

CORANGAMITE SHIRE
ANNUAL REPORT
2017-2018



**CORANGAMITE
SHIRE**

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welcome

Corangamite Shire is proud to present the 2017-2018 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 2017-2021, key actions outlined in the Annual Action Plan 2017-2018 and figures set in the 2017-2018 Budget.

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

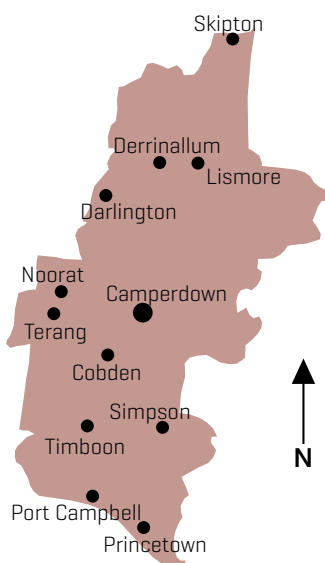
An electronic version of this report can be viewed online at www.corangamite.vic.gov.au

If you wish to obtain a hard copy, please visit our Civic Centre at 181 Manifold Street, Camperdown or contact us.

our shire



Corangamite Shire



Located two hours south-west of Melbourne, Corangamite is a large rural shire with a population of 16,086 (ABS 2017).

The Shire's boundaries stretch 120 kilometres from the wild Southern Ocean and rugged Shipwreck Coast in the south, past 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 some of the deepest lakes in Australia and plains dotted with dormant volcanoes as far as the eye can see.

Our largest township, Camperdown (pop. 3,496), is both the geographic and commercial centre of Corangamite Shire. Terang (pop. 2,288) and Noorat (pop. 1,839) is 10 minutes south, while Timboon (pop. 1,202) is 30 minutes south. Smaller towns in the north include Skipton, Derrinallum, Darlington and Lismore. In the south there is the farming community of Simpson and the small coastal towns of Princetown and Port Campbell.

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.

History

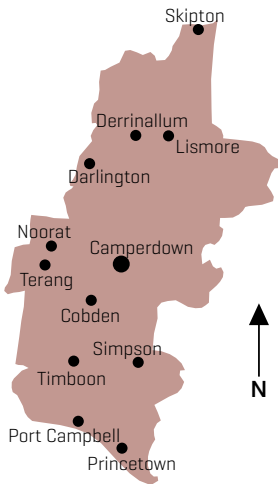
The Djargurd Wurrung people are the traditional Aboriginal owners of the land around Camperdown and district. For tens of thousands of years they successfully occupied the area as a semi-nomadic hunter gatherer society.

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 its 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.

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 meaning 'bitter' or 'salt' referring to the high salt content of the lake.

our shire



Population

Eighty-four per cent of Corangamite Shire’s population was born in Australia, with 6.3% born overseas (and 9.3% not stated). Point nine per cent identify as Aboriginal or Torres Strait Islander and 1.7% don’t speak English at home.*

One of the biggest challenges facing rural communities, and in particular Corangamite Shire, is population decline or stagnation. Our estimated resident population of 16,086 (in 2017) is expected to increase slightly to 16,574 by 2036.**

Corangamite Shire is leading the Great South Coast Population and Workforce Supply Working Group with Regional Development Victoria to identify initiatives that will support population growth and retention in the region.

The flight of youth – where young people leave their rural communities for education and employment opportunities – is a contributing factor to population decline. The national trends of ageing population, downturns in manufacturing and the changing face of agriculture continue to be issues faced by Corangamite Shire.

*ABS Census data 2016

** id Population Forecast 2018

Economy

The five major industry sectors are:

- Agriculture, Forestry and Fishing [2,210 persons or 30.8%]
- Healthcare and Social Assistance [756 or 10.6%]
- Retail Trade [607 or 8.5%]
- Manufacturing [512 or 7.1%]
- Education and Training [467 or 6.5%].

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 \$250.5 million to the local economy.

Cropping, wool and beef production are also important sectors. Tourism is an important industry with the Twelve Apostles attracting 2.6 million visitors per year.

about council

Services to the community

Corangamite Shire is a large rural shire council employing 184.45 full time equivalent (FTE) staff who provide a diverse range of services and programs to the community.

Services include aged care, recreation, arts and culture, family and children services, youth services, planning, roads, drains and footpaths, waste, parks and gardens, and local laws.



at a glance

Figures include
ABS & REMPLAN data

POPULATION
16,086

COASTLINE
60 KM

RATEABLE PROPERTIES
9,604

AREA
4,400 KM²

TOWNS
12

WARDS
5

UNEMPLOYMENT
RATE
2.58%

LOCAL
BUSINESSES
3,029

GROSS
REGIONAL PRODUCT
\$0.998 BILLION

VALUE OF
BUILDING APPROVALS
\$34 MILLION

who are we?

Figures from 2016 Census
www.censusdata.abs.gov.au

MEDIAN AGE

46

REGIONAL VIC ▼ 43

VICTORIA ▼ 37

AUSTRALIA ▼ 38

ABORIGINAL & TORRES STRAIT ISLANDERS

0.9%

REGIONAL VIC ▲ 1.6%

VICTORIA ▼ 0.8%

AUSTRALIA ▲ 2.8%

PERSONS WHO LIVE & WORK IN THE SHIRE

83.4%

MEDIAN WEEKLY HOUSEHOLD INCOME

\$1,042

REGIONAL VIC ▲ \$1,124

VICTORIA ▲ \$1,416

AUSTRALIA ▲ \$1,431

COUPLES WITH CHILDREN

25.1%

REGIONAL VIC ▲ 25.3%

VICTORIA ▲ 31.4%

AUSTRALIA ▲ 30.3%

LONE PERSON HOUSEHOLDS

27.8%

REGIONAL VIC ▼ 27%

VICTORIA ▼ 23.3%

AUSTRALIA ▼ 22.8%

HOUSEHOLDS WITH A MORTGAGE

27.5%

REGIONAL VIC ▲ 31.2%

VICTORIA ▲ 33.5%

AUSTRALIA ▲ 32.4%

DISADVANTAGE INDEX SCORE

977

REGIONAL VIC ■ 977

VICTORIA ▲ 1010

AUSTRALIA ▲ 1001.9

NO INTERNET CONNECTION AT HOME

22%

REGIONAL VIC ▼ 18.1%

VICTORIA ▼ 13%

AUSTRALIA ▼ 13.6%

NON-ENGLISH SPOKEN AT HOME

1.7%

REGIONAL VIC ▲ 6%

VICTORIA ▲ 26%

AUSTRALIA ▲ 20.8%

PERSONS NEEDING ASSISTANCE

5.7%

REGIONAL VIC ▲ 6%

VICTORIA ▼ 5.1%

AUSTRALIA ▼ 5.1%

YEAR 12 OR EQUIVALENT

32.5%

REGIONAL VIC ▲ 38.9%

VICTORIA ▲ 54.4%

AUSTRALIA ▲ 51.9%

our vision, mission & values

Vision

We strive for a connected and thriving community.

Mission

We will manage the opportunities and challenges facing Corangamite Shire to ensure that we improve the lives of people through strong, ethical and responsive representation with a focus on providing value to ratepayers.

Our values

RESPECT

INTEGRITY

INNOVATION

COLLABORATION

LEADERSHIP



OUR SERVICES 2017-2018					
Preschool immunisations	1,752	Meals on Wheels delivered	5,127	Telephone calls to Customer Service	36,950
4 year old kindergarten enrolments [Beginning 2018 year]	177	Aged & Disability Services hours delivered	20,032	Corporate Facebook page likes	5,156
New babies born in Corangamite	140	Planning applications received	151	Visits to our website	71,041
Maternal & child health appointments	1,578	Tonnes of waste collected	5,027	Customer requests	19,705
Family Day Care hours delivered	97,721	Street trees	9,980	Local laws permits issued	216
Family Day Care Educators	16	Kilometres of streets swept	7,200	Pets registered	3,932
Mobile Child Care enrolments	107	Kilometres of local roads resurfaced	220	Swimming pool attendances	46,612

south west complex fires



St Patrick's Day fires

Severe weather conditions and various incidents involving power lines led to several fires on 17 March, which impacted communities across Corangamite Shire, as well as Southern Grampians and Moyne shires.

Within Corangamite Shire, the fires burnt more than 10,000 hectares near the townships of Terang, Cobden and Camperdown, destroying 1,949 livestock, 26 homes, 61 sheds, 2,253km of fencing, and extensive pasture and feed. Overall, 241 properties were fire affected, directly impacting approximately 180 families. Fortunately there was no loss of human life.

Local CFA members and teams from Forest Fire Management Victoria, including aerial support, contained the fires early, but took some time to extinguish them due to peat fires near Cobrico, Elingamite and Gnotuk.

The peat fires smouldered for approximately eight weeks, with smoke containing harmful carbon monoxide impacting communities further. This required ongoing health checks for residents within 1 km of the peat fires, with one hospitalisation. Smoke from the peat fires also caused school and kindergarten closures, and the evacuation of vulnerable people within the Cobden area.

The transition to the recovery phase

occurred on 20 April, five weeks after the fires started. The direct economic impact of the fires in Corangamite Shire (excluding the peat fires) is estimated to be approximately \$58.9 million. This figure includes losses associated with power outages which particularly affected dairy farmers and milk supply.

Council staff were active during the immediate emergency and in the weeks following. This included operating Relief and Recovery Centres, providing resources for the incident and regional response, providing ongoing information to the community (particularly via community meetings and social media), clearing fallen vegetation in townships and on roads, as well as providing advice and support to residents of fire affected properties.

Corangamite is grateful for the support provided by the Emergency Services Commissioner and his team from Emergency Management Victoria (EMV), State Government and support agencies, and other councils through the sharing of information and resources (including staff). The collaboration of Emergency Management training and resources with Surf Coast and Colac Otway shires was also vital to Corangamite's response during the fires.

A review of the fires is being carried out by EMV to assist with the preparedness of all agencies for future emergencies.

Recovery

Recovery following the fires will be a long journey. As part of the initial recovery process Council assisted with free asbestos and waste removal, disposal of dead stock and removal of dangerous trees. State Government funding has also allowed Council to appoint a Fire Recovery Manager and two staff to assist fire affected residents. A Community Recovery Committee has also been formed to ensure help is provided where needed.

Support for our fire affected communities has been overwhelming, and the invaluable contribution of volunteers cannot be underestimated. Financial donations have been received from throughout Australia via the Bendigo Bank, and donations of goods and clothing were received and distributed by local charities. Other assistance included much needed fodder from the Victorian Farmers Federation and fencing assistance from BlazeAid.

