of roadsides treated, 17% more than 2014-2015 19 community projects funded through the Environment Support Fund Kerbside waste decreased from 6.9kg/household per week to 6.5kg per week
CHALLENGES	<ul style="list-style-type: none"> Introduction of rate capping Proliferation of red tape, ad hoc oversight and regulation agencies monitoring Local Government Downward trend in satisfaction for Local Government across Victoria 	<ul style="list-style-type: none"> Sharp decline in milk prices by dairy processors affecting farmers and associated industries Declining population figures from the ABS 	<ul style="list-style-type: none"> Blackberry Leaf Rust Trial not successful Further EPA restrictions on operation of Naroghid Landfill and meeting BPEM guidelines Community satisfaction declined for weed control despite more roadsides being treated Elm Leaf Beetle infestation
THE YEAR AHEAD	<ul style="list-style-type: none"> Review of the <i>Local Government Act 1989</i> New Council to be elected in October 2016 Development of new Council Plan 	<ul style="list-style-type: none"> Work with Parks Victoria to implement actions in the Shipwreck Coast Master Plan Continue to work closely with Great Ocean Road Regional Tourism [GOORT], Great South Coast Group and Tourism Victoria 	<ul style="list-style-type: none"> Stage 2 of the Alternative Waste Management Investigation at Naroghid Landfill Finish Cell 14A and capping of Cells 11 & 12 at the Landfill
INDICATORS OF SUCCESS	<p>Community Satisfaction * Overall Performance: 64 > Advocacy & Lobbying: 57 > Overall Direction: 55 > Community Consultation: 62 > Making Community Decisions: 61 ></p> <p>Underlying operating result: 11.85% Liquidity: 2.77 Capital replacement: 1.38 [See pages 12-13 for further explanation]</p>	<p>Community Satisfaction Business & Community Development: 63 > Tourism Development: 66 > Planning & Building Permits: 59 > General Town Planning Policy: 60 ></p>	<p>Community Satisfaction Environmental Sustainability: 64 > Waste Management: 69 Slashing & Weed Control: 48</p>

* 2016 Community Satisfaction Survey. Results are an indexed mean; highest score is 100.

> Ranks higher than Large Rural Shires and State-wide averages

STRATEGIC THEME 4	STRATEGIC THEME 5	STRATEGIC THEME 6
Strengthening our Communities	Infrastructure	Our Organisation
<ul style="list-style-type: none"> · Opening of the Terang Children’s Centre · Opening of Simpson Community Hub · Beyond the Bell Community Action Plan launched aiming to improve low Year 12 [or equivalent] attainment rates · Record attendance at Youth Awards 	<ul style="list-style-type: none"> · Completed annual \$2 million road reseal program in a joint contract with Warrnambool City Council for the first time · \$4.6 million funding from the Federal Government enabled Council to expand its road rehabilitation works · Skipton flood mitigation project completed · Timboon Town Centre project starts 	<ul style="list-style-type: none"> · Reviewed Staff Code of Conduct · Rolled out a web-based performance measurement program to replace the former paper-based model
<ul style="list-style-type: none"> · Family Day Care low recruitment numbers and loss of existing educators · New animal registrations have dropped · Decline in clients choosing to access Home Support Packages 	<ul style="list-style-type: none"> · Community satisfaction results for Local Sealed and Gravel Roads remains low · Arterial road network in the Shire remains chronically underfunded by the State Government 	<ul style="list-style-type: none"> · Building organisational capacity · Ageing workforce
<ul style="list-style-type: none"> · Mobile Child Care transition to Approved Services under National Quality Framework 	<ul style="list-style-type: none"> · Development of a design for a major streetscape upgrade in Port Campbell in future years · Works to replace Castle Carey Road bridge 	<ul style="list-style-type: none"> · Negotiating a sustainable Enterprise Bargaining Agreement (EBA)
<p>Community Satisfaction Elderly Support Services: 73 > Family Support Services: 69 > Recreational Facilities: 74 > Disadvantaged Support Services: 63 > Emergency & Disaster Management: 72 > Enforcement of Local Laws: 68 > Arts Centres and Libraries: 70</p>	<p>Community Satisfaction Condition of Sealed Local Roads: 36 Condition of Local Streets & Footpaths: 60 > Maintenance of Unsealed Roads: 39 Appearance of Public Areas: 75 ></p>	<p>Community Satisfaction Customer Service: 77 > Informing the Community: 67 > Community & Cultural Activities: 69 > Consultation & Engagement: 62 ></p> <p>Staff satisfaction with Corangamite Shire as an employer: 69.9% [From survey results in 2014-2015. Next survey to be conducted in 2016-2017]</p>

FINANCIAL PERFORMANCE

Long term financial sustainability is the key objective of Corangamite Shire's financial plan. With careful planning, the community can be assured that Council has the financial resources to achieve the objectives set out in the Council Plan.

2015-2016 Financial Performance Summary

- Council had an operating surplus of \$12,000, against a predicted surplus of \$2.94 million (compared to \$4.09 million surplus in 2014-2015)

This was influenced by:

- **Recurrent Grants** - \$3.55 million of financial assistance grants relating to the 2015-2016 financial year were paid in advance during the 2014-2015 financial year
- **Capital Grants** - \$1.32 million of additional capital grants were received above the budgeted result [\$4.51 million]. Primarily these were capital grants carried forward from 2014-2015.
- **Materials & Services** - Spending on materials & services was \$1.7 million over budget. \$2.02 million of carry forward projects from 2014-2015 impacted this result
- **Depreciation** - Depreciation was \$755,000 below budget with better condition assessments providing more accurate depreciation of Council assets
- **Council's total capital works expenditure** was \$13.7 million (compared to \$10.17 million in 2014-2015). The increase was due to carry forward projects being completed in 2015-2016
- **Rates & Charges** comprised \$19.57 million (49%) of the total operating income budget of \$39.77 million (compared to \$18.60 (41%) of \$45.22 million in 2014-2015)
- **Cash holdings** (including financial assets) decreased by \$4.14 million to \$16.77 million (compared to \$9.21 million increase to \$20.90 million in 2014-2015)
- **Council's net assets** were \$416 million. This included total land & buildings (\$76m), plant & equipment (\$9m) and infrastructure assets (\$325m)

For more detailed information on the financial result, please refer to the financial statements available with this report. A detailed comparison between the budget and actual results is shown in Note 2.

Financial Sustainability

A generally accepted definition of financial sustainability is whether governments have sufficient current and prospective financial capacity to meet their current and prospective financial requirements.

To be sustainable, local governments need to have sufficient capacity to be able to manage future financial risks and shocks without having to radically adjust their current revenue of expenditure policies.

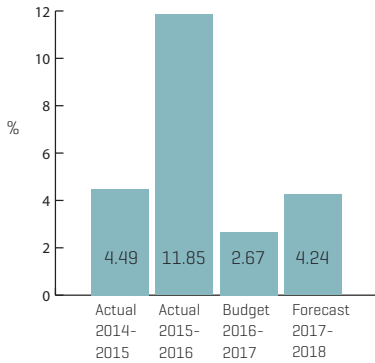
The Victorian Auditor General reports to Parliament each year. The following indicators are used in their report to reflect the short and long-term sustainability, and are measured by whether local governments:

- Generate enough revenue to cover operating costs (including the cost of replacing assets reflected in depreciation expense) - **Net result**
- Have sufficient working capital to meet short term commitments - **Liquidity**
- Generate sufficient operating cash flows to invest in asset renewal and repay any debt it may have incurred in the past - **Internal financing**
- Are not overly reliant on debt to fund capital programs - **Indebtedness**
- Have been replacing assets at a rate consistent with their consumption - **Capital Replacement**
- Renew assets at a greater rate than their consumption - **Renewal Gap**

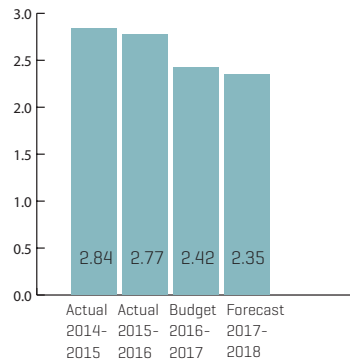
The financial sustainability of each council is assessed using the risk criteria which can be found at: www.audit.vic.gov.au/reports_and_publications.aspx.

The following graphs are based on the last two years of actual results and the forecast for the next two years from our Strategic Resource Plan as adopted by Council in June 2016. The graphs highlight the trend of increased financial sustainability for Corangamite Shire. They show that Corangamite's overall Financial Risk is rated as low.

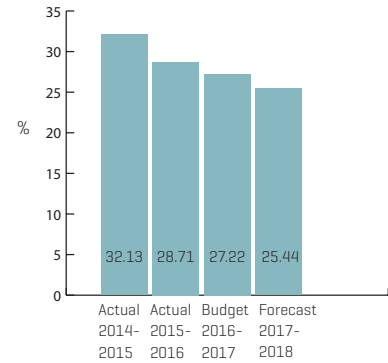
Underlying Result



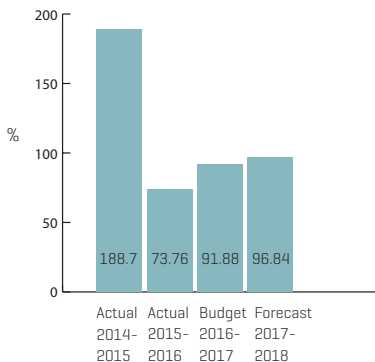
Liquidity



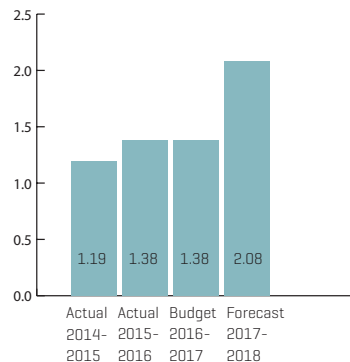
Indebtedness



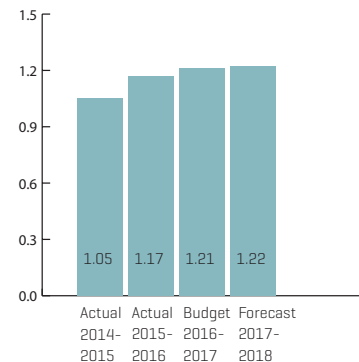
Internal Financing



Capital Replacement



Renewal Gap



Long term financial strategic objectives

Whilst this report focuses on the 2015-2016 financial results, it is important to see this result in the context of the long-term financial strategic objectives of Council which are:

- Ensuring the Working Capital Ratio (Liquidity) will be maintained between 1.0 and 1.50
- Renewal gap will be at least 1.0 on average for the life of the Council Plan
- Indebtedness levels will not exceed 40%. This will be achieved with no future borrowings and the rapid repayment of existing borrowings.

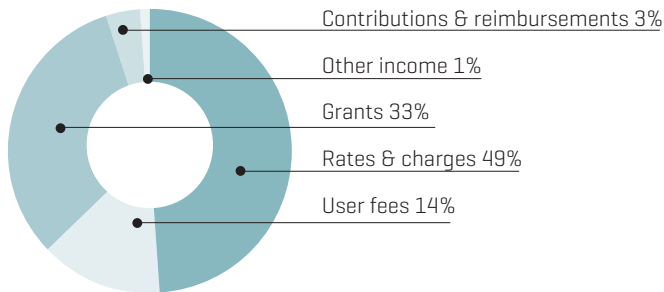
Please see page 78 in the Corporate Governance section for the Financial Performance indicator table relating to the Local Government Performance Reporting Framework

Detailed financial statements are enclosed on CD, available in print from the Civic Centre in Camperdown or online at www.corangamite.vc.gov.au

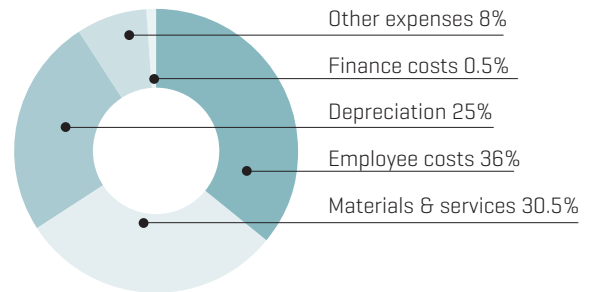
FINANCIAL PERFORMANCE

The 2015-2016 Budget included a 5% increase in the general rate, a municipal charge of \$184.90 and a garbage collection charge of \$280.

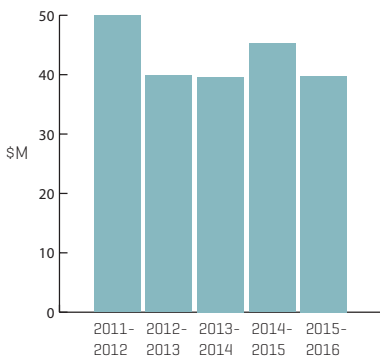
Revenue \$39.77 M 2015-2016



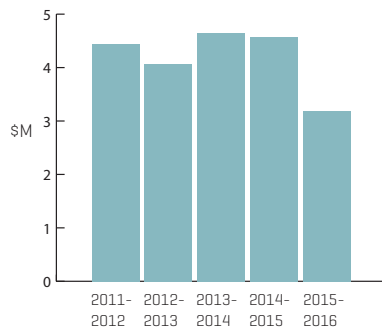
Expenditure \$39.76 M 2015-2016



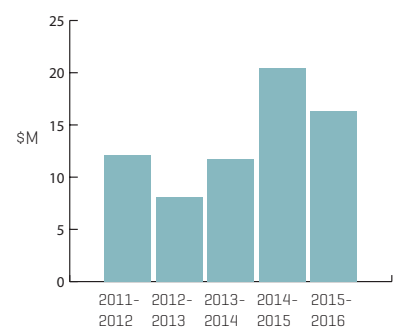
Total revenue 2011-2016



Total borrowings 2011-2016



Cash & investments 2011-2016



Financial indicator comparisons 2011-2016

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
Total revenue	\$49.95M	\$39.85M	\$39.58M	\$45.22M	\$39.77M
Grants income	\$15.27M	\$14.95M	\$11.12M	\$18.5M	\$13.08M
Rates income	\$15.69M	\$16.8M	\$18.17M	\$18.59M	\$19.57M
Total borrowings	\$4.44M	\$4.07M	\$4.65M	\$4.57M	\$3.19M
Total expenditure	\$41.56M	\$38.58M	\$38.96M	\$40.86M	\$39.76M
Capital works	\$12.8M	\$11.13M	\$11.17M	\$10.17M	\$13.7M
Cash & investments	\$12.1M	\$8.11M	\$11.70M	\$20.43M	\$16.3M
Rate increases	5%	5%	5%	5%	5%
Average residential rates notice	\$945	\$1,053	\$1,224	\$1,061	\$1,107
Municipal charge	\$153	\$160.35	\$228	\$176.40	\$184.90
Garbage collection charge	\$226	\$246	\$259	\$272	\$280

MAJOR PROJECTS

Delivering capital projects is one of the best ways to meet the needs of our communities, and to ensure our municipality remains a safe and vibrant place to live, visit and do business.

In 2015–2016 we delivered a \$13.7 million capital works program. The adjacent table gives a snapshot of our expenditure and some key projects in the capital works program.

Skipton Flood Mitigation Project \$900,000

Works to carry overflow water (pictured above right) from the Skipton dam away from the town centre in the event of heavy rainfall were completed in May 2016. New, larger pipes were laid and carry six times the amount of water of the previous pipework. They are designed to prevent minor flooding from the dam during downpours such as the flood events of 2010. The \$900,000 project funded by Corangamite Shire and the State and Federal Governments' Natural Disaster Resilience Grant Scheme will help reduce risk of flooding to homes and businesses in the town centre when the Skipton dam significantly overflows in the future. Members of the Skipton community were involved in the lengthy planning and funding process as part of the Skipton Flood Study.

Terang Children's Centre \$1.94 million

Young families in Terang have a brand new children's centre and outdoor play space in Dow Street. The centre has been operational since February and was officially opened by Mayor Jo Beard and Member for Western Victoria Gayle Tierney in April. The \$1.94 million project was funded by Corangamite Shire (\$1.15m), State Government (\$776,000) and the Terang community (\$14,000).

The centre accommodates two 4-year old kindergarten sessions, maternal and child health services, playgroup and parent groups, with plans to provide a three year old kindergarten program and more family support services. The project became a priority with high demand for early childhood services in Terang. It was identified through the Terang Community Plan in 2012.

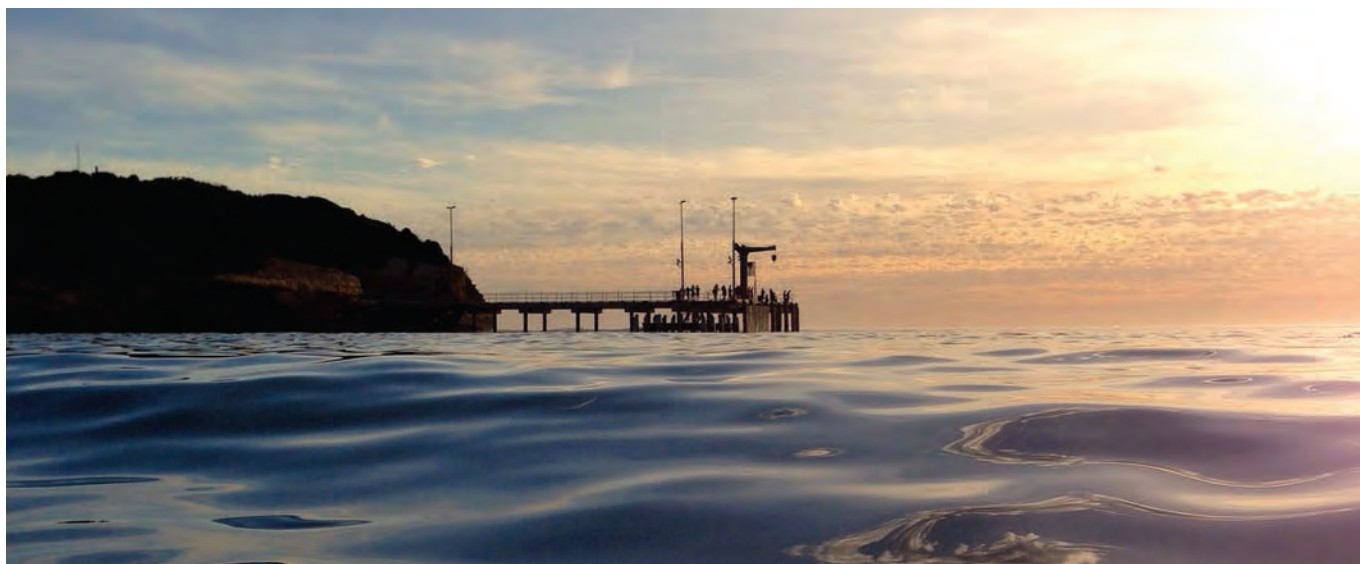
Improving and maintaining our roads \$6.08 million

Corangamite Shire has a 2,136 km sealed and unsealed road network and one of the biggest challenges for Council is maintaining and improving this network. For more of an insight into our roads, see page 65.



Statement of capital works 2015–2016

Property and Buildings	
Works in progress	\$15,000
Buildings	\$212,000
Heritage buildings	\$12,000
Leasehold improvements	\$909,000
Works in progress	\$182,000
Total Property and Buildings	\$1,330,000
Plant and Equipment	
Plant, machinery and equipment	\$3,090,000
Computers and telecommunications	\$52,000
Works in progress	\$62,000
Total Plant and Equipment	\$3,204,000
Infrastructure	
Roads	\$6,078,000
Resheeting program	\$2,542,500
Resealing program	\$1,604,047
Rehabilitations	\$1,931,453
Bridges	\$155,000
Footpaths and cycleways	\$338,000
Drainage	\$899,000
Recreational, leisure & community facilities	\$242,000
Parks, open space and streetscapes	\$134,000
Kerb and channel	\$334,000
Retaining walls and small culverts	\$5,000
Other infrastructure	\$23,000
Works in progress	\$927,000
Total infrastructure	\$9,165,000
Total capital works expenditure	\$13,699,000



SUSTAINABILITY PERFORMANCE

Corangamite Shire is committed to ensuring the long-term environmental, social and economic sustainability of our municipality.

The three key areas of economic, environmental and social sustainability are globally recognised as being crucial to responsible development in our rapidly changing world.

Taking a balanced, transparent and community-led approach to planning and management, we actively consider how decisions made today will impact the future.

ECONOMIC SUSTAINABILITY

Achievements	Challenges
<p>Delivered a \$13.7 million capital works program, up from \$10.17 million in 2014-2015. No new borrowings for 2015-2016 and transferred \$482,000 to reserves.</p>	<p>Population continues to decline in Corangamite Shire</p>
<p>Unemployment rate in Corangamite Shire remains very low, one of the lowest in the state. [2.31% in March 2016]¹</p>	<p>Encouraging resilience within the dairy industry despite the low milk price</p>
<p>\$4.6 million funding secured from Federal Government's Roads to Recovery Program enabled Council to carry out works to our local roads network, as well vital drainage works</p>	<p>Arterial road network continues to be chronically underfunded by State Government. Seven of our arterial roads need a \$25 million investment urgently.</p>
<p>Timboon Town Improvements Project [\$600K] commenced</p>	

Council undertook a range of major economic sustainability initiatives in 2015-2016, delivering a \$13.7 million capital works program with upgrades and renewals of existing buildings, drains and roads, recreational facilities and new community buildings. Revitalising town centres so they are great places to visit, shop and do business was also a priority with the Timboon Town Improvements Project.

We continue to implement final actions from our Economic Development Strategy 2011-2016. We supported local businesses through the Business Infrastructure Support Fund and Retail Façade Improvement Program.

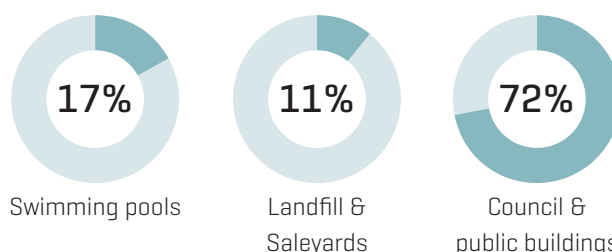
¹ Small area labour markets Department of Employment March 2016

ENVIRONMENTAL SUSTAINABILITY

Achievements	Challenges
Water saving initiatives in 2015-2016 have included better recording of usage across sites. Converting toilets to rainwater at the Civic Centre in Camperdown resulted in saving 10,000 litres	Rising costs and restrictions on operating the Corangamite Regional Landfill at Naroghid
Roadside weed control program – 950 kms of roads treated – 17% more than in 2014-2015	Water leaks at some of our pools caused higher than expected water bills. The leaks were due to old pipes.
Solar panel systems installed on the Civic Centre and other public buildings continue to reduce our energy bills	Weeds (especially blackberry) continue to be a threat to our natural environment
Kerbside waste per household decreased from 6.9kg per week in 2015-2015 to 6.5kg per week in 2015-2016	Blue green algae blooms in our lakes

Council continues to carry out key actions in the Environment and Sustainability Strategy 2014-2019 to protect and enhance the natural environment. In 2015-2016 we implemented actions to reduce water use, energy use, greenhouse gas emissions, divert waste from landfill, and plant and maintain street and park trees.

Total greenhouse gas emissions (4,132 CO² tonnes)



SOCIAL SUSTAINABILITY

Achievements	Challenges
Construction of a \$1.9 million Children’s Centre increased kindergarten places in Terang from 60 in 2015 to 132 in 2016, as well as providing capacity for more programs and services	An ageing population that will increase demand for Council services
Our Community Planning Department continued to empower communities to deliver important projects such as Lismore Discovery Trail Project, Port Campbell Art Space, Simpson Community Hub & Mount Elephant Visitor Centre	Cost shifting from State Government will continue to put pressure on the resources and capacity to deliver essential services to our residents
Launch of Beyond the Bell Local Action Plan to address low Year 12 (or equivalent) education attainment rates in Corangamite Shire	At 52.5%, Corangamite Shire has one of the lowest Year 12 (or equivalent) education attainment rates in Victorian.
New Arts & Cultural Strategy 2016-2020 launched	

Council plays a key role in the lives of families and older residents across the Shire. In 2015-2016 the new Children’s Centre created 72 more kindergarten places in Terang. Our delivery of care and support services to older residents continued with 18,308 hours of domestic, personal and respite care services and 11,222 meals delivered through the Meals on Wheels program.

Providing recreational opportunities to improve the health and wellbeing of our residents is also a focus. Recreation Give it a Go! from 19 February to 13 March 2016 involved 62 events with 51 clubs showcasing activities. More than 2,000 residents participated in an activity during this event.

A Corangamite Fun Run/Walk Series, Walk to School program and the Heart of Corangamite Network also aim to increase participation and improve health and wellbeing outcomes.

Please see page 77 in the Corporate Governance section for the Sustainable Capacity indicator table relating to the Local Government Performance Reporting Framework

COUNCILLORS

Elected 27 October 2012 for a four year term, Corangamite Shire Council is responsible for setting the vision and strategic direction of the municipality. Examples include the Council Plan, financial plans, the Municipal Strategic Statement and Annual Action Plan.

Corangamite Shire is divided into five wards comprising one three Councillor [Central Ward] and four single Councillor wards.



CR JO BEARD (MAYOR) SOUTH CENTRAL WARD



First elected: 2011 [by-election]
Re-elected: 2012

Phone: 0417 369 457
jo.beard@corangamite.vic.gov.au

Cr Beard is serving her first term as Mayor after being elected in November 2015. She lives in Cobden with her husband Daniel, two boys Jordan [11] and Cooper [9], and works in office administration one day per week at Mercy Regional College. Cr Beard recently completed a Diploma of Local Government, graduating in March 2016.

Committees of Council:

- Youth Council
- Cobden Aerodrome Committee
- Municipal Fire Management Planning Committee
- Audit Committee (from Nov 15)
- CEO Performance Review Committee

Other committees and groups:

- Beyond the Bell
- Cobden Lake Committee
- Cobden Cemetery Trust
- Great South Coast Board

CR CHRIS O'CONNOR CENTRAL WARD



First elected: 2008
Re-elected: 2012

Phone: 0429 954 265
chris.oconnor@corangamite.vic.gov.au

Cr O'Connor served three consecutive years as Mayor from 2012-2015. He lives with his wife Jeanette on the outskirts of Terang and has five adult children. Cr O'Connor comes from a farming background and is involved in commercial property development. He has indicated he does not plan to contest the next Council election.

Committees of Council:

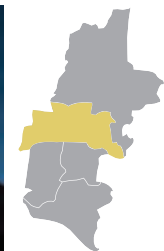
- Audit Committee (until Nov 15)
- CEO Performance Review Committee

Other committees and groups:

- Great South Coast Group Board
- Barwon South West Waste and Resource Recovery Group

We wish to thank Cr O'Connor for his contribution as Mayor and Councillor. Chris strongly advocated on issues affecting Corangamite and oversaw some key projects that will benefit our communities well into the future.

CR RUTH GSTREIN CENTRAL WARD



First elected: 2002
Re-elected: 2004, 2008, 2012

Phone: 0407 320 283
ruth.gstrein@corangamite.vic.gov.au

Cr Ruth Gstrein was first elected in 2002 and served three terms as Mayor in 2007, 2008 and 2009. She lives in Camperdown with her husband Peter and has two adult children. Cr Gstrein is Office Manager at Bostocks Creek Design and Drafting.

Committees of Council:

- Audit Committee
- CEO Performance Review Committee
- Recreation & Open Space Strategy Steering Committee

Other committees and groups:

- Robert Burns Festival Committee
- Regional Development Australia [Barwon South West]
- Municipal Association of Victoria
- Camperdown Stadium Committee
- Corangamite Regional Library Service Board

**CR WAYNE OAKES
CENTRAL WARD**



First elected: 2012
Phone: 0429 933 254
wayne.oakes@corangamite.vic.gov.au

Cr Oakes was first elected to Council in October 2012. He lives in Camperdown with wife Judi and has one adult child. He retired from the Victorian Police Force in 2012 and now runs his own business as well as spending a lot of his time volunteering in the local community.

Committees of Council:

- Youth Council
- Lake Bullen Merri & Gnotuk Advisory Committee
- Central Pools Advisory Committee

Other committees and groups:

- National Membership Chairman for Lions Club
- Camperdown Ambulance Auxiliary
- Uniting Church Property and Maintenance Committee
- Camperdown Lions Club
- Region Coordinator - Victorian Council of Churches Emergency Management team
- Corangamite Shire team leader - Great South Coast Ice Challenge

**CR PETER HARKIN
COASTAL WARD**



First elected: 2012
Phone: 0408 177 563
peter.harkin@corangamite.vic.gov.au

Cr Harkin lives with his wife Julie near Port Campbell and has four adult children. With a background in dairy farming, he currently works in the pipeline and exploration industry and also trades livestock.

Committees of Council:

- Saleyards Advisory Group
- Elm Tree Reference Group
- CEO Performance Review Committee
- Youth Council

In 2016, Cr Peter Harkin won the McArthur Local Government Fellowship for a fact-finding mission to nature-based visitor attractions in the United States, Canada, United Kingdom and Ireland.

**CR NEIL TROTTER
SOUTH WEST WARD**



First elected: 2012
Phone: 0407 101 872
neil.trotter@corangamite.vic.gov.au

Cr Trotter lives in Timboon where he is semi-retired and a full-time carer for his 97 year old mother. He has a background in tourism and hospitality, and recently completed a Diploma of Local Government, graduating in March 2016.

Committees of Council:

- Audit Committee
- BHP Environmental Review Committee
- Origin Gas Environmental Reference Group
- Energy Australia Environmental Review Committee
- Central Pools Advisory Committee

Other committees and groups:

- South West Sports Board
- Cobden Racecourse Reserve Committee of Management
- Simpson & District Community Centre Committee

COUNCILLORS

CR GEOFF SMITH
NORTH WARD



First elected: 1996

Re-elected: 2002, 2004, 2008, 2012

Phone: 0428 979 254

geoff.smith@corangamite.vic.gov.au

In October 2014, Cr Smith was presented with a Service Award by the Municipal Association of Victoria, recognising 30 years of service and enormous contribution to local government and his local community. He lives and works on his farm near Lismore and has five adult children. Cr Smith has indicated he will not contest the next election.

Committees of Council:

- Environmental Monitoring Committee
- Saleyards Advisory Committee

Other committees and groups:

- Berrybank Windfarm Community Engagement Committee
- Road Safety Committee

CR GEOFF SMITH

32 years of service to the community



North Ward Councillor Geoff Smith has spent more than one third of his life as a Councillor, making an incredible contribution to Local Government and his communities, on top of working his farm just outside Lismore.

First elected to the Shire of Hampden in 1982 and then elected to Corangamite Shire in 1996 (following the 1994 Council amalgamations), Geoff served as Mayor of the Shire of Hampden for two terms in 1986-1987 and 1992-1993. Geoff also served as Mayor of Corangamite Shire for two terms in 2004-2005 and 2005-2006. Incredibly passionate about local issues, activities and events, it is common for Geoff to be out three to four nights per week attending and facilitating meetings, and supporting local groups.

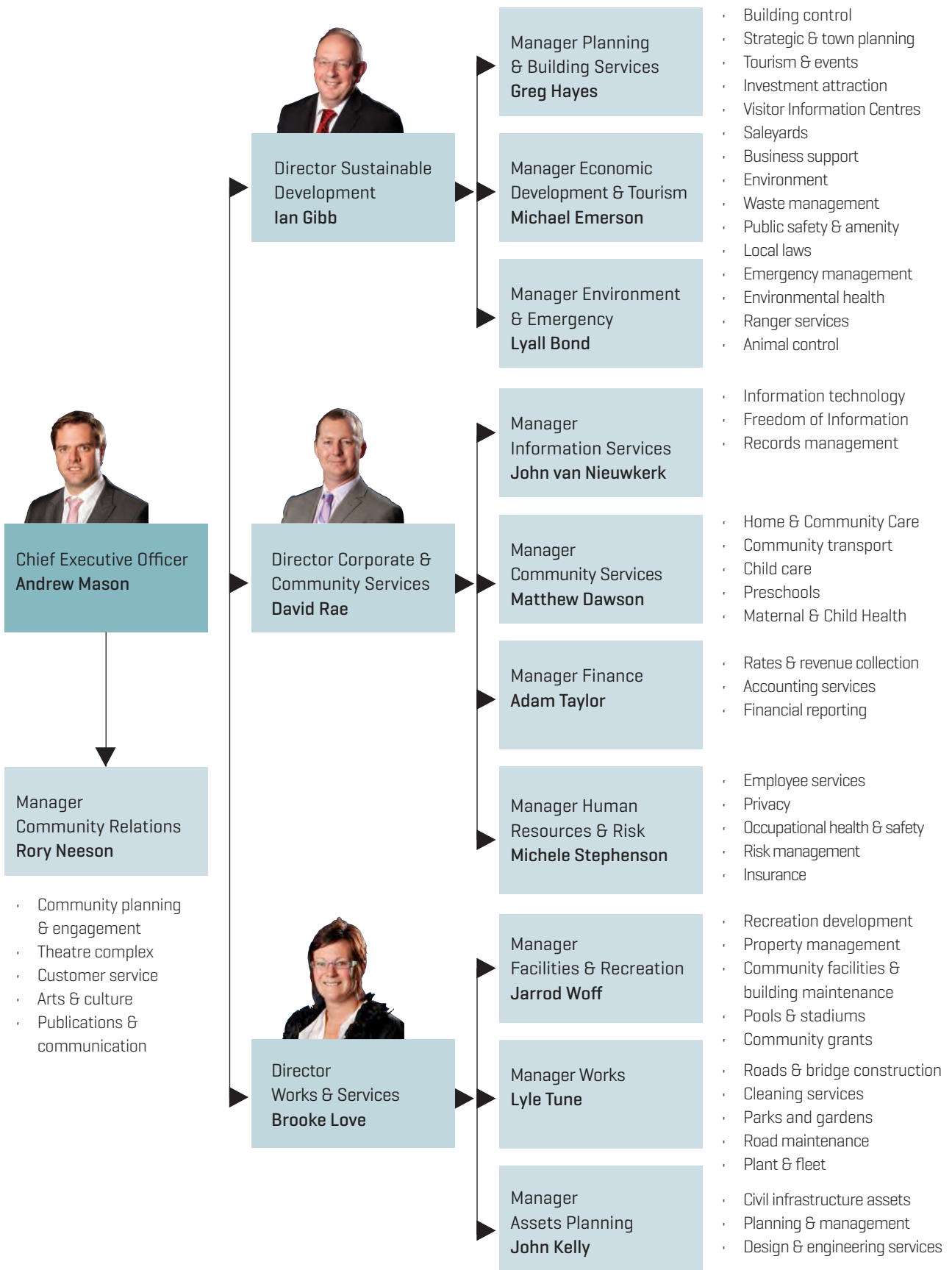
Some of his other roles in the community have included:

- Secretary with Derrinallum Primary School
- Derrinallum High School Committee member
- President Lismore Golf Club
- President Camperdown Horse Trials
- Member Dundonnell and Darlington fire brigades
- Secretary Chatsworth Cricket Association
- Member Victorian Farmers Federation, also serving as District Chairman and member of State Council
- Mount Elephant Management Committee

Councillor attendance at meetings 1 July 2015 to 30 June 2016

COUNCILLOR	COUNCIL MEETINGS ATTENDED	SPECIAL COUNCIL MEETINGS ATTENDED	%
Cr Jo Beard (Mayor)	11/12	3/3	93
Cr Chris O'Connor	11/12	1/3	80
Cr Ruth Gstrein	12/12	3/3	100
Cr Geoff Smith	11/12	3/3	93
Cr Neil Trotter	12/12	3/3	100
Cr Wayne Oakes	11/12	2/3	87
Cr Peter Harkin	11/12	3/3	93

OUR ORGANISATION



OUR VISION, MISSION, VALUES & BEHAVIOURS

OUR VISION:

Our communities will be vibrant, prosperous and growing.

OUR MISSION:

Capitalising on the benefits Corangamite has to offer, we will work with our residents to keep our communities thriving and full of opportunities.

OUR VALUES AND BEHAVIOURS:

INTEGRITY: We will make decisions that are honest, open and accountable. We will act in an honest, open and equitable manner. We will be accountable for our actions and decisions. We will not use our position for personal gain.

RESPECT: We will have respect for diversity of opinion and cultural background. We will hold honest and robust discussion. We will respect and support decisions of Council.

COMMUNITY FOCUS: We will remain committed to achieving outcomes for our community. We will engage with our residents and recognise the value of their contribution. We will improve the long term capacity of our local communities. We will address social disadvantage in our decision-making.

COMMITMENT: We will encourage teamwork. We will have pride in our organisation and our community.

INNOVATION: We will seek to improve efficiency within our organisation. We will encourage learning and professional development of Council and staff. We will support innovation within our communities.

SNAPSHOT OF OUR SERVICES 2015-2016

Preschool immunisations	1,002
4 year old kindergarten enrolments (2016 calendar year)	152
New babies born in Corangamite	149
Maternal & child health appointments	1,616
Street trees	7,966
Kilometres of local roads resurfaced	261
Kilometres of bicycle lanes installed	22
Tonnes of waste collected	4,652
Kilometres of streets swept	30,170
Planning applications received	155
Meals on Wheels delivered	11,222
Telephone calls to Customer Service	39,692
Home & Community Care (HACC) hours delivered	18,308
Mobile Child Care enrolments	181
Family Day Care Educators	23
Famly Day Care hours delivered	104,108
Facebook likes	2,150
Visits to www.corangamite.vic.gov.au	55,528
Customer requests	20,373
Local laws permits issued	200
Pets registered	4,162
Local buildings	140
Skateparks & playgrounds	24
Bridges & major culverts	100
Swimming pool attendances	54,164
Street & road lights	1,361



Operator Vinnie Carter in the new wheeled excavator carrying out drainage works at Hawkes Nest Road in Pomoroneit

OUR PEOPLE

Workforce

As at 30 June 2016, Corangamite employed 274 people (in full time, part time and casual employment) in a diverse range of positions including engineering, customer service, administration, finance, childrens and aged services, sport and recreation, parks and gardens, planning and management.

The total number of employees is made up of 131 full time, 107 part time and 36 casual employees. Four unfilled positions are responsible for a drop of total employees from 278 in 2014-2015. See Tables 1 and 2 (page 26) for a detailed breakdown of employees by division and employment classification.

The average age of our workforce is 48 years, which is slightly higher than 2014-2015. Sixty-four per cent of our staff are aged over 45 and 34 percent aged over 55. The generational profile of our workforce has remained consistent over the past years, and in line with nation-wide trends of ageing populations and workforces. Staff turnover was 10.1 per cent, nearly double that of 2014-2015. Ten retirements in 2015-2016 account for the higher turnover.

Employment type by gender indicates that permanent full time work is predominantly male at 79 per cent. Seventy-one of our 103 full time employed males belong to the Works and Services (outdoor) team. Part time work is predominantly female at 92 per cent, with 76 women employed part time in the Corporate and Community Services division. Casual work is predominantly female at 83 per cent. Our Employment Type by Gender figures have remained consistent over the past years and are reflective of the contemporary workforce where many women tend to seek part time or casual positions to enable a better balance between work/life responsibilities.

Recruitment

We advertised 40 positions (no new positions) in 2015-2016, attracting 329 applications. Vacancies became available in finance, environment, planning, works and services, tourism and environmental health. Four management positions were filled (Manager Works, Finance, Economic Development, and Facilities & Recreation) as well one director level position (Works and Services). Two of these positions were filled by internal appointments.

Child care continues to be an area where finding, attracting and retaining qualified and skilled staff is a challenge.

In 2015-2016 we supported five work placements from South West TAFE and Deakin University. These placements were in the Maternal and Child Health and Kindergarten areas. We also welcomed 17 work experience students from a range of local secondary schools.

Industrial Relations

Employment conditions, pay rates and criteria for the classification of positions are all covered under our Enterprise Agreement.

OUR PEOPLE

Learning and Development

Corangamite Shire aims to provide a supportive environment that encourages employees to seek further learning opportunities. Two of our Environment Officers took up 12 month secondment positions with Manly City Council and Lake Bolac Landcare Group. We supported four staff towards obtaining a tertiary qualification. Every second year we provide compulsory equal opportunity and human rights training to all staff and Councillors.

Training	Number of staff
Finance skills for non-finance staff	12
Induction into Local Government	11
First Aid/Asthma/Anaphylaxis	45
Ignite Program	2
Emergency Management [Emergency Relief Centre operations]	42
Leadership	15

Equal Opportunity, Human Rights & Workplace Culture

Corangamite Shire takes pride in providing a culture that makes our organisation a great place to work. We are committed to building and maintaining an inclusive culture that values diversity and ensures a workplace free from bullying, harassment and other forms of unacceptable behaviour. We recognise that a great workplace culture starts at the top, with our Leadership Group modelling the type of behaviours that we espouse.

We conduct an internal 'Staff Satisfaction Survey' every two years to measure how we are performing. In 2014-2015 there was a return rate of 69 per cent and an overall performance rating of 69.9 percent, up on the previous survey of 66.4 per cent [2012-2013]. The next survey will be conducted in 2016-2017.

Equal Opportunity Program

Our commitment to Equal Opportunity is covered in our Enterprise Agreement and Equal Opportunity Policy (EOP). We identify ourselves as an Equal Opportunity Employer during recruitment and ensure that all new employees are aware of the EOP and Staff Code of Conduct during the induction process. All staff and Councillors are required to attend mandatory anti-discrimination and human rights refresher training every second year. The next refresher is due in 2016-2017. We have formal Complaints, Grievances and Disputes Procedures that enables staff to raise complaints internally

or to an external body. Any matters are dealt with according to our Misconduct, Discipline Policy and Procedures. All of these policies and procedures are available on the staff intranet and in hardcopy outside the HR department and depots.

In 2015-2016, 100% of new employees participated in the induction process. There were no EEO/discrimination related complaints raised. In early 2016 we commenced a comprehensive review of our Staff Code of Conduct, which will be adopted in 2016-2017.

Supporting and informing our staff

In 2015-2016 we partnered with South West Healthcare to deliver a program aimed at staff living with or at risk of developing a chronic health condition. The program 'My Life My Health' focused on self-management, mental health, exercise and healthy eating. Twelve staff participated. The annual Men's Health and Workplace Safety Day was held in May for outdoor staff – with 95% participating.

Corangamite Shire employees (and their families) have access to a range of programs and services designed to support them in their employment and personal life.

In 2015-2016 these included:

- Employee Assistance Program – counselling and wellbeing support to employees and family members to manage issues impacting their lives
- Free immunisations against influenza, whooping cough and Hep B for staff
- Get active month in March coincided with Rec 'Give it a Go' program with exercise bikes placed in the staff room
- Free skin checks for outdoor staff
- Support to Quit Smoking
- Local Government Employee Health Plan
- Vision Super financial seminars and individual financial planning sessions

There are a number of ways Corangamite Shire keeps staff informed and facilitates cross-communication between departments. We publish a weekly Bulletin which is emailed directly to staff and Councillors. The monthly staff newsletter 'Chatter' is sent electronically and in hard copy to staff via payslips. Our staff intranet is the homepage of all desktop computers in the workplace.

Valuing our staff

Eleven of our employees achieved milestones for years of service. All staff who achieve these milestones are recognised at our end-of-year Christmas function.

Staff member	Years of service
Jude Murfitt	20
Sue Currell	20
Cheryl Stewart	25
Peter Stephens (now retired)	25
John Chapman	25
Helen Wilson	30
Margaret Green	30
Warren Stewart	30
James Rylance	30
Chris Hammond	35
Jenny Fry	40

Work-life balance & family friendly options

Corangamite Shire aims to provide supportive, flexible and family-friendly work options to employees. Through our Flexible Work Practices Policy we provide options such as work from home, compressed working hours, purchased leave, time in lieu and temporary part time to accommodate carer responsibilities.

Fundraising and Social Club

We have a five member social club who organise fundraisers and events for employees during the year. In 2015-2016, we participated in RSPCA Cupcake Day, Jeans for Genes Day and Australia's Biggest Morning Tea. Other events/activities included:

- Shrove Tuesday breakfast
- Morning tea for Harmony Day
- Golf Night
- Footy Colours Day
- St Patricks Day lunch
- White Ribbon Day
- Easter Egg raffle
- Ride to Work Day breakfast

Occupational Health and Safety (OHS)

Corangamite Shire maintains a strong commitment to ensuring our workplace is safe. Our 19 member OHS committee meets quarterly to identify and discuss issues, compliance and training/awareness opportunities. Employees are strongly encouraged to complete an incident report for any accidents, near misses or risks they identify in the workplace. It enables our OHS team to be more proactive and less reactive when it comes to minimising risks. All incident reports are recorded in TechOne corporate reporting software. In 2015-2016, 80 incident reports were completed.

Days lost due to injury

In 2015-2016, 290 days were lost due to injury. This is an increase from 224 days in 2014-2015. Three significant incidents were responsible for the majority of these days.

Part of our community

Our employees represent our community with 85 per cent of the Corangamite workforce choosing to live in Corangamite Shire. In fact, many of our employees actively volunteer in their local communities, making a positive contribution outside of their employment.

We recognise that 'being part of the local community' is a valuable quality that our staff can draw upon when working to deliver outcomes or solve issues in Corangamite Shire.



Visitor Information Centre Coordinator Mark Cuthell and Assistant Coordinator Jake Noonan support White Ribbon Day.

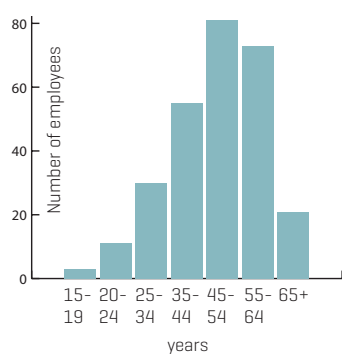
Table 1: Number of Corangamite Shire Employees by Division

	Full time male FTE	Full time female FTE	Part time male FTE	Part time female FTE	Casual male FTE	Casual female FTE	TOTAL
Corporate & Community Services	10	12	2.22	34.28	0	1	59.5
Executive	3	2	0	4.5	0	0.87	10.37
Sustainable Development	18.25	7.82	1.83	4.84	0.74	0.55	34.03
Works & Services	69	5	0.84	0.56	0	0.28	75.68
TOTAL	100.25	26.82	4.89	44.18	0.74	2.7	179.58

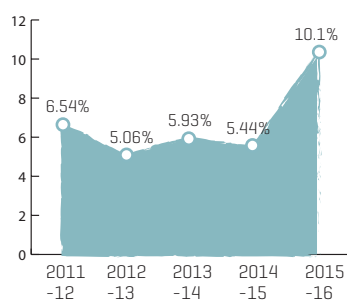
Table 2: Number of Corangamite Shire Employees by Employment Classification

Employment classification	Female FTE	Male FTE	Total FTE
Band 1	1.89	0.34	2.23
Band 2	10.38	6.15	16.53
Band 3	8.43	39.59	48.01
Band 4	5.75	16.50	22.25
Band 5	20.16	16	36.16
Band 6	5.8	11.61	17.41
Band 7	0.5	6.5	7
Band not applicable	15.02	15	30.02
Total	67.93	111.69	179.61

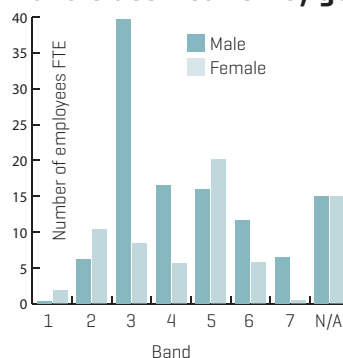
Age of workforce



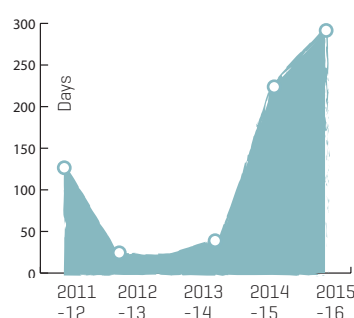
Annual staff turnover



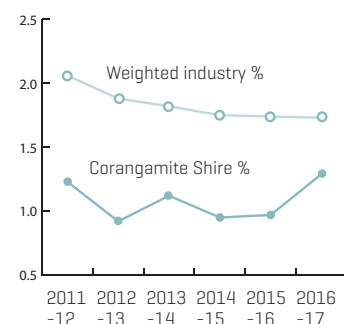
Band classification by gender



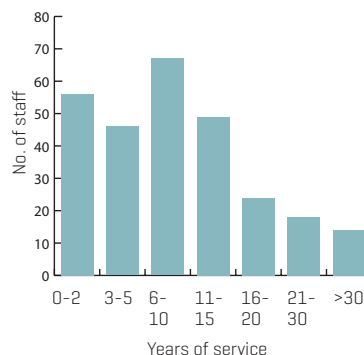
Time lost due to injury



Workcover premium rate



Tenure



COMMUNITY CONTRIBUTORS

We acknowledge and thank the incredible people who support the delivery of a range of Council services and programs during their own time. Council has volunteers participating in environmental and community events, groups, clubs and committees, arts and culture, tourism, libraries, emergency services, aged and disability support and youth services.

Turning a dream into reality Mount Elephant Community Group

The communities of Lismore and Derrinallum have held onto a 15 year ambition to build a visitor centre in the disused quarry of the northern slope of Mount Elephant, the largest scoria cone in Western Victoria.

The Mount is a beacon on the landscape, dominating the flat volcanic plain stretching out in all directions. Open days are held every Sunday from 1-4 pm, and at other times by appointment.

Business plans have been prepared over the years, but the project never managed to get beyond the preliminary design stage. Undeterred, the committee persisted and with Council's support, obtained a \$30,000 planning grant from the State Government to develop a new business case and concept plans.

With an additional \$50,000 from Council, the committee secured a major \$250,000 grant from the State Government to build the \$670,000 centre. A \$400,000 bequest from the Jack and Millie Borbidge Fund was also received. Architects have completed the project design, permits have been approved and builders have been appointed.



Volunteers turn the first sod at the site of the new Mount Elephant Visitor Centre

The Mount Elephant Visitor Centre is expected to open in November 2016.

Not only has this dedicated group of volunteers managed the entire planning and consultation process, they carry out regular work at the Mount, planting trees, cleaning up and meeting visitors each Sunday afternoon.

Supporting our environment Friends of Mount Leura Committee

Friends of Mount Leura members dedicated 3,600 volunteer hours towards the Mount Leura & Mount Sugarloaf Reserves in 2015-2016.

The group holds regular community events, including plant propagation days, wildlife and flora monitoring, working bees, nature play activities and educational events. In late 2015 the Volcanic Education Centre (VEC) was opened as a joint partnership with Camperdown P-12 College. The VEC will be used as an off-campus classroom, further adding to the education and recreational opportunities the Reserves provide. A new short walking trail has also been constructed. When completed, the 'geo-trail' will have interpretive signage and a brochure to provide information about the geology of the site and surrounding landscape.



Volunteers celebrate the opening of the Volcanic Education Centre at Mount Leura and Mount Sugarloaf Reserves

AWARDS & RECOGNITION

Australia Day Citizen of the Year

Cobrico's Barbara Cowley was Corangamite Shire's 2016 Citizen of the Year.

Barb's service to the community spans more than 46 years. She is a driving force behind the CopRice Cobden Spring Festival, as well as Progressing Cobden, Cobden Garden Club, Elingamite-Cobrico Landcare Group, Guides Victoria, Cobrico Hall Committee, the Business Network and Connecting Cobden. She keeps herself busy connecting people by looking after the Cobden Facebook page and website, and by co-producing the Connecting Cobden newsletter.



From left: Barbara Cowley, Toby McKenzie and Helen McMaster

Young Citizens of the Year

Helen McMaster of Camperdown and Toby McKenzie of Tesbury are seasoned community contributors despite their young age.

Helen has volunteered in Camperdown supporting the Good Friday Appeal, the Lions Club Driver Reviver Stop, as well as the CopRice Cobden Spring Festival and Meals on Wheels.

Toby is an active member of Camperdown Theatre Company Committee of Management, Corangamite Arts and assisted Mercy Regional College with its production of High School Musical. He performs at many community events across the Shire including Carols by Candlelight, Anzac Day and Church services.

Community Event of the Year

The idea to bring a rodeo event to Simpson emerged after local Bob Lee suggested it as a way to raise funds towards the new community hub development. The inaugural Simpson Rodeo was held in March 2015, attracting more than 3,000 spectators and raising \$40,000 towards the Simpson Community Hub Building Fund.

Corangamite welcomes four new Australian citizens

Four new citizens formally made Australia home, with ceremonies in Corangamite Shire. Our new citizens came from the Philippines, France and the United Kingdom.

Youth Council

Major achievements of the 2015 Youth Council include:

- Largest ever attendance at the 2015 Youth Achievement Awards

More than 400 people attended the event in Terang, the highest attendance in its eight year history.

The awards are run by the Youth Council to showcase the talent and commitment of young people from across Corangamite Shire.

Major achievements of the 2016 Youth Council include:

- Rainbow Run

The inaugural Rainbow Run in Terang was held in April. The all-inclusive family event featured live music, healthy food and physical activity. The Youth Council will run it as an annual event due to its success.



2016 Youth Council [top photo]: Front row [L to R]: Jazzie Negrello [deputy Youth Mayor], Verity Watt [Youth Mayor], Ripley Watt [Secretary] Back row [L to R]: Emily Hendriksen, Chloe Healey, Alanah Blake- Coverdale, Meg Kenna, Chloe Buck, Sophie-Kate Shaw, Charlotte Delaney and Samantha Buck Bottom photo: Verity Watt

STRATEGIC PLANNING & REPORTING FRAMEWORK

Every Council is required to prepare and adopt a Council Plan by 30 June in the year following a general election, which is now conducted in October on a four-year cycle.



Corangamite Shire’s Council Plan 2013-2017 establishes Council’s planning framework to the community for the next four years and is reviewed annually. The plan guides our actions and goes beyond the legislative framework of the *Local Government Act 1989* to ensure emerging issues and community priorities are strategically addressed.

Strategic objectives in our Council Plan are grouped under six key themes:

1. Stewardship, Governance, Advocacy & Collaboration
2. Positioning for Economic Growth
3. Sustaining our Natural Assets
4. Strengthening our Communities
5. Infrastructure
6. Our Organisation

Progress against the plan is measured quarterly and annually, in quarterly performance reports and the Annual Report.

Performance

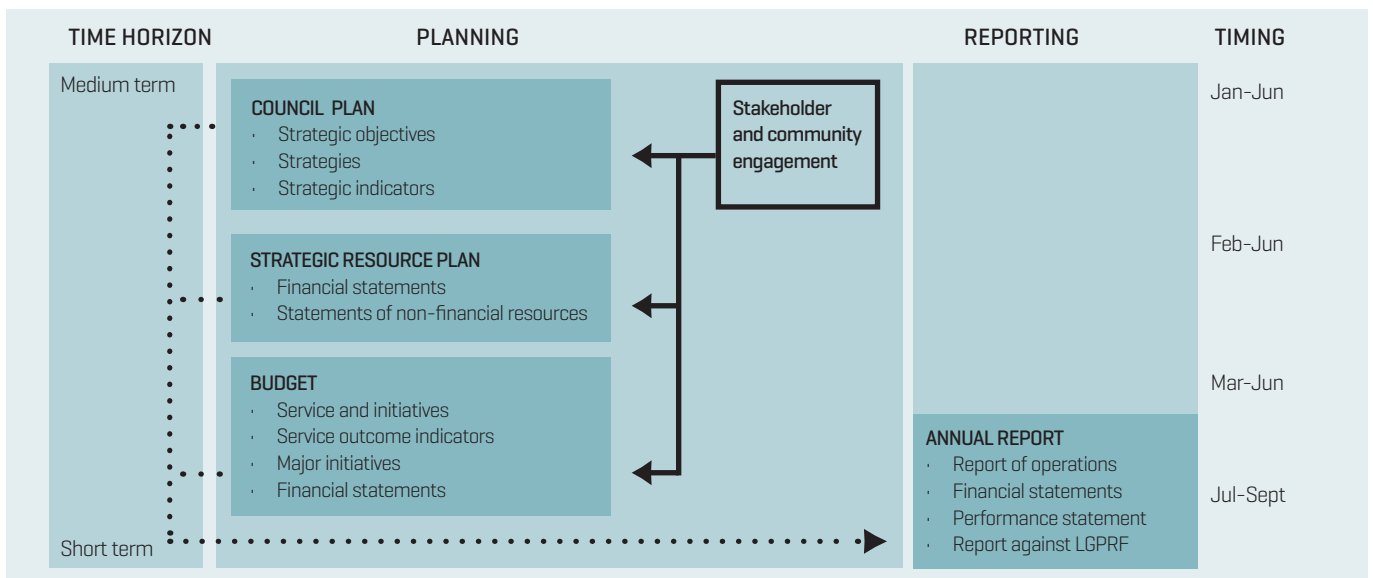
Council’s performance for the 2015-2016 year has been reported against the strategic objectives to demonstrate how Council is performing in achieving the 2013-2017 Council Plan. Performance has been measured as follows:

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

Local Government Performance Reporting Framework (LGPRF)

Introduced by the State Government in 2014-2015 this is a mandatory system of performance reporting to ensure that all councils measure and report on their performance in a consistent way.

The framework is made up of 67 measures and a governance and management checklist of 24 items. Each of the measures are reported against in the relevant section of our annual report.





Mayor Jo Beard and Director Works and Services Brooke Love inspect the poor condition of a State Government managed road

STRATEGIC THEME 1

STEWARDSHIP, GOVERNANCE, ADVOCACY & COLLABORATION

Council will demonstrate high levels of ethical behaviour and corporate governance standards.

We will make budgetary decisions that are reflective of our financial circumstances.

We will advocate for and with the community to achieve outcomes.