The significance of the fires was highlighted by visits from Prime Minister Malcolm Turnbull and Minister Dan Tehan (Federal Member for Wannon), and Premier Daniel Andrews. On both occasions they thanked the volunteers and met with residents directly impacted by the fires.

year in review



JULY 2017

- \$129,000 is awarded to community groups via the annual Community, Facility & Environmental Support Grants programs
- Council and Colac Otway Shire advocate for Great Ocean Road North South Loop

AUGUST 2017

- Winter Eat Well! Move Well! Be Well! program commences
- Installation of four solar powered compacting litter bins in north of the Shire

SEPTEMBER 2017

- Twenty-six local businesses receive funding through the Retail Area Façade Improvement Program
- Terang Children's Centre achieves a high rating during national assessment

OCTOBER 2017

- Beyond the Sea, a tribute to Bobby Darin, headlines the Corangamite Seniors Festival
- Eleven of Corangamite's young high achievers recognised at the Youth Achievement Awards in Camperdown
- Municipal Public Health & Wellbeing Plan 2017-2021 adopted by Council
- Rock the Clock festival held in Camperdown

NOVEMBER 2017

- Cr Jo Beard re-elected Mayor for a third term
- Cr Neil Trotter elected Deputy Mayor
- Castle Carey Road Bridge construction starts
- Corangamite hosts South West Games

DECEMBER 2017

- Mount Noorat handed over to Corangamite Shire following generous bequest by Niel Black
- Skipton Kindergarten celebrates 50 years



JANUARY 2018

- Corangamite celebrates Australia Day in Timboon, recognising its top citizens
- Inaugural Camperdown Car & Bike Show
- Camperdown Cup celebrates 150 years
- Applications for new Events & Festivals Grant Program open

FEBRUARY 2018

- Be Well Breakfast held in Timboon to empower women in sport and supporting healthy communities
- New special committee appointed to manage Mount Noorat

MARCH 2018

- Essendon Bombers Football Club hold community camp in Port Campbell
- Devastating South West Complex Fires started St Patrick's Day
- Terang Country Music Festival impacted by fires
- Council crews start clean up following fires and extreme weather conditions

APRIL 2018

- Council releases draft 2018-2019 Budget for public comment
- Restoration of historical Camperdown Clocktower announced
- Cobrico Hall celebrates 110 years

MAY 2018

- Robert Burns Scottish Festival in Camperdown
- State Government announces funding for Shipwreck Coast Master Plan initiatives
- Camperdown Livestock Selling Centre leased on a long-term basis

JUNE 2018

- Foxhow Road reopened by VicRoads after significant roadworks
- Roadside Grazing fee reduced to \$1 to reduce fuel loads
- Lauren McIlveen elected Corangamite Shire Youth Mayor



message from the mayor



On behalf of my fellow Councillors, I am delighted to present Corangamite Shire's 2017-2018 Annual Report. This is the first year we are reporting on initiatives from our 2017-2021 Council Plan, and it is pleasing to look back and reflect on what we have been able to achieve so far.

The condition of the arterial road network in Corangamite Shire has been a focus for this Council. Together we have advocated for increased funding for road maintenance from the State Government, with improvements by VicRoads already being made, such as widening of Foxhow Road. Our advocacy videos demonstrate the importance of the condition of our road network in relation to road safety and the local economy, and we will continue to advocate for our fair share of funding.

As a Council we have increased our own spending on the local road network to ensure we are meeting our commitment to maintain or improve standards. Construction has commenced on the new Castle Carey Bridge and road approaches; a \$5.2 million project that will enable B-Double and Higher Mass Limit vehicles to travel over the bridge, and cut travel distances for all road users.

In 2017-2018, Council continued to maintain its commitment to ensuring its financial sustainability by paying off its debt and taking out no new borrowings.

This is a significant achievement within the local government sector, which continues to deal with the challenge of rate capping.

Our communities continued to participate in our Community Planning program, with several community plans reviewed during the year and projects realised. I am particularly proud of how our communities are working together to identify priorities and achieve their goals. Moving forward Council will use the community plans to develop a 10 year plan for the Shire.

The connectedness of our communities was extremely evident this year when we experienced the St Patrick's Day fires. The fires were devastating for not only those directly affected, but also business and the wider community. This was a moment in time that no one can ever prepare you for, but honestly I have never been so proud to be Mayor. I greatly appreciate the support the Shire received during the response and recovery phases. From the drawings and videos sent to us by school children, to the visits by our Prime Minister, Premier, and local members of Federal and State Parliament, I am truly touched by the support shown. Much work is still to be done to assist our fire affected residents and communities to recover, and as a Council we intend to be there every step of the way, including developing an understanding of how we can improve

our emergency management responses.

Feedback from our community is extremely important. As we make important decisions about the future of the Shire, we need to remain informed about the community's views. The annual Community Satisfaction Survey is one way in which we can gauge our performance. The results from this year's survey were particularly pleasing. Council's scores for overall performance, advocacy and lobbying, and making community decisions increased and are significantly higher than the State average. Disappointingly, despite an increase in funding for local roads and weed control, our scores in these areas remain low when compared with the Large Rural Shires and State averages. We know from our research that these scores are influenced by the condition of VicRoads' roads, and we will continue to work towards improvement.

It has been a privilege to serve the Shire as Mayor for a third term. I would like to thank my fellow Councillors and staff for their hard work and commitment to working together to make Corangamite Shire an amazing place to live, visit and invest.

**Councillor Jo Beard
Mayor**

message from the ceo



The past year has been a challenging time for our local communities due to the St Patrick's Day fires. Although there are a number of learnings and improvement opportunities for the Shire, I am proud of the way in which staff responded to the emergency and provided support to those directly affected. Every department within the organisation was impacted by the emergency, with staff either directly involved in the response or undertaking tasks to ensure the usual business of Council was not disrupted.

In what proved to be an extremely busy year, we delivered an operating surplus of \$7.61 million, against a predicted surplus of \$5.23 million. We also became debt free as planned, with no new borrowings. This is a significant achievement in a financially constrained rate capping environment.

We secured \$17.64 million in grants from the State and Federal Governments to pay for local projects and services without placing further financial burden on our ratepayers.

Approximately \$11.75 million was invested into our capital works program, which included a number of projects carried over from 2016-2017. This was down on the budgeted \$15 million due to project delays associated with the fires. As a result, just over \$3 million in capital works will be carried over to 2018-2019 for completion.

Our Employee Code of Conduct was revised this year and staff received mandatory fraud prevention training. Issues such as conflict of interest, procurement, acceptance of gifts, and use of Council resources were covered. As an organisation, a lot of work is done to communicate the importance of acting ethically and responsibly in the workplace, and to make sure all staff are aware of organisation values and behaviours.

Corangamite Shire's work continues to be recognised favourably by residents through the 2018 Community Satisfaction Survey. Council's overall performance rating increased this year and remains well above the Large Rural Shires and State-wide averages. We also scored significantly higher than the State-wide average in a number of performance areas, including local streets and footpaths, appearance of public areas, and family and elderly support services. Disappointingly, the scores for sealed local roads and slashing and weed control remain significantly lower than the State average, and will continue to be a focus for improvement.

A further area of focus for the Shire is economic development and tourism. We continue to experience increasing visitor numbers to the 12 Apostles region, and we are working with stakeholders to capitalise on a variety of opportunities

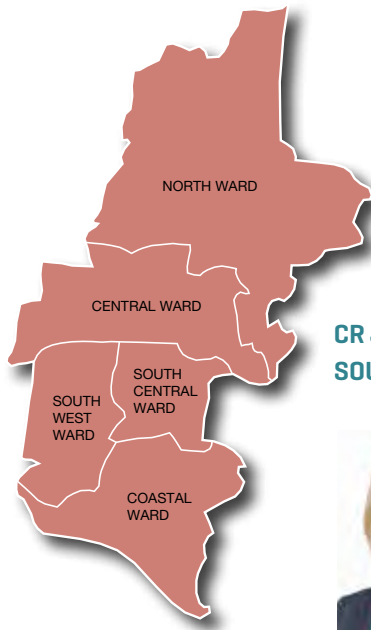
this presents for local communities. State Government funding for Shipwreck Coast Master Plan projects, announced this year as part of the Geelong City Deal, will improve the visitor experience to our region and benefit our local economy.

I wish to thank all members of staff for their outstanding work in 2017-2018. I also wish to acknowledge the leadership and support of our Mayor Jo Beard and Councillors.

A handwritten signature in black ink, appearing to read 'Andrew Mason'.

Andrew Mason
Chief Executive

councillors



Elected 22 October 2016 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 & Annual Action Plan.

Corangamite Shire is divided into five wards comprising one ward with three Councillors (Central Ward) and four single Councillor wards.

CR JO BEARD (MAYOR) SOUTH CENTRAL WARD



First elected: 2011 (by-election)
Re-elected: 2012, 2016

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

Cr Beard is serving her third term as Mayor after being re-elected in November 2017. She lives in Cobden with her husband Daniel, two boys Jordan (13) and Cooper (11), and works in office administration one day per week at Mercy Regional College.

“Council’s advocacy efforts have been a major focus over the past 12 months. Particularly for much needed funding for local roads and implementation of the Shipwreck Coast Master Plan.

In recent months our priority has been helping those impacted by the devastating St Patrick’s Day fires.”

Committees of Council:

- Cobden Aerodrome COM
- Emergency Management Planning Committee
- CEO Performance Review Committee
- Great South Coast Group Board

CR NEIL TROTTER (DEPUTY MAYOR) SOUTH WEST WARD



First elected: 2012
Re-elected: 2016

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

Cr Trotter was elected as Deputy Mayor in November 2017.

“This year Council has faced particular challenges such as the devastating St Patrick’s Day fires and recycling issues, which will have an ongoing impact on our communities.

Road maintenance and roadside vegetation continue to be of major concern for our residents. As a council we have been advocating strongly to bring about change to funding for regional roads and revision of State Government policy in relation to management of roadside vegetation.”

Committees of Council:

- Cobden Racecourse Reserve Reference Group
- Environmental Monitoring Committee
- Barwon South West Waste & Resource Recovery Group, also serving on the regional Board

CR RUTH GSTREIN CENTRAL WARD



First elected: 2002
Re-elected: 2004, 2008, 2012 & 2016

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

Cr Gstrein has served three terms as Mayor in 2007, 2008 and 2009. She lives in Camperdown with husband Peter and has two adult children. Ruth also works at Bostocks Creek Design & Drafting.

“Council’s strong and persistent advocacy has this year resulted in significant funding being invested in our arterial road network by the State Government. It will be imperative that Council maintains this pressure to ensure that road funding continues for the safety of our residents and visitors.”

Committees of Council:

- Elm Tree Reference Group
- CEO Performance Review Committee
- Corangamite Regional Library Corporation
- Robert Burns Scottish Festival Committee
- Municipal Association of Victoria, also serving on the Board



CR BEV M^cARTHUR
CENTRAL WARD



First elected: 2016
Phone: 0417 369 457
bev.mcarthur@
corangamite.vic.gov.au

Cr McArthur was born in Terang and lives on the family beef farm at Bookaar. She is married to Stewart McArthur AM, former Federal Member for Corangamite, and has adult children. Bev was recently endorsed as the Liberal candidate for Western Victoria Region for the 2018 State election.

"It has been an honour to represent the people of Central Ward and Corangamite Shire. I am proud that Council has achieved greater transparency, lowered the differential rate for farmers, became debt free, and provided record spending on our roads. I am also proud that Council has endorsed policies that will provide onshore conventional gas exploration with royalties to landowners and one authority for the Great Ocean Road."

Committees of Council:

- Audit Committee
- Saleyards Advisory Committee
- CEO Performance Review Committee

CR HELEN DURANT
CENTRAL WARD



First elected: 2016
Phone: 0427 115 783
helen.durant@
corangamite.vic.gov.au

Cr Durant lives in Noorat with her husband Rob. They have two adult daughters, Katherine and Stephanie. Prior to retiring in 2015, Helen worked for 22 years at Corangamite Shire, mostly as Manager of Community Services.

"The response to those affected by the St Patrick's Day fires was an outstanding example of the strength of our communities. The efforts of those who volunteered their time to provide aid, support and protection was exceptional.

Our local businesses are vital to the growth and sustainability of our towns, and I was pleased to support funding programs that encourage business innovation and entrepreneurship.

I continue to advocate for fair and equitable access to services for all members of our community."

Committees of Council:

- Audit Committee
- Youth Council



CR SIMON ILLINGWORTH
COASTAL WARD



First elected: 2016
Phone: 0431 933 406
simon.illingworth@
corangamite.vic.gov.au

Cr Illingworth lives with wife Sarah, and children Milly and Tommy, just outside of Port Campbell. Simon's roles include building a herd of 220 wagyu beef cattle, and being a 10 year veteran on the international speakers' circuit, specialising in leadership and ethical decision making.

"My \$20 million north south tourist loop concept, lobbying State Government for its pathetic roads, and reviewing the St Patrick's Day fires, where I've found ways we can improve, are three of my better achievements. I'm hard at work getting Council as efficient as it can be and regularly utilise media to get my message across and put us on the radar of Spring Street."

Committees of Council:

- Saleyards Advisory Committee
- BHP Community Reference Group
- Lochard Energy Environmental Review Committee
- Beach Energy Community Reference Group

CR LESLEY BROWN
NORTH WARD



First elected: 2016
Phone: 0428 594 684
lesley.brown@
corangamite.vic.gov.au

Cr Brown and her husband Charlie live on their property just south of Mount Elephant, Derrinallum.

"The last year has been a rewarding time with many issues being decided by Council. As your Councillor I do my best to gain the knowledge needed to make decisions, including meeting with community members. While not everyone can be happy all the time, please be assured that any decision we make is made with the best intention and knowledge available.

I enjoy attending all the community meetings, of which there are many and varied, across the North Ward and the Shire. It is great to meet and work with so many volunteers, the back bone of our communities, to achieve significant projects."

Committees of Council:

- Central Pools Committee
- Youth Council

councillors

Councillor remuneration and support

Mayor and Councillor allowances were increased by 2% on 1 December 2017 by Ministerial adjustment. The Mayoral allowance payable from 1 December was \$85,466.30 per annum, and the Councillor allowance was \$27,620.94 per annum. These amounts include the required 9.5% superannuation equivalent. All Councillors are provided with an iPad and iPhone, and the Mayor is provided with a vehicle.

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

COUNCILLOR	TRAVEL ¹	CAR MILEAGE	CHILD-CARE	IT ²	CONFERENCE & TRAINING	TOTAL	ALLOWANCE
Cr Jo Beard	\$2,245.99	\$13,000.00 ³	\$0	\$923.20	\$1,508.36	\$17,677.55	\$84,725.14
Cr Neil Trotter	\$2,426.49	\$4,290.00	\$0	\$757.50	\$1,276.00	\$8,749.99	\$27,381.30
Cr Lesley Brown	\$283.48	\$5,625.19	\$0	\$631.02	\$1,363.27	\$7,902.96	\$27,381.30
Cr Helen Durant	\$283.48	\$1,901.46	\$0	\$517.35	\$1,363.27	\$4,065.56	\$27,381.30
Cr Ruth Gstrein	\$283.48	\$1,120.68	\$0	\$911.95	\$186.00	\$2,676.11	\$27,381.30
Cr Simon Illingworth	\$0	\$4,051.74	\$0	\$589.09	\$0	\$4,640.83	\$28,101.30⁴
Cr Bev McArthur	\$123.53	\$0	\$0	\$489.87	\$186.00	\$799.40	\$27,381.30

¹ Travel expenses include accommodation, meals and parking.

² Includes iPad and iPhone excluding GST.

³ A vehicle, currently a Subaru Outback Diesel, is provided to the Mayor for business and private use.

⁴ Cr Illingworth received an additional remote area travel allowance of \$720.

Council meetings and Councillor attendance

In 2017-2018, 12 Ordinary Council Meetings and one Special Council Meeting were held with an average attendance rate by Councillors of 92.31%.

Three out of seven Councillors had 100% attendance. For more information on Council meetings, refer to page 68.

COUNCILLOR	ORDINARY MEETINGS ATTENDED	SPECIAL MEETINGS ATTENDED	%
Cr Jo Beard (Mayor)	12/12	1/1	100
Cr Neil Trotter (Deputy Mayor)	11/12	1/1	92
Cr Lesley Brown	12/12	1/1	100
Cr Helen Durant	12/12	1/1	100
Cr Ruth Gstrein	11/12	1/1	92
Cr Simon Illingworth	11/12	1/1	92
Cr Bev McArthur	9/12	0/1	69

Executive team

Chief Executive Officer - Andrew Mason

[September 2010-present]

Andrew became CEO in September 2010 after working as our Director Sustainable Development for two years. Prior to this Andrew was a planning consultant and held senior management positions in both the State and Local Government sectors.

Director Sustainable Development - Ian Gibb

[October 2010-present]

Ian started at Corangamite Shire as Manager Planning & Building Services, before stepping up to the role of Director Sustainable Development. His experience includes work in the private sector delivering both strategic and statutory projects, stakeholder and community engagement.

Director Corporate & Community Services - David Rae

[April 2012-present]

David took on the role following a seven year hiatus from local government. David is a qualified accountant who commenced his local government career with Warrnambool City Council in 1996 where he held several roles including Finance Manager.

Director Works & Services - Brooke Love

[April 2016-present]

Brooke started at Corangamite Shire in 2005 as Recreation Development Officer before stepping into the position of Manager Facilities and Recreation in 2011. Brooke has worked in aquatic and recreation facility management in both the private and public sectors for 20 years.

our people



Chief Executive Officer
Andrew Mason



Director Sustainable Development
Ian Gibb

Manager Planning & Building Services
Greg Hayes

- Building control
- Strategic & town planning

Manager Growth & Engagement
Rory Neeson

- Community planning & engagement
- Economic development
- Tourism & events
- Communications
- Customer Service
- Arts & Culture

Manager Environment & Emergency
Lyll Bond

- Environment
- Waste management
- Local laws & rangers
- Emergency management
- Environmental health



Director Corporate & Community Services
David Rae

Manager Information Services
Steven Welsh

- Information technology
- Freedom of Information
- Records management

Manager Community Services
Matthew Dawson

- Home & Community Care
- Community transport
- Child care
- Preschools
- Maternal & Child Health

Manager Finance
Adam Taylor

- Rates & revenue collection
- Accounting services
- Financial reporting
- Contracts & tendering

Manager Human Resources & Risk
Michele Stephenson

- Employee services
- Privacy
- Occupational Health & Safety
- Risk management
- Insurance



Director Works & Services
Brooke Love

Acting Manager Facilities & Recreation
Jane Hinds

- Recreation development
- Property management
- Community facilities & building maintenance
- Pools & stadiums
- Community grants

Manager Works
Lyle Tune

- Roads & bridge construction
- Cleaning services
- Parks & Gardens
- Road maintenance
- Plant & fleet

Manager Fire Recovery
Jarrold Woff

Manager Assets Planning
John Kelly

- Civil infrastructure assets
- Planning & management
- Design & engineering services

our people

Workforce

As at 30 June 2018, Corangamite employed 261 people (in full time, part time and casual employment) in a diverse range of positions, including engineering, customer service, administration, finance, children's and aged services, sport and recreation, parks and gardens, planning and management.

The total number of employees is made up of 130 full time, 103 part time and 28 casual employees. Unfilled positions, the removal of four part time positions and one casual position from the Camperdown Saleyards, and removal of one management position are responsible for a drop of total employees from 272 in 2016-2017. See Tables 1 and 2 on the next page for a detailed breakdown of employees by division and employment classification.

The average age of our workforce is 49 years, which is an increase of one year from 2016-2017. Sixty-four per cent of our staff are aged over 45, and 35% aged over 55. Sixteen per cent are aged under 35. The generational profile of our workforce has remained consistent over the past few years, and is in line with nation-wide trends of ageing populations and workforces. Voluntary staff turnover was 10.13%.

Employment type by gender indicates that the permanent full time workforce is predominantly male, at 78%. Sixty-four of our 101 full time employed males belong to the Works and Services (outdoor) team. Our part time workforce is predominantly female at 94%, with 73 women employed part time in the Corporate and Community Services division. Casual work is predominantly female at 89%. Our Employment Type by Gender figures have remained consistent over the past few years, and are reflective of a contemporary workforce where many women tend to seek part time or casual positions to enable a better balance between work/life responsibilities.

Restructure

During 2017-2018 a minor restructure involving our Economic Development and Tourism unit occurred following the resignation of manager Michael Emerson. The Community Relations department

was combined with Economic Development to create the Growth and Engagement unit led by Manager Rory Neeson. The Manager Growth and Engagement reports directly to the Director Sustainable Development, with the Chief Executive Officer still involved with some communications functions.

Following the South West Complex Fires, an externally funded Manager Fire Recovery was appointed. This temporary position reports directly to the Manager Works and Services.

These changes to the organisation's structure have been included in the chart provided on the previous page.

Recruitment

We advertised 49 positions in 2017-2018, attracting 323 applications, 100 more than 2016-2017. Vacancies became available in information technology, environment, planning, youth and children's services, works and services, and growth and engagement. One vacant management position (Information Services) was filled by an internal applicant.

The back filling of positions due to temporary fire recovery appointments was a challenge. An Acting Manager Facilities and Recreation was appointed internally, with external applicants filling the temporary Property Officer and Emergency Management Officer positions.

The areas of planning, engineering and finance continue to be most difficult to recruit, consistent with other rural councils.

In 2017-2018 we supported work placements from Deakin, LaTrobe, Federation and RMIT universities, and South West TAFE.

Industrial Relations

Employment conditions, pay rates and criteria for the classification of positions are all covered under our Enterprise Agreement. A new Enterprise Agreement was certified and implemented during 2017-2018.

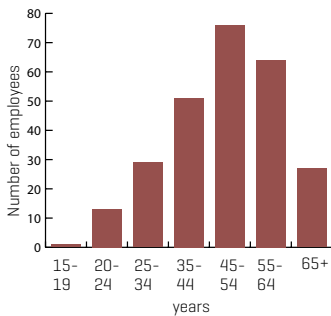
Table 1: Number of Corangamite Shire Employees by Division

	Full time female FTE	Full time male FTE	Part time female FTE	Part time male FTE	Casual female FTE	Casual male FTE	TOTAL
Corporate & Community Services	14	10	34.51	0.84	2.15	0	61.5
Executive	3	3	4.48	0.65	0.26	0	11.39
Sustainable Development	7	14	6.33	1.1	0.74	1.1	30.27
Works & Services	5	74	0.92	1.12	0.25	0	81.29
TOTAL	29	101	46.24	3.71	3.4	1.1	184.45

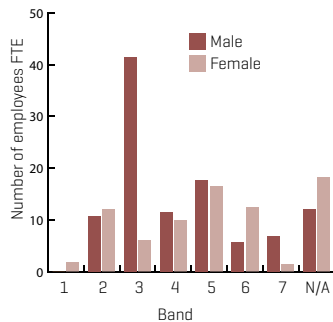
Table 2: Number of Corangamite Shire Employees by Employment Classification

Employment classification	Female FTE	Male FTE	Total FTE
Band 1	1.9	0	1.9
Band 2	12	10.8	22.8
Band 3	6.1	41.4	47.5
Band 4	10	11.5	21.5
Band 5	16.4	17.7	34.1
Band 6	12.41	5.64	18.1
Band 7	1.5	6.8	8.3
Band not applicable	18.3	12	30.3
Total	78.6	105.8	184.5

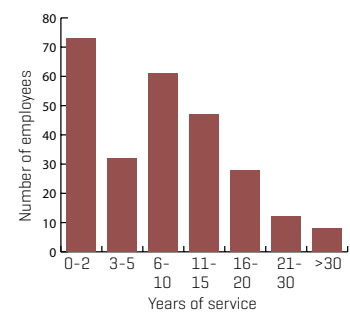
Age of workforce



Band classification by gender



Tenure



our people

Learning and development

Corangamite Shire aims to provide a supportive environment that encourages employees to seek further learning opportunities. We supported two staff towards obtaining a tertiary qualification. Every second year we provide compulsory fraud prevention training to all staff and Councillors.

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.

Every two years we conduct an internal 'Employee Opinion Survey' to measure employee attitudes and identify any concerns. The next survey will be carried out in 2018-2019.