Objectives

- 1 Council will maintain strong and effective relationships with Federal and State Governments, other councils and peak bodies to ensure the needs and expectations of our community are addressed
- 2 Model contemporary standards of corporate governance and professional standards
- 3 Council will recognise and make decisions that reflect our financial circumstances
- 4 Recognise and reduce social disadvantage in our community
- 5 Advocate on behalf of our communities

Services

The following services/activities contribute to achieving the objectives and strategies for this strategic theme:

- Governance (Corporate and Democratic)
- Financial services (budget, rating, property valuation, payroll, creditors and investment management)
- Strategic performance planning & reporting
- Policy reviews
- Compliance with *Local Government Act 1989*
- Councillors

Budget 2015-2016

Governance

Expenditure
(Revenue)
Net cost \$'000

1,204

HIGHLIGHTS & ACHIEVEMENTS

Maintaining strong and effective relationships with federal and state governments, other councils and peak bodies

- We continued to be heavily involved in the Great South Coast Group (Moyne, Southern Grampians, Colac-Otway, Glenelg Shires and City of Warrnambool) and Pillar Groups recognising the benefits of regional collaboration on projects such as 'Beyond the Bell'
- In May, the CEO and Mayor met with Indonesian representatives at the Indonesian Consulate in Melbourne to discuss a potential Sister City relationship

Modelling contemporary standards of corporate governance and professional standards

- Review of "Processes of Municipal Government Local Law No. 3 [2009]", with new Local Law "Meeting Procedures Local Law No. 2 [2016] to be adopted July 2016
- Outcome of the Electoral Representation Review reflected what we stated in our submission - that our existing number of Councillors and ward structure is a fair and effective representation of our communities
- No breaches of Councillor Code of Conduct
- Cr Chris O'Connor completed his third term as Mayor in November 2015
- Cr Jo Beard was elected Mayor 24 November 2015
- Council continues to perform strongly across core measures in the 2016 Community Satisfaction Survey, with 'Councillors' rated by residents as one of the best aspects of Corangamite Shire

Recognising and making decisions that reflect our financial circumstances

- Adoption of first Annual Budget and Strategic Resource Plan under the State Government's new rate capping framework (2016-2017 Budget adopted 27 June 2016)
- Total debt was reduced to \$3.194 million. We continue to meet our long-term financial commitments outlined in Council Plan 2013-2017

Recognising and reducing social disadvantage in our community

- CEO and Mayor continued to work closely with the Corangamite Health Collaborative and be part of the Heart of Corangamite Network to address health issues specific to Corangamite Shire residents

Advocating on behalf of our communities

- Developed, published and distributed *Corangamite Shire Priorities 2016-2017* in the lead-up to

the Federal Election. This document listed where we would like to see funding commitments made, enabling Councillors and staff to be consistent and clear in our discussions with all sides of politics

- Councillors and senior officers attended an annual workshop in Melbourne (March 2016) where they met with various politicians to discuss issues affecting Corangamite:
 - The Hon Natalie Hutchins, MP, Minister for Local Government
 - Mr Richard Riordan, MLA, Member for Polwarth
 - Mr James Purcell, MLC, Member for Western Victoria
 - Mr Damian Drum, MLC, Shadow Minister for Regional Victoria
 - Mr Brad Battin, MP, Shadow Minister for Environment
 - The Hon David Davis, MLC, Shadow Minister for Local Government
 - The Hon John Eren, MP, Minister for Tourism & Major Events
 - Ms Heidi Victoria, MP, Shadow Minister for Tourism & Major Events
 - The Hon Lisa Neville, MP, Minister for Environment, Climate Change & Water
 - The Hon. David Hodgett, MP, Shadow Minister for Public Transport
 - The Hon Jaala Pulford, MLC Minister for Regional Development
 - Ms Gayle Tierney, MLC, Member for Western Victoria
 - Mr Simon Ramsay, MLC, Member for Western Victoria

DISAPPOINTMENTS & CHALLENGES

- Rate capping under the Victorian Government's 'Fair Go Rates System' legislation and cost shifting will continue to inhibit Council's ability to deliver services to local communities
- Downward trend in community satisfaction levels across the state
- Negative perceptions of Local Government due to State Government rate capping legislation and associated media coverage
- Increases in regulation and performance reporting requires more resources to meet these requirements

OUTLOOK

- Review of the *Local Government Act 1989*
- Changes to the Great South Coast Group following the departure of Colac Otway Shire and Glenelg Shire
- New Council to be elected in October 2016. Councillor induction and new Council Plan 2017-2021 to be developed
- Participation on the newly established Great South Coast Regional Partnership Group

Progress against our 2015-2016 commitments:

[What we said we would do in our Annual Action Plan]

	BUDGETED 2015-2016	ACTUAL 2015-2016	PROGRESS
COUNCIL PLAN OBJECTIVE:			
Council will maintain strong and effective relationships with Federal and State Governments, other councils and peak bodies to ensure the needs and expectations of our community are addressed			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Prepare advocacy material suitable for the next Federal Election <i>Corangamite Shire Priorities 2016-2017 brochure designed and printed in-house. Used by Councillors and senior staff in the lead-up to the 2016 Federal Election</i>	NIL	NIL	100%
COUNCIL PLAN OBJECTIVE: Model contemporary standards of corporate governance and professional standards			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Review and update Local Law Meeting Procedures <i>Internal review undertaken and legal advice received. No submissions following consultation. To go to the July 2016 Council Meeting for adoption.</i>	5,000	2,920	95%
COUNCIL PLAN OBJECTIVE: Recognise and make decisions that reflect our financial circumstances			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Research and identify a preferred model for improving organisational efficiency and performance. <i>Identified service review methodology. To commence in 2016-2017</i>	NIL	NIL	100%
COUNCIL PLAN OBJECTIVE: Recognise and reduce social disadvantage			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Develop Social Justice Policy <i>Draft policy completed in June 2016. Community consultation before going to Council for adoption in late 2016</i>	NIL	NIL	80%
Complete advocacy for road and rail <i>'Corangamite's arterial roads need urgent attention' published in-house and used by senior officers to advocate to VicRoads and State Government</i>	NIL	NIL	100%
Prepare advocacy material to facilitate implementation of the Shipwreck Coast Master Plan <i>Map designed and published in-house outlining details of proposed projects and level of investment required for each site. To be distributed in next financial year</i>	NIL	NIL	80%
Completion of Business Case for Twelve Apostles <i>Project integrated with Shipwreck Coast Master Plan which is coordinated by Parks Victoria</i>	NIL	NIL	30%
Update information & statements describing Council & refresh advocacy materials <i>New statements about Corangamite Shire completed and contained in this Annual Report (Introduction). New information signage still to be completed</i>	5,000	NIL	75%

Progress against performance measures set out in Council Plan

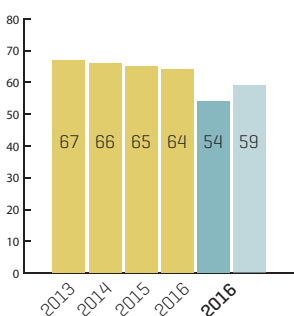
[How we said we would measure our success in the Council Plan 2013-2017]

Performance measure/indicator	Result 2015-2016	Comment
Working Capital Ratio will be maintained between 1.0 and 1.50	X	Working Capital Ratio (Liquidity) is at 2.77 for 2015-2016 due to reduction of borrowings and increase in cash on hand
Renewal gap will be at least 1.0 average for the life of the plan	✓	Renewal Gap was 1.17 for 2015-2016, an increase from 1.05 in 2014-2015
Indebtedness levels will not exceed 40%	✓	Indebtedness levels were 28.71% in 2015-2016, down from 32.13% in 2014-2015
Community satisfaction rating for 'Advocacy' will continue to be in top 25% for Large Rural Shires	✓	2016 rating for 'Advocacy' was 57, down from 63 in 2015, but still above the Large Rural Shires average of 50
All Councillors will undertake training annually	✓	All Councillors attended an annual workshop in Melbourne (March 2016) where they were trained on a range of governance matters
Community satisfaction rating for 'Council performance' will continue to be in top 25% for Large Rural Shires	✓	2016 rating for 'Overall Performance' was 64, down from 65 in 2015, but still above Large Rural Shire average of 54
No breaches of the Councillor Code of Conduct	✓	No breaches
Evidence of benefits of regional collaboration	✓	Joint road sealing contract with Warrnambool City Council. Active member of Great South Coast Group

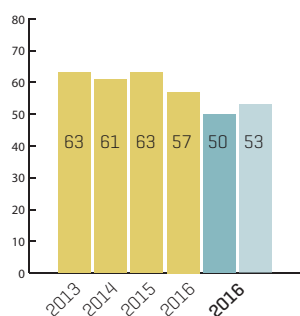
Indicators of success

2016 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

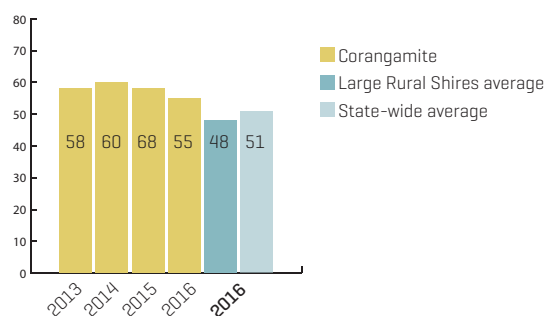
Overall performance



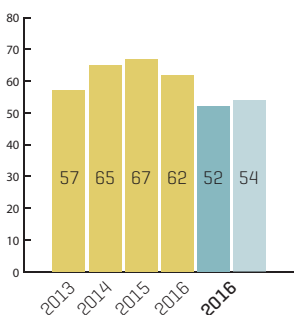
Advocacy & lobbying



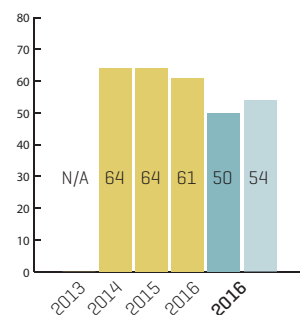
Overall direction



Community consultation



Making community decisions



Local Government Performance Reporting Framework (LGPRF)

Service/Indicator/Measure	Result 2015	Result 2016	Comment
GOVERNANCE			
<p>TRANSPARENCY Council decisions made at meetings 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, 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] x 100</p>	14%	11.76%	All Council decisions made at meetings closed to the public were in accordance with the Local Government Act
<p>CONSULTATION AND ENGAGEMENT Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]</p>	67/100	62/100	Although lower, Council results remain above the state average and large rural shire average. Council believes negative sentiment towards Local Government has contributed to the downward trend experienced state-wide
<p>ATTENDANCE Councillor attendance at Council Meetings [including Special Meetings] [The sum of the number of Councillors who attended each Ordinary and Special Council Meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x 100</p>	93%	93.33%	Some Councillors had extended periods of leave during the reporting period and were not able to attend
<p>SERVICE COST Cost of governance [Direct cost of the governance service / Number of Councillors elected at the last Council general election]</p>	\$43,852.57	\$41,003.71	The cost of governance was slightly lower due to lower professional development costs
<p>SATISFACTION [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</p>	64/100	61/100	Although lower, Council results remain above the state average and large rural shire average. Council believes negative sentiment towards Local Government has contributed to the downward trend experienced state-wide

Making our community's priorities known in the lead-up to the Federal Election

With the Federal Election approaching on 2 July 2016, Council developed a list of priorities, to highlight where we wanted to see commitments made by candidates in the Wannon electorate.

Our priorities included:

- \$15 million for the Twelve Apostles Trail
- \$15 million towards high priority projects outlined in the Shipwreck Coast Master Plan, such as improvements to the Twelve Apostles Visitor Centre and Port Campbell streetscape
- \$150,000 to complete Terang Streetscape – Stage 3
- Long term extension of the Federal Government's Roads to Recovery Program
- Continued funding and support for the dairy sector and small businesses and communities impacted by the cuts to farm gate milk prices
- Inclusion of Princes Highway West on the National Land Transport Network and funding for improvements from Colac to the South Australian border
- A migration growth project for regional Australia

All Councillors and senior staff had a copy of the brochure so we were all 'on the same page' when it came to lobbying candidates. The document was also available on our website.

"Our Council believes it is important to engage with all sides of politics and over the coming weeks I will be looking to meet with all of the candidates to advocate for projects and issues that are important to our communities," Mayor Beard said.



Spotlight on: Roads funding

Corangamite Shire has the manpower, the expertise and the skills to maintain and improve our roads. But there is only a certain amount we can achieve unless we get adequate funding support from other levels of government.

Funding is everything.

In 2015-2016 our local roads program received an enormous boost with additional funding from the Federal Government's Roads to Recovery Program.

"Our local roads program is heavily reliant on external funding and we usually receive \$1.6 million through Roads to Recovery," Cr Beard said. "This year we received double the normal allocation and an extra \$1.4 million, which enabled us to fast track works and achieve more."

The Federal Government also announced \$3.7 million on top of the \$1.6 million allocation for 2016-2017, investing a total of \$5.3 million in Corangamite Shire's local roads.



A \$732,000 upgrade to a section of the Terang-Framlingham Road is a major part of a \$4.6 million program to improve Corangamite Shire's local roads network. Mayor Jo Beard is pictured with Member for Wannon Dan Tehan and crew members Russell 'Tank' Pearson and Mick Harrison.

The program, which is being carried out by the Shire's road crews, involves 76 separate projects targeting sections of road and residential streets needing attention.



Visitors sample cheese from Apostle Whey Cheese, a member of the Food Artisans Group

STRATEGIC THEME 2

POSITIONING FOR ECONOMIC GROWTH

The economy of Corangamite Shire is strong but there are significant opportunities for Council to play an active role in business development and attraction.

Continuing to grow our population is important to economic opportunity and the long term prosperity of the area.

Objectives

- 1 Grow our population for the sustainability of the economic base of our community
- 2 Support the expansion of agricultural diversity and the value adding of agricultural product
- 3 Encourage and support the expansion of the tourist industry
- 4 Recognise our role in the global economy
- 5 Become a leading area for energy production
- 6 Encourage and support business investment and expansion that creates more jobs in Corangamite

Services

The following services/activities contribute to achieving the objectives and strategies for this strategic theme:

- Economic Development
- Camperdown Saleyards
- Tourism [Visitor Information Centres]

Budget 2015-2016		Expenditure [Revenue] Net cost \$'000
		274
Economic Development		[10] 265
Saleyards		620 [824] [205]
Tourism		448 [94] 354

HIGHLIGHTS & ACHIEVEMENTS

Growing our population for the sustainability of the economic base of our community

- BBQ for new residents held at the Camperdown Botanic Gardens in March with 25 in attendance
- Number of new planning applications increased from 135 in 2014-2015 to 155 in 2015-2016

Supporting the expansion of agricultural diversity and the value adding of agricultural products

- Supported Food Artisans Group to develop a Business Plan and strengthen niche food production in the Shire

Encouraging and supporting the expansion of the tourist industry

- Corangamite Shire won the Local Government Award for Tourism at the 2015 RACV Victorian Tourism Awards in November
- Council continued to support major events such as the Camperdown Cruise, Terang Country Music Festival, Cobden Spring Festival, Robert Burns Scottish Festival and Corangamite Foodies Feast
- Started developing a new Corangamite Festivals & Events Strategy
- Developed the Twelve Apostles Coast and Hinterland Destination Action Plan with 12 Apostles Business and Tourism Association and Great Ocean Road Regional Tourism (GORRT)
- The Shipwreck Coast Master Plan was launched in December 2015 with \$9.8 million funding announced by the State Government towards priority projects
- Visits to www.visit12apostles.com.au increased 31% in 2015-2016
- Carried out market research on Chinese visitors' experience at the Twelve Apostles, Port Campbell and other towns in Corangamite Shire
- Started a shared service arrangement with Warrnambool City Council with Bookeasy, an online visitor booking system operating out of the Port Campbell Visitor Information Centre
- Continued to work closely with the Great South Coast Group, and in partnership with Great Ocean Road Regional Tourism (GORRT), Parks Victoria and Tourism Victoria to encourage investment and product development

Encouraging and supporting business investment and expansion that creates more jobs in Corangamite

- Our inaugural Retail Area Facade Improvement Program was highly successful, providing grants of up to \$3,000 to improve shopfronts in town centres. Funding was provided on a \$ for \$ basis, with a total of 31 projects employing local tradespeople and resulting in more than \$200,000 invested into renewal works. A second round of the program will be offered in 2016-2017
- The third round of the Business Infrastructure Support Fund (BISF) provided low interest loans to four local businesses looking to expand and create jobs
- Camperdown Saleyards increased market share from 33.6% to 35.5% in 2015-2016

DISAPPOINTMENTS & CHALLENGES

- Impacts from cuts to the milk price will continue to reverberate through our dairying communities
- Population continues to decline in Corangamite Shire from 15,996 in 2014 to 15,671 in 2015
- Still to attract suitable investors for some key sites/development opportunities across the Shire

OUTLOOK

- Stabilising and growing the Shire's population remains a core issue
- We will need to encourage resilience within the dairy industry despite the low milk price
- Agriculture will continue to remain a key industry for Corangamite Shire. New food production and processing opportunities are likely to emerge
- Corangamite Festivals & Events Strategy will be released for public consultation before going to Council for adoption

Progress against our 2015-2016 commitments:

[What we said we would do in our Annual Action Plan and how much we would spend in our Budget]

	BUDGETED 2015-2016	ACTUAL 2015-2016	PROGRESS
COUNCIL PLAN OBJECTIVE: Grow our population for the sustainability of the economic base of our community			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Identify and attend two additional Expo Events to attract population <i>Regional Living Expo was cancelled by the State Government. Alternative programs in development. A 'Welcoming New Residents' event was held in March 2016 and a Population Audit was completed</i>	10,000	1,579	10%
Design a pilot project to attract migrant labour to dairy industry processing in Corangamite in partnership with industry and other relevant agencies <i>Discussions commenced with WestVic Dairy but project delayed due to dairy industry crisis</i>	15,000	NIL	10%
Develop/refresh new residents' kit and evaluate options for expanding a Welcome Program for new residents <i>Reviewed New Residents' Kit and held Welcoming BBQ in March 2016</i>	5,000	NIL	100%
Hold quarterly meeting with WestVic Dairy and other industry groups to identify new opportunities and partnerships <i>Quarterly meetings being held - We are exploring holding a workshop on migrant labour attraction with WestVic Dairy</i>	NIL	NIL	100%
COUNCIL PLAN OBJECTIVE: Support the expansion of agricultural diversity and the value adding of agricultural product			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Support an Industry Forum (Dairy Inspire) on dairy futures <i>Held in September 2015 and well attended</i>	5,000	5,000	100%
Facilitate at least one new dairy processing opportunity to increase employment in dairying processing within Corangamite Shire. A major dairy is looking to expand operations and we are currently working with planning consultants to facilitate	NIL	NIL	75%
Attract at least three new business operations to Corangamite Shire & facilitate expansion of five existing business opportunities already located within the Shire <i>More than three new businesses have commenced operating in the Shire</i>	NIL	NIL	100%
Participate in the development of a Business Plan for the Food Artisans Group to strengthen niche food production in the Shire <i>Food Artisans Group successfully launched new Business Plan in late 2015</i>	15,000	15,000	100%
Provide a workshop to encourage additional B&B/Farm Stay businesses and a training program for operators. Held May 2016 with 12 participants	10,000	3,985	100%
COUNCIL PLAN OBJECTIVE: Encourage and support the expansion of the tourist industry			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Extend Welcoming Chinese Visitor Program and provide workshops to train business operators and work with other Great South Coast councils to expand the program within the region <i>Conducted operator feedback survey, developed and improved three translated resources due to feedback, produced and distributed holiday calendars and four key festival posters and fact sheets. Increased digital reach of Chinese microsite using QR codes in destination</i>	10,000	7,069	100%
Participate in Regional Tourism Board and promote benefits of business participation in marketing <i>Funds allocated to Great Ocean Road Regional Tourism to support its role in coordinating destination marketing efforts for the Shipwreck Coast region (which includes Corangamite Shire)</i>	79,000	78,976	100%

Develop and implement an accommodation booking service through Port Campbell Visitor Information Centre <i>Shared service arrangement with Warrnambool City Council through Bookeasy</i>	12,000	1,820	100%
Complete a preliminary Feasibility Study in relation to future Visitor Information Centre operations <i>Project has commenced in partnership with Great Ocean Road Regional Tourism (GORRT)</i>	40,000	40,000	60%
Prepare an Event Strategy to expand the scale and economic benefit of festivals and events. <i>Project has commenced with Stage 1 results presented to Council</i>	30,000	13,068	70%
Complete a preliminary feasibility investigation in relation to the suitability of the Port Campbell Rifle Range for a hot springs/spa facility <i>Project has commenced but has been delayed due to further investigation into gas pipeline constraints of the site</i>	10,000	NIL	60%

COUNCIL PLAN OBJECTIVE: Recognise our role in the global economy

ACTIONS FROM ANNUAL ACTION PLAN 2015-2016

Review export opportunities in China, focusing on how to increase opportunities for local product to be exported to Asia <i>Export-Ready workshop delivered with VECCI for local producers</i>	NIL	NIL	100%
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COUNCIL PLAN OBJECTIVE: Encourage and support business investment and expansion that creates more jobs in Corangamite

ACTIONS FROM ANNUAL ACTION PLAN 2015-2016

Implement CBD façade improvement program <i>Program was oversubscribed and attracted such quality applications that Council decided to allocate dollars from an other budget area [community planning]</i>	30,000	51,652	100%
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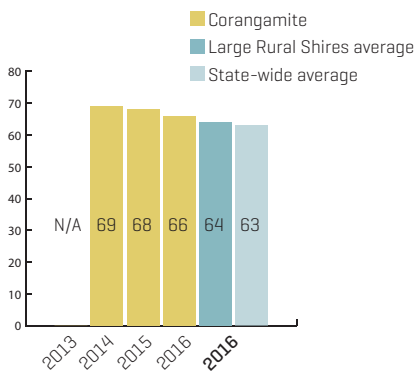
OTHER BUDGETED INITIATIVES:

Business Infrastructure Support Fund Round 3	\$100,000
Contribution to Mount Elephant Visitor Centre	\$50,000
Contribution to Terang Country Music Festival, Cobden Spring Festival & Camperdown Horse Trials	\$12,500
Contribution to Camperdown Cruise	\$30,000

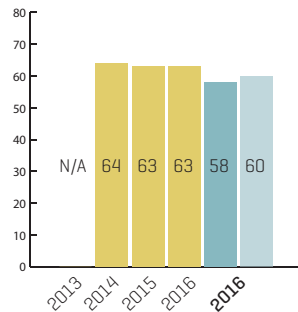
Indicators of success

2016 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

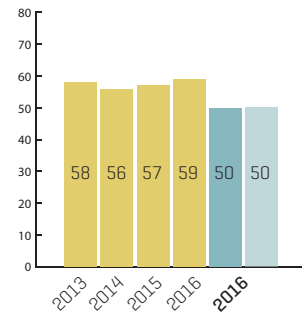
Tourism development



Business & community development



Planning & building permits



Corangamite Shire wins 'Local Government Award for Tourism' at RACV Victorian Tourism Awards

Corangamite Shire won its category in the prestigious 2015 RACV Victorian Tourism Awards, taking out the Local Government Award for Tourism in November 2015.

CEO Andrew Mason said the Council was honoured to accept the award, which recognised a range of significant tourism achievements across the Shire.

"Receiving the award is fantastic recognition of the work completed by Council staff, project partners and the community.

"With the Twelve Apostles listed as one of Australia's top three most recognised natural attractions, innovative projects to increase the economic yield from tourism and to encourage visitors to stay longer are critical for our Shire," he said.

Over the last five years Council has increasingly prioritised tourism in its Economic Development Strategy and placed an emphasis on working with a number of different industry partners.

Council has implemented creative marketing strategies through the Port Campbell VIC, including the Welcoming Chinese Visitor Program and continued to work with communities through the Building Stronger Corangamite Communities program, supporting festivals and events and upgrading facilities to improve the visitor experience.



Corangamite Shire's Director Sustainable Development Ian Gibb and Chief Executive Andrew Mason

Mr Mason added that tourism was a key to the future economic success of Corangamite Shire, which would benefit from job creation and strengthen the local contribution to Victoria's economy.

"There are exciting future opportunities in Corangamite Shire including strengthening the relationship between agriculture and tourism building on the success of the Twelve Apostles Gourmet Trail, partnering with the Great Ocean Road Regional Tourism Board and working with the local community to strengthen tourism product.

Progress against performance measures set out in Council Plan

[How we said we would measure our success in the Council Plan 2013-2017]

Performance measure/indicator	Result 2015-2016	Comment
An increase in population	X	Population declined from 15,996 in 2014 to 15,671 in 2015
An increase in business investment	✓	The value of commercial building activity increased nine fold in 2015-2016
An increase in use of the Twelve Apostles website	✓	Increased by 31% in 2015-2016 to 191,000 visits
An increase in the number of beds and length of stay for visitors	✓	Average length of stay increased 9.7% from 2014-2015
Maintain or grow stock numbers through Camperdown Saleyards	X	Stock numbers have dropped slightly from 48,301 in 2014-2015 to 46,447 in 2015-2016, but market share has increased from 33.6% to 35.5% over the same period.
Increase the number of business networks and attendance at business training	✓	We delivered seven workshops with Business Victoria and a B&B/Farmstay Accommodation workshop

Spotlight on:

Retail Area Facade Improvement Program

One of our success stories of 2015-2016 was the inaugural Retail Area Facade Improvement Program.

Council provided grants of up to \$3,000 to local businesses in town centres to improve shopfronts. The broader aim of the program was to improve the presentation of towns and streetscapes in Corangamite Shire.

Eligible works could include:

- Painting of the facade
- Cleaning of the existing facade
- Removal of redundant signage, air conditioning units and hoardings
- Minor repair, maintenance or reinstatement of missing elements
- Minor repairs to existing facade tile or stone accents
- New repairs or replacement of verandahs

Funding was provided on a \$ for \$ basis, with a total of 31 projects employing local tradespeople and resulting in more than \$200,000 invested into renewal works.

When the program opened, 13 businesses in Terang successfully applied for funding. Reicha's Drapery was part of a group of businesses in the same building block who each received funding to clean the building, repaint and make individual improvements to modernise the area.



The Kelly Building block in Terang where a group of businesses worked together to make improvements to their shopfronts through the Retail Area Facade Improvement Program.

Owner Michael Reicha believes the shopfront improvements complement the streetscape project.

"A fair part of the retail precinct has been done and it's a lot better to look at," he said.

"I think it's one of the better things that has been done for small businesses."

Michael Reicha, Reicha's Drapery



Environment Coordinator Belinda Bennett [right] with Warrnambool City Council's Kate McInnes at Corangamite Regional Landfill

STRATEGIC THEME 3

SUSTAINING OUR NATURAL ASSETS

Corangamite Shire has a rich natural environment. The Council will work closely with the community to address environmental issues. Council is also committed to improving its own environmental practices.