Employee Code of Conduct

The Employee Code of Conduct was reviewed in November 2017.

The Code of Conduct provides guidance on a range of issues relating to conduct and ethics that employees may face in their roles with Council. Issues such as conflict of interest, procurement, acceptance of gifts, and the use of Council resources feature in the Code. The CEO, Executive Team and Leadership Group continue to communicate the importance of acting ethically and responsibly in the workplace. In particular, the CEO meets with all new employees to discuss their obligations under the Code and addresses outdoor staff at depot team meetings and indoor staff at monthly meetings. From time to time messages from the CEO are placed in the monthly internal staff newsletter 'Chatter' reminding staff of the organisation's values and behaviours, and to use public resources in a responsible manner.

Equal Opportunity and Human Rights

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 Employee Code of Conduct during the induction process. Every two years all staff attend compulsory Equal Opportunity, bullying and Human Rights refresher training, with the next training to be delivered in 2019. We have formal Complaints, Grievances and Disputes Procedures that enable 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 hard copy outside the HR department and at depots.

In 2017-2018, 100% of new employees participated in the induction process.

Occupational Health and Safety

Corangamite Shire maintains a strong commitment to ensuring our workplace is safe. Our 20 member OHS Committee meets quarterly to identify and discuss issues, compliance and training/awareness opportunities. Our Focus on Safety Group, featuring 20 members of staff from across Council, meets informally and works in sub-groups to embed a culture of safety in our organisation, making safety everyone's business. Projects during the year included online contractor induction training, drug and alcohol testing, SunSmart measures, and a GPS system for heavy fleet vehicles.

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 the TechOne corporate reporting software. In 2017-2018, 75 incident reports were completed.

Days lost due to injury

Eighteen days were lost due to injury from incidents occurring within the year. One major incident from the previous year resulted in a total number of 245 days lost. This is a significant decrease from 509 days in 2016-2017, when two major incidents occurred.

Supporting and informing staff

Our annual Outdoor Staff Training Day was held in May.

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

In 2017-2018 these included:

- Employee Assistance Program, including counselling and wellbeing support to employees and family members to manage issues impacting their lives
- Free flu immunisations (with 104 staff members rolling up their sleeves)
- Skin checks for 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 some staff via payslips. Our staff intranet is the homepage of all desktop computers in the workplace.

Valuing our staff

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

We said farewell to three long serving staff members in December 2017. Ian Gladman retired after 36 years, Neville Collins retired after 34 years, and Terry O'Neill retired after 28 years of service.

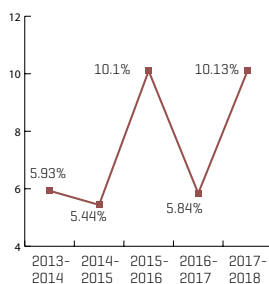
Work-life balance & family friendly options

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.

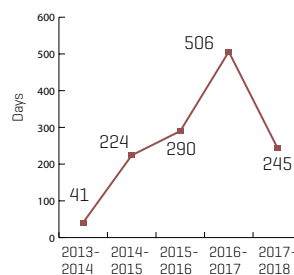
TRAINING	NUMBER OF STAFF
Noise awareness	67
Chainsaw refresher	58
CPR (Works)	30
Forklift	1
Backhoe/skidsteer license	1
Heavy rigid license	4
Heavy combination license	1
Traffic management	2
Ignite program	2
Fraud prevention	All staff
Child safe standards	All staff

STAFF MEMBER	YEARS OF SERVICE
Lisa Hately	20
Barb McKenzie	20
Danny Moran	20
Mavis Fenton	25
Mick Lodge	25
Mick Reid	25
Terry O'Neill	28
Paul Coverdale	30
Neville Collins	34
Brenda Wyles	35
Ian Gladman	36

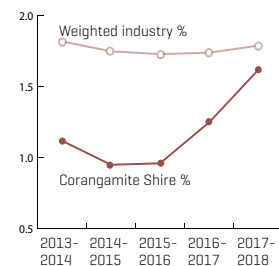
Annual staff turnover



Time lost due to injury



Workcover premium rate



operational performance snapshot

	STRATEGIC THEME 1	STRATEGIC THEME 2	STRATEGIC THEME 3																		
	Governance and Financial Sustainability	Roads	Vibrant Economy, Agriculture and Tourism																		
MAJOR ACHIEVEMENTS 2017-2018	<ul style="list-style-type: none"> Cr Jo Beard elected Mayor for a third term Election of Cr Neil Trotter as Deputy Mayor; the first Deputy Mayor since 1998 Council became debt free 	<ul style="list-style-type: none"> Construction of Castle Carey Road Bridge commenced Increase in advocacy activities including videos by Councillors posted online Upgrade to Foxhow Road by VicRoads completed Improved condition of local roads 	<ul style="list-style-type: none"> State Government funding for Shipwreck Coast Master Plan implementation Volcanic Lakes and Plains promotional campaign launched with Great Ocean Road Regional Tourism 																		
CHALLENGES	<ul style="list-style-type: none"> Proposed changes to Local Government legislation 	<ul style="list-style-type: none"> Community Satisfaction Survey results for sealed and unsealed local roads remains low 	<ul style="list-style-type: none"> Devastating impact on farmers and local businesses from the South West Complex Fires 																		
REPORT CARD	OVERALL PERFORMANCE <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>66</td> <td>56</td> <td>59</td> </tr> </table>	Corangamite	Large Rural	Statewide	66	56	59	CONDITION OF SEALED LOCAL ROADS <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>37</td> <td>45</td> <td>53</td> </tr> </table>	Corangamite	Large Rural	Statewide	37	45	53	BUSINESS & COMMUNITY DEVELOPMENT <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>64</td> <td>58</td> <td>60</td> </tr> </table>	Corangamite	Large Rural	Statewide	64	58	60
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	66	56	59																		
	Corangamite	Large Rural	Statewide																		
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ADVOCACY & LOBBYING <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>64</td> <td>52</td> <td>54</td> </tr> </table>	Corangamite	Large Rural	Statewide	64	52	54	MAINTENANCE OF UNSEALED ROADS <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>40</td> <td>41</td> <td>43</td> </tr> </table>	Corangamite	Large Rural	Statewide	40	41	43	TOURISM DEVELOPMENT <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>65</td> <td>61</td> <td>63</td> </tr> </table>	Corangamite	Large Rural	Statewide	65	61	63	
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OVERALL DIRECTION <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>57</td> <td>52</td> <td>52</td> </tr> </table>	Corangamite	Large Rural	Statewide	57	52	52															
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MAKING COMMUNITY DECISIONS <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>64</td> <td>52</td> <td>54</td> </tr> </table>	Corangamite	Large Rural	Statewide	64	52	54															
Corangamite	Large Rural	Statewide																			
64	52	54																			
LOOKING AHEAD	<ul style="list-style-type: none"> Advocating for Shire priorities in lead-up to State and Federal elections in 2018-2019 Changes and updating of policies if new Local Government Act passed by Parliament 	<ul style="list-style-type: none"> Adequate funding from new Regional Roads Victoria for road maintenance of the VicRoads arterial road network Funding advocacy for Barwon South West Regional Dairy Supply Chain route and network 	<ul style="list-style-type: none"> Federal Government funding for Shipwreck Coast Master Plan projects 																		

The 2017-2018 Corangamite Shire Annual Report measures Council's performance against what we said we would do in our 2017-2021 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 2017-2018 in these areas. **A more detailed report starts on page 30.**

STRATEGIC THEME 4	STRATEGIC THEME 5	STRATEGIC THEME 6																		
Built and Natural Environment	Safe and Healthy Communities	Organisational Performance																		
<ul style="list-style-type: none"> Roadside Weed Control Program increased by 25%, enabling previously untreated roadsides to be included in the program Initial response and recovery support to fire affected communities by staff 	<ul style="list-style-type: none"> Adoption of Municipal Health & Wellbeing Plan 2017-2021 Five community plans reviewed Successful Eat Well, Move Well, Be Well recreation program Removal of soft drinks sold at swimming pools, saving 78.85 kg of sugar 	<ul style="list-style-type: none"> Positive feedback for staff efforts during the South West Complex Fires 																		
<ul style="list-style-type: none"> Changes to China's purchasing of recyclables, resulting in cost increases for kerbside recycling 	<ul style="list-style-type: none"> Emergency management response to the South West Complex Fires on St Patrick's Day 2018 	<ul style="list-style-type: none"> Appointment of temporary fire recovery positions and back filling of some positions 																		
APPEARANCE OF PUBLIC AREAS <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>79</td> <td>69</td> <td>71</td> </tr> </table>	Corangamite	Large Rural	Statewide	79	69	71	DISADVANTAGED SUPPORT SERVICES <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>63</td> <td>61</td> <td>61</td> </tr> </table>	Corangamite	Large Rural	Statewide	63	61	61	CUSTOMER SERVICE <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>77</td> <td>67</td> <td>70</td> </tr> </table>	Corangamite	Large Rural	Statewide	77	67	70
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CONDITION OF STREETS & FOOTPATHS <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>62</td> <td>54</td> <td>58</td> </tr> </table>	Corangamite	Large Rural	Statewide	62	54	58	ELDERLY SUPPORT SERVICES <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>74</td> <td>67</td> <td>68</td> </tr> </table>	Corangamite	Large Rural	Statewide	74	67	68							
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PLANNING & BUILDING PERMITS <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>58</td> <td>49</td> <td>52</td> </tr> </table>	Corangamite	Large Rural	Statewide	58	49	52	FAMILY SUPPORT SERVICES <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>70</td> <td>65</td> <td>66</td> </tr> </table>	Corangamite	Large Rural	Statewide	70	65	66							
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TOWN PLANNING <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>59</td> <td>54</td> <td>54</td> </tr> </table>	Corangamite	Large Rural	Statewide	59	54	54	INFORMING THE COMMUNITY <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>69</td> <td>59</td> <td>59</td> </tr> </table>	Corangamite	Large Rural	Statewide	69	59	59							
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WASTE MANAGEMENT <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>69</td> <td>67</td> <td>70</td> </tr> </table>	Corangamite	Large Rural	Statewide	69	67	70	CONSULTATION & ENGAGEMENT <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>64</td> <td>54</td> <td>55</td> </tr> </table>	Corangamite	Large Rural	Statewide	64	54	55							
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SLASHING & WEED CONTROL <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>45</td> <td>51</td> <td>55</td> </tr> </table>	Corangamite	Large Rural	Statewide	45	51	55	RECREATIONAL FACILITIES <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>72</td> <td>66</td> <td>69</td> </tr> </table>	Corangamite	Large Rural	Statewide	72	66	69							
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ENVIRONMENTAL SUSTAINABILITY <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>63</td> <td>61</td> <td>63</td> </tr> </table>	Corangamite	Large Rural	Statewide	63	61	63	ARTS CENTRES & LIBRARIES <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>73</td> <td>71</td> <td>74</td> </tr> </table>	Corangamite	Large Rural	Statewide	73	71	74	EMERGENCY & DISASTER MANAGEMENT <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>75</td> <td>71</td> <td>71</td> </tr> </table>	Corangamite	Large Rural	Statewide	75	71	71
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Corangamite	Large Rural	Statewide																		
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	COMMUNITY & CULTURAL ACTIVITIES <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>68</td> <td>67</td> <td>69</td> </tr> </table>	Corangamite	Large Rural	Statewide	68	67	69	ENFORCEMENT OF LOCAL LAWS <table border="1"> <tr> <td>Corangamite</td> <td>Large Rural</td> <td>Statewide</td> </tr> <tr> <td>66</td> <td>64</td> <td>64</td> </tr> </table>	Corangamite	Large Rural	Statewide	66	64	64						
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financial performance snapshot

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.

2017-2018 Financial Performance Summary

Council had an **operating surplus** of \$7.61 million, against a predicted surplus of \$5.23 million (compared to a \$5.31 million surplus in 2016-2017).

This was influenced by:

- **User fees** – Additional fees received for landfill, kindergarten, aged care and building inspections, as well as reimbursement of incident control expenditure incurred during the South West Complex Fires
- **Additional grant revenue** – Additional grant revenue was received due to extraordinary events (such as fires and flood)
- **Materials and services** – A large number of favourable variances were offset by expenditure incurred during the South West Complex Fires

Council's total **capital works expenditure** was \$11.75 million (compared to \$10 million in 2016-2017). The increase was due to a number of projects not complete at year end which are included as works in progress, and inclusion of the landfill cell construction projects previously not capitalised.

Rates & Charges comprised \$20.75 million (43%) of the total operating income of \$48.67 million (compared to \$20.16 (48%) of \$46.62 million in 2016-2017).

Cash holdings (including financial assets) increased by \$1.49 million to \$23.64 million (compared to \$5.38 million increase to \$22.15 million in 2016-2017).

Council's net assets were \$436 million. This included total land & buildings (\$55m), plant & equipment (\$10m) and infrastructure assets (\$394m).

For more detailed information on the financial result, please refer to the financial statements. A detailed comparison between the budget and actual results is shown in Note 1.1.

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 or 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:

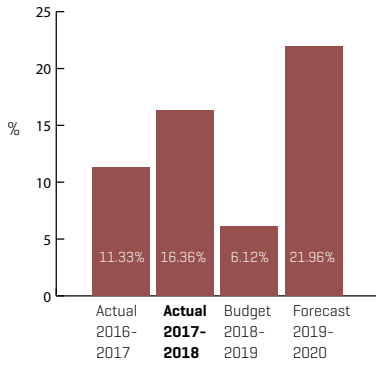
- Generate enough revenue to cover operating costs (including the cost of replacing assets reflected in depreciation expense) – **Net result**
- Have sufficient working capital to meet short term commitments – **Liquidity**
- Generate sufficient operating cash flows to invest in asset renewal and repay any debt Council 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/search/reports

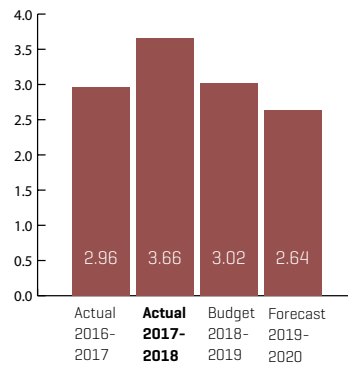
The following graphs are based on the last two years of actual results and the forecast for the next two years from our Strategic Resource Plan as adopted by Council in June 2017. The graphs highlight the trend of increased financial sustainability for Corangamite Shire.

They show that Corangamite's overall Financial Risk is rated as low.

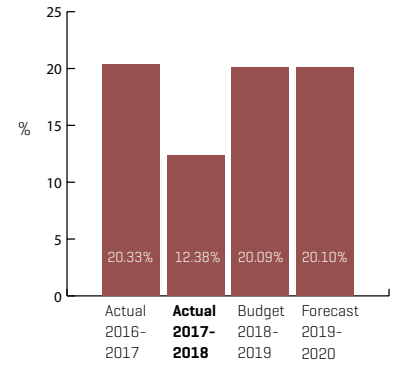
Net Result



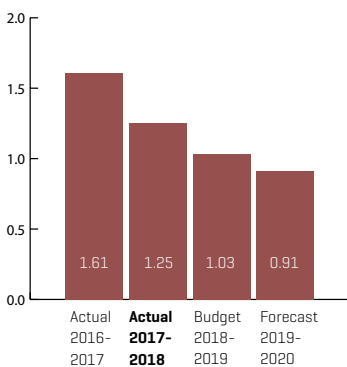
Liquidity



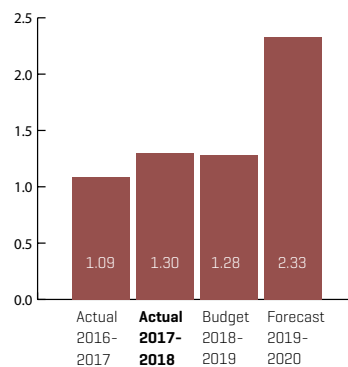
Indebtedness



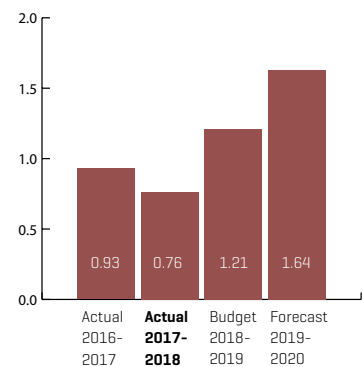
Internal Financing



Capital Replacement



Renewal Gap



Long term financial strategic objectives

Whilst this report focuses on the 2017-2018 financial results, it is important to view this result in the context of the long-term financial strategic objectives of Council which are:

- Council will make budgetary decisions that ensures Council remains in a strong position now and into the future
- Council will deliver value for money by ensuring that services are required and delivered efficiently and sustainably
- Council will advocate strongly in relation to roads, cost shifting, and other Council and community priorities.

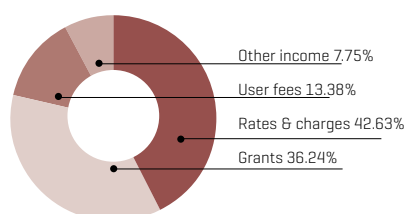
Please see the Performance Statement in the Finance Reporting section for the Financial Performance Indicators relating to the Local Government Performance Reporting Framework

Please see the Annual Financial Report in the Finance Reporting section for detailed financial results

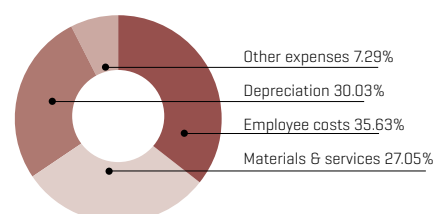
financial performance

The 2017-2018 Budget included a 2.00% increase in the general rate, a municipal charge of \$193.30, and a waste management charge of \$297.

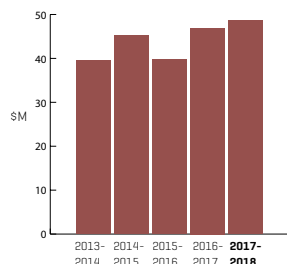
Revenue \$48.67M 2017-2018



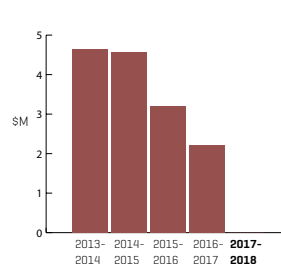
Expenditure \$41.06M 2017-2018



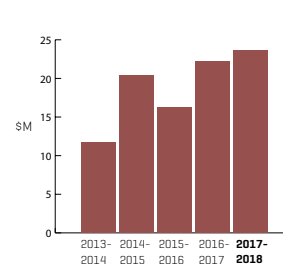
Total revenue 2013-2017



Total borrowings 2013-2017



Cash & investments 2013-2017



Financial indicator comparisons 2013-2018

	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018
Total revenue	\$39.58M	\$45.22M	\$39.77M	\$46.92M	\$48.67M
Grants income	\$11.12M	\$18.5M	\$13.08M	\$18.7M	\$17.64M
Rates income	\$18.17M	\$18.59M	\$19.57M	\$20.16M	\$20.75M
Total borrowings	\$4.65M	\$4.57M	\$3.19M	\$2.22M	\$0
Total expenditure	\$38.96M	\$40.86M	\$39.76M	\$43.7M	\$41.06M
Capital works	\$11.17M	\$10.17M	\$13.7M	\$10M	\$11.75M
Cash & investments	\$11.70M	\$20.43M	\$16.3M	\$22.15M	\$23.64M
Rate increases	5%	5%	5%	2.5%	2%
Average residential rates notice	\$1,224	\$1,116	\$1,177	\$1,204	\$1,242
Municipal charge	\$228	\$176.40	\$184.90	\$189.50	\$193.30
Waste management charge	\$259	\$272	\$280	\$287	\$297

major capital projects

Delivering major 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.



Castle Carey Road Bridge

\$5.2 million

Construction of the Castle Carey Road Bridge over Mount Emu Creek commenced in November 2017, with abutments, piers and beams installed during the year. Associated earthworks to create new approaches for the bridge were also carried out.

The new bridge will be wider than the existing bridge, and enable B-Double and Higher Mass Limit vehicles to travel over the bridge, cutting travel distances by more than 17 km, advancing this vital link between Mortlake and Camperdown.

Funded by Council (\$1.6 million), the Federal Government (\$2.6 million), and the State Government (\$1 million), the bridge is expected to be completed in March 2019.

Timboon Curdievale Road (Timboon West)

Widening Stage 1

\$798,000

Council identified \$7.3 million in 2017-2018 to improve and maintain the Shire's 2,366 km sealed and unsealed road network. As part of these works, 2.5 km of the Timboon Curdievale Road, west of Timboon, was widened to provide greater safety for all road users, including tourists travelling from the Great Ocean Road, and improve accessibility for dairy industry heavy vehicles.

Camperdown Clocktower

\$424,000

Restoration works to Camperdown's heritage listed clocktower commenced during the year, with \$67,000 of the \$424,000 project already completed. The historic clocktower requires remedial works to the clockfaces and roof to ensure it is preserved for future generations.

The works, which are due for completion in 2018-2019, are partly funded by a \$200,000 State Government grant from the Living Heritage Grants Program.

Statement of capital works 2017-2018

Property and buildings	
Land	-
Buildings	\$427,000
Heritage buildings	\$81,000
Leasehold improvements	-
Total property and buildings	\$508,000
Plant and equipment	
Plant, machinery and equipment	\$1,957,000
Computers and telecommunications	\$192,000
Total plant and equipment	\$2,149,000
Infrastructure	
Roads	\$6,443,000
Footpaths and cycleways	\$175,000
Drainage	\$29,000
Recreational, leisure & community facilities	-
Parks, open space and streetscapes	-
Kerb and channel	\$218,000
Retaining walls and small culverts	\$46,000
Waste management	\$2,187,000
Other infrastructure	-
Total infrastructure	\$9,098,000
Total capital works expenditure	\$11,755,000

sustainability performance snapshot

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

Financial sustainability is a strong focus of this Council, and following a period of conservative financial planning, Corangamite Shire became debt free in 2017-2018. This is a significant accomplishment in the current financially constrained environment for rural and regional councils.

We undertook a range of major economic sustainability initiatives in 2017-2018, delivering a \$11.75 million capital works program with upgrades and maintenance of roads, footpaths, buildings and recreational facilities.

The South West Complex Fires created a significant burden on Council's resources during the year. However, external funding has assisted us in supporting our communities through the recovery process, whilst ensuring the usual business of Council can continue.

achievements

- We delivered a surplus of \$7.61 million, with a \$11.75 million capital works program for new assets, upgrades and renewals. We paid off our debt and had no new borrowings in 2017-2018.
- The unemployment rate in Corangamite Shire remains very low, one of the lowest in the state (2.58% in March 2018).

challenges

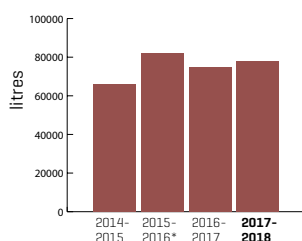
- We budgeted for a \$15 million capital works program for 2017-2018, but only spent \$11.75 million, with delayed projects to be carried over to 2018-2019. Delays associated with the South West Complex Fires will mean capital works projects from 2017-2018 will have to be completed alongside new projects in the coming year.
- The arterial road network continues to be chronically underfunded by State Government. We will continue to actively advocate for funding to bring the State's arterial network up to an acceptable and safe standard.
- The State Government's rate-capping framework, with a rate cap of 2.00% in 2017-2018, means Council must find savings each year to buffer the reduction in revenue.