Objectives

- 1 Manage our environment for future generations
- 2 Reduce energy consumption and promote use of clean energy
- 3 Manage waste, including household waste and organics to increase recycling volumes
- 4 Build resilience in our communities to adapt to impacts of climate change

Services

The following services/activities contribute to achieving the objectives and strategies for this strategic theme:

- Sustainable Development Management
- Waste management and Naroghid Landfill
- Environmental services

Budget 2015-2016	Expenditure [Revenue] Net cost \$'000
Sustainable Development Management	702 [103] 599
Environment	348 [8] [340]
Waste Management	6,033 [4,598] 1,434

HIGHLIGHTS & ACHIEVEMENTS

Managing our environment for future generations

- After rating low in 'Roadside slashing and weed control' in the 2015 Community Satisfaction Survey, Council committed an extra \$40,000 (on top of annual allocation of \$50,000) to expand the annual Roadside Weed Control Program. This enabled 950 km of roadsides to be treated, 17% more than 2014-2015.
- Our Roadside Weed Mapping & Works Tracking App won the MAV Award for Innovation. The app uses cloud and mobile technology to identify, track, assess and record treatment of weeds across the Shire. The app was further refined in 2015-2016 with feedback from weed contractors and has resulted in more accurate management of the weed program
- We developed a new policy to deal with Fuel Reduction Slashing on Roadsides. The policy reduces red tape around slashing, allowing landowners to slash grass in front of their properties without having to obtain a permit in certain circumstances
- We held our annual Staff Propagation Program in February, resulting in more than 2,000 seedlings being grown for use by community groups

Reducing energy consumption and promoting use of clean energy

- Completed a carbon analysis of Council operations which produced an overall carbon emissions factor of 4,132 tonnes CO²
- More than 50 residents attended our Renewable Energy Information Night held in May 2015. The workshop explored renewable energy options for private properties and gauged interest in a community-owned renewable energy venture
- We improved the way we record water usage across all of our Council sites and facilities, enabling us to better monitor trends and plan reductions
- Converting toilets to rainwater at the main Council offices is saving 10,000 litres annually

Managing waste, including household waste and organics to increase recycling volumes

- Kerbside waste in Corangamite Shire decreased from 6.9kg/household per week to 6.5kg/household per week
- Corangamite Shire continues to have above average recycling rates with a kerbside diversion rate of 60.92% [state average 45%]
- 100 properties were added to the kerbside collection service, including the township of Glenormiston
- We introduced a weekly kerbside green waste collection between October and December in response to feedback

in our community survey. Survey results identified the need for more greenwaste capacity over spring

- We provided one week of free greenwaste drop-off at all transfer stations as part of Fire Action Week
- Completed Stage 1 of Alternative Waste Management Investigation at Naroghid Landfill. This three stage project explores a range of waste technologies (and the financial viability of these technologies) that could be deployed at Naroghid Landfill into the future. Stage 1 involved a review of the existing waste volumes, what can be expected and potential resource recovery solutions in the future

Building resilience in our communities to adapt to impacts of climate change

- The 2015-2016 round of the Environment Support Fund was distributed in July 2015, with 19 projects fully funded and eight receiving partial funding. The projects resulted in more than \$180,000 worth of environmental works and initiatives across the Shire

DISAPPOINTMENTS & CHALLENGES

- A Blackberry Leaf Rust trial was carried out at three sites in the south of the Shire. A leaf rust fungus was released to target blackberries and inhibit the plants' ability to spread. The results were disappointing with two of the three sites showing little impact, while the third site showed some minimal signs of impact
- Despite a significant investment and more roadside weed control works, community satisfaction for slashing and roadside weed control declined by one point to 48 points
- EPA restrictions on the operation of Naroghid Landfill continue to be challenging. A proposed design variation for Cells 13 and 14 was rejected by the EPA - with the decision considered to be more 'policy based' than on technical merit and reduced risk to environment
- Naroghid Landfill tonnages decreased from 34,447 tonnes in 2014-2015 to 27,436 tonnes in 2015-2016. Primarily due to three municipal customers returning to a closer landfill
- Elm Leaf Beetle infestation detected in most of the Shire's towns

OUTLOOK

- Stage 2 of the Alternative Waste Management Investigation at Naroghid Landfill
- Completion of Cell 14A and capping of Cells 11 and 12 at Naroghid Landfill

Progress against our 2015-2016 commitments:

[What we said we would do in our Annual Action Plan and how much we would spend in our Budget]

	BUDGETED 2015-2016	ACTUAL 2015-2016	PROGRESS
COUNCIL PLAN OBJECTIVE: Manage our environment for future generations			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Undertake weed control on 250 km of roadsides across the Shire. Completed a successful <i>We treated 950 km of roads in 2015-2016, 17% more than in 2014-2015</i>	90,000	87,493	100%
Establish a Council policy and support framework for landowners to undertake fuel management on low conservation and low risk roadsides <i>Policy has been developed and will be presented to the August 2016 Council meeting for consideration</i>	NIL	NIL	90%
COUNCIL PLAN OBJECTIVE: Reduce energy consumption and promote use of clean energy			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Develop with VicRoads a program for replacement of existing cost shared street lighting with more energy efficient type. <i>We continue to advocate to VicRoads through Great South Coast Group and MAV to replace main road lights with energy efficient types</i>	NIL	NIL	60%
COUNCIL PLAN OBJECTIVE: Manage waste, including household waste and organics, to increase recycling volumes			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Develop a Stormwater Management Plan for Naroghid Landfill to improve water flows across the site and increase the potential to use stormwater in the composting process	NIL	NIL	100%
Commence a new kerbside collection contract, which includes additional green organics collections <i>We started a new contract with Wheelie Waste which includes weekly collection of green organics from October to December 2016</i>	NIL	NIL	100%
COUNCIL PLAN OBJECTIVE: Build resilience in our communities to adapt to the impacts of climate change			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Establish a community bio-links project and commence the development of a strategy. <i>The biolinks project is being carried out in partnership with Colac Otway Shire with a Strategic Plan currently being developed. See page 47</i>	NIL	NIL	100%
OTHER MAJOR BUDGETED INITIATIVES:			
Environment Support Fund			\$40,000
Finlay Avenue of Elms, Camperdown - Stage 1 Arborist assessment and pruning			\$50,000
Finlay Avenue of Elms, Camperdown - Stage 1 Automated watering system upgrade			\$30,000
Port Campbell Transfer Station - new retaining wall			\$80,000
Terang Pound - improvements to animal exercise area			\$10,000

Progress against performance measures set out in Council Plan

[How we said we would measure our success in the Council Plan 2013-2017]

Performance measure/indicator	Result 2015-2016	Comment
Alternate Wastewater Management Guide for non-sewered towns completed	✓	A guide has been developed to help people design wastewater systems in difficult areas
Reduce Council's reliance on grid provided electricity and water from the potable water supply	✓	Water tanks installed at Civic Centre in Camperdown are saving 10,000 litres annually. Solar panels installed at Council buildings produced 114,220 kW in 2015-2016
Increase in kerbside recycling and the diversion of food and green waste from landfill	✓	Collected 1,311 tonnes of recyclables and 1,565 tonnes of green waste in 2015-2016. Recyclables have dropped from 1,343 tonnes in 2014-2015, but green waste has increased from 1,475 in 2014-2015
Investment in renewable energy in Corangamite Shire	X	Strong attendance at our Renewable Energy Night, but slow take-up of new installations

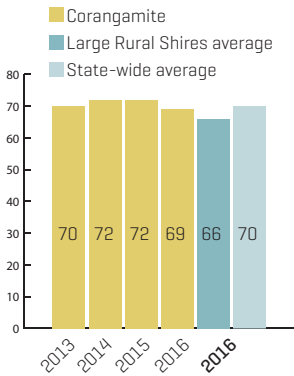
Local Government Performance Reporting Framework (LGPRF)

Service/Indicator/Measure	Result 2015	Result 2016	Comment
WASTE COLLECTION			
SATISFACTION			
Kerbside bin collection requests per 1,000 households (Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households) x 100	59.92	60.61	
SERVICE STANDARD			
Kerbside collection bins missed (Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts) x 10,000	8.61	4.58	A new contract for kerbside collection commenced during the reporting period which improved the collection request and investigation process for missed bins
WASTE SERVICE COST			
(Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins)	\$98.98	\$95.76	
RECYCLING SERVICE COST			
(Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins)	\$55.67	\$28.98	A new contract for kerbside collection commenced during the reporting period which resulted in a reduction in Council's recyclable collection cost per bin
WASTE DIVERSION			
Kerbside collection waste diverted from landfill (Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins) x 100	59%	60.92%	

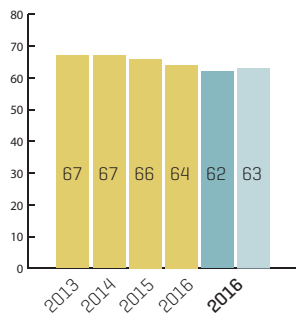
Indicators of success

2016 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

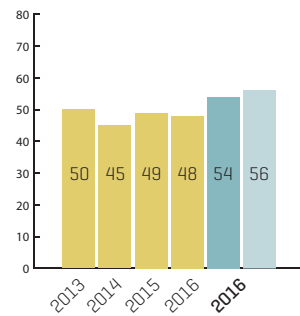
Waste management



Environmental sustainability



Roadside slashing & weed control



Using new ideas and technology to manage weeds along our roadsides

Corangamite Shire is responsible for monitoring and managing weeds along 2,205 kilometres of roadsides.

That’s no easy task. Blackberry is a major culprit, choking the vegetation along our roads, especially in the southern parts of our Shire. In recent years our Community Satisfaction results for ‘Roadside slashing and weed control’ have been consistently lower than state averages, prompting us to look at ways to improve or do things differently.

In 2015 we partnered with Datalink Internet Systems to develop a Roadside Weed Mapping and Works Tracking App to streamline works and better monitor our annual roadside weed control program.

The app is the first of its kind in Victoria, helping staff quantify the extent of weeds in a location, monitor the work of contractor teams and measure progress towards reducing infestations.

Director Sustainable Development Ian Gibb said contractors were able to easily navigate to a particular weed infestation via the app and update the status with treatment method, time and date.

“The works are clearly identified, mapped and the types of chemicals recorded, so staff can review the effectiveness of the spraying and monitor if there is any resistance,” Mr Gibb said.

The new technology has already proven to be value for money, improving mapping and saving time for contractors. Corangamite Shire has been recognised at the MAV Awards by receiving first prize in the Technology and Innovation category.



Corangamite Shire’s GIS & IT Support Officer Ben Stephenson, Manager Environment & Emergency Lyall Bond and Environment Officer Kristie King accept the Technology and Innovation Award at the MAV Awards in August 2015

In 2015-2016 we committed \$90,000 to expand our annual Roadside Weed Control Program (an extra \$40,000 on top of the allocated \$50,000).

This enabled 950 km of roadsides to be treated, 17% more than in 2014-2015.

Priority weeds included:

- blackberry (514 km of roadside treated)
- sweet pittosporum (145 km treated)
- pampas grass (376 km treated)
- briar rose (22 km treated)
- other weeds - spanish heath, blue periwinkle, mirror bush, arum lilly, english ivy and cape ivy (89 km treated)

Spotlight on:

Environment Support Fund 2015-2016

Environmental literacy, sustainable practices and inspiring outdoor play spaces are a key focus of the 'Outdoor Kids' program at Noorat Primary School.

The school received a \$2,000 grant from Corangamite Shire's Environment Support Fund last year to install a 3,000 litre tank to irrigate their nearby vegetable patch.

Principal Ken Plummer said the year round water supply had extended the productive life of the patch, allowing students and parents to use the produce in cooking classes, monthly meals and breakfast club. As part of the program, students also visited the outdoor classroom at Forrest Primary School.

"The grant is a terrific opportunity for community groups to enrich their projects and is a win-win on so many levels," Mr Plummer said.

The Environment Support Fund offers grants of up to \$2,000 to community groups, schools, organisations and individuals to undertake environmental and sustainability projects within Corangamite Shire. Applicants must match the amount of funding requested with cash or in-kind contributions.

The 2015-2016 round of funding was distributed in July 2015, with 19 projects fully funded and eight receiving partial funding. The projects resulted in more than \$180,000 worth of environmental works and initiatives across the Shire.

Some of the projects included:

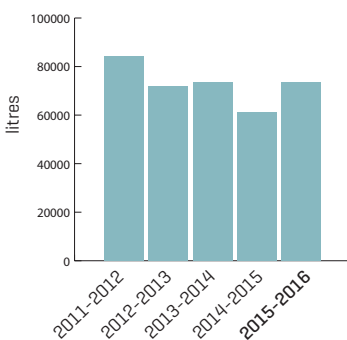
- **Skipton Primary School - Creative Play Shed Water Saver**
Installation of 3000L water tank to provide water for school vegetable garden
- **Port Campbell Community Group - Protecting & enhancing remnant vegetation at Port Campbell headland**
Control weeds and revegetate the headland to reduce erosion, improve soil health and increase habitat for threatened species



Noorat Primary School Principal Ken Plummer and students in front of the garden beds, all ready for spring planting

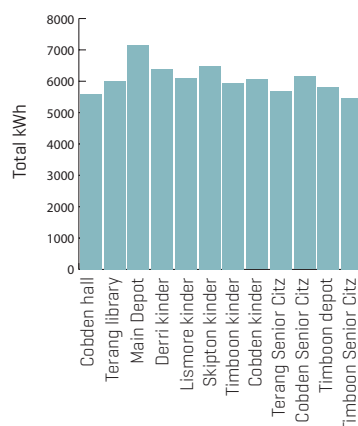
- **Terang & District Lions Club - Lions Club Walking Track**
Revegetate and control weeds along section of walking track around the Terang dry lake
- **Timboon Recreation Reserve - Weed control**
Control weeds along boundaries to reduce rabbit numbers
- **Derrinallum Progress Association - Derrinallum Town & Country Market- Birds of Prey display.** Deliver an educational display of Birds of Prey at local community market
- **Derrinallum Bowling Club - New Lighting at Clubrooms**
Install LED lights in clubrooms to reduce power usage and improve lighting

Water usage at Council properties 2011-2015

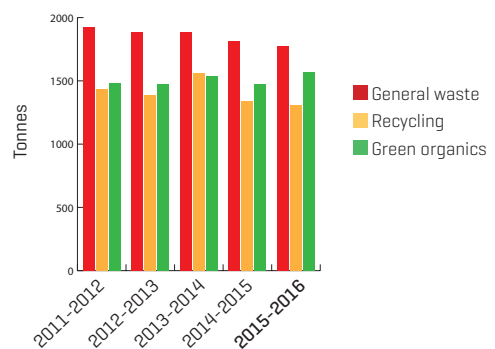


Solar power produced by Council 2015

Excludes 41,000 kWh produced by panels at Civic Centre



Kerbside collection rates 2011-2015





Rainbow Run, Corangamite Youth Council

STRATEGIC THEME 4

STRENGTHENING OUR COMMUNITIES

Corangamite Shire's communities are welcoming and provide support and a sense of belonging.

Council will work to improve and enhance community health, wellbeing and connectedness.

Council has an important role in planning to ensure townships grow in a sustainable manner.

Objectives

- 1 Provide opportunities to improve and enhance the health and wellbeing of our community
- 2 Provide and advocate for a range of services, facilities and support to our people to enable them to fully engage and participate in the community
- 3 Improve the educational outcomes of our community
- 4 Recognise the importance of art and culture to the community
- 5 Provide a leadership, planning and coordination role in emergency management
- 6 Ensure appropriate land use and development outcomes which make Corangamite more liveable

Budget 2015-2016	Expenditure
	(Revenue) Net cost \$'000
Building & Planning	768 (229) 539
Community Relations	1,164 (41) (1,123)
Community Services Management	271 271
Children's Services	2,927 (2,991) (64)
Youth Services	149 (63) 86
Aged & Disability	1,707 (1,606) 101
Environmental Health & Immunisations	248 (105) 143
Emergency Management & Local Laws	968 (215) 752
Recreation & Facility Management	378 (11) 368

HIGHLIGHTS & ACHIEVEMENTS

1 Providing opportunities to improve and enhance the health and wellbeing of our community

- The Heart of Corangamite Network won the 2015 Early Years Award for Outstanding Leadership for Health and Wellbeing
- We continued to support and lead initiatives such as Ed Gym, Recreation Give it a Go, Barwon South West Skate Series, Walk to School, Corangamite Fun Run Series, Active April, Activities in the Park and Round 7 of the Roller Derby Statewide Stampede Event
- We completed 12 of the 20 actions outlined in the 2015-2016 Health & Wellbeing Action Plan, working towards the end of the Health and Wellbeing Plan 2013-2017
- We continue to play a lead role in networks and partnerships such as: Heart of Corangamite, Corangamite Health Alliance, Great South Coast Early Years Network, South West HACC Alliance, South West Primary Care Partnership and Great South Coast Strengthening our Communities Pillar
- We developed a Design and Construction Manual for Alternative Onsite Wastewater Treatment Systems and held an information night attended by 25 plumbers as a way to build relationships with local tradespeople and inform them about the new systems and EPA requirements
- We distributed \$100,000 in grants to committees and community groups for repairs to halls, minor events, programs, equipment and acquisitions resulting in community projects valued at more than \$180,000

2 Providing and advocating for a range of services/facilities and supporting our people

- We delivered a \$13.7 million capital works program
- Terang Children's Centre was completed and started operating in February 2016. The \$1.9 million project provided 72 new kindergarten places in Terang, as well as providing capacity for more programs and services such as maternal and child health, playgroup and three year old kindergarten
- Simpson Community Hub opened with more than 100 people attending. The \$550,000 project was identified as a major priority by Simpson residents in their Community Plan
- Lismore Discovery Trail was officially opened. The \$120,000 project is an outcome of Lismore's Community Plan
- The \$687,000 Camperdown Apex Park redevelopment was launched in November 2015
- Attendance at our six outdoor swimming pools rose 45% from the 2014-2015 season

3 Improving the educational outcomes of our community

- We launched Beyond the Bell Community Action Plan 2015-2016 in July to address our low Year 12 [or equivalent] attainment rate
- More than 80 education and service agency professionals from across the Shire attended the Corangamite Schools Network Forum in September
- The inaugural Corangamite Shire Children's Services Conference on 15 March 2016 was an overwhelming success. The program was aligned with our Health and Wellbeing Plan 2013-2017 and Beyond the Bell Community Action Plan. All of our children's services staff attended. This activity was a collaboration with all children's services operated by Corangamite Shire Council, Barwon Child Youth and Family, Colac Area Health, South West Health, OzChild and independent presenters.
- Completed the Building Resilience in Corangamite Kids (BRICKs) program at all secondary schools across Corangamite Shire
- The Corangamite Youth Achievement Awards, held in November 2015, attracted its largest attendance yet
- Our Youth Council coordinated and delivered a new FreeZA event - Rainbow Run

4 Recognising the importance of art and culture to the community

- We adopted a new Arts & Culture Plan 2016-2020 in December 2015
- Formed a reference group and selected a site and artist for the Cobden Public Art Project

5 Providing a leadership, planning and coordination role in emergency management

- Council staff contributed more than 350 hours to Colac Otway and Surf Coast Shires assisting at the Wye River fire during the Christmas and New Year period
- Issued 342 fire prevention notices and 235 Schedule 13 Stubble Burn Permits
- More than 50 people attended the 'Permit to Burn' workshop held in partnership with the CFA, Police and Colac-Otway Shire
- Completed the Skipton Flood Mitigation Project (with our Assets Department) to reduce the chance of minor floods impacting the Skipton town centre
- Established a partnership with Colac Otway and Surf Coast Shires to share two officers funded through the Municipal Emergency Resourcing Program. Currently developing an Otway District Municipal Fire Management Plan and NSP

HIGHLIGHTS & ACHIEVEMENTS CONT.

6 Ensuring appropriate land use and development outcomes which make Corangamite more liveable

- 88% of planning applications issued within the statutory timeframe
- We increased the number of building permits issued and associated revenue by 15%
- We hosted a Regional Planners Forum that attracted planners from across the state and featured speakers from VCAT and Panels Victoria along with legal perspectives from Harwood Andrews
- Completed Planning Scheme Amendments C45 and C42

Environmental Health

Our environmental health department (1.5 EFT staff) deals with domestic wastewater permits and inspections, food premises permits, prescribed accommodation, public swimming pool monitoring and tobacco sales.

Some highlights in 2015-2016 included:

- 42 septic tank applications processed
- Our inspection program assisted businesses to understand their responsibilities under legislation
- Corangamite Shire was elected chair of the Regional Pandemic Planning Committee, tasked with the development of a regional template to be used across the Barwon South West. This template has been completed with more than 50% of municipalities now having a pandemic plan

Local Laws

Our local laws department (2 EFT staff) delivers a wide range of services and is responsible for dealing with animal management issues across the Shire.

Community satisfaction with local laws increased two points from 66 in 2015 to 68 in 2016.

Some highlights in 2015-2016 included:

- 167 animals were impounded with 51.55% returned to owners or rehoused through our service agreement with RSPCA Warrnambool. Better registration and identification of domestic animals has been a major focus for our team
- 66 cats were impounded as part of the feral cat trapping program
- Social media has been an effective tool for reuniting owners with lost animals, with some Facebook posts receiving more than 2,000 likes
- We made improvements to our pound facility in Terang including airconditioning, insulation, an exercise area and better security
- The introduction of mobile device and inspection technology has enabled rangers to access local laws records and has increased efficiency during after-hours call outs
- We finalised and adopted General Local Law 2015 and Livestock Local Law 2015. This introduced new requirements for shipping containers and movable dwellings; materials, water & substances leaving private land; heavy and long vehicle parking; cancellation of a permit; recovery of expenses; roosters in town and recreation vehicles in town
- We issued and inspected more than 200 permits covering the following areas:

Outdoor eating	21
A-frame	62
Display goods	14
Excess animals	14
Electric fence grazing	84
General Local Law permits	50
- Investigated six illegal dumping cases which resulted in official warnings and clean-up notices
- Instigated a meeting between Corangamite and Moyne Shires, and Warrnambool City Council to develop a united approach to 'no camping' signs in areas that have issues with overnight campers

DISAPPOINTMENTS & CHALLENGES

- Loss (through retirement) of existing Family Day Care educators and inability to recruit new educators; from 23 in 2014-2015 to 18 in 2015-2016
- Decline in clients choosing to access Home Care Support Packages due to changes in fee structure, placing additional pressure on HACC services
- The number of children attending mobile child care in Port Campbell dropped, while there are waiting lists at Lismore/Derrinallum and Ecklin
- Unable to secure funding for renewal works to the Camperdown Clocktower
- An increase in reporting to internal and external agencies has impacted time to operate and manage the unit
- New animal registrations dropped from 773 in 2014-2015 to 443 in 2015-2016. There is a concern that higher registration fees have deterred pet owners from registering their animals
- Staff turnover in the environmental health department has impacted the consistency of service

OUTLOOK

- Mobile Child Care transition to Approved Services under the National Quality Framework
- Transition to Commonwealth Home Support Program (CHSP) from August 2016 and preparation for the National Disability Insurance Scheme (NDIS) in October 2017
- Finalise the Camperdown Botanic Gardens and Arboretum Conservation Management Plan
- The CFA and MAV are conducting a review of Schedule 13 fire permits which will consider whether Local Government should be responsible for issuing these permits
- A review of the Emergency Management Act
- The requirement for councils to establish a Municipal Emergency Control Centre (MECC) during an emergency has been removed from legislation, providing greater flexibility, but may result in less support for Council during an event
- Corangamite Shire Municipal Emergency Management Plan audit
- Development of a new Domestic Animal Management Plan



Members of the Terang Kindergarten Committee, Member for Western Victoria Gayle Tierney and Mayor Jo Beard celebrate the official opening of Terang Children’s Centre



Member for Western Victoria Gayle Tierney, Brad Mason and Mayor Jo Beard at the official opening of the Simpson Community Social Hub



Members of the Apex Park (Camperdown PlaySpace) Committee celebrate the opening with Member for Western Victoria Gayle Tierney

Progress against our 2015-2016 commitments:

[What we said we would do in our Annual Action Plan and how much we would spend in our Budget]

	BUDGETED 2015-2016	ACTUAL 2015-2016	PROGRESS
COUNCIL PLAN OBJECTIVE: Provide opportunities to improve and enhance the health and wellbeing of our community			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Develop the 2015-2016 Health and Wellbeing Action Plan <i>Completed and presented to Council in July 2015 with 12 of 20 actions completed</i>	NIL	NIL	100%
Investigate alternative wastewater management systems for towns identified as high risk within the Domestic Wastewater Management Plan <i>Developed a Guide to Alternate Wastewater Management systems. It was distributed to local plumbers at an Information Night and is available on our website</i>	NIL	NIL	100%
Develop and complete 2015-2019 Recreation and Open Space Strategy <i>Initial research has been undertaken and draft completed. Expected to be adopted by Council in August 2016</i>	30,000	4,710	85%
Review inclusion of Footpaths within Special Rates and Charges Policy <i>Review completed. Council adopted Special Rates and Charges Policy in September 2015 with footpaths remaining in it</i>	NIL	NIL	100%
Develop alcohol related information to distribute to Maternal and Child Health settings <i>Brochures outlining 'The effects of alcohol on breastfeeding', 'The effects of alcohol in pregnancy' and 'Family violence and alcohol' are now available in all our our Maternal & Child Health Centres</i>	NIL	NIL	100%
Include oral health promotion in the assessment and care plans of HACC clients <i>An oral health discussion now takes place during each HACC assessment</i>	NIL	NIL	100%
COUNCIL PLAN OBJECTIVE: Provide and advocate for a range of services, facilities and support to our people to enable them to fully engage and participate in the community			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Conduct a HACC Client Satisfaction Survey <i>Survey completed with a response rate of 45% and overall satisfaction rate of 86%</i>	NIL	NIL	100%
Investigate technology required to extend access to Corangamite Shire libraries outside of current library hours <i>Self-checkout possible, however, with building security requirements and a capital cost. Included for consideration as part of the 2016-2017 Budget.</i>	NIL	NIL	100%
COUNCIL PLAN OBJECTIVE: Improve the educational outcomes of our community			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Implement the Corangamite Shire Education Attainment Project 'Beyond the Bell' community based action plan <i>An Annual Action Plan 2015-2016 was developed and launched in July 2015 with 50% actions from the original strategy completed. Some highlights include a survey of 330 young people and the inaugural Children's Services Conference</i>	15,000	9,837	100%
COUNCIL PLAN OBJECTIVE: Recognise the importance of art and culture to the community			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Implement actions from Arts and Culture Plan 2016-2020 <i>The Arts and Culture Plan 2016-2020 was adopted in December 2015 with 11 from 14 short term actions completed in 2015-2016</i>	30,600	5,109	100%

Commence new funding round for public art <i>Art installation in Cobden delayed until September 2016 due to artist</i>	30,000	15,000	80%
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COUNCIL PLAN OBJECTIVE: Provide a leadership, planning and coordination role in Emergency Management

ACTIONS FROM ANNUAL ACTION PLAN 2015-2016

Integrate mobile device technology into Council's emergency management and fire prevention functions. <i>Using ThinkPad technology and GPS to achieve mobility</i>	NIL	NIL	100%
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COUNCIL PLAN OBJECTIVE: Ensure appropriate land use and development outcomes which make Corangamite more liveable

ACTIONS FROM ANNUAL ACTION PLAN 2015-2016

Commence Stage 2 of Planning Scheme Review to implement findings of Stage 1 review. <i>Stage 2 output (Planning Scheme Amendment C45) targeted for authorisation in August 2016</i>	40,000	32,025	100%
Prepare a Conservation Management Plan for the Camperdown Botanic Gardens and Arboretum. <i>Commenced and due for completion in 2016-2017</i>	40,000	15,416	35%

OTHER MAJOR BUDGETED INITIATIVES:

Contribution to a regional Home & Community Care (HACC) Strategy	\$15,000
Community Grants Fund	\$50,000
Community Planning Projects funding	\$70,000
Timboon Kindergarten - replacement of roof	\$30,000
Swimming pools (Timboon, Skipton, Cobden, Lismore, Terang & Camperdown) - capital & renewal costs	\$60,000
New environmental health mobile inspection forms	\$25,000
Facility Grants Fund	\$50,000

Progress against performance measures set out in Council Plan

[How we said we would measure our success in the Council Plan 2013-2017]

Performance measure/indicator	Result 2015-2016	Comment
Implementation of the 2013-2017 Municipal Public Health and Wellbeing Plan	✓	Majority of actions have been completed. A review will take place in 2016-2017
Increase in the percentage of women who fully breastfeed their babies from birth to six months of age	✓	57% of women fully breastfeed their babies at six months in 2015-2016 compared to 48% in 2014-2015
Increase in levels of participation in physical activity	✓	The number of participants at Rec Give it a Go! dropped slightly from 2,291 in 2015 to 2,176 in 2016. However, new events such as the Fun Run Series, Skate Series and Walk to School have increased participation
Emergency management partnerships established with regional councils	✓	Council continues to work closely with Colac Otway and Surf Coast Shires. Worked with both to respond to the Wye River fires in late 2015
All Emergency Management Plans pass external audit	✓	The Municipal Emergency Management Plan 2015-2018 and Municipal Fire Management Plan 2015-2017 were both adopted 24 November 2015
Reduced timeframes for decisions on planning applications	X	Median number of days for a decision on a planning permit application is 35, an increase from 30 days in 2015. 88% were decided within 60 days. Some decisions required a notice by Council in 2015-2016

Local Government Performance Reporting Framework (LGPRF)

Service/Indicator/Measure	Result 2015	Result 2016	Comment
HOME & COMMUNITY CARE (HACC) SERVICES			
TIMELINESS Time taken to commence HACC service [Number of days between referral of a new client and commencement of HACC service / Number of new clients who have received a HACC service]	9.12	25.55	Council currently has a waiting list which is due to a reduction in funded hours
SERVICE STANDARD Compliance with Community Care Common Standards [Number of Community Care Common Standards expected outcomes under the Community Care Common Standards] x 100	100%	100%	Council's last audit was in 2014-2015 and was assessed as fully compliant.
SERVICE COST Cost of domestic care service Cost of personal care service Cost of respite care service [Cost of services / Hours of services provided]	\$38.32 \$37.33 \$27.00	\$39.88 \$31.55 \$31.55	
PARTICIPATION Number of people receiving HACC service [Number of people that received a HACC service / Municipal target population for HACC services] x 100 Number of CALD people receiving HACC service [Number of CALD people who received a HACC service / Municipal target population in relation to CALD people for HACC services] x 100	29% 23%	25.80% 7.69%	There is a lower participation rate due to Council delivering to funded targets which are lower than the previous year. Furthermore, the region in the south of the Shire is serviced by an alternate provider
MATERNAL & CHILD HEALTH			
SATISFACTION Participation in first MCH home visit [Number of first MCH visits / Number of birth notifications received] x 100	102%	109.72%	
SERVICE STANDARD Infant enrolments in the MCH service [Number of infants enrolled in the MCH service [from birth notifications received] / Number of birth notifications received] x 100	100%	97.22%	Whilst a decline, Council believes birth notifications received towards the end of the reporting period will result in higher enrolments in the subsequent reporting period
SERVICE COST Cost of MCH service [Cost of the MCH service / Hours worked by MCH nurses]	\$82.82	\$97.10	Extended periods of annual leave during the reporting period required backfill
PARTICIPATION Participation rate in MCH service [Number of children who attend the MCH service at least once [in the year] / Number of children enrolled in the MCH service] x 100 [Number of Aboriginal children who attend MCH service at least once [in the year] / Number of Aboriginal children enrolled in the MCH service] x 100	79% 80%	82.92% 93.33%	Council has increased identification of Aboriginal & Torres Strait Islander families in the community following its annual Service Improvement Plan review. Forms have been modified to improve identification as part of this initiative
FOOD SAFETY			
TIMELINESS Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	7.20	1.78	The improved response time is due to lower staff turnover experienced within the department

SERVICE STANDARD Food safety assessments [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] x 100	87%	95.33%	The increase is due to lower staff turnover experienced within the department
SERVICE COST Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$180.76	\$181.91	
HEALTH & SAFETY Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x 100	100%	100%	

ANIMAL MANAGEMENT

TIMELINESS Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.21	1.11	Whilst there has been a reduction in time taken to action requests, because Council does not receive a high number, a small change can affect results significantly
SERVICE STANDARD [Number of animals reclaimed / Number of animals collected] x 100	65%	51.55%	There were fewer dogs impounded during the reporting period than the prior year. This resulted in a higher proportion of animals that were not able to be returned to owners
SERVICE COST Cost of animal management service [Direct cost of animal management service / Number of registered animals]	\$34.42	\$38.37	There were 250 less registered animals during the reporting period, resulting in a higher cost per animal
HEALTH & SAFETY [Number of successful animal management prosecutions]	14	4	The number of infringements issued was lower than the previous year and prosecution services have been difficult to obtain. This resulted in a number of prosecutions being deferred to 2016-2017

AQUATIC FACILITIES

SERVICE STANDARD Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	1.00	1.00	
HEALTH & SAFETY Reportable safety incidents at aquatic facilities [Number of WorkSafe reportable aquatic safety incidents]	0	0	There were no reportable safety incidents
SERVICE COST Cost of outdoor aquatic facilities [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$13.13	\$11.38	There was an increase in the number of visitations from the prior year which resulted in a lower cost
UTILISATION [Number of visits to aquatic facilities / Municipal population]	2.34	3.46	Favourable weather conditions and an increase in marketing resulted in greater utilisation of aquatic facilities

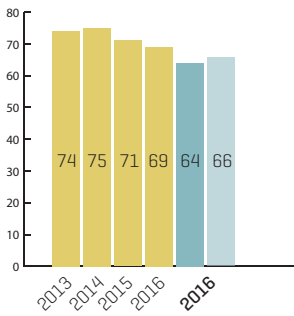
LIBRARIES			
UTILISATION Library collection usage (Number of library collection item loans / Number of library collection items)	4.08	2.93	In the prior reporting period eResources and eBooks were excluded from the collection
STANDARD OF LIBRARY COLLECTION (Number of library collection items purchased in the last 5 years / Number of library collection items) x 100	83%	76.44%	In the prior reporting period eResources and eBooks were excluded from the collection
SERVICE COST Cost of library service (Direct cost of library service / Number of visits)	\$7.47	\$7.93	
PARTICIPATION Active library members (Number of active library members / Municipal population) x 100	14%	14.03%	

Service/Indicator/Measure	Result 2015	Result 2016	Comment
STATUTORY PLANNING			
TIMELINESS Time taken to decide planning applications (The median number of days between receipt of a planning application and a decision on the application)	30	35	On average planning decisions were made within the 60 day statutory period. The result for the reporting period was impacted by some applications requiring a notice of decision by Council
SERVICE STANDARD Planning applications decided within 60 days (Number of planning application decisions made within 60 days / Number of planning application decisions made) x 100	94%	88%	There were some planning decisions that required a notice of decision to be issued by Council. This results in some decisions being made outside the statutory period
SERVICE COST Cost of statutory planning service (Direct cost of the statutory planning service / Number of planning applications received)	\$1,618.26	\$1,703.48	
DECISION MAKING Council planning decisions upheld at VCAT (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 application) x 100	0	0	There were no VCAT appeals during the reporting period

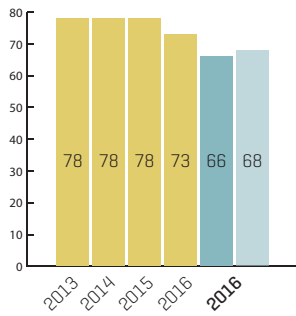
Indicators of success

2016 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

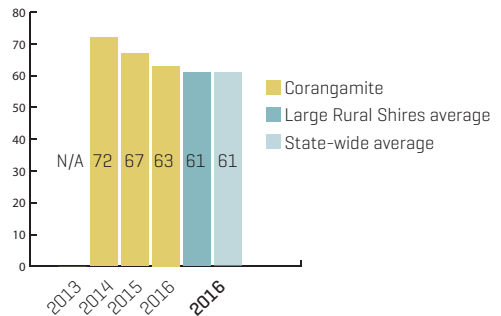
Family support services



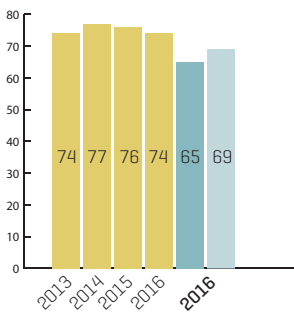
Elderly support services



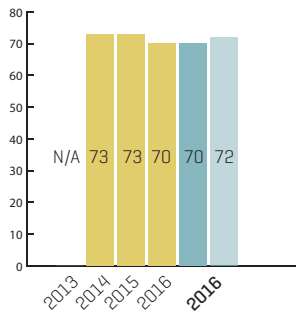
Disadvantaged support services



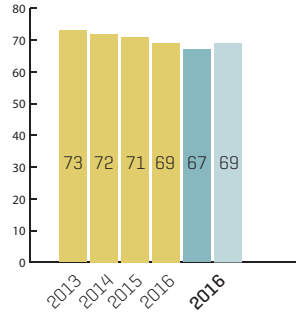
Recreational facilities



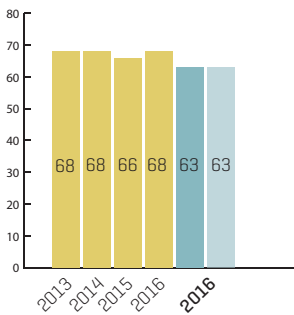
Arts centres & libraries



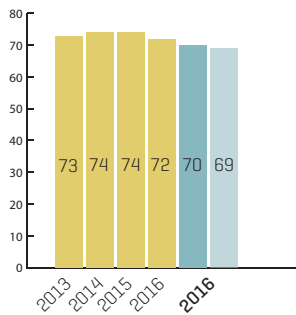
Community activities



Enforcement of local laws



Disaster management



Swimming pool attendances up

Attendances at Corangamite Shire's six outdoor swimming pools were up 45% on 2014-2015 figures.