ENVIRONMENTAL SUSTAINABILITY

Council continues to carry out key actions in the Environment and Sustainability Strategy 2014-2019 to protect and enhance the natural environment. In 2017-2018, we continued to take action to be a leader in our community, reducing water and energy use, and diverting waste from landfill.

Council is also in the process of installing Solar Photovoltaics (PV) panels on the Killara Centre building and plans to undertake further energy upgrades in 2018-2019.

Water usage at Council properties 2014-2018



* Major water leak at swimming pool caused spike in 2015-2016

Solar PV systems installed

FACILITY	SIZE IN KW
Civic Centre	37
Cobden Civic Hall	10
Terang Public Library	10
Camperdown Kindergarten	10
Terang Children's Centre	10
Other facilities with <10	53.85
TOTAL	130.85

achievements

- Corangamite households sent less waste to landfill, with 1,776 tonnes of kerbside waste collected. This is down from 1,889 tonnes in 2016-2017.
- The amount of recyclables collected from households continued to rise, with 1,478 tonnes of recyclables collected from kerbsides; an increase from 1,394 tonnes collected in 2016-2017.
- We increased our Roadside Weed Control Program in 2017-2018, with 1,535 km of roads treated – 25% more than in 2016-2017.
- Our Food Organics and Garden Organics (FOGO) trial was successful, with a significant reduction in food waste going to landfill.

challenges

- Changes to China's purchasing of recyclables has increased costs for kerbside recycling.
- Community satisfaction with slashing and weed control continues to be disappointing despite an increase in roads treated.

SOCIAL SUSTAINABILITY

Council plays a key role in the lives of families and older residents across the Shire. In 2017-2018, our delivery of care and support services to older and disabled residents continued with 20,032 hours of domestic, personal and respite care services and 5,127 meals delivered through the Meals on Wheels program. We delivered 1,578 Maternal and Child Health appointments.



achievements

- Council adopted the 2017-2021 Municipal Public Health & Wellbeing Plan.
- Our Community Planning unit continued to empower communities to deliver projects such as the Terang Lake Lions Walking Track, Volcanic Lakes & Plains Destination Guide and website and Lismore Discovery Trail.
- Council's response and recovery efforts following the South West Complex Fires ensured residents remained connected and informed. This included streaming of community meetings on Facebook.

challenges

- An ageing population that will increase demand for Council services.
- Reforms across the Community Services sector, including the introduction of the National Disability Insurance Scheme, will challenge communities to remain connected.

Please see the Performance Statement in the Finance Reporting section for the Sustainable Capacity Indicators relating to the Local Government Performance Reporting Framework

awards & recognition

Citizen of the Year John Keane

Terang's John Keane has given many years of service to his beloved community over a number of years.

A retired pharmacist, John has served as a Councillor to the former Hampden Shire, on the Board of the Terang Hospital, and on the Terang Uniting Church Council.

John's support for the Terang community has also included roles with the Terang Public Park Trustees, Lions Club, Terang Aged Care Trust, Terang Country Music Festival, Terang Scouts, Neighbourhood Watch, and the Terang Community Art Show.

For over 50 years John has delivered Meals on Wheels, and continues to help others with small jobs when required. Most recently John was integral to the completion of the Terang Lake Signage Project, which resulted in the installation of 12 interpretive signs along the walking track around the Terang Lake precinct.

John is passionate about the town he lives in and his dedication to the community is greatly appreciated by all those he has helped.

Young Citizen of the Year Lauren McIlveen

Lauren McIlveen is actively involved in the community, volunteering with many groups and organisations when not busy with her Year 12 studies.

Amongst her many roles, Lauren is a Shire Youth Councillor and member of the steering committee for the "We Know Your Name, But Not Your Story" project.

Lauren is also involved in the Country Education Project, making representations to Government Ministers on the challenges of rural education, and is a member of the Camperdown Hospital Auxiliary, a Little Athletics coach, and a volunteer at Sunnyside House (aged care).

A junior Girl Guides leader, Lauren has received the highest award in Guiding, the BP Award, and received the Silver Duke of Edinburgh's Award.

Lauren is a wonderful example of what young people can achieve if they set their minds to something and work hard to achieve their goals.



Main photo & clockwise: Citizen of the Year John Keane; Australia Day Award recipients; Young Citizen of the Year Lauren McIlveen with Mayor Jo Beard

Community Event of the Year Timboon Santa in the Street

Although Santa in the Street was cancelled in 2017 due to bad weather, the successful 2016 event was eligible for the Shire's 2018 Awards.

A group of organisers from Timboon Action were recognised on Australia Day for their role in organising this annual event, which attracts more than 350 people to the main street of Timboon. The street is closed for a different main attraction each year, as well as market stalls, rides, music and food.

Santa in the Street organisers are commended for bringing together community members from Timboon and the surrounding areas to celebrate Christmas.



Youth Achievement Awards

Well done to our Youth Achievement Award winners and nominees in 2017.

More than 300 people attended the awards night at the Theatre Royal in Camperdown on 13 October to celebrate the achievements, talents and contribution of young people (aged between 12 and 25 years) across Corangamite Shire.

The evening included performances by Push Start winning singer/guitarist Flynn Gurry, Ciara Fitzpatrick, Isabel Rowan, and Mercy Regional College. There was also a display of works by local young artists, showcasing the many talents of Corangamite's youth.

Forty-two nominations for the individual and group award categories were received in 2017, with each nominee demonstrating leadership in their chosen field. Selecting the winners was a difficult task, particularly with the music category, where the individual award was shared between two winners.

Corangamite Shire is grateful to the local businesses who sponsored the awards, particularly South West Sports, Youth Affairs Council Victoria (YACVic) Rural, WestVic Dairy Young Dairy Network and WestVic Staffing Solutions.



The 2017 winners were:

Arts Award

Sean Harrison

Music Award (individual)

Ciara Fitzpatrick

Music Award (individual)

Isabel Rowan

Music Award (group)

Lakes & Craters Training Band

Performing Arts Award

Lauren Huth

South West Sports Sport Award (individual)

Tully Watt

South West Sports Sport Award (group)

Terang College Clay Target Team

YACVic Rural Community Services Award (individual)

Lauren McIlveen

YACVic Rural Community Services Award (individual)

Luke van Rijthoven

WestVic Staffing Solutions Workplace Endeavour Award

Lily Currell

WestVic Dairy Agriculture Award

Hannah Whytcross

Photos from left: Community Event of the Year Timboon Santa in the Street; Youth Achievement Award recipients

STRATEGIC THEME 1

governance and financial sustainability

We are committed to ensuring the ethical behaviour of Councillors and staff, maintaining good governance and remaining financially sustainable



Main photo & clockwise: Council meeting in Derrinallum September 2017; Councillors at the 12 Apostles; Crs Illingworth and Trotter with Minister Dan Tehan and Simpson Lions members at town signage funding announcement; Cr Ruth Gstrein, Cr Bev McArthur, Cr Helen Durant and Richard Riordan MLA at Princes Hwy intersection

OBJECTIVES

- 1 Council will demonstrate high levels of ethical behaviour and governance standards
- 2 Council will make budgetary decisions that ensures Council remains in a strong financial position now and into the future
- 3 Council will deliver value for money by ensuring that services are required and delivered efficiently and sustainably
- 4 Council will advocate strongly in relation to roads, cost shifting, and other Council and community priorities
- 5 Council will build strong and effective partnerships with key stakeholders, including peak organisations and the State and Federal Governments

SERVICES

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

- Governance (Democratic and Corporate)
- Financial services
- Corporate & Community Services management
- Strategic performance planning & reporting
- Policy reviews
- Compliance with *Local Government Act 1989*
- Councillors

BUDGET 2017-2018

	Expenditure [Revenue] Net cost \$'000
Governance	1,035 (0) 1,035
Financial services	1,025 (486) 539
Corporate & Community Services management	499 (0) 499
TOTAL	2,073

HIGHLIGHTS & ACHIEVEMENTS

COUNCIL WILL DEMONSTRATE HIGH LEVELS OF ETHICAL BEHAVIOUR AND GOVERNANCE STANDARDS

- We met all our governance and financial sustainability measures in the 2017-2018 Council Plan, with the exception of completing two service reviews
- Three Council meetings were held outside of Camperdown in Noorat (July), Derrinallum (September) and Cobden (March)
- Staff and Councillors participated in the review of the *Local Government Act*, including making submissions
- We welcomed 13 new citizens at citizenship ceremonies held on Australia Day and during the year
- Council continues to perform strongly in the annual Community Satisfaction Survey

COUNCIL WILL MAKE BUDGETARY DECISIONS THAT ENSURES COUNCIL REMAINS IN A STRONG FINANCIAL POSITION NOW AND INTO THE FUTURE

- Council became debt free, with no new borrowings
- \$50,000 worth of savings made in the 2017-2018 Budget enabled us to buffer rate capping impacts

COUNCIL WILL DELIVER VALUE FOR MONEY BY ENSURING THAT SERVICES ARE REQUIRED AND DELIVERED EFFICIENTLY AND SUSTAINABLY

- We commenced development of a continuous improvement strategy which will complement service reviews currently in progress

- Unconfirmed external funding for works associated with the South West Complex Fires

- The 2019 Federal Election and opportunity to lobby all sides of politics on behalf of our residents

COUNCIL WILL ADVOCATE STRONGLY IN RELATION TO ROADS, COST SHIFTING, AND OTHER COUNCIL AND COMMUNITY PRIORITIES

- State Government funding for Shipwreck Coast Master Plan projects was announced as part of the 2018-2019 State Budget
- Our community satisfaction ratings for Advocacy and Making Community Decisions increased in 2018

COUNCIL WILL BUILD STRONG AND EFFECTIVE PARTNERSHIPS WITH KEY STAKEHOLDERS, INCLUDING PEAK ORGANISATIONS AND THE STATE AND FEDERAL GOVERNMENTS

- We met with the following ministers to discuss topics such as the state of the Dairy Industry, Shipwreck Coast Master Plan and upgrade of Princes Highway West
 - Treasurer Tim Pallas
 - Hon Jaala Pulford MLC (Minister Agriculture and Regional Development)
 - Hon Michael Sukkar MP (Assistant Minister to the Federal Treasurer)
 - Hon David Littleproud MP (Federal Minister for Agriculture)
 - Hon John McVeigh MP (Federal Minister for Regional Development)
 - Hon Dan Tehan MP (Federal Member for Wannon and Minister for Social Services)
- We continued to be heavily involved in the Great South Coast Group (Moyne, Southern Grampians, and Warrnambool City) and Regional Partnerships Group, recognising the benefits of regional collaboration
- We worked closely with Emergency Management Victoria, other councils and agencies during and following the South West Complex Fires

- New system of centralised general revaluations

- Possible changes to Local Government legislation and implementation of changes

DISAPPOINTMENTS & CHALLENGES

LOOKING FORWARD

PROGRESS AGAINST OUR 2017-2018 COMMITMENTS

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

BUDGETED 2017-2018	ACTUAL 2017-2018	PROGRESS
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COUNCIL PLAN OBJECTIVE:

Council will demonstrate high levels of ethical behaviour and governance standards

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Schedule Councillor workshop held in Melbourne <i>The annual workshop was held in Melbourne from 19-20 September 2017</i>	\$7,000	\$4,429	100%
Risk Management Framework is revised within 12 months of adoption of Council Plan <i>Strategic risks identified and revised Framework completed</i>	NIL	NIL	100%
Risk Register updated to ensure all current and new and emerging risks are identified <i>Workshops were conducted with risk owners and register updated</i>	NIL	NIL	100%

COUNCIL PLAN OBJECTIVE:

Council will make budgetary decisions that ensures Council remains in a strong financial position now and into the future

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Long Term Financial Plan reviewed <i>Council was briefed on the revised Long Term Financial Plan in February 2018. The model is due for completion in 2018-2019 due to delays associated with the fires</i>	NIL	NIL	75%
Borrowing Strategy drafted <i>Strategy drafted for Council consideration in July 2018</i>	NIL	NIL	100%
Complete review of Rating Strategy <i>Rating Strategy reviewed and preparation of revised Strategy underway prior to public consultation in August 2018</i>	NIL	NIL	100%

COUNCIL PLAN OBJECTIVE:

Council will deliver value for money by ensuring that services are required and delivered efficiently and sustainably

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Complete two service reviews <i>One review completed with the second in progress</i>	NIL	NIL	75%
Pursue commercial lease arrangements where appropriate <i>Commercial lease opportunities continue to be explored for new agreements and where agreements are due for renewal</i>	NIL	NIL	100%

COUNCIL PLAN OBJECTIVE:

Council will advocate strongly in relation to roads, cost shifting, and other Council and community priorities

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Develop use of video advocacy material <i>Twelve road advocacy videos created with eight released via social media</i>	\$10,000	\$10,000	100%
Priority projects advocacy material prepared <i>Priority brochures created and distributed to State and Federal politicians</i>	NIL	NIL	100%

BUDGETED 2017-2018	ACTUAL 2017-2018	PROGRESS
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COUNCIL PLAN OBJECTIVE:

Council will build strong and effective partnerships with key stakeholders, including peak organisations and the State and Federal Governments

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Make submissions to State and Federal Government budgets

Informal submissions made through meetings with politicians and distribution of priorities brochures

NIL

NIL

100%

PROGRESS AGAINST PERFORMANCE MEASURES SET OUT IN COUNCIL PLAN

[How we said we would measure our success in the Council Plan 2017-2021]

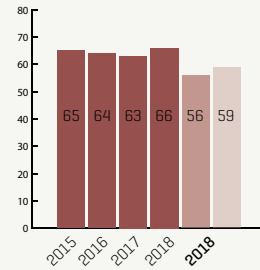
PERFORMANCE MEASURE/INDICATOR	RESULT 2017-2018	COMMENT
A minimum of two training session provided for Councillors annually	✓	Councillors undertook governance training during the annual workshop in addition to Child Safe Standards training
All Council risks have a residual rating of medium or lower	✓	No risks rated above medium during the year
Overall performance from the annual Community Satisfaction Survey remains above 60%	✓	Increased three points from 2017
Annual Community Satisfaction Survey results for community decision making remains above 60%	✓	Increased three points from 2017
Financial Sustainability Risk Indicators as measured by the Victorian Auditor-General are no less than medium annually	✓	Risk indicators are greater than medium
Undertake at least two service/improvement reviews annually	X	One service review has been completed with the second in progress
Fees and charges policy is reviewed biennially	✓	Next due for review in 2018-2019
Increase the number of commercial agreements by 15% over the life of the Plan	✓	Agreements reviewed upon renewal with number of commercial agreements increasing
80% attendance at GSC meetings and forums	✓	Corangamite Shire well represented at meetings
State and Federal members of Parliament provided with Shire priorities prior to State and Federal budgets each year	✓	Distributed to members of State and Federal Parliament during meetings
Annual Community Satisfaction rating for advocacy increased	✓	Increased five points
Council will meet with key State Government politicians annually	✓	Meetings during annual Councillor workshop and throughout the year
Membership of key peak organisations renewed annually	✓	Memberships renewed with Municipal Association of Victoria, LG Pro and Rural Councils Victoria

REPORT CARD

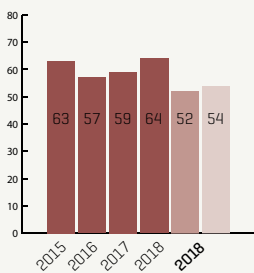
2018 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

- Corangamite
- Large Rural Shires average
- State-wide average

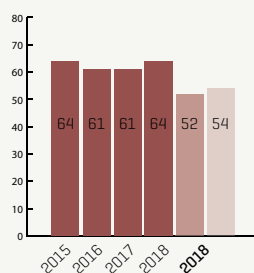
Overall performance



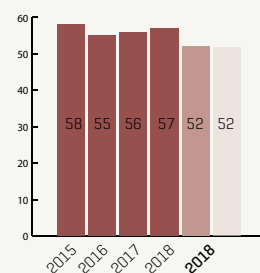
Advocacy & lobbying



Making community decisions



Overall direction



spotlight on: quick response grants

Corangamite Shire distributes up to \$500 to eligible community groups each year through the Quick Response Grants program. The program recognises that positive outcomes can be achieved when small grants are made to community groups / organisations.

Information on how to apply can be found on Council's website or by contacting Council directly.

In 2017-2018, the following community groups / organisations received a quick response grant:

- Cooinda Day Training Centre Terang
- Simpson and District Community Centre
- Darlington Mechanics Institute and Recreation Reserve
- Rotary Club of Cobden
- Scotts Creek Indoor Bias Bowling Club
- Bookaar Rural Fire Brigade
- Weerite Public Hall
- Port Campbell Surf Life Saving Club
- Dance Blitz Studios
- Camperdown Pastoral and Agricultural Society
- Tuniversal
- Lismore Progress Association
- Noorat and District Resident Association
- Terang Bowling Club
- Camperdown and District Community House
- Terang RSL
- Skipton Historical Society
- Port Campbell Singing Group
- South Beach Committee of Management
- 1st Noorat Scout Group
- Lismore & District Men's Shed



Noorat Scout Group with the Mik Maks

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 2017-2021 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:

- Governance and financial sustainability
- Roads
- Vibrant economy, agriculture & tourism
- Built and natural environment
- Safe and healthy communities
- Organisational performance

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



Local Government Performance Reporting Framework (LGPRF)

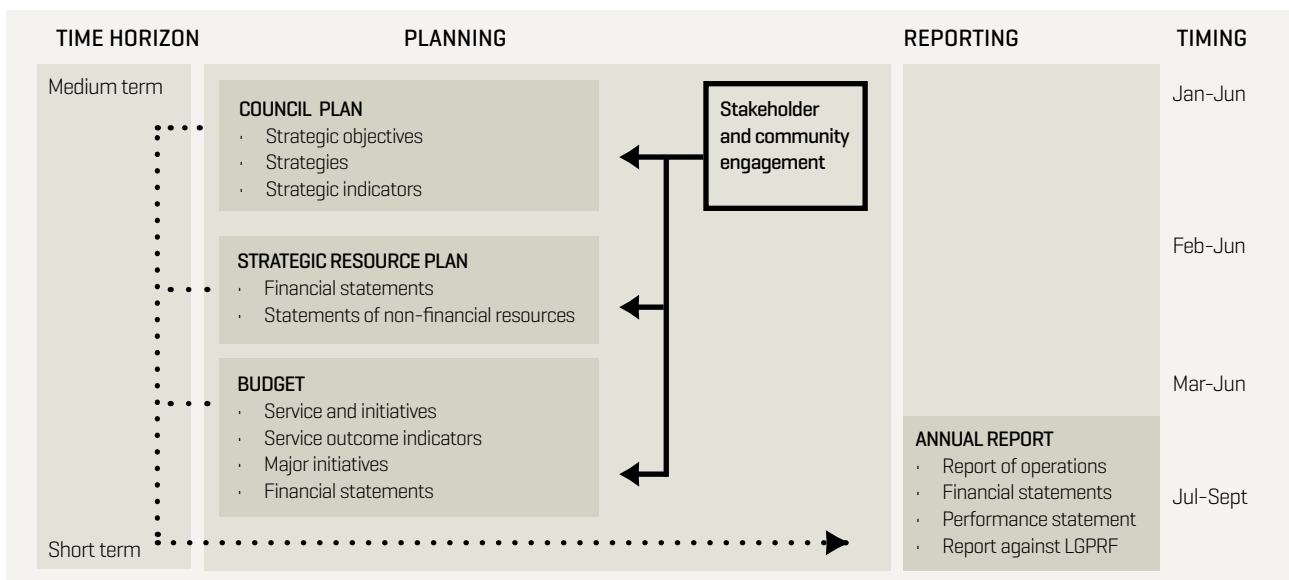
Introduced by the State Government in 2014-2015 this is a mandatory system of performance reporting to ensure that all councils measure and report on their performance in a consistent way.

The framework is made up of 66 measures and a governance and management checklist of 24 items. Each of the measures are reported against in the Corporate Governance section of our annual report.

Performance

Council's performance for the 2017-2018 year has been reported against the strategic objectives to demonstrate how Council is performing in achieving the 2017-2021 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



STRATEGIC THEME 2

roads

We are committed to maintaining our local roads and advocating to the State and Federal governments for improvements to the road network



Main photo & clockwise: Councillors with Minister Dan Tehan at Castle Carey Road bridge Federal funding announcement; Grading a local road; Crs Beard and Illingworth advocating for State Government funding; Slippage on Cobden Port Campbell Road (VicRoads road)

OBJECTIVES

- 1 **Maintain our local road network at current or improved standards**
- 2 **Council will focus on the provision of high quality roads**
- 3 **Upgrade strategic local roads based on opportunities to improve economic outcomes**
- 4 **Advocate on behalf of our communities for increased funding towards the main road network**

SERVICES

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

- Roads
- Works and Services management
- Works
- Private works
- Plant

[These services also contribute to achieving the objectives for the Built and Natural Environment strategic theme]

BUDGET 2017-2018

	Expenditure [Revenue] Net cost \$'000
Roads	3,392 [0] 3,392
Works & Services management	1,148 [225] 923
Works	1,954 [62] 1,892
Private works	593 [551] 42
Plant	[1,577] [100] 1,677
TOTAL	7,926

HIGHLIGHTS & ACHIEVEMENTS

MAINTAIN OUR LOCAL ROAD NETWORK AT CURRENT OR IMPROVED STANDARDS

- Council completed 131 km of gravel road resheet works (valued at \$2 million) to increase pavement depths, accommodate heavy vehicle traffic, and reduce ongoing maintainance costs
- Drainage improvements to the value of \$500,000 were carried out throughout the local road network to assist in preserving the condition of roads for the long-term
- Rehabilitation works to improve pavement condition were completed on sections of Roycrofts Road, Castle Carey Road, Valley View Road, Jancourt Road, Ansons Road, Mount Bute Road, Dow Street [Terang]

COUNCIL WILL FOCUS ON THE PROVISION OF HIGH QUALITY ROADS

- Council's \$2 million annual road resealing program was completed as a joint contract with Warrnambool City Council for the third year. The joint agreement enabled Council to resurface 89 km of its local road network with a 14% reduction in costs when compared to the solo contract in 2014-2015
- In partnership with VicRoads, the second stage of directional signs and linemarking for international tourists was completed, to remind international visitors to drive on the left in Australia
- Reponse and recovery works following the South West Complex Fires delayed delivery of some road construction projects
- Wet conditions resulted in failure to complete road construction at two sites

- We continued to make budget savings on both light and heavy fleet replacements
- We fitted GPS systems in our heavy fleet to improve efficiency and driver safety