A total of 54,164 attendances were recorded across Timboon, Lismore, Terang, Camperdown, Skipton and Cobden swimming pools.

More programs, events, better promotion and favourable weather contributed to the rise. Programs and events included early morning lap swimming, VicSwim, pool and birthday parties, family BBQ nights, triathlons, dive-in movies and water aerobics.

The Corangamite Shire Swimming Pools Facebook page was well utilised by most pools during the season with most activities promoted via social media. The page drew 570 likes with 112 posts and 147 comments showing a good level of community interest.



Lismore swimming pool

Heart of Corangamite Network takes home Early Years award

The Heart of Corangamite Network was named the winner of the 'Outstanding Leadership for Health and Wellbeing' award at the 2015 Early Years Awards in October 2015.

The awards were held at the National Gallery of Victoria International, Melbourne. The award was selected from 60 entries from across the state.

Corangamite Shire Mayor Chris O'Connor praised the network on its award and all the work done around the health and wellbeing of the Corangamite region.

"The Heart of Corangamite Network is a partnership between Corangamite Shire Council, five local health services and the South West Primary Care Partnership," Cr O'Connor said.

"The network encourages positive, sustained behavioural changes in nutrition and physical activity for children aged 0-8 years and their families," he said.

As a result of the work of the network, four schools and eight early year services in the Shire have registered for Healthy Together Victoria and all of Council's kindergarten, mobile child care and family day care services are registered with Smiles 4 Miles.

Manager Community Services Matthew Dawson said the Council plays a key role in the leadership of this important network and collaboration is vital.



Heart of Corangamite members accept the award

"Network collaboration has delivered oral health screening in kindergartens, resulting in the screening of over 150 children," Mr Dawson said.

"Additionally, based on its breastfeeding plan, the network is developing a smartphone app in conjunction with LaTrobe University," he said.

The approach has been so successful it's heavily influenced a wider regional response to healthy eating, physical activity, oral health and breastfeeding. The Heart of Corangamite Network is leading the way.

Celebrating our young achievers

More than 350 people turned out to recognise and celebrate Corangamite Shire's young achievers at the Youth Awards in November. Award winners were:

Sports (Individual Male)

Kurt McDonald

Sports (Individual Female)

Marni Meade

Sports (Group)

Timboon P-12 Senior Girls Basketball Team

Music (Individual)

Jacob Pugh

Music (Group)

Timboon P-12 Music Group

Community Service (Individual)

Helen McMaster

Community Service (Group)

World Cause Cousins Club



Workplace Endeavour

Micah Nuske

Visual Arts, Multimedia and IT

Ahliya Harris

Performing Arts (Individual)

Chelsea Mason

Performing Arts (Group)

Mercy Regional College - High School Musical

Spotlight on:

New Arts & Culture Plan 2016-2020

An arts trail, better art spaces, street art, cultural performances and more support for events are some of the proposed outcomes of the new Arts and Culture Plan, adopted by Council in December 2015.

The plan aims to encourage partnerships between community groups and Council, increase participation in creative activities, and promote opportunities to explore cultural identity and heritage.

The plan has five themes:

- Participation and partnerships
- Salt Water/Fresh Water Country
- Creating in Corangamite
- Enjoying Arts and Culture in Corangamite
- Cultural vitality

The plan will assist Council in any future decision-making involving arts and culture.

Arts and culture plays such an important role in the health and wellbeing of our communities and it's one that crosses over different Council departments. Not only does it involve art in the visual sense. It's the history and heritage of our places, our environment, the culture of our events, our clubs, groups and volunteers.

Making sure we provide leadership and support our communities to be creative is a major focus of the plan.

Developing the plan was a six month process. Experienced arts practitioner and local resident Irene Pagram held a series of community input sessions in April and May 2015 where participants were asked what they valued in arts and culture, what was missing, and what they would like to see happen in their communities.

More than 120 people provided input to the draft plan and we wish to thank residents who got involved in the early stages and really helped shape the plan.



Bust of Sir Henry Bolte in Skipton



International Yarn Bombing Day on 11 June 2016 saw little toadstools pop up across Camperdown. A post with this photo on the Corangamite Shire Facebook page received more than 10,000 views.



The wheeled excavator carries out drainage clearance works at Hawkes Nest Road in Pombooneit

STRATEGIC THEME 5

INFRASTRUCTURE

We will maintain a focus on the importance of our assets and infrastructure to underpin service delivery.

We will implement processes that ensure our infrastructure continues to meet the requirements of our community.

Objectives

- 1 Sustainability and preservation of our assets
- 2 Plan for and deliver improved asset capacity to meet future needs
- 3 Continue to promote and implement a safe local road network
- 4 Expand pedestrian and cycle network which provide greater connectivity, safety, social inclusion and healthy lifestyle

Services

The following services/activities contribute to achieving the objectives and strategies for this strategic theme:

- Asset management
- Works & services management
- Works
- Plant
- Building & facilities maintenance

Budget 2015-2016	Expenditure [Revenue] Net cost \$'000
Asset Management	898 898
Works & Services Management	674 [50] [624]
Works	4,931 [69] 4,862
Private Works	1,145 [1,250] [105]
Plant	2,020 [3,625] [1,604]
Building & Facilities Maintenance	2,727 [168] 2,559

HIGHLIGHTS & ACHIEVEMENTS

1 Sustaining, managing and preserving our assets

- We established and renewed 41 lease, licence and occupancy agreements. Established a commercial lease with Cooinda to occupy the former Maternal and Child Health building in Terang and for 'Buckle My Shoe' to occupy the former Terang kindergarten site as an early childhood centre
- We started the \$600,000 Timboon Town Centre Improvements Project after a six month planning process with members of the local community. Works include expansion of footpath area in the commercial strip, increase public space areas, and new footpaths to increase connectivity
- We completed Stage 2 of Desert Ash Tree removal in Terang in Swanston and Grey Streets
- Our team responded to more than 1,100 customer service requests including 340 for trees and tree management, 316 for roads and footpaths, and more than 500 maintenance jobs across the Shire

2 Planning for and delivering improved asset capacity to meet future needs

- We completed the \$900,000 Skipton Flood Mitigation Project, which provided upgrades to drainage pipelines downstream of Skipton Dam. The upgrade increases the capacity for overflow from the dam during rain events and lowers the risk of flooding in the town centre
- We developed an Asset Management Plan for roads and buildings
- \$2.6 million funding was secured from the Federal Government for the planned \$5.2 million Castle Carey Road Bridge Upgrade Project
- Worked in partnership with Parks Victoria to revitalise landscaping of Twelve Apostles Visitor Centre carpark and install a new lookout platform

3 Continuing to promote and implement a safe local road network

- We completed our \$6 million local roads program which included a \$2 million reseal, \$2.5 million gravel resheet and \$2.3 million for major rehabilitation projects
- We secured \$4.6 million funding from the Federal Government's Roads to Recovery Program, which enabled us to expand local road rehabilitation works, as well as more drainage improvements
- Completed our annual \$2 million road reseal program in a joint contract with Warrnambool City Council for the first time. This enabled 8% of Council's local sealed road network to be resurfaced with a 12% reduction in costs compared to the previous year

- Rehabilitation works completed on sections of Kilnoorat Road, Crambs Road, Batemans Road, Timboon-Curdievale Road, Mount Bute Road, Wiridjil Road and Fords Road
- Bridgeworks included replacement of an old timber deck with new concrete components at the bridge on Wild Dog Road in Paaratte
- \$172,000 of kerb and channel replacements were carried out to minimise impacts of heavy rain. Sites treated included Pike Street in Camperdown, Shenfield Street in Cobden, Ferrers Street in Lismore and Smythe Street in Skipton

4 Expanding pedestrian and cycle network to provide greater connectivity, safety, social inclusion and healthy lifestyle

- We built 0.5 km of new footpaths alongside the Princes Highway and The Promenade in Terang
- Resurfaced the shared path between Noorat and Terang
- Installed 22 km of new bike lanes in towns across the Shire as part of Corangamite Shire's Bicycle Strategy

DISAPPOINTMENTS & CHALLENGES

- We are yet to secure the requested \$1 million funding from the State Government towards the \$5.2 million Castle Carey Road Bridge Upgrade Project
- Community satisfaction results for 'Local Sealed and Gravel Roads' remains low for Corangamite Shire. Our challenge is to improve this rating, which will include advocating to the State Government and VicRoads about the condition of our arterial road network (believed to be negatively impacting our sealed road survey results)

OUTLOOK

- \$3.7 million funding has been secured from the Federal Government's Roads to Recovery Program. This is significantly more than the original funding allocation
- Stage 3 of the Terang Streetscape
- Development of a design for major streetscape improvements to Port Campbell in future years
- Realignment of the Castle Carey Road bridge over Mount Emu Creek to enable B doubles and other heavy vehicles to travel this important route
- Urban Street Tree audit
- Carry out a comprehensive assessment of condition of road network

Progress against our 2015-2016 commitments:

[What we said we would do in our Annual Action Plan and how much we would spend in our Budget]

	BUDGETED 2015-2016	ACTUAL 2015-2016	PROGRESS
COUNCIL PLAN OBJECTIVE: Sustainability and preservation of our assets			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Undertake condition assessment of bridges and major culverts on local road network and revise bridge asset management plan <i>Works awarded to consultant to undertake condition assessments. Works to be completed in July 2016. Bridges included in Road Asset Management Plan adopted by Council in February 2016</i>	70,000	99,083	90%
COUNCIL PLAN OBJECTIVE: Plan for and deliver improved asset capacity to meet future needs			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Investigate capability of bridges on the local road network to cater for High Productivity Freight Vehicles (HPFVs) <i>Bridge load limit inhibitors to HPFVs identified. Obtained estimates to determine costs of bridge network review. Seeking external funding</i>	NIL	NIL	50%
Implement accessibility upgrades to Council's buildings in line with Council Building's Accessibility Audit 2015-2017 <i>Completed 10 projects at these buildings - Simpson Hall, Camperdown Library, Cobden Civic Hall, Simpson public toilets, Camperdown Stadium, Lismore Community Hall, Derrinallum Hall, Skipton public toilets and Cobden Senior Citizens Centre</i>	40,000	31,032	100%
Tender and award contracts for the construction of the Castle Carey Road Bridge Realignment and Skipton Flood Works Projects <i>Skipton Flood Works completed. Contract for Castle Carey Road Bridge project to be awarded in late 2016. State Government funding contribution still needed</i>	600,000	692,278	80%
COUNCIL PLAN OBJECTIVE: Continue to promote and implement a safe local road network			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Address issue of run-off road accidents by improving delineation of local roads with increased signage and linemarking <i>Edgelines introduced on roads including Old Geelong Road, Castle Carey Road and Neylon Street. Completed in May 2016</i>	20,000	14,983	100%
COUNCIL PLAN OBJECTIVE: Expand pedestrian and cycle network which provide greater connectivity, safety, social inclusion and healthy lifestyle			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Treat identified gaps in footpath connectivity in towns <i>2015-2016 works completed. Footpaths were extended to provide connectivity for pedestrians at six intersections in Camperdown. Footpath connection was also provided to the existing school crossing on the Princes Highway in Terang</i>	20,000	26,292	100%
Implement second year of recommended improvements in towns from bicycle strategy <i>Additional works completed including bike lane in Thompson Street Terang and median crossing in Lismore. 22 km of bike lanes included.</i>	30,000	15,474	100%
Commence Port Campbell Streetscape <i>Initial project planning has commenced. External funding required for project construction to proceed</i>	190,000	NIL	0%

OTHER MAJOR BUDGETED INITIATIVES:

Year 2 drainage maintenance and improvements	\$800,000
Terang Desert Ash Tree removal	\$35,000
Timboon Town Improvements Project	\$600,000
Local road resealing	\$2 million
Local road rehabilitation	\$2.3 million
Local road resheeting	\$2.5 million
Kerb and channel renewal	\$172,000
Timboon Recreation Reserve	\$20,000
Skipton Hall - replace weatherboards	\$20,000
Footpath pram crossing installations	\$20,000
Improvements at Shire depots (Timboon, Lismore and Camperdown)	\$92,000

Progress against performance measures set out in Council Plan

[How we said we would measure our success in the Council Plan 2013-2017]

Performance measure/indicator	Result 2015-2016	Comment
Community Satisfaction Survey rating for Council's local streets and footpaths will continue to be in the top 25% for Large Rural Shires	✓	2016 rating for 'Local streets & footpaths' was 60, 5 points lower than 2015 rating, but still higher than Large Rural Shire average of 53
Condition of our local road network as measured by Council's asset management system will be maintained	✓	On site assessments of Council's local gravel road network in 2015 indicated a steady improvement in the network condition since the previous assessment in 2010 [See table over page]
Meet the requirements of the National Asset Management Assessment Framework	✓	In accordance with the framework, an Asset Management Policy and Road & Building Asset Management Plans were adopted by Council in 2015-2016
Maintenance of current condition of sealed and unsealed local road network	✓	Road resealing, road rehabilitation and gravel resheeting programs were completed in 2015-2016 as scheduled to maintain local road network conditions
Achieve customer response times as specified in Council's Road Management Plan	✓	Required hazard response times on the road network as stipulated in the Road Management Plan were adhered to by Council

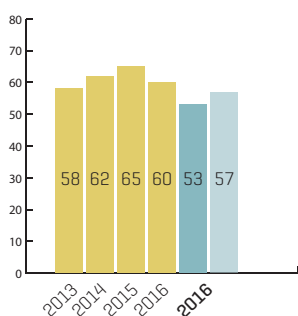
Local Government Performance Reporting Framework (LGPRF)

Service/Indicator/Measure	Result 2015	Result 2016	Comment
ROADS			
SATISFACTION OF USE Sealed local road requests (Number of sealed local road requests / Kilometres of sealed local roads) x 100	3.39	5.03	The increase in sealed local road requests was due to seasonal weather variations which resulted in a higher level of intervention to remediate an increase in potholes
CONDITION Sealed local roads below the intervention level (Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads) x 100	98%	97.7%	
SERVICE COST Cost of sealed local road reconstruction (Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed)	\$34.76	\$35.97	
SERVICE COST Cost of sealed local road resealing (Direct cost of sealed local road resealing / Square metres of sealed local roads resealed)	\$4.44	\$4.40	
SATISFACTION WITH SEALED LOCAL ROADS	38	36	Satisfaction remains low. Our research suggests this is due to the less than satisfactory condition of the main roads network managed by VicRoads.

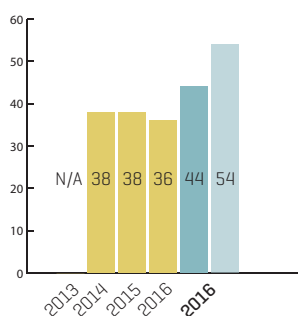
Indicators of success

2016 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

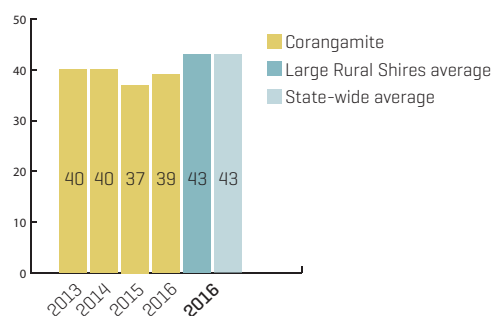
Condition of local streets & footpaths



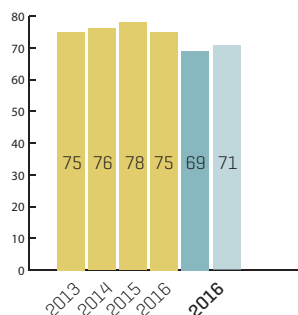
Condition of local sealed roads



Maintenance of unsealed roads



Appearance of public areas



Gravel roads condition assessment 2010-2015

Gravel Depth	Score	2010 Assessment	2015 Assessment
>200 mm	1 [Excellent]	15%	30%
150-200 mm	2	27%	41%
100-150 mm	3	35%	25%
50-100 mm	4	16%	3%
0-50 mm	5 [Poor]	7%	1%

A condition assessment of Council's local sealed network is programmed to be undertaken in 2016-2017.

Spotlight on: Arterial roads in our Shire

Arterial roads in Corangamite Shire are amongst the worst in Victoria with 110 kilometres or 18.2% of our arterial road network in 'poor condition' or 'distressed'.

Urgent works [at an estimated value of \$25 million] are required on five of these roads [see map and table below] to bring them up to a safe standard. \$67 million is needed to fix the entire arterial network in Corangamite Shire.

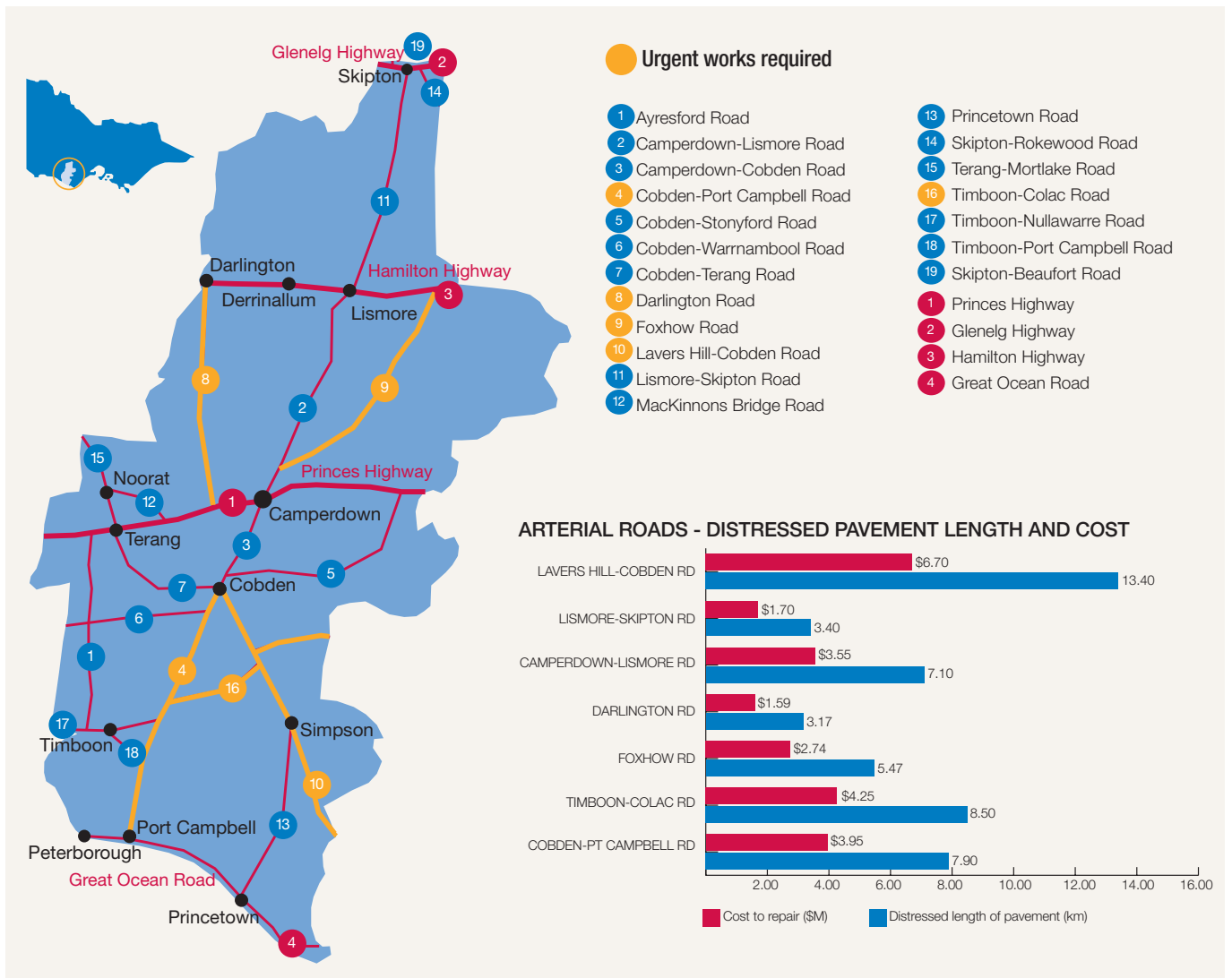
Our community satisfaction results for sealed local roads remain low despite significant investment. Respondents who rated the condition of sealed local roads as average/poor/very poor in 2016 were asked to think of a road that was in poor condition.

- 21% nominated Camperdon-Lismore Road
- 20% nominated Cobden-Port Campbell Road
- 19% nominated Foxhow Road

Arterial [VicRoads] roads in Corangamite Shire remain significantly underfunded, are unsafe, and are negatively impacting the community's perception of our local roads network. In 2016, Council advocated strongly to VicRoads and State Government for urgent repairs to five of our arterial roads, as well as recurrent funding of \$10 million over five years to ensure the network is safe and to the acceptable standard our communities deserve.



Mayor Jo Beard and Director Works and Services Brooke Love on Darlington Road, one of the arterial roads in Corangamite Shire





Members of our Works team carrying out upgrades to the Terang-Noorat Walking Track

STRATEGIC THEME 6

OUR ORGANISATION

We will create a supportive, vibrant and exciting workplace which is diverse in culture, choice and opportunity.

Our organisation will provide a high level of customer service and be responsive to community needs.

Objectives

- 1 Support and develop our people
- 2 Strengthen our reputation as an organisation
- 3 Deliver exceptional standards of customer service
- 4 Deliver and provide our services more efficiently
- 5 Strengthen partnerships with key stakeholders and government agencies
- 6 Recognise the dispersed community within Corangamite Shire

Services

The following services/activities contribute to achieving the objectives and strategies for this strategic theme:

- Financial services
- Human resources & risk management
- Information services
- Corporate & community services management

Budget 2015-2016	Expenditure [Revenue] Net cost \$'000
Financial Services	1,502 (817) 685
HR & Risk Management	971 (29) 942
Information Services	1,170 (28) 1,142
Corporate & Community Services Management	216 216

HIGHLIGHTS & ACHIEVEMENTS

1 Supporting and developing our people

- We supported four staff towards obtaining a tertiary qualification
- We supported our Youth Development Officer Angela Gowans to participate in a Leadership Great South Coast development program
- We inducted 44 new staff
- Partnered with South West Healthcare to deliver a program aimed at staff living or at risk of developing a chronic heart condition. The program 'My Life My Health' focused on self-management, mental health, exercise and healthy eating. Twelve staff were involved in the program
- 57 outdoor staff participated in our annual Men's Health and Workplace Safety Day held in May
- Rolled out a new web-based performance measurement program to replace the previous paper-based model

2 Strengthening our reputation as an organisation

- Hosted a successful Regional Planners Forum in November 2015 attracting planners from across the state
- Hosted the Barwon South West Population Summit in April. The summit explored regional and rural population trends, and population attraction strategies
- We completed a number of submissions including Water for Victoria Discussion Paper; Draft Biodiversity Strategy; Native Vegetation Clearing Regulations; Regulatory Impact Statement on Planning Fees; Electoral Representation Review (two submissions); EPA Inquiry; and the *Local Government Act 1989* Review

3 Delivering exceptional standards of customer service

- Our community satisfaction results for 'Customer Service' rose 3 points from 74 in 2014-2015 to 77 in 2015-2016
- We reviewed our Staff Code of Conduct

4 Delivering and providing our services more efficiently

- We successfully deployed TechnologyOne Enterprise Cash Receipting [ECR].
- Adopted TechnologyOne CiAnywhere for Customer Requests. This new technology module for customer requests has been greatly improved to allow customer service staff to meet community needs more efficiently

- Our shared service GIS agreement with Moyne is now ongoing after a successful trial period in 2014-2015
- We streamlined our grants application process to ensure better levels of consistency and reporting

5 Strengthening partnerships with key stakeholders and government agencies

- We continue to align ourselves and work closely with the Great South Coast Group
- We continue to work closely with Great Ocean Road Regional Tourism [GORRT] to promote our region as a premier visitor destination

6 Recognising the dispersed community within Corangamite Shire

- Corangamite Shire had a presence at a number of community events in 2015-2016. The events stall is manned by Councillors and staff and provides a 'one-stop shop' for residents
- Our mobile outdoor cinema was used for movie nights across the Shire

DISAPPOINTMENTS & CHALLENGES

- Unable to complete the integration of TechnologyOne and Assetic asset management
- Adoption of TechnologyOne CiAnywhere for human resource and payroll was delayed due to other work loads
- Delay in completing some of the Community Plan reviews
- An increasing reporting burden for Local Government eg. LGPRF

OUTLOOK

- Negotiating a financially sustainable Enterprise Agreement in 2016-2017
- Staff satisfaction survey to be conducted in 2016-2017
- The ever increasing use of technology in all facets of Council activities places greater demands on the Information Services department
- Community Plan reviews for Terang, Lismore and Simpson
- Preparing to move to 10 year whole-of-council community plans

Progress against our 2015-2016 commitments:

[What we said we would do in our Annual Action Plan and how much we would spend in our Budget]

	BUDGETED 2015-2016	ACTUAL 2015-2016	PROGRESS
COUNCIL PLAN OBJECTIVE: Support and develop our people			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Review workforce management strategy <i>Updated some of the data and actions contained in the strategy</i>	NIL	NIL	100%
Improve and update induction material	NIL	NIL	100%
Implement Scholarship Program/Summer Graduate Program <i>Deferred due to budgetary constraints</i>	NIL	NIL	0%
Review Code of Conduct for Staff <i>Completed after Leadership Review on 17 March 2016</i>	NIL	NIL	100%
Implement online performance management system <i>Purchased, configured and tested. Will be used for 2016 appraisals</i>	19,040	18,130	100%
COUNCIL PLAN OBJECTIVE: Strengthen our reputation as an organisation			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Host a Regional Planners' Forum <i>Very successful event, attracting planners from across the state and delivered under budget in November 2015</i>	2,000	844	100%
COUNCIL PLAN OBJECTIVE: Deliver exceptional standards of customer service			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Implement online payment system <i>Awaiting the introduction of Enterprise Cash Receipting. Completion delayed until second half of 2016</i>	50,000	7,480	40%
Deliver new website for the Council <i>Quote prepared to be released, slight delay due to alignment with MAV website CMS tender process</i>	95,000	1,890	60%
COUNCIL PLAN OBJECTIVE: Deliver and provide our services more efficiently			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Report on Document Storage Reduction due to Digitisation Plan implementation	NIL	NIL	100%
Develop GIS Strategy <i>Delayed due to work load. Draft strategy currently under review</i>	NIL	NIL	90%
Develop Open Data Policy. Policy adopted in December 2015	NIL	NIL	100%
Implement Environmental Health Electronic Inspection Forms <i>Completed and ready to be put into the production environment</i>	25,000	19,077	100%
COUNCIL PLAN OBJECTIVE: Recognise the dispersed community within Corangamite Shire			
ACTIONS FROM ANNUAL ACTION PLAN 2015-2016			
Review Community Plans for Camperdown, Terang, Lismore and Port Campbell <i>Camperdown complete, with other towns to be presented to September 2016 Council meeting. They were delayed to allow a key project to be completed in each town before reviews commence</i>	NIL	NIL	40%

OTHER MAJOR BUDGETED INITIATIVES:

Implement TechnologyOne/GIS integration	\$35,000
Implement TechnologyOne Contract Management module	\$16,000
Server infrastructure renewal program	\$20,000
Upgrade data projectors	\$4,500
McCabe and Killara Centre IT upgrade	\$10,000
Wireless network extension to Killara Centre	\$15,000

Progress against performance measures set out in Council Plan

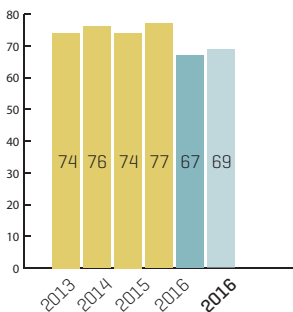
[How we said we would measure our success in the Council Plan 2013-2017]

Performance measure/indicator	Result 2015-2016	Comment
Our staff turnover will be maintained at existing levels	X	Staff turnover increased from 5.44% in 2014-2015 to 10.1% in 2015-2016. We had 10 staff retire in 2015-2016
Customer service response times will improve	✓	Response times have improved significantly for Customer Service Requests from 6.04 days in 2014-2015 to 3.06 days in 2015-2016
Expenditure per FTE on training and development will be maintained	✓	\$1,012 per FTE. Nearly the same as 2014-2015
Lost time due to injuries will decrease	X	Three significant incidents were responsible for 290 days lost due to injury in 2015-2016. An increase from 224 days in 2014-2015

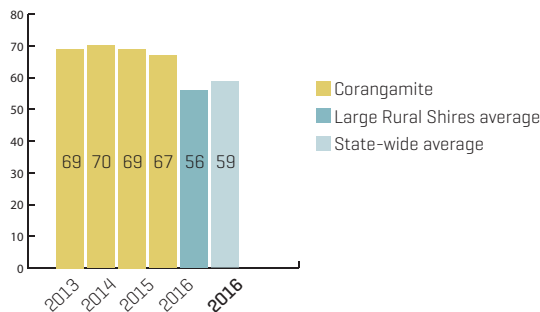
Indicators of success

2016 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

Customer service



Informing the community



Community Planning

Ensuring a community-led approach to the Timboon Town Centre Improvements Project

The Timboon Town Centre Improvements Project is an example of community-led design process and planning.

The \$600,000 project was supported by the State Government (\$400,000), Corangamite Shire (\$150,000) and Origin Energy (\$50,000). Improvements to the town centre were confirmed as a community priority through the review of the *Blueprint for Timboon* Community Plan in 2014-2015.

Project planning started in early 2015 with a seven month process involving community members, Councillor Neil Trotter and Council's Community Planning Coordinator Garry Moorfield. Works started in early 2016 and are due for completion in August 2016.

An Action Group was established, open to all interested persons and reporting monthly to Timboon Action [local progress association]. Consultation for this project started with the Town Walk with Councillors on 13 January 2015. It also involved a survey of 37 business owners, follow-up visits and face-to-face discussions.

Community-led design means placing community wants and desires at the heart of any proposed changes.

The aim was to develop a plan of improvements upon which the community agreed upon, and to present this plan to Council. Throughout the process, all available information was shared with local community members and design proceeded on the basis that local people have detailed knowledge of how their township and its streets, footpaths, businesses and amenities are used across the seasons. Local communities are obviously heavily invested in their towns and its streetscapes, either as investors, operators or customers of local businesses, but also in terms of psychological and emotional connection to place, where the town is in fact a symbolic landscape of deep significance to residents.

Through an iterative process of round-the-table discussions and voting, a ranked list of priority actions was developed. Community members were invited to bring photographs, drawings, model information and quotations obtained for consideration by the Action Group.

Once priorities were confirmed, draft plans were displayed in a vacant shop window in Timboon and featured in a story in the local newspaper.



Members of the Action Group, local business operators, Origin Energy and Council representatives in the Timboon town centre

Generally, Action Group meetings were attended by between 10 and 20 people. Some new participants arrived and offered criticisms of elements of the proposed design. Some of these issues were beyond the scope of the project, however they were resolved by the Action Group in terms of 'a community decision'. It is estimated that some 100 people were involved in the community consultation process.

The Timboon Town Centre Improvements Project provided an opportunity for Council to live out its Values and Behaviours outlined in the Council Plan 2014-2017 with a 'commitment to continually improve the way we listen to our communities'.

Specifically, the project sought to:

- Include engagement principles in Council work practices
- Be open and receptive to alternate program delivery approaches
- Demonstrate respectful behaviour to those who hold contrary or minority views
- Openly share information with internal and external stakeholders
- Build trust in the community through consistency of action and open and ethical behaviour

"I think it has worked well and the finished product, a revitalised town centre, will be something that residents can enjoy and be proud of. I hope that many of those involved come away with a genuine sense that they helped shape the project."

Mayor Jo Beard

Democractic Governance

Council's role

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

Council has a number of roles including:

- taking into account the diverse needs of the local community in decision making
- providing leadership by establishing strategic objectives and monitoring achievements
- ensuring that resources are managed in a responsible and accountable manner
- advocating the interests of the local community to other communities and governments
- fostering community cohesion and encouraging active participation in civic life

Council is committed to effective and sustainable forms of democratic and corporate governance as the key to ensuring that Council and its administration meet the community's priorities. The community has many opportunities to provide input into Council's decision making processes including community consultation, public forums attended by Councillors, the ability to make deputations and submissions at Council meetings and through representation on Council special committees.

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

Decision-making process

Council is authorised to make decision in only one of two ways:

1. By resolution at Council meetings and special committees of Council
2. By Council officers under delegated authority. The Chief Executive Officer (CEO) is authorised under the Local Government Act 1989 to manage the day-to-day power to delegate decisions on operational matters of officers

There are certain powers that Council cannot delegate. These are the adoption of the Council Plan and Council Budget.

Council meetings

Council conducts open public meetings generally on the fourth Tuesday of each month in the Killara Centre, Camperdown. Twice a year Council meetings are held in two of our other towns.

The September 2015 meeting was held in Terang and the March 2016 meeting was held in Timboon. Council meetings are rotated through all of our towns to ensure attendance at Council meetings is accessible to all of our communities. Council meetings provide the opportunity for community members to submit a question to Council, make a submission or speak to an item. In 2015-2016, 12 Ordinary Council Meetings and three Special Council Meetings were held with an average attendance rate by Councillors of 92.29%. Two out of seven Councillors had 100% attendance. For detailed information on Councillor attendance at Council meetings, refer to page 18.

Councillor remuneration & support

Mayor and Councillor allowances were increased by 2.5% on 1 December 2015 by Ministerial adjustment. The Mayoral allowance was set at \$67,190.44 plus superannuation and provision of a motor vehicle, iPad and iPhone. Councillor allowances were set at \$23,539.75 plus superannuation and provision of an iPad and iPhone.

Councillor reimbursements table

The following table sets out the allowances paid to Councillors for the reporting period.

COUNCILLOR	TRAVEL ²	CAR MILEAGE	CHILDCARE	IT ³	CONFERENCE & TRAINING	TOTAL
Cr Jo Beard ¹	\$2,031.29	\$1,166.09	\$0.00	\$2,100.53	\$1,303.64	\$6,601.55
Cr Peter Harkin	\$295.55	\$1,830.40	\$0.00	\$1,959.25	\$300.00	\$4,385.20
Cr Ruth Gstrein	\$1,574.21	\$1,975.58	\$0.00	\$1,441.35	\$1,862.73	\$6,853.87
Cr Neil Trotter	\$623.14	\$7,488.14	\$0.00	\$957.77	\$809.90	\$9,878.95
Cr Chris O'Connor ¹	\$454.64	\$0.00	\$0.00	\$506.49	\$477.27	\$1,438.40
Cr Geoff Smith	\$295.55	\$3,102.00	\$0.00	\$1,321.55	\$0.00	\$4,719.10
Cr Wayne Oakes	\$295.55	\$0.00	\$0.00	\$1,237.13	\$0.00	\$1,532.68

¹ Cr Chris O'Connor was Mayor from 1 July - 24 November 2015. Cr Jo Beard was elected 24 November 2015

A vehicle, currently a Subaru Outback Diesel, is provided to the Mayor for business and private use. This charge (totalling \$13,225) has not been included in totals for Cr O'Connor and Cr Beard

² Travel expenses include accommodation, meals and parking ³ Includes iPad and iPhone excluding GST.

Code of Conduct

Council has a Code of Conduct, which was reviewed and adopted by Council on 24 May 2016. The code outlines the principles of good governance, guides Councillors' behaviour, accountability and dispute resolution between Councillors. The existing code is available on our website at: www.corangamite.vic.gov.au/images/documents/Policies/other/Councillor-Code-of-Conduct.pdf

Conflict of Interest

In matters that come before Council for a decision, a conflict of interest can arise when Councillors and/or staff members [or their immediate families] have either a financial or some other advantage that could be interpreted as having undue influence on the outcome.

To ensure transparency in the decision-making processes of Council, Councillors and staff are required to declare and document their interest in a matter. Where Councillors have declared an interest, they must take no part in the decision-making process in Council meetings. They must also declare their interest at Councillor Briefings and planning meetings.

During 2015-2016, Councillors registered 32 conflicts of interest during Council Meetings, Briefings and planning meetings.

Special Committees of Council

Under Section 86 of the *Local Government Act 1989*, Council may appoint special committees of Council to undertake a range of activities under delegation from Council.

The adjacent table contains a list of all special committees established by Council that are in operation and the purpose for which each committee was established. Committee members undertake this work on a voluntary basis and their commitment and dedication is acknowledged.

Council elects Councillors to a number of advisory committees, both internal and external to Council. For further details, see Councillor Profiles on pages 16-18.

Local Laws

The following Local Laws are in force:

No. 1 General Local Law - Adopted 15 December 2015

Download from our website: www.corangamite.vic.gov.au/images/documents/Local-Laws/General-Local-Law-No1-2015.pdf

No. 2 Livestock Local Law - Adopted 15 December 2015

Download from our website: www.corangamite.vic.gov.au/images/documents/Local-Laws/Livestock-Local-Law-No2-2015.pdf

No. 3 Meeting Procedures - Adopted 26 November 2009

Download from our website: www.corangamite.vic.gov.au/images/documents/Local-Laws/Meeting-Procedures-Local-Law-No3-2016.pdf

Special Committee	Members	Purpose
Berrybank Hall	7	To oversee the management of the hall on behalf of Council
Camperdown Swimming Pool	6	To oversee the management of the swimming pool on behalf of Council
Cobden Aerodrome	12	To oversee the management of the airstrip on behalf of Council
Cobden Civic Hall	8	To oversee the management of the hall on behalf of Council
Cobden Swimming Pool	4	To oversee the management of the swimming pool on behalf of Council
Ecklin Hall	3	To oversee the management of the hall on behalf of Council
Kilnoorat Cemetery	8	To oversee the management of the cemetery on behalf of Council
Lake Tooliorook	7	To oversee the management of Lake Tooliorook on behalf of Council
Lismore Swimming Pool	8	To oversee the management of the swimming pool on behalf of Council
Mount Leura and Mount Sugarloaf	7	To oversee the management of the swimming pool on behalf of Council
Port Campbell Public Purposes Reserve	5	To oversee the reserve on behalf of Council
Simpson and District Public Hall	5	To oversee the management of the hall on behalf of Council
Skipton Swimming Pool	7	To oversee the management of the swimming pool on behalf of Council
Terang Civic Centre	6	To oversee the management of the Terang Civic Centre on behalf of Council
Terang Swimming Pool	9	To oversee the management of the swimming pool on behalf of Council
Timboon and District Public Hall	9	To oversee the management of the hall on behalf of Council
Timboon Sporting Centre	12	To oversee the management of the sporting centre on behalf of Council
Timboon Swimming Pool	5	To oversee the management of the swimming pool on behalf of Council

Strategies, policies and plans adopted

A to Z listing

The table below details the strategies, policies and plans reviewed, endorsed or adopted by Council during 2015-2016.

DOCUMENT	DATE ENDORSED/ ADOPTED
Arts and Culture Plan 2016-2020	15/12/2015
Asset Management Policy	15/12/2015
Buildings Asset Management Plan	23/2/2016
Caretaker (Elections) Policy	23/2/2016
Complaints Handling Policy	28/6/2016
Community Planning Infrastructure Projects Policy	15/12/2015
Council Plan 2013-2017	
Domestic Animal Management Plan 2013-2017	28/6/2016
Essential Safety Measures Policy	24/5/2016
Fraud Prevention and Control Policy	26/4/2016
General Local Law 2015 (Local Law No. 1)	15/12/2015
Grants Policy	27/1/2016
Hard Court Policy	24/5/2016
Investment Policy	26/4/2016
Livestock Local Law 2015 (Local Law No. 2)	15/12/2015
Municipal Emergency Management Plan 2015-2018	24/11/2015
Municipal Fire Management Plan 2015-2017	24/11/2015
Open Data Policy	15/12/2015
Playground Management Policy	23/3/2016
Procurement Policy	22/9/2015
Property Leasing Policy	23/2/2016
Quick Response Grants Policy	23/2/2016
Recreation Reserves Management Policy	28/6/2016
Retail Area Facade Improvement Policy	28/6/2016
Risk Management Policy	26/4/2016
Roads Asset Management Plan	23/2/2016
Sale of Council Land and Buildings Policy	26/4/2016
Special Rates and Charges Policy	22/9/2015
Swimming Pool Maintenance Policy	22/3/2016
Trails Management Policy	26/4/2016

Documents available for public inspection

For the purposes of section 222 of the Act, the following are prescribed documents if they are not published on the Internet website of the Council—

- (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—
 - (i) the name of the Councillor or member of Council staff; and
 - (ii) the dates on which the travel began and ended; and
 - (iii) the destination of the travel; and
 - (iv) the purpose of the travel; and
 - (v) 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.

Best Value

Council continues to follow the principles of Best Value and regularly reviews its policies, plans and services as required by the *Local Government Act 1989*.

Food Act Ministerial directions

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a summary of any ministerial directions received during the financial year in its annual report. No such ministerial directions were received by Council during the financial year.

Corporate Governance

Governance and Management Checklist

The table below lists the results of Council's assessment against the 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]	✓ Date of operation of current policy: 23/06/2015
2	Community Engagement Guidelines [Guidelines to assist staff to determine when and how to engage with the community]	✓ Date of operation of current guidelines: 26/06/2012
3	Strategic Resource Plan [Plan under Section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years]	✓ Plan adopted in accordance with Section 126 of the Act. Adopted: 14/06/2016
4	Annual Budget [Plan under Section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required]	✓ Budget adopted in accordance with Section 130 of the Act Adopted: 14/06/2016
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]	✓ Road Asset Management Plan adopted: 23/02/2016 Buildings Asset Management Plan adopted: 23/02/2016
6	Rating Strategy [Strategy setting out the rating structure of Council to levy rates and charges]	✓ Date of operation of current strategy: 22/04/2014
7	Risk Policy [Policy outlining Council's commitment and approach to minimising the risks to Council's operations]	✓ Date of operation of current policy: 26/04/2016
8	Fraud Policy [Policy outlining Council's commitment and approach to minimising the risk of fraud]	✓ Date of operation of current policy: 26/04/2016
9	Municipal Emergency Management Plan [Plan under Section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery]	✓ Prepared and maintained in accordance with Section 20 of the Emergency Management Act: 24/11/2015
10	Procurement Policy [Policy under Section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works]	✓ Prepared and approved in accordance with Section 186A of the Local Government Act: 22/09/2015
11	Business Continuity Plan [Plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster]	✓ Date of operation: 11/06/2015
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]	✓ Date of operation: 26/05/2014
13	Risk Management Framework [Framework outlining Council's approach to managing risks to the Council's operations]	✓ Date of operation of current framework: 24/02/2015
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. Established: 28/03/2000

15	Internal Audit [Independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls]	✓	Internal auditor engaged: 10/09/2015
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]	✓	Date of operation: 1/7/2015
17	Council Plan Reporting [Report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year]	✓	Date of report: 26/04/2016
18	Financial Reporting [Quarterly statements to Council under Section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure]	✓	Quarterly statements presented to Council in accordance with Section 138(1) of the Act: 27/10/2015, 27/01/2016, 26/04/2016, 28/06/2016
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: 23/02/2016, 28/06/2016
20	Performance Reports [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: 22/09/2015, 23/02/2016, 28/06/2016
21	Annual Report [Annual Report under Sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements]	✓	Annual Report considered at a meeting of Council in accordance with Section 134 of the Act: 27/10/2015
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]	✓	Code of Conduct reviewed in accordance with Section 76C of the Act: 24/05/2016
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: 27/01/2016, 14/01/2016
24	Meeting Procedures [A Local Law governing the conduct of meetings of Council and Special Committees]	✓	Meeting Procedures Local Law made in accordance with Section 91(1) of the Act: 26/11/2009

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



Cr Jo Beard, Mayor
Dated: 25 September 2016



Andrew Mason, Chief Executive Officer
Dated: 25 September 2016

Information Privacy

Council collects large amounts of personal information about individuals. This includes information about ratepayers/residents, Council staff and contractors.

Council believes that protection of an individual's privacy is part of its commitment towards accountability and integrity, and is strongly committed to protecting every individual's right to privacy. Council will restrict access to personal information to 'a need to know' basis and will only use personal information provided by an individual for the purposes for which it was collected, or a related purpose that the individual would reasonably expect to occur.

Disability Action Plan

Council has incorporated the Community Access Plan [Disability Access Plan] into the Health and Wellbeing Plan and implemented the following actions:

- Present 'Disabilities and Health Inequalities' research to local stakeholders
- Provide disability awareness training to Council staff
- Conduct disability access audit of Council's buildings
- Promote events such as Carers Week and International Day of People with a Disability
- Supported community groups to develop disability access plans

Contracts

Council's Procurement Policy is reviewed annually to ensure appropriate cost, service and delivery standards are met. Some of the tenders awarded in 2015-2016 included:

- Sealing Tender
- Provision of Road Maintenance Products and Services
- Provision of Vegetation Management and Associated Services
- Supply Only [or Supply and Loading] of Roadmaking Materials
- Supply and Installation of Geosynthetics at Corangamite Regional Landfill
- Skipton Dam Overflow Pipes - Upgrade
- Timboon Town Centre Improvements Project
- Landfill Compactor
- Landfill Excavator
- Multi Wheel Roller
- Grader

Carers Recognition

Council has taken all practicable measures to comply with its responsibilities outlined in the Carer's Recognition Act 2012 (the Act). Council has promoted the principles of the Act to people in care relationships who receive Council services; to people in care relationships and to the wider community by:

- distributing printed material through relevant Council services
- providing links to State Government resource materials on Council's website
- actively participating in Carers Week activities

Council has taken all practicable measures to ensure staff, Council agents and volunteers working for Council are informed about the principles and obligations of the Act by including information on the care relationship in:

- Council induction and training programs for staff working in HACC services
- Induction and training programs for volunteers working with clients in Home and Community Care Programs
- Displaying information about the Act in the staff offices
- Actively participating in the South West Carers Respite Network

Council has taken all practicable measures to review and modify policies, procedures and supports to include recognition of the carer relationship and has provided the following additional activities and resources to recognise the care relationship:

- Insertion of information on *Carer's Recognition Act 2012* in HACC Policy and Procedure Manual
- Support for and promotion of Carers Week
- Affiliate of the Companion Card Program

Domestic Animal Management Plan

In accordance with the *Domestic Animals Act 1994*, Council is required to prepare a Domestic Animal Management Plan at four yearly intervals and evaluate its implementation in the annual report.

Council adopted the Domestic Animal Management Plan 2013-2017 in August 2013 and has reviewed the plan on an annual basis since adoption. The new plan was developed through consultation with Council's Animal Management Team and consideration of input from other Council departments. There have been a range of projects and actions developed from the plan since its adoption which include:

- Implementation of a rehousing program for dogs
- Education and media relating to animal management
- Increased feral cat trapping and property owner support to prevent cat trespass
- Signage review and changes for problem areas
- Microchip audits against Council records
- Domestic Animal Business Compliance audits
- Annual restricted breed and declared dog property inspections
- Priority patrols undertaken in domestic animal problem areas
- Officers have also attended a range of training programs including:
 - o customer service
 - o restricted breed dog training
 - o animal handling
- Completed annual restricted breed and declared dog property inspections
- Priority patrols undertaken in domestic animal problem areas.

Freedom of Information (FoI)

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

- It should be in writing
- It should identify as clearly as possible which document is being requested
- It should be accompanied by the appropriate application fee [the fee may be waived in certain circumstances]

Further information regarding FOI can be found at www.foi.vic.gov.au and www.corangamite.vic.gov.au In the 2015-2016 financial year, Council received two requests under the *Freedom of Information Act 1982*.

NUMBER OF FoI REQUESTS	
2015-2016	2
2014-2015	0
2013-2014	6
2012-2013	4
2011-2012	4

Audit Committee

Corangamite Shire's Audit Committee, established under the *Local Government Act 1989*, continues to play a vital role in oversight of Council business. The Audit Committee reports directly to Council on matters it is dealing with and makes recommendations in relation to the annual financial statements. The committee also reviews Council policy, risk and legislative compliance.

Members of the Audit Committee in 2015-2016 were:

Ms Nancy Johnson [Chair]

Mr Colin Hayman [appointed February 2016]

Mr Andrew Jeffers

Ms Jacinta Thomas [end of tenure January 2016]

We wish to thank Jacinta for her contribution to the Audit Committee

Cr Ruth Gstrein

Cr Neil Trotter

Cr Jo Beard [ex officio November 2015-June 2016]

Cr Chris O'Connor [ex-officio July 2015-November 2015]

MEMBER	FEE	TRAVEL	TOTAL
Nancy Johnson	\$1,200.00	\$196.35	\$1,396.35
Andrew Jeffers	\$1,600.00	-	\$1,600.00
Colin Hayman ¹	\$800.00	-	\$800.00
Jacinta Baker ²	\$800.00	\$243.10	\$1,043.10
TOTAL	\$4,400.00	\$439.45	\$4,839.45

¹ From 23 February 2016

² To 31 January 2016

Protected Disclosure Procedures

The Independent Broad-based Anti-corruption Commission (IBAC) is responsible for identifying and preventing serious corrupt conduct across the public sector, including councils.

The purpose of the *Protected Disclosure Act 2012* is to encourage and facilitate disclosures of improper conduct by Council or Council employees and to provide protection for those who are involved in disclosure. Corangamite Shire has developed a procedure for reporting disclosures of improper conduct or detrimental action by Council or its employees. Disclosures about Council staff may be made to nominated people at Council who will refer assessable disclosures to the IBAC or disclosures may be referred directly to the IBAC. A disclosure about a Councillor must be made directly to IBAC or the Victorian Ombudsman. A Protected Disclosure can be made by an employee or a member of the public. A copy of the procedure is available from Council offices and on Council's website: www.corangamite.vic.gov.au.

During the 2015-2016 year no disclosures were notified to Council officers appointed to receive disclosures or to IBAC.

Local Government Performance Reporting Framework (LGPRF)

Service/Indicator/Measure	Result 2015	Result 2016	Comment
SUSTAINABLE CAPACITY			
POPULATION Expenses per head of municipal population [Total expenses / Municipal population]	\$2,554.70	\$2,536.92	
INFRASTRUCTURE Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$22,402.91	\$22,982.58	The increase is due to a combined lower Estimated Resident Population and increase in the value of infrastructure
ROADS Population density per length of road [Municipal population / Kilometres of local roads]	7.49	7.34	
OWN-SOURCE REVENUE Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,642.97	\$1,687.70	There was an increase in own-source revenue over the prior reporting period
RECURRENT GRANTS Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$983.68	\$565.18	The result is adversely impacted by Victorian Grants Commission funding received in the prior reporting period
DISADVANTAGE Relative Socio-Economic Disadvantage [Index of Relative Socio-Economic Disadvantage by decile]	5.00	5.00	There was no change from the prior reporting period

Local Government Performance Reporting Framework (LGPRF)

Service/Indicator/Measure	Result 2015	Result 2016	Comment
FINANCIAL PERFORMANCE			
EFFICIENCY			
REVENUE LEVEL			
Average residential rate per residential property assessment [Residential rate revenue / Number of property assessments]	\$1,061.23	\$1,177.46	The variation to the prior reporting period is consistent with the rate increase and movement in differential rates
EXPENDITURE LEVEL			
Expenses per property assessment [Total expenses / Number of property assessments]	\$4,212.89	\$4,099.40	
WORKFORCE TURNOVER			
Resignations and terminations compared to average staff [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x 100	6.46%	9.45%	10 employees retired during the year and whilst the increase on the previous year is high, it is not considered high for large rural shires such as Corangamite
LIQUIDITY			
WORKING CAPITAL			
Current assets compared to current liabilities [Current assets / Current liabilities] x 100	283.54%	276.53%	
UNRESTRICTED CASH			
Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x 100	154.32%	218.32%	The increase in unrestricted cash is primarily due to a lower level of conditional grants held at the end of the reporting period when compared to the previous year. However, the result for the year is within Council's target range of equal to or greater than 150%.
OBLIGATIONS			
ASSET RENEWAL			
Asset renewal compared to depreciation [Asset renewal expense / Asset depreciation] x 100	104.71%	117.44%	Council's renewal ratio reflects the impact of capital works carried forward from 2014-2015 and the ongoing commitment to asset renewal
LOANS & BORROWINGS			
Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x 100	24.57%	16.32%	The lower result reflects Council's strategy to reduce its reliance on debt
INDEBTEDNESS			
Non current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x 100	32.13%	28.71%	The lower result is consistent with a reduction in Council's debt obligations
OPERATING POSITION			
ADJUSTED UNDERLYING RESULT			
Adjusted underlying surplus [or deficit] [Adjusted underlying surplus [deficit] / Adjusted underlying revenue] x 100	4.49%	-11.85%	Council's underlying result is adversely impacted by Victorian Grants Commission funding received in the prior reporting period. There was also an amount of carried forward projects from the previous year that impacted results
STABILITY			
RATES CONCENTRATION			
Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x 100	43.46%	55.06%	The result is adversely impacted by Victorian Grants Commission funding received in the prior reporting period
RATES EFFORT			
Rates compared to property values [Rates revenue / Capital improved value of rateable properties in the municipality] x 100	0.39%	0.41%	The variation to the prior reporting period is consistent with the underlying rate increase for the reporting period of 5%



**CORANGAMITE
SHIRE**

Corangamite Shire Council

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Telephone 03 5593 7100 Facsimile 03 5593 2695 Email shire@corangamite.vic.gov.au

www.corangamite.vic.gov.au



Please call us for a translation of any part of this document. Corangamite's Annual Report can also be downloaded from our website.

CORANGAMITE SHIRE

**PERFORMANCE
STATEMENT**

For the year ended 30 June 2016

Performance Statement

For the year ended 30 June 2016

Description of municipality

Corangamite Shire is located 180 kilometres south-west of Melbourne in the Great South Coast. The municipality is approximately 4,600 square kilometres and stretches from the Great Ocean Road in the south to the pastoral area of Skipton to the north.

The topography of the Shire is diverse, including flat plains in the north with large numbers of lakes of international significance and volcanic cones in the centre of the Shire. Highly productive agricultural land also characterises the north of the Shire with sheep and cattle grazing prevalent. The coastline along the southern border includes a section of the Great Ocean Road tourist route, attracting a large number of tourists annually. Numerous offshore rock formations, including the Twelve Apostles, are a major tourist attraction.

Geographically, Corangamite Shire comprises twelve townships that act as service centres for the surrounding areas, namely Camperdown, Terang, Timboon, Port Campbell, Cobden, Lismore, Derrinallum, Skipton, Princetown, Simpson, Noorat and Darlington. The townships of Camperdown, Terang and Cobden have the largest populations. The coastal townships of Princetown and Port Campbell predominantly service the tourism industry.

In 2014, the estimated resident population of Corangamite Shire was 15,996 with 3.6 people per square kilometre. The population remains relatively stable with a projected average annual growth rate of 0.2%.

Sustainable Capacity Indicators

For the year ended 30 June 2016

<i>Indicator/measure</i>	Results		Material Variations
	2015	2016	
Population			
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$2,554.70	\$2,536.92	No material variations
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$22,402.91	\$22,982.58	The increase is due to a combined lower Estimate Resident Population and increase in the value of infrastructure.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	7.49	7.34	No material variations
Own-source revenue			
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,642.97	\$1,687.70	There was an increase in own source revenue over the prior reporting period.
Recurrent grants			
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$983.68	\$565.18	The result is adversely impacted by Victorian Grants Commission funding received in the prior reporting period.
Disadvantage			
<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	5.00	5.00	No material variations

Definitions

"adjusted underlying revenue" means total income other than:

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

"infrastructure" means non-current property, plant and equipment excluding land

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

"population" means the resident population estimated by council

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

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

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

"unrestricted cash" means all cash and cash equivalents other than restricted cash.

Service Performance Indicators

For the year ended 30 June 2016

Service/indicator/measure	Results		Material Variations
	2015	2016	
Aquatic facilities			Favourable weather conditions and an increase in marketing resulted in greater utilisation of aquatic facilities.
Utilisation			
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	2.34	3.46	
Animal management			The number of infringements issued has been slightly lower than the previous year and prosecution services have been difficult to obtain. This resulted in a number of prosecutions being heard by the Court in July 2016 which will result in an increase in results in subsequent reporting periods.
Health and safety			
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	14.00	4.00	
Food safety			No material change
Health and safety			
<i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	100.00%	100.00%	
Governance			Although lower, Council results remains above the state average and large rural shire average. Council believes negative sentiment towards Local Government has contributed to the downward trend experienced state-wide.
Satisfaction			
<i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	64.00	61.00	
Home and community care			There is a lower participation rate due to Council delivering to funded targets which are lower than the previous year. Furthermore the region to the south of the Shire is serviced by an alternate provider.
Participation			
<i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	29.00%	25.80%	
Participation			The were 16 less individuals who identified themselves as culturally and linguistically diverse who used the HACC service when compared to the prior year.
<i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	23.00%	7.69%	

Service/indicator/measure	Results		Material Variations
	2015	2016	
Libraries			
Participation			
<i>Active library members</i> [Number of active library members / Municipal population] x100	14.00%	14.03%	No material variations
Maternal and child health			
Participation			
<i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	79.00%	82.92%	No material variations
<i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	80.00%	93.33%	Improvement on number of children enrolled from prior year.
Roads			
Satisfaction			
<i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	38.00	36.00	Satisfaction remains low. Our research suggest this is due to less than satisfactory condition of the main roads network managed by VicRoads.
Statutory Planning			
Decision making			
<i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	0.00%	0.00%	There were no VCAT appeals during the reporting period.
Waste Collection			
Waste diversion			
<i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	59.00%	60.92%	No material variations

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 authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

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

"population" means the resident population estimated by council

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

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

Financial Performance Indicators

For the year ended 30 June 2016

Dimension/ <i>indicator</i> /measure	Results		Forecasts				Material Variations
	2015	2016	2017	2018	2019	2020	
Efficiency							
Revenue level							
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,061.23	\$1,177.46	\$1,206.90	\$1,234.05	\$1,264.90	\$1,296.53	The variation to the prior reporting period is consistent with the rate increase and movement in differential rates.
Expenditure level							
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$4,212.89	\$4,099.40	\$3,865.33	\$3,931.33	\$4,032.38	\$4,130.44	There is no material variation for this indicator.
Workforce turnover							
<i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	6.46%	9.45%	4.19%	4.19%	4.19%	4.19%	Whilst an increase on the previous year the result is not considered high. Going forward workforce turnover is forecast to remain constant
Liquidity							
Working capital							
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	283.54%	276.53%	242.39%	234.78%	233.22%	242.97%	The results for the year is within Council's target range of equal to or greater than 150%.

Dimension/indicator/measure	Results		Forecasts				Material Variations
	2015	2016	2017	2018	2019	2020	
Unrestricted cash							
<i>Unrestricted cash compared to current liabilities</i>	154.32%	218.32%	184.62%	175.74%	174.80%	185.24%	The increase in unrestricted cash is primarily due to a lower level of conditional grants held at the end of the reporting period when compared to the previous year. However, the result for the year is within Council's target range of equal to or greater than 150%.
[Unrestricted cash / Current liabilities] x100							
Obligations							
Asset renewal							
<i>Asset renewal compared to depreciation</i>	104.71%	117.44%	121.07%	122.44%	115.19%	108.96%	There is no material variation for this indicator.
[Asset renewal expenses / Asset depreciation] x100							
Loans and borrowings							
<i>Loans and borrowings compared to rates</i>	24.57%	16.32%	11.12%	9.35%	7.60%	5.86%	The lower results reflects Council's strategy to reduce its reliance on debt.
[Interest bearing loans and borrowings / Rate revenue] x100							
Loans and borrowings							
<i>Loans and borrowings repayments compared to rates</i>	8.31%	8.06%	5.46%	2.02%	1.94%	1.88%	The lower results reflects Council's strategy to reduce its reliance on debt.
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100							
Indebtedness							
<i>Non-current liabilities compared to own source revenue</i>	32.13%	28.71%	27.22%	25.44%	23.62%	21.82%	The lower result is consistent with a reduction in Council's debt obligations.
[Non-current liabilities / Own source revenue] x100							

Dimension/indicator/measure	Results		Forecasts				Material Variations
	2015	2016	2017	2018	2019	2020	
Operating position							
Adjusted underlying result							
<i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	4.49%	-11.85%	2.67%	4.24%	3.36%	3.35%	Council's underlying result is adversely impacted by Victorian Grants Commission funding received in the prior reporting period. There was also an amount of carried forward projects from the previous year that impacted.
Stability							
Rates concentration							
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	43.46%	55.06%	52.09%	51.53%	51.96%	52.00%	The result is adversely impacted by Victorian Grants Commission funding received in the prior reporting period.
Rates effort							
<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.39%	0.41%	0.42%	0.42%	0.44%	0.45%	The variation to the prior reporting period is consistent with the rate increase.

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.

Other Information

For the year ended 30 June 2016

1. Basis of preparation

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

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

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

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 27 June 2016 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of the Performance Statement

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



Adam Taylor, CPA
Principal Accounting Officer
Dated: 27 September 2016

In our opinion, the accompanying performance statement of the *Corangamite Shire* for the year ended 30 June 2016 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

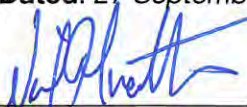
The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

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

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



Cr Ruth Gstrein
Councillor
Dated: 27 September 2016



Cr Neil Trotter
Councillor
Dated: 27 September 2016



Andrew Mason
Chief Executive Officer
Dated: 27 September 2016

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Corangamite Shire Council

The Performance Statement

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

The Councillors' Responsibility for the Performance Statement

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

Auditor's Responsibility

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

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

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

Independent Auditor's Report (continued)


Independence

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

Auditor's Opinion

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

MELBOURNE
28 September 2016


R Andrew Greaves
Auditor-General

CORANGAMITE SHIRE

ANNUAL

FINANCIAL REPORT

For the year ended 30 June 2016

Corangamite Shire Council
Financial Report
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Comprehensive Income Statement
For the Year Ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Income			
Rates and charges	3	19,570	18,595
Statutory fees and fines	4	305	311
User fees	5	5,619	5,951
Grants - operating	6	7,259	14,019
Grants - capital	6	5,825	4,484
Contributions - monetary	7	238	440
Reimbursements	8	1,283	1,845
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	9	(1,039)	(912)
Share of net profits (or loss) of associates and joint ventures	17	23	(119)
Other income	10	685	610
Total income		<u>39,768</u>	<u>45,224</u>
Expenses			
Employee costs	11	(14,207)	(13,440)
Materials and services	12	(12,173)	(11,002)
Bad and doubtful debts	13	(11)	(20)
Depreciation and amortisation	14	(9,895)	(8,541)
Borrowing costs	15	(201)	(215)
Fair Value Adjustments	24	-	(4,332)
Other expenses	16	(3,269)	(3,315)
Total expenses		<u>(39,756)</u>	<u>(40,865)</u>
Surplus/(deficit) for the year		<u>12</u>	<u>4,359</u>
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	29	-	(267)
Total comprehensive result		<u>12</u>	<u>4,092</u>

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

Balance Sheet
As at 30 June 2016

	Note	2016 \$'000	2015 \$'000
Assets			
Current assets			
Cash and cash equivalents	18	12,802	18,434
Trade and other receivables	19	1,803	2,081
Other financial assets	20	3,967	2,470
Inventories	21	67	93
Other assets	22	1,274	569
Total current assets		19,913	23,647
Non-current assets			
Trade and other receivables	19	68	89
Investments in associates and joint ventures	17	237	214
Property, infrastructure, plant and equipment	23	411,128	409,375
Total non-current assets		411,433	409,678
Total assets		431,346	433,325
Liabilities			
Current liabilities			
Trade and other payables	25	2,185	3,196
Trust funds and deposits	26	322	250
Provisions	27	3,725	3,506
Interest-bearing loans and borrowings	28	969	1,388
Total current liabilities		7,201	8,340
Non-current liabilities			
Provisions	27	5,368	5,264
Interest-bearing loans and borrowings	28	2,225	3,181
Total non-current liabilities		7,593	8,445
Total liabilities		14,794	16,785
Net assets		416,552	416,540
Equity			
Accumulated surplus		212,066	212,258
Reserves	29	204,486	204,282
Total Equity		416,552	416,540

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

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

2016	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		416,540	212,258	203,523	759
Surplus/(deficit) for the year		12	12	-	-
Net asset revaluation increment/(decrement)	29(a)	-	-	-	-
Transfers to other reserves	29(b)	-	(633)	-	633
Transfers from other reserves	29(b)	-	429	(361)	(68)
Balance at end of the financial year		416,552	212,066	203,162	1,324

2015		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		412,447	208,359	203,790	298
Surplus/(deficit) for the year		4,359	4,359	-	-
Net asset revaluation increment/(decrement)	29(a)	(267)	-	(267)	-
Transfers to other reserves	29(b)	-	(480)	-	480
Transfers from other reserves	29(b)	1	20	-	(19)
Balance at end of the financial year		416,540	212,258	203,523	759

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

Statement of Cash Flows
For the Year Ended 30 June 2016

	Note	2016 Inflows/ (Outflows) \$'000	2015 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		19,406	18,753
Statutory fees and fines		305	311
User fees		6,071	6,488
Grants - operating		7,259	14,297
Grants - capital		5,825	4,484
Contributions - monetary		238	473
Interest received		574	474
Reimbursements		1,283	1,742
Other receipts		87	150
Net GST refund (payment)		(116)	1,433
Employee costs		(13,993)	(13,440)
Materials and services		(13,637)	(12,047)
Trust funds and deposits repaid		(117)	(138)
Fire service property levy		189	88
Other payments		(3,269)	(3,874)
Net cash provided by/(used in) operating activities	30	<u>10,105</u>	<u>19,194</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(13,700)	(10,168)
Proceeds from sale of property, infrastructure, plant and equipment		1,037	468
Payments for investments		(1,500)	(2,000)
Loans and advances made		(100)	(500)
Repaid loans and advances		103	39
Net cash provided by/(used in) investing activities		<u>(14,160)</u>	<u>(12,161)</u>
Cash flows from financing activities			
Finance costs		(201)	(215)
Proceeds from borrowings		-	1,250
Repayment of borrowings		(1,376)	(1,331)
Net cash provided by/(used in) financing activities		<u>(1,577)</u>	<u>(296)</u>
Net increase (decrease) in cash and cash equivalents		(5,632)	6,737
Cash and cash equivalents at the beginning of the financial year		18,434	11,697
Cash and cash equivalents at the end of the financial year		<u>12,802</u>	<u>18,434</u>
Financing arrangements	31	960	960
Restrictions on cash assets	18	1,843	1,789

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

Statement of Capital Works
For the Year Ended 30 June 2016

	Note	2016 \$'000	2015 \$'000
Property			
Land		-	-
Land improvements		-	-
Work in progress		15	-
Total land		15	-
Buildings		212	194
Heritage Buildings		12	149
Building improvements		-	-
Leasehold improvements		909	-
Work in progress		182	503
Total buildings		1,315	846
Total property		1,330	846
Plant and equipment			
Plant, machinery and equipment		3,090	1,043
Fixtures, fittings and furniture		-	9
Computers and telecommunications		52	270
Work in progress		62	383
Total plant and equipment		3,204	1,705
Infrastructure			
Roads		6,078	5,639
Bridges		155	298
Footpaths and cycleways		368	393
Drainage		899	201
Recreational, leisure and community facilities		242	368
Parks, open space and streetscapes		134	200
Kerb and channel		334	208
Retaining walls and small culverts		5	18
Other infrastructure		23	-
Work in progress		927	292
Total infrastructure		9,165	7,617
Total capital works expenditure		13,699	10,168
Represented by:			
New asset expenditure		1,862	716
Asset renewal expenditure		11,621	9,165
Asset expansion expenditure		6	-
Asset upgrade expenditure		210	287
Total capital works expenditure		13,699	10,168

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

Introduction

The Corangamite Shire was established by an Order of the Governor in Council on 23 September 1994 and is a body corporate.

The Council's main office is located at 181 Manifold Street, Camperdown, Victoria 3260.

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 the Australian Accounting Standards, other authoritative pronouncements of the Australian Accounting Standards Board, the Local Government Act 1989, and the Local Government (Planning and Reporting) Regulations 2014.

Note 1 Significant accounting policies

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 1 (m))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 1 (n))
- the determination of employee provisions (refer to Note 1 (l))
- the rehabilitation of landfill site (refer Note 1 (u))

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

(b) Changes in accounting policies

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

(c) Principles of consolidation

The consolidated financial statements of Council incorporate all entities controlled by Council as at 30 June 2016, and their income and expenses for that part of the reporting period in which control existed.

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.

(d) 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.

Note 1 Significant accounting policies (cont.)

(e) Accounting for investments in associates and joint arrangements

Associates

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

Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor has, rather than the legal structure of the joint arrangement.

(i) Joint operations

Council recognises its direct right to, and its share of jointly held assets, liabilities, revenues and expenses of joint operations. These have been incorporated in the financial statements under the appropriate headings.

(ii) Joint ventures

Interests in joint ventures are accounted for using the equity method. Under this method, the interests are initially **recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise Council's share of the** post-acquisition profits or losses and movements in other comprehensive income in profit or loss and other comprehensive income respectively.

(f) Revenue recognition

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

Rates and Charges

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

Statutory fees and fines

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

User fees

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

Grants

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

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

Contributions

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

Sale of property, infrastructure, plant and equipment

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

Interest

Interest is recognised as it is earned.

Dividends

Dividend revenue is recognised when the Council's right to receive payment is established.

Other Income

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

Note 1 Significant accounting policies (cont.)

(g) Fair value measurement

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

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

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

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

(h) Cash and cash equivalents

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

(i) Trade and other receivables

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

(j) Other financial assets

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

(k) Inventories

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

All other inventories, including land held for sale, are measured at the lower of cost and net realisable value.

Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

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

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

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

Acquisition

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

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

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

Note 1 Significant accounting policies (cont.)

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date, the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 23 Property, infrastructure, plant and equipment.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

Land under roads

Council recognises land under roads it controls at fair value.

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

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

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

Road earthworks are not depreciated on the basis that they are assessed as not having a limited useful life.

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

Depreciation periods used are listed below and are consistent with the prior year unless otherwise stated.

Note 1 Significant accounting policies (cont.)

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

<i>Asset recognition thresholds and depreciation periods</i>	Depreciation Period	Threshold Limit \$'000
Property		
land	-	10
land improvements	25 years	10
Buildings		
heritage buildings	100 years	10
buildings	100 years	10
building improvements	10 years	10
leasehold improvements	25 years	10
Plant and Equipment		
plant, machinery and equipment	10 years	5
fixtures, fittings and furniture	10 years	5
computers and telecommunications	3-5 years	2
motor vehicles	2-5 years	5
Infrastructure		
	12-100 years	3
road pavements and seals		
road formation and earthworks	100 years	3
road kerb, channel and minor culverts	79 years	3
	80-100 years	3
bridges deck		
footpaths and cycleways	8-47 years	3
drainage	100 years	3
recreational, leisure and community facilities	25 years	3
waste management	25 years	3
parks, open space and streetscapes	25 years	3

(o) Repairs and maintenance

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

(p) Investment property

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

(q) Impairment of assets

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

Note 1 Significant accounting policies (cont.)

(r) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to Note 27).

(s) Borrowings

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

Borrowing costs

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

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

(t) Employee costs and benefits

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

Wages and salaries and annual leave

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

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

Long service leave

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

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

The components of this current liability are measured at :

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

Classification of employee costs

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

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

(u) Landfill rehabilitation provision

Council is obligated to restore Naroghid landfill site to a particular standard. The forecast life of the site is based on current estimates of remaining capacity and the forecast rate of infill. The provision for landfill restoration has been calculated based on the present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

Note 1 Significant accounting policies (cont.)

(v) Leases

Finance leases

Leases of assets where substantially all the risks and rewards incidental to ownership of the asset, are transferred to the Council are classified as finance leases. Finance leases are capitalised, recording an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments, including any guaranteed residual value. Lease payments are allocated between the reduction of the lease liability and the interest expense. Leased assets are depreciated on a straight line basis over their estimated useful lives to the Council where it is likely that the Council will obtain ownership of the asset or over the term of the lease, whichever is the shorter. Council currently holds no finance leases.

Operating leases

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

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter. At balance date, leasehold improvements are amortised over a 3 to 20 year period.

(w) Goods and Services Tax (GST)

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

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

(x) Financial guarantees

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised. Details of guarantees that Council has provided, that are not recognised in the balance sheet, are disclosed at Note 36 contingent liabilities and contingent assets.

(y) Contingent assets and contingent liabilities and commitments

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

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

(z) Pending accounting standards

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

(aa) Rounding

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

Note 2 Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$500,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 9 June 2015. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet **Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity** resulting from asset revaluations, as their impacts were not considered predictable.

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

(a) Income and Expenditure

	Budget 2016 \$'000	Actual 2016 \$'000	Variance 2016 \$'000	Ref
Income				
Rates and charges	19,522	19,570	48	
Statutory fees and fines	180	305	125	1
User fees	6,103	5,619	(484)	2
Grants - operating	9,990	7,259	(2,731)	3
Grants - capital	4,505	5,825	1,320	4
Contributions - monetary	62	238	176	5
Reimbursements	1,536	1,283	(253)	6
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	(1,039)	(1,039)	7
Share of net profits (or loss) of associates and joint ventures	-	23	23	8
Other income	330	685	355	9
Total income	42,228	39,768	(2,460)	
Expenses				
Employee costs	14,342	14,207	135	
Materials and services	10,469	12,173	(1,704)	10
Bad and doubtful debts	2	11	(9)	
Depreciation and amortisation	10,650	9,895	755	11
Borrowing costs	206	201	5	
Other expenses	3,623	3,269	354	12
Total expenses	39,292	39,756	(464)	
Surplus/(deficit) for the year	2,936	12	(2,924)	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory fees and fines	Additional Landfill Levy (\$94,000), Health Registrations (\$11,000) and Town Planning Fees (\$14,000) collected throughout the year.
2	User fees	Landfill user fees (\$466,000) under budget due to loss of major customer.
3	Grants - operating	Primarily due to half of the VGC Grant for 2015-2016 paid in 2014-2015 (\$3.55m). The balance is grants carried forward from previous years.
4	Grants - capital	Primarily capital grants carried forward from previous year offset against grants for Castle Carey Bridge realignment (\$500,000), Port Campbell Streetscape Design (\$100,000) and Timboon Streetscape construction (\$150,000) budgeted but not received.
5	Contributions - monetary	Special Charge Schemes budgeted but not yet completed (\$130,000).
6	Reimbursements	VicRoads / South West Alliance projects under budget (\$600,000) and plant hire over budget (\$260,000).
7	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Profit on Sale of Light Fleet, Heavy Plant and Buildings (\$379,000) offset by write down value of disposed infrastructure assets (\$1,418,000).
8	Share of net profits (or loss) of associates and joint ventures	This item is in relation to the Corangamite Regional Library and is not budgeted for.
9	Other income	Additional interest revenue received above budget (\$335,000).
10	Materials and services	Carry Forward Amounts (\$2.02m) offset by savings in Fuel Costs (\$260,000), Family Day Care contractors (\$171,000), Training/ Development (\$140,000) and Electricity (\$43,000)
11	Depreciation and amortisation	Decrease due to condition assessments performed in 2013-2014 indicating increase in useful lives, reducing depreciation charge.
12	Other expenses	Office Administration costs (\$427,000) budgeted as other expenses but costed to materials & services. Landfill rehabilitation contribution (\$109,000) not in budget.

Note 2 Budget comparison (cont)

(b) Capital Works

	Budget 2016 \$'000	Actual 2016 \$'000	Variance 2016 \$'000	Ref
Property				
Land	10	15	5	
Land improvements	-	-	-	
Total Land	10	15	5	
Buildings	528	331	(197)	1
Heritage buildings	-	12	12	
Building improvements	-	-	-	
Leasehold improvements	-	972	972	2
Total Buildings	528	1,315	787	
Total Property	538	1,330	792	
Plant and Equipment				
Plant, machinery and equipment	2,778	3,090	312	3
Fixtures, fittings and furniture	-	-	-	
Computers and telecommunications	262	114	(148)	4
Total Plant and Equipment	3,040	3,204	164	
Infrastructure				
Roads	6,173	6,783	610	5
Bridges	1,100	231	(869)	6
Footpaths and cycleways	195	392	197	7
Drainage	880	978	98	8
Recreational, leisure and community facilities	50	242	192	9
Parks, open space and streetscapes	620	134	(486)	10
Kerb and channel	-	367	367	11
Waste Management	80	-	(80)	12
Other infrastructure	30	38	8	
Total Infrastructure	9,128	9,165	37	
Total Capital Works Expenditure	12,706	13,699	993	
Represented by:				
New asset expenditure	1,453	1,862	409	
Asset renewal expenditure	11,032	11,621	589	
Asset expansion expenditure	-	6	6	
Asset upgrade expenditure	220	210	(10)	
Total Capital Works Expenditure	12,705	13,699	994	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Buildings	Several projects remained incomplete at the end of the year and are likely to be carried forward into 2016-2017. Some of them include Chemical Storage Shed (\$11,500), Court House Box Guttering (\$26,000), Clocktower face renewal (\$55,000), Lismore depot office (\$8,000), Public toilet upgrades (\$50,000) and the Timboon stadium (\$5,500)
2	Leasehold improvements	Finalisation of the Terang Kindergarten project, the budget for this project was originally categorised as Buildings, and was a work in progress from the previous financial year.
3	Plant, machinery and equipment	Two flocon discharge units remained undelivered at 30 June 2015, this budgeted expenditure was carried forward into 2015-2016 along with an amount for the landfill compactor.
4	Computers and telecommunications	Several project budgets for the integration and improvements of the Technology One system were incomplete and are likely to be carried forward into next financial year.
5	Roads	To maintain the expenditure requirements on roads and bridges, the underspent Castle Carey bridge expenditure was transferred to roads.
6	Bridges	Castle Carey costs were reallocated for use in road spending (see above). There was also money carried forward from the previous financial year for Bones Access Road Bridge (\$40,000), Wild Dog road bridge (\$50,000)
7	Footpaths and cycleways	The Adams St footpath budget was unspent at 30 June 2016 (\$60,000). The footpath component of the streetscape budget has been recategorised as has the footpath for the Terang Children's centre, originally budgeted in buildings.
8	Drainage	Skipton Jubilee park pipe upgrade was greater than adopted budget, using carried forward budget expenditure from 2014-2015.
9	Recreational, leisure and community facilities	The final stages of the Apex park project were \$14,000 over budget (funded by the committee). The landscaping and playground equipment for the Terang children's centre, originally budgeted in buildings, was transferred to recreational, leisure and community facilities (\$178,000).
10	Parks, open space and streetscapes	The whole of the streetscape project was budgeted in this category, however the works are recategorised into applicable sections upon completion.
11	Kerb and channel	Expenditure on kerb and channel was classified as road expenditure in the budget.
12	Waste Management	Variance due to works being the expenditure being recategorised into leasehold improvements (\$63,000).

	2016 \$'000	2015 \$'000
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Note 3 Rates and charges

Council uses capital improved value as the basis of valuation of all properties within the municipal district. The capital improved value of a property is its market value.

The valuation base used to calculate general rates for 2015/16 was \$ 4.787 million (2014/15 \$ 4.828 million).

General Rates	7,315	6,838
Municipal charge	1,553	1,473
Waste management charge	1,474	1,392
Farm/Rural	9,215	8,844
Vacant industrial land rates	13	8
Supplementary rates and rate adjustments	(6)	34
Cultural and recreational	6	6
Total rates and charges	19,570	18,595

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2016, and the valuation will be first applied in the rating year commencing 1 July 2016.

Note 4 Statutory fees and fines

Infringements and costs	11	12
Town planning fees	90	92
Health registrations	91	86
Landfill levy	94	105
Permits	19	16
Total statutory fees and fines	305	311

Note 5 User fees

Leisure centre and recreation	133	25
Private works	215	279
Waste management	2,464	2,730
Family day care	884	979
Home and community care	318	327
Saleyards	806	828
Mobile Child Care	99	96
Recreation programs	7	7
Meals on wheels	70	77
Preschools	80	81
Local laws / animal control	104	120
Legal expenses recovered	2	11
Tourism projects	48	42
Cultural programs	48	34
Rentals and lease	110	94
Health fees	38	23
Youth programs	7	10
Building services	177	170
Other fees and charges	9	18
Total user fees	5,619	5,951

	2016 \$'000	2015 \$'000
Note 6 Grants		
Grants were received in respect of the following :		
Summary of grants		
Commonwealth funded grants	8,566	14,684
State funded grants	4,518	3,819
Others	-	-
Total grants received	<u>13,084</u>	<u>18,503</u>
Operating Grants		
<i>Recurrent - Commonwealth Government</i>		
Family and children	471	467
Victoria Grants Commission - general	1,895	5,665
Victoria Grants Commission - local roads	1,651	4,905
<i>Recurrent - State Government</i>		
Adult day care	-	17
Assessment/welfare support	133	126
Community health	6	27
Community planning	-	29
Economic development	50	2
Emergency Management	23	26
Environment	61	129
Family and children	1,198	977
Home help	822	767
Maternal and child health	179	185
Meals on wheels	30	30
Organisational training	9	15
Recreation	12	11
School crossing supervisors	14	7
Senior citizens centres	34	31
State emergency service	52	52
Transport	65	54
Youth Services	54	53
Total recurrent operating grants	<u>6,759</u>	<u>13,575</u>
<i>Non-recurrent - State Government</i>		
Community Planning	41	-
Economic development	33	59
Environment	64	27
Families and children	60	-
Landfill / waste management	60	40
Recreation	80	250
Roads	-	20
Tourism	149	30
Youth	13	-
<i>Non-recurrent - Commonwealth Government</i>		
Mobile child care	-	3
Monument conservation	-	15
Total non-recurrent operating grants	<u>500</u>	<u>444</u>
Total operating grants	<u>7,259</u>	<u>14,019</u>

	2016 \$'000	2015 \$'000
Capital Grants		
<i>Recurrent - Commonwealth Government</i>		
Roads to recovery	1,600	2,160
Total recurrent capital grants	<u>1,600</u>	<u>2,160</u>
<i>Non-Recurrent - Commonwealth Government</i>		
Roads to recovery	2,949	1,101
Total non-recurrent capital grants	<u>2,949</u>	<u>1,101</u>
<i>Non-recurrent - State Government</i>		
Flood funding	250	250
Roads grants	26	47
Streetscape works	187	197
Building projects	776	-
Aerodrome	-	200
Saleyards	-	172
Other recreation projects	19	353
Waste	18	4
Total non-recurrent capital grants	<u>1,276</u>	<u>1,223</u>
Total capital grants	<u><u>5,825</u></u>	<u><u>4,484</u></u>

	2016 \$'000	2015 \$'000
Conditions on grants		
Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:		
Beyond the Bell Action Group	5	-
Bicycle strategy implementation	-	3
Camperdown cricket club pitch realignment	-	6
Cobden aerodrome upgrade project	-	200
Corangamite Youth Drug & Alcohol Program	1	-
Emergency plan - bushfire & heatwave	12	21
Feasibility study grant	14	-
HACC minor capital grant	51	-
Kindergarten Central Enrolment Project	8	-
Kindergarten Minor Refurbishment Grants	5	-
Local government infrastructure fund	-	7
Market prospectus	-	50
Mobile child care minor capital grant	5	-
Mt Leura CCMA grant	8	2
Primary Aspirations	2	-
RDV Population Growth Grant	2	-
Simpson recreation reserve social room extension	-	104
Skipton flood study	-	249
Small rural kindergarten grant	-	76
Smiles for miles	8	9
Stage 1 Waste Management innovation options investigation project	-	13
Terang lake precinct	-	30
Twelve Apostles Trail Design Planning	60	-
Victorian Adaptation and Sustainability Program	16	10
	<u>197</u>	<u>780</u>
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:		
Bicycle strategy implementation	3	-
Camperdown cricket club pitch realignment	6	-
Cobden aerodrome upgrade project	200	-
Emergency plan - bushfire & heatwave	21	-
Feasibility study grant	-	35
HACC minor capital grant	-	28
Lake Bullen Merri masterplan grant	-	70
Local government infrastructure fund	7	-
Market prospectus	50	-
Mobile child care minor capital grant	-	30
Mt Leura CCMA grant	2	-
Public place recycling grant	-	46
Simpson recreation reserve social room extension	104	-
Skipton flood study	249	-
Small rural kindergarten grant	76	-
Smiles for miles	9	-
Stage 1 Waste Management innovation options investigation project	13	-
Terang lake precinct	30	-
Timboon preschool project	-	101
Victorian Adaptation and Sustainability Program	10	-
War memorial restoration grants	-	22
	<u>780</u>	<u>332</u>
Net increase/(decrease) in restricted assets resulting from grant revenues for the year:	<u>(583)</u>	<u>448</u>

	2016 \$'000	2015 \$'000
Note 7 Contributions		
Monetary	-	-
Special charge schemes	23	114
Recreational, leisure and community facilities	193	312
Economic development	14	14
Environment	5	-
Community Services	3	-
Total contributions	<u>238</u>	<u>440</u>
Note 8 Reimbursements		
Vicroads	620	1,518
Swimming pools	39	51
Recreational facilities	57	65
Valuations		1
Emergency	46	-
Insurance payments	92	102
Preschool	44	65
Information technology support services	42	26
Family day care	1	5
Fuel Tax Credit Scheme	314	-
Other	28	12
Total Reimbursements	<u>1,283</u>	<u>1,845</u>
Note 9 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Proceeds of sale	1,037	468
Written down value of assets disposed	(658)	(981)
Write down value of disposed infrastructure assets	(1,418)	(399)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	<u>(1,039)</u>	<u>(912)</u>
Note 10 Other income		
Interest	500	402
Interest on rates	65	64
Interest on debtors	9	8
Legal costs recovered	11	58
Other	100	78
Total other income	<u>685</u>	<u>610</u>

	2016 \$'000	2015 \$'000
Note 11 (a) Employee costs		
Wages and salaries	10,525	10,715
WorkCover	217	229
Annual leave and long service leave	1,780	956
Superannuation	1,398	1,276
Fringe benefits tax	205	173
Other employee related expenditure	82	91
Total employee costs	<u>14,207</u>	<u>13,440</u>

Note 11 (b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	176	278
	<u>176</u>	<u>278</u>

Employer contributions payable at reporting date.	-	1
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Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	790	876
Employer contributions - other funds	432	458
	<u>1,222</u>	<u>1,334</u>
Employer contributions payable at reporting date.	49	58

Corangamite Shire 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, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2016, this was 9.50% required under Superannuation Guarantee legislation (for 2014-2015, this was 9.50%)).

Defined Benefit

Corangamite Shire 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 Corangamite Shire in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

	2016 \$'000	2015 \$'000
Note 12 Materials and services		
Materials and services	3,473	4,166
Contract payments	7,670	5,812
Utilities	603	578
Office administration	427	446
Total materials and services	<u>12,173</u>	<u>11,002</u>
Note 13 Bad and doubtful debts		
Other debtors	11	20
Total bad and doubtful debts	<u>11</u>	<u>20</u>
Note 14 Depreciation and amortisation		
Property	1,001	990
Plant and Equipment	1,014	918
Infrastructure	7,880	6,633
Total depreciation and amortisation	<u>9,895</u>	<u>8,541</u>
Refer to note 23 for a more detailed breakdown of depreciation and amortisation charges		
Note 15 Borrowing costs		
Interest - Borrowings	201	215
Total borrowing costs	<u>201</u>	<u>215</u>
Note 16 Other expenses		
Councillors' allowances	248	238
Council contributions	1,531	1,660
Insurance	456	463
Legal costs	173	90
Levies	22	36
Rent, rates and charges	184	184
Advertising and promotion	201	163
Meals, accommodation and refreshments	49	62
Subscriptions, publications and memberships	120	115
Landfill rehabilitation liability	109	122
Donations	50	-
Other	64	96
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	42	51
Auditors' remuneration - Internal	20	35
Total other expenses	<u>3,269</u>	<u>3,315</u>

	2016 \$'000	2015 \$'000
Note 17 Investments in associates, joint ventures and subsidiaries		
Investments in associates		
Investments in associates accounted for by the equity method are:		
- Corangamite regional library corporation	237	214
<i>Background</i>		
Council shares an interest in the Corangamite regional library corporation with the Colac Otway Shire, Moyne Shire and Warrnambool City Council. Council's share of the investment in the library is based on the census estimates of the Corangamite Shire's population as percentage of the total populations of the four Councils. The equity share is based on the audited accounts for the year ended 30 June 2016. Corangamite's share as at 30 June 2016 is 18.5% (2014-2015 18.7%)		
Fair value of Council's investment in Corangamite Regional Library Corporation	<u>237</u>	<u>214</u>
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus(deficit) at start of year	(206)	(87)
Reported surplus(deficit) for year	23	(119)
Transfers (to) from reserves	349	-
Distributions for the year	-	-
Council's share of accumulated surplus(deficit) at end of year	<u>166</u>	<u>(206)</u>
Council's share of reserves		
Council's share of reserves at start of year	421	398
Transfers (to) from reserves	(349)	23
Council's share of reserves at end of year	<u>72</u>	<u>421</u>
Movement in carrying value of specific investment		
Carrying value of investment at start of year	214	311
Share of surplus(deficit) for year	23	(119)
Share of asset revaluation	-	17
Share of reserves	-	5
Carrying value of investment at end of year	<u>237</u>	<u>214</u>

	2016	2015
	\$'000	\$'000
Note 18 Cash and cash equivalents		
Cash on hand	3	2
Cash at bank	4,799	4,232
Money market call account less than 90 days	8,000	14,200
	<u>12,802</u>	<u>18,434</u>
Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
- Reserve funds allocated for specific future purposes (Note 29(b))	1,324	759
- Trust funds and deposits (Note 26)	322	250
- Grants received but not acquitted (Note 6)	197	780
Total restricted funds	<u>1,843</u>	<u>1,789</u>
Total unrestricted cash and cash equivalents	<u>10,959</u>	<u>16,645</u>
Note 19 Trade and other receivables		
Current		
Rates debtors	686	522
Special rate assessment	-	-
Net GST Receivable	457	341
Provision for doubtful debts	-	-
Loans and advances to community organisations	9	9
Other debtors	667	1,236
Provision for doubtful debts - other debtors	(16)	(27)
Total current trade and other receivables	<u>1,803</u>	<u>2,081</u>
Non-current		
Special rate scheme	29	51
Loans and advances to community organisations	39	38
Total non-current trade and other receivables	<u>68</u>	<u>89</u>
Total trade and other receivables	<u>1,871</u>	<u>2,170</u>
(a) Ageing of Receivables		
At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:		
Current (not yet due)	703	1,266
Past due by up to 30 days	-	-
Past due between 31 and 180 days	12	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	-	17
Total trade & other receivables	<u>715</u>	<u>1,283</u>
(b) Movement in provisions for doubtful debts		
Balance at the beginning of the year	27	11
New Provisions recognised during the year	12	20
Amounts already provided for and written off as uncollectible	(23)	(4)
Amounts provided for but recovered during the year	-	-
Balance at end of year	<u>16</u>	<u>27</u>

	2016	2015
	\$'000	\$'000
Note 20 Other financial assets		
Term deposits (greater than 90 days)	3,500	2,000
Economic development loans	467	470
Total other financial assets	<u>3,967</u>	<u>2,470</u>
Note 21 Inventories		
Inventories held for distribution	48	71
Inventories held for sale	19	22
Total inventories	<u>67</u>	<u>93</u>
Note 22 Other assets		
Prepayments	415	338
Accrued income	859	231
Total other assets	<u>1,274</u>	<u>569</u>

Note 23 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2016	Accumulated Depreciation	WDV 30 June 2016	At Fair Value 30 June 2015	Accumulated Depreciation	WDV 30 June 2015
Land	50,968	-	50,968	51,018	-	51,018
Buildings	59,113	(33,520)	25,593	57,725	(32,655)	25,070
Plant and Equipment	16,358	(7,579)	8,779	15,957	(9,056)	6,901
Infrastructure	470,792	(146,248)	324,544	465,733	(140,551)	325,182
Work in progress	1,244	-	1,244	1,204	-	1,204
	<u>598,475</u>	<u>(187,347)</u>	<u>411,128</u>	<u>591,637</u>	<u>(182,262)</u>	<u>409,375</u>

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
Buildings	529	197	(529)	-	197
Plant and Equipment	383	62	(357)	-	88
Infrastructure	292	927	(260)	-	959
Total	<u>1,204</u>	<u>1,186</u>	<u>(1,146)</u>	<u>-</u>	<u>1,244</u>

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

Land and Buildings	Note	Land - specialised	Land - non specialised	Land improvements	Total Land	Heritage buildings	Buildings - specialised	Buildings - non specialised	Leasehold improvements - Buildings	Leasehold improvements - Waste	Total Buildings	Work In Progress	Total Property
At fair value 1 July 2015		42,009	9,009	-	51,018	17,255	37,057	1,810	-	1,603	57,725	529	109,272
Accumulated depreciation at 1 July 2015		-	-	-	-	(11,850)	(19,417)	(145)	-	(1,243)	(32,655)	-	(32,655)
		42,009	9,009	-	51,018	5,405	17,640	1,665	-	360	25,070	529	76,617
Movements in fair value													
Acquisition of assets at fair value		-	-	-	-	12	212	-	909	-	1,133	197	1,330
Revaluation increments/decrements		-	-	-	-	-	-	-	-	-	-	-	-
Fair value of assets disposed		-	(50)	-	(50)	(12)	(262)	-	-	-	(274)	-	(324)
Impairment losses recognised in operating result		-	-	-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	529	-	529	(529)	-
		-	(50)	-	(50)	-	(50)	-	1,438	-	1,388	(332)	1,006
Movements in accumulated depreciation													
Depreciation and amortisation		-	-	-	-	(124)	(766)	(16)	(7)	(88)	(1,001)	-	(1,001)
Accumulated depreciation of disposals		-	-	-	-	9	127	-	-	-	136	-	136
Impairment losses recognised in operating result		-	-	-	-	-	-	-	-	-	-	-	-
Transfers		-	-	-	-	-	-	-	-	-	-	-	-
		-	-	-	-	(115)	(639)	(16)	(7)	(88)	(865)	-	(865)
At fair value 30 June 2016		42,009	8,959	-	50,968	17,255	37,007	1,810	1,438	1,603	59,113	197	110,278
Accumulated depreciation at 30 June 2016		-	-	-	-	(11,965)	(20,056)	(161)	(7)	(1,331)	(33,520)	-	(33,520)
		42,009	8,959	-	50,968	5,290	16,951	1,649	1,431	272	25,593	197	76,758

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

Plant and Equipment	Note	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecomms	Other	Work In Progress	Total plant and equipment
At fair value 1 July 2015		13,155	726	1,966	110	383	16,340
Accumulated depreciation at 1 July 2015		(7,381)	(270)	(1,405)		-	(9,056)
		5,774	456	561	110	383	7,284
Movements in fair value							
Acquisition of assets at fair value		3,090	-	52		62	3,204
Revaluation increments/decrements		-	-	-		-	-
Fair value of assets disposed		(2,404)	-	(694)		-	(3,098)
Impairment losses recognised in operating result		-	-	-		-	-
Transfers		357	-	-		(357)	-
		1,043	-	(642)		(295)	106
Movements in accumulated depreciation							
Depreciation and amortisation		(695)	(62)	(257)		-	(1,014)
Accumulated depreciation of disposals		1,797	-	694		-	2,491
Impairment losses recognised in operating result		-	-	-		-	-
Transfers		-	-	-		-	-
		1,102	(62)	437		-	1,477
At fair value 30 June 2016		14,198	726	1,324	110	88	16,446
Accumulated depreciation at 30 June 2016		(6,279)	(332)	(968)		-	(7,579)
		7,919	394	356	110	88	8,867

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

Infrastructure	Note	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Parks open spaces and streetscapes	Kerb & Channel	Culverts & Retaining Walls	Other Infrastructure	Work In Progress	Total Infrastructure
At fair value 1 July 2015		302,930	45,825	16,317	35,806	2,052	2,373	33,451	26,937	42	292	466,025
Accumulated depreciation at 1 July 2015		(89,236)	(5,021)	(4,174)	(15,713)	(689)	(1,204)	(9,222)	(15,287)	(5)	-	(140,551)
		213,694	40,804	12,143	20,093	1,363	1,169	24,229	11,650	37	292	325,474
Movements in fair value												
Acquisition of assets at fair value		6,078	155	368	899	242	134	334	5	23	927	9,165
Found Assets		16		8								
Revaluation increments/decrements		-	-	-	-	-	-	-	-	-	-	-
Fair value of assets disposed		(3,231)	(56)	(28)	(1)	-	-	(147)	-	-	-	(3,463)
Impairment losses recognised in operating result		-	-	-	-	-	-	-	-	-	-	-
Transfers		260	5,450	-	-	-	-	-	(5,450)	-	(260)	-
		3,123	5,549	348	898	242	134	187	(5,445)	23	667	5,702
Movements in accumulated depreciation												
Depreciation and amortisation		(5,812)	(507)	(329)	(320)	(79)	(145)	(396)	(290)	(2)	-	(7,880)
Accumulated depreciation of disposals		2,060	12	6	1	-	-	104	-	-	-	2,183
Impairment losses recognised in operating result		-	-	-	-	-	-	-	-	-	-	-
Transfers		-	(2,432)	-	-	-	-	-	2,432	-	-	-
		(3,752)	(2,927)	(323)	(319)	(79)	(145)	(292)	2,142	(2)	-	(5,697)
At fair value 30 June 2016		306,053	51,374	16,665	36,704	2,294	2,507	33,638	21,492	65	959	471,751
Accumulated depreciation at 30 June 2016		(92,988)	(7,948)	(4,497)	(16,032)	(768)	(1,349)	(9,514)	(13,145)	(7)	-	(146,248)
		213,065	43,426	12,168	20,672	1,526	1,158	24,124	8,347	58	959	325,503

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

Valuation of land and buildings

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

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

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

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

Asset Category	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000
Land			8,959
Specialised land under roads			42,009
Heritage buildings			5,281
Buildings – specialised			16,960
Buildings – non specialised		1,649	
Leasehold Improvements			1,703
TOTAL		1,649	74,912

Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Mr. Ashay Prabhu CPEng of Assetic Asset Management practitioners.

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

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

Asset Category	Level 1	Level 2	Level 3
	\$'000	\$'000	\$'000
Roads			213,065
Bridges			43,426
Footpaths and cycleways			12,168
Drainage			20,672
Recreation, leisure and community facilities			1,526
Parks, open space and streetscapes			1,158
Kerb and channel			24,124
Culverts and retaining walls			8,347
Other infrastructure			58
TOTAL			324,544

	2016	2015
	\$'000	\$'000
Note 23 Property, infrastructure, plant and equipment cont'd		

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$7.00 and \$80.00 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$2250 to \$2600 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 10 years to 50 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 10 years 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.

Reconciliation of specialised land

Land under roads	42,009	42,009
Total specialised land	<u>42,009</u>	<u>42,009</u>

	2016 \$'000	2015 \$'000
Note 24		
Fair Value adjustment landfill rehabilitation asset		
Landfill at beginning of year	-	4,614
Depreciation	-	-
Fair Value adjustments of landfill	-	(4,332)
Fair Value adjustment of revaluation reserve	-	(282)
Balance at end of financial year	<u>-</u>	<u>-</u>
Note 25		
Trade and other payables		
Trade payables	1,777	2,501
Accrued expenses	408	695
Total trade and other payables	<u>2,185</u>	<u>3,196</u>
Note 26		
Trust funds and deposits		
Refundable deposits	56	43
Fire services levy	189	88
Retention amounts	29	51
Other refundable deposits	48	68
Total trust funds and deposits	<u>322</u>	<u>250</u>

Purpose and nature of items

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

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

Retention Amounts - Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

Note 27	Provisions	Landfill restoration	Other	Total
		\$ '000	\$ '000	\$ '000
	2016			
	Balance at beginning of the financial year	4,895	79	4,974
	Additional provisions	109	-	109
	Amounts used	-	-	-
	Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-
	Balance at the end of the financial year	<u>5,004</u>	<u>79</u>	<u>5,083</u>
	2015			
	Balance at beginning of the financial year	4,773	79	4,852
	Additional provisions	122	-	122
	Amounts used	-	-	-
	Increase in the discounted amount arising because of time and the effect of any change in the discount rate	-	-	-
	Balance at the end of the financial year	<u>4,895</u>	<u>79</u>	<u>4,974</u>
			2016	2015
			\$'000	\$'000
	(a) Employee provisions			
	Current provisions expected to be wholly settled within 12 months			
	Annual leave		911	851
	Rostered Days Off		79	134
	Long service leave		267	200
			<u>1,257</u>	<u>1,185</u>
	Current provisions expected to be wholly settled after 12 months			
	Annual leave		183	265
	Long service leave		2,285	2,056
			<u>2,468</u>	<u>2,321</u>
	Total current employee provisions		<u>3,725</u>	<u>3,506</u>
	Non-current			
	Long service leave		284	290
	Annual leave		-	-
	Total non-current employee provisions		<u>284</u>	<u>290</u>
	Aggregate carrying amount of employee provisions:			
	Current		1,257	3,506
	Non-current		284	290
	Total aggregate carrying amount of employee provisions		<u>1,541</u>	<u>3,796</u>

Note 27	Provisions (cont'd)		
	(b) Land fill restoration		
	Current	-	-
	Non-current	5,005	4,895
		<u>5,005</u>	<u>4,895</u>
	(c) Other minor quarries		
	Current	-	-
	Non-current	79	79
		<u>79</u>	<u>79</u>
	Total Provisions		
	Current	3,725	3,506
	Non Current	5,368	5,264
		<u>9,093</u>	<u>8,770</u>
Note 28	Interest-bearing loans and borrowings		
	Current		
	Bank overdraft	-	-
	Borrowings - secured (1)	969	1,388
		<u>969</u>	<u>1,388</u>
	Non-current		
	Borrowings - secured (1)	2,225	3,181
	Total	<u>3,194</u>	<u>4,569</u>
	(1) Borrowings are secured by future rates rating income.		
	(a) The maturity profile for Council's borrowings is:		
	Not later than one year	958	1,388
	Later than one year and not later than five years	1,319	1,923
	Later than five years	905	1,258
		<u>3,182</u>	<u>4,569</u>

Note 29 Reserves

	Balance at beginning of reporting period	Increment (decrement)	Share of increment (decrement) on revaluation of library books by an associate	Balance at end of reporting period
(a) Asset revaluation reserves	\$'000	\$'000	\$'000	\$'000
2016				
Property				
Land	6,223	-	-	6,223
Land improvements	-	-	-	-
Buildings	10,963	-	-	10,963
	<u>17,186</u>	<u>-</u>	<u>-</u>	<u>17,186</u>
Infrastructure				
Roads	96,751	-	-	96,751
Bridges	34,910	-	-	34,910
Footpaths and cycleways	12,244	-	-	12,244
Drainage	16,323	-	-	16,323
Kerb and channel	20,234	-	-	20,234
Recreational, leisure and community facilities	58	-	-	58
Parks, open space and streetscapes	26	-	-	26
Culverts and retaining walls	5,288	-	-	5,288
Furniture and equipment	141	-	-	141
Library	361	-	(361)	-
Bus shelters	1	-	-	1
Other infrastructure	-	-	-	-
	<u>186,337</u>	<u>-</u>	<u>(361)</u>	<u>185,976</u>
Total asset revaluation reserves	<u>203,523</u>	<u>-</u>	<u>(361)</u>	<u>203,162</u>
2015				
Property				
Land	6,223	-	-	6,223
Land improvements	282	(282)	-	-
Buildings	10,963	-	-	10,963
	<u>17,468</u>	<u>(282)</u>	<u>-</u>	<u>17,186</u>
Infrastructure				
Roads	96,751	-	-	96,751
Bridges	34,910	-	-	34,910
Footpaths and cycleways	12,244	-	-	12,244
Drainage	16,323	-	-	16,323
Kerb and channel	20,234	-	-	20,234
Recreational, leisure and community facilities	58	-	-	58
Parks, open space and streetscapes	26	-	-	26
Culverts and retaining walls	5,288	-	-	5,288
Furniture and equipment	141	-	-	141
Library	346	15	-	361
Bus shelters	1	-	-	1
Other infrastructure	-	-	-	-
	<u>186,322</u>	<u>15</u>	<u>-</u>	<u>186,337</u>
Total asset revaluation reserves	<u>203,790</u>	<u>(267)</u>	<u>-</u>	<u>203,523</u>

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

Note 29

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(b) Other reserves				
2016				
Resort and recreation reserve	112	-	(50)	62
Landfill rehabilitation reserve	115	86	-	201
Superannuation reserve	400	400	-	800
Other reserves	132	147	(18)	261
Total Other reserves	<u>759</u>	<u>633</u>	<u>(68)</u>	<u>1,324</u>
2015				
Resort and recreation reserve	116		(4)	112
Landfill rehabilitation reserve	35	80	-	115
Superannuation reserve	-	400	-	400
Other reserves	147	-	(15)	132
Total Other reserves	<u>298</u>	<u>480</u>	<u>(19)</u>	<u>759</u>

	2016 \$'000	2015 \$'000
Note 30		
Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	12	4,359
Depreciation/amortisation	9,895	8,541
Profit/(loss) on disposal of property, infrastructure, plant and equipment	1,039	912
Impairment losses	-	-
Fair value adjustments for investment property	-	-
Contributions - Non-monetary assets	-	-
Other	(24)	-
Fair value adjustment - air space asset	-	4,332
Borrowing Costs in Financing activities	201	215
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	299	360
(Increase)/decrease in other financial assets	-	-
(Increase)/Decrease in other assets	(705)	(234)
Increase/(decrease) in accrued income	-	-
Increase/(decrease) in trade and other payables	(1,010)	870
Increase/(Decrease)in trust funds and deposits	72	(138)
(Increase)/decrease in inventories	26	22
Increase/(Decrease) in provisions	323	(142)
(Increase)/Decrease in Library Corporation	(23)	97
Net cash provided by/(used in) operating activities	<u>10,105</u>	<u>19,194</u>
Note 31		
Financing arrangements		
Bank overdraft	960	960
Credit card facilities	1,000	1,000
Borrowings	3,194	4,569
Total facilities	<u>5,154</u>	<u>6,529</u>
Used facilities	<u>3,195</u>	<u>4,569</u>
Unused facilities	<u>1,959</u>	<u>1,960</u>

Note 32 Commitments

The Council has entered into the following commitments

2016	Not later than 1	Later than 1 year	Later than 2 years	Later than 5	Total
	year	and not later than 2 years	and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Recycling	146	151	318	-	615
Garbage collection	262	271	571	-	1,104
Organics collection	182	188	396	-	766
Street litter bins	65	67	141	-	273
Transfer station skips	88	-	-	-	88
Recreation facility maintenance	95	332	-	-	427
Recreation facility management	378	-	-	-	378
Banking	45	-	-	-	45
Water quality monitoring	63	-	-	-	63
Landfill Geosynthetics	130	-	88	-	218
Landfill design audit	334	180	90	-	604
Home care services	135	135	135	-	405
Cleaning contracts for council buildings	88	89	15	-	192
Meals for delivery	91	91	-	-	182
Total	2,102	1,504	1,754	-	5,360

2015	Not later than 1	Later than 1 year	Later than 2 years	Later than 5	Total
	year	and not later than 2 years	and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Recycling	140	148	499	-	787
Garbage collection	246	260	878	-	1,384
Green waste collection	165	175	591	-	931
Street litter bins	83	88	297	-	468
Skip bin transfer	70	60	-	-	130
Recreation facility management	120	95	249	83	547
Simpson recreation reserve	280	-	-	-	280
Banking	45	-	-	-	45
Home care services	45	-	-	-	45
Water quality monitoring	41	41	-	-	82
Cleaning contract	87	87	-	-	174
Meals for delivery	22	-	-	-	22
Total	1,344	954	2,514	83	4,895
Capital					
Streetscape	114	-	-	-	114
Plant & Machinery	526	-	-	-	526
Terang children's centre	964	-	-	-	964
Total	1,604	-	-	-	1,604

	2016	2015
	\$'000	\$'000
Note 33 Operating leases		
(a) Operating lease commitments		
At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than one year	120	129
Later than one year and not later than five years	473	442
Later than five years	4,098	4,171
	<u>4,691</u>	<u>4,742</u>
(b) Operating lease receivables		
The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.		
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	81	74
Later than one year and not later than five years	281	306
Later than five years	375	201
	<u>737</u>	<u>581</u>

Note 34 Superannuation

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

Accumulation

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

Defined Benefit

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

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

Funding arrangements

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

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

Net investment returns 7.0% pa
Salary information 4.25% pa
Price inflation (CPI) 2.5% pa

Note 34 Superannuation (cont'd)

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

Employer contributions

Regular contributions

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

Funding Calls

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

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

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

2015 Interim actuarial investigation surplus amounts

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

- A VBI surplus of \$130.8 million; and
- A total service liability surplus of \$239 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2015. The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses. Council was notified of the 30 June 2015 VBI during August 2015.

Superannuation contributions

Contributions by the Corangamite Shire (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2016 are detailed below:

Scheme	Type of scheme	Rate	2016 \$'000	2015 \$'000
Vision Super	Defined benefits	9.50%	\$176	\$278
Vision Super	Accumulation	9.50%	\$788	\$955
Other Choice Funds	Accumulation	9.50%	\$432	\$501

In addition to the above contributions, Corangamite Shire has paid no unfunded liability payments to Vision Super (2014-2015 \$Nil during the 2013-2014 year). There were \$49,000 contributions outstanding and no loans issued from or to the above schemes as at 30 June 2016

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2017 is \$280,000.

Note 35 Contingent liabilities and contingent assets

The Council is presently involved in several confidential legal matters, which are being conducted through Council's solicitors. As these matters are yet to be finalised and the financial outcomes are unable to be reliably estimated, no allowance for these contingencies has been made in this financial report.

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 in Note 35. 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.

Landfill

Council operates a landfill at Naroghid. Council will have to carry out further site rehabilitation works in the future, however rehabilitates to current EPA requirements each cell as it is completed. A provision is made for ongoing site rehabilitation provision is maintained to current EPA requirements.

Saleyards

Council has taken action to minimise the potential discharge of waste water into the nearby waterways from the Council saleyards. While this action does minimise the risk, there is a contingent liability of \$250,000 if such an event occurs.

Guarantees for loans to other entities

Guarantee - Camperdown Football Netball Club - Original Loan \$300,000

The amount outstanding as at 30 June 2016 is \$Nil (2015 \$451)

Guarantee is in respect of a loan from the ANZ bank

Contract Performance Guarantee - Department of Natural Resources and Environment

This guarantee has been in place since 24 March 1999 for \$42,500

Contract Performance Guarantee - State of Victoria - Environment Protection Authority

This guarantee has been in place since 30 April 2008 for \$728,000. The guarantee is in respect of remedial action for the Corangamite Regional Landfill at Naroghid

Other Guarantee - Environment Protection Authority (formally Department of Agriculture Energy and Minerals.

This guarantee has been in place since 20 March 1996 for \$6,000. Extractive Industry Licence #1280

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.

Note 36

Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

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

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

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

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

(c) Credit risk

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

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

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 35.

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 35, 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 29.

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

(e) Fair value

Fair value hierarchy

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

(f) Sensitivity disclosure analysis

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

- A parallel shift of + 1% and -1% in market interest rates (AUD) from year-end rates of 2.75%.

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.

Note 37 Related party transactions

(i) Responsible Persons

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

Councillors	Mayor Jo Beard (Mayor - November 2015 to June 2016)
	Councillor Chris O'Connor (Mayor - July 2015 to November 2015)
	Councillor Geoff Smith
	Councillor Ruth Gstrein
	Councillor Wayne Oakes
	Councillor Peter Harkin
	Councillor Neil Trotter
Chief Executive Officer	Andrew Mason

(ii) Remuneration of Responsible Persons

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

	2016 No.	2015 No.
\$20,000 - \$29,999	5	6
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	1	-
\$70,000 - \$79,999	-	1
\$230,000 - \$239,999	-	1
\$250,000 - \$259,999	1	-
	8	9

Total Remuneration for the reporting year for Responsible Persons included above amounted to:

\$'000	\$'000
486	440

(iii) Senior Officers Remuneration

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

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

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

	2016 No.	2015 No.
Income Range:		
< \$139,000	2	1
\$150,000 - \$159,999	1	-
\$160,000 - \$169,999	-	3
\$170,000 - \$179,999	2	-
	5	4

Total Remuneration for the reporting year for Senior Officers included above, amounted to:

\$'000	\$'000
652	550

(iv) Loans to responsible persons

No loans have been made, guaranteed or secured by the Council to a Responsible Person during the reporting period (2014-2015 \$Nil)

(v) Transactions with responsible persons


No transactions, other than remuneration payments or the reimbursement of approved Council expenses have occurred in the reporting period (2014-2015 \$Nil)

Note 38 Events occurring after balance date

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

Certification of the Financial Statements

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



Adam Taylor *Certified Practising Accountant*
Principal Accounting Officer

Date : 27/09/2016

Camperdown

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

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

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.



Cr Ruth Gstrein
Councillor

Date : 27/09/2016

Camperdown



Cr Neil Trotter
Councillor

Date : 27/09/2016

Camperdown



Andrew Mason
Chief Executive Officer

Date : 27/09/2016

Camperdown

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Corangamite Shire Council

The Financial Report

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

The Councillors' Responsibility for the Financial Report

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

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

Auditor's Responsibility

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

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

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

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

Independent Auditor's Report (continued)


Independence

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

Opinion

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

MELBOURNE
28 September 2016


R Andrew Greaves
Auditor-General