UPGRADE STRATEGIC LOCAL ROADS BASED ON OPPORTUNITIES TO IMPROVE ECONOMIC OUTCOMES

- Council commenced construction of the \$5.2 million Castle Carey Road Bridge
- Timboon Curdievale Road, Timboon West, was widened for 2.5 km to improve safety for all road users and accessibility for heavy vehicles

ADVOCATE ON BEHALF OF OUR COMMUNITIES FOR INCREASED FUNDING TOWARDS THE MAIN ROAD NETWORK

- Eight advocacy videos were created and released on social media calling on the State Government for an increase in roads funding
- Foxhow Road (a VicRoads road) was upgraded, including widening of this strategic link between the Hamilton and Princes highways
- Advocacy resulted in an increase in road maintenance funding by VicRoads for maintainance of the arterial road network

DISAPPOINTMENTS & CHALLENGES

- Continued low scores in the Community Satisfaction Survey for local sealed roads and gravel roads. Council has found the results are influenced by the condition of the VicRoads arterial road network, and will continue to advocate for State Government funding to improve VicRoads roads

LOOKING AHEAD

- Completion of Castle Carey Road Bridge
- New bridge planned for Bones Access Road (off Gellibrand River Road), Chapple Vale, to replace deteriorating timber bridge
- Completion of road construction program, addressing challenges presented by wet conditions
- Safety and accessibility improvements for heavy vehicles at the Timboon Nullawarre Road and N Robilliards Road intersection, west of Timboon

PROGRESS AGAINST OUR 2017-2018 COMMITMENTS

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

BUDGETED 2017-2018	ACTUAL 2017-2018	PROGRESS
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COUNCIL PLAN OBJECTIVE:

Maintain our local road network at current or improved standards

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Maintain our local road network at current or improved standards <i>Resheeting and resealing works are at a level to maintain the local road network</i>	NIL	NIL	100%
Update Road Asset Management Plan <i>Updated with results from prediction modelling</i>	NIL	NIL	100%

COUNCIL PLAN OBJECTIVE:

Council will focus on the provision of high quality roads

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Introduce trial implementation of longer warranty periods <i>A two year warranty period is in place for Castle Carey Road bridge and road sealing contracts</i>	NIL	NIL	100%
Develop a process for the identification of roadside drainage priorities throughout the local road network <i>Draft proposal completed for approval</i>	NIL	NIL	100%
Assess priority roadside drainage <i>Draft proposal completed for approval</i>	NIL	NIL	100%

COUNCIL PLAN OBJECTIVE:

Upgrade strategic local roads based on opportunities to improve economic outcomes

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Assess current usage of strategic routes <i>Usage assessed as part of the Barwon South West Dairy Supply Chain project</i>	NIL	NIL	100%
Submit applications for funding to Government programs <i>Applications for funding from the State Government Local Roads to Market program were submitted</i>	NIL	NIL	100%

COUNCIL PLAN OBJECTIVE:

Advocate on behalf of our communities for increased funding towards the main road network

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Research and collate data to support messages concerning asset renewal, road condition, driver safety, business productivity and the region's economy impacts <i>Advocacy material prepared based on information gathered</i>	NIL	NIL	100%
Identify strategic inland tourist routes from Great Ocean Road <i>Advocacy material prepared</i>	NIL	NIL	100%
Participate in regional dairy sector economic impact study <i>We have actively participated in the project, to be completed in 2018</i>	NIL	NIL	90%
Develop a program of messaging through multiple mediums <i>To be completed during development of the community vision</i>	NIL	NIL	25%

PROGRESS AGAINST PERFORMANCE MEASURES SET OUT IN COUNCIL PLAN

[How we said we would measure our success in the Council Plan 2017-2021]

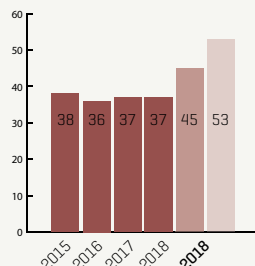
PERFORMANCE MEASURE/INDICATOR	RESULT 2017-2018	COMMENT
Average annual 100% asset renewal ratio for the life of the Council Plan	X	Multi-year large scale projects not yet complete, and a change to accounting policy for landfill projects, negatively affected this ratio
Improve the ratio of local roads in acceptable condition beyond 98%	✓	Results of the latest condition assessments of the local road network indicate over 98% of the roads are in an acceptable condition
Improvement in annual community satisfaction with local sealed and unsealed road network	✓	Community satisfaction with sealed local roads remained the same at 37 points. Satisfaction in unsealed roads increased by five points to 40 points
Existing funding levels allocated to improve the roadside drainage network maintained or increased	✓	An allocation of \$100,000 for the roadside drainage improvements program was maintained in the 2017-2018 Budget. A further \$400,000 was allocated from funds received through the Federal Government Roads to Recovery program
Upgrade a minimum of three strategic routes for the life of the Council Plan	✓	Strategic upgrade works occurred during the year including the replacement of the Castle Carey Road bridge and its approaches, and the widening of Timboon-Curdievale Road, west of Timboon
Advocacy documentation developed annually	✓	Eight roads videos released with over 50,000 views. Fact sheets advocating for increases in funding and improvements to the VicRoads arterial road network were also produced

REPORT CARD

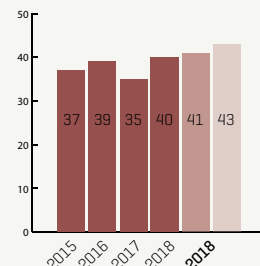
2018 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

- Corangamite
- Large Rural Shires average
- State-wide average

Condition of local sealed roads



Maintenance of unsealed roads



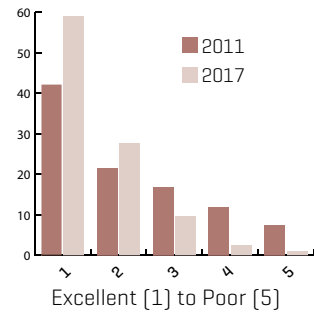
CURRENT ROAD CONDITION ASSESSMENTS

For assessments on the condition of footpaths and kerb & channel please refer to page 54 under the Built and Natural Environment strategic theme.

Local sealed road condition 2017

Pavement Base Condition Index	Segment Length	Pavement Area	Segment Length	Pavement Area
1 [Excellent]	524,919.27	2,951,732.29	57.55%	59.13%
2	255,434	1,377,267.60	28%	27.59%
3	94,774	480,472.70	10.39%	9.63%
4	27,661.70	126,234.54	3.03%	2.53%
5 [Poor]	9,320	56,066	1.02%	1.12%
Total	912,108.97	4,991,773.13	100%	100%

Local sealed road condition 2011-2017



Local sealed road condition 2011

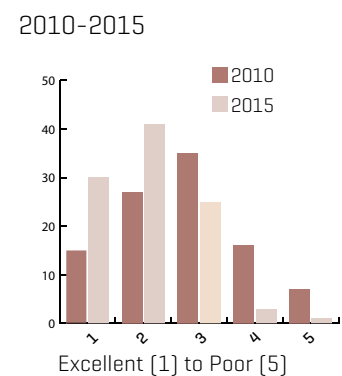
Pavement Base Condition Index	Segment Length	Pavement Area	Segment Length	Pavement Area
1 [Excellent]	369,773.97	2,105,177.22	40.54%	42.17%
2	196,984	1,074,370.20	21.60%	21.52%
3	157,878	844,846.10	17.31%	16.92%
4	115,506	593,980	12.66%	11.90%
5 [Poor]	71,967	373,399.60	7.89%	7.48%
Total	912,108.97	4,991,773.12	100%	100%

Gravel roads condition assessment 2010-2015

[A new assessment will be carried out in 2018-2019]

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%

Gravel roads condition 2010-2015



Photos from far left: Foxhow Road prior to widening by VicRoads; Shire roadworks

spotlight on: roads advocacy



Photo: Screenshot from Cr Illingworth's road advocacy video



The condition of the VicRoads arterial road network was identified by Council as a key priority and strategic theme in the 2017-2021 Council Plan.

The 603 km arterial road network in Corangamite Shire is the responsibility of the State Government, and at the beginning of 2017-2018, 110 km or 18.2% of arterial roads in the Shire were in 'poor condition' or 'distressed' according to VicRoads data. In the 2017 Community Satisfaction Survey, nine of the top 10 worst roads in the Shire were identified as VicRoads' arterial roads, and 12.5% of the arterial roads were signed with 'rough surface', 'hazard' and reduced speed signs.

Council modelling revealed a total of \$54.84 million was needed to bring the VicRoads road network back to an acceptable and safe standard. It was also discovered that without this funding, the roads would continue to deteriorate resulting in 28% of the VicRoads network in 'distressed' condition by 2023 or 45% by 2040.

During the year, Council actively sought funding from the State Government for improvements to the arterial road network, as well as changes to VicRoads' long term planning to included consistent annual budget allocations to maintain its 603 km road network in Corangamite Shire.

Roads advocacy videos featuring our Councillors were released via social media, and brochures outlining the serious issues with the arterial roads were also published.

During the year staff met regularly with VicRoads representatives, and we forwarded to VicRoads any requests from residents for road repairs. Mayor Jo Beard and CEO Andrew Mason met with the Minister for Roads, Luke Donnellan MP, to discuss Council's concerns with VicRoads maintenance funding, and we continue to correspond with the Minister about Council's priorities for the arterial road network.

At a regional level, we work with other member councils of the Great South Coast Group to identify road priorities and advocate collectively for arterial road improvements.

As a result of Council's advocacy, VicRoads has increased its maintenance spending of arterial roads in the Shire, including widening of Foxhow Road.

Council will continue to advocate to the State Government for improvements to the VicRoads road network in the Shire, to ensure arterial roads are safe for all road users and able to support local industries. This includes funding for the North South Loop; the key route for visitors travelling to and from the Twelve Apostles via the Princes Highway. The Timboon Colac Road requires urgent attention by VicRoads, in addition to the alternate routes via Cobden Port Campbell Road and Princetown Road.

STRATEGIC THEME 3

vibrant economy, agriculture and tourism

We value the importance of local business to our economy and the overall prosperity of Corangamite Shire



Main photo & clockwise: Port Campbell; Berryworld Strawberries; Timboon Fine Ice Cream; Beef cattle

OBJECTIVES

- 1 Maintain our competitive advantage as an 'investment friendly' Council and a leader in local economic development
- 2 Increase the economic value of the food and fibre sector within Corangamite Shire
- 3 Support and facilitate the development of the visitor economy
- 4 Increase the population of Corangamite Shire

SERVICES

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

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

BUDGET 2017-2018

	Expenditure [Revenue] Net cost \$'000
Economic Development	230 [0] 230
Saleyards	628 [707] [79]
Tourism	398 [69] 329
TOTAL	480

HIGHLIGHTS & ACHIEVEMENTS

MAINTAIN OUR COMPETITIVE ADVANTAGE AS AN 'INVESTMENT FRIENDLY' COUNCIL AND A LEADER IN LOCAL ECONOMIC DEVELOPMENT

- We participated in the Victorian Auditor-General's Office (VAGO) audit of Economic Development activities and developed subsequent actions
- Camperdown Livestock Selling Centre finished the year with 30% of the market share despite a new facility opening in Mortlake. The saleyards were also leased to Regional Livestock Exchange at the end of May 2018 on a long-term basis
- Two new events were held in the Shire - Rock the Clock [October] and Camperdown Car and Bike Show [January]. It is expected that these events will become annual fixtures on the Shire's event calendar
- Council developed the Events and Festivals Grant Program, with 28 applications received for the first round of funding

INCREASE THE ECONOMIC VALUE OF THE FOOD AND FIBRE SECTOR WITHIN CORANGAMITE SHIRE

- The 12 Apostles Food Artisans Trail continued to grow with new producers joining the successful foodies trail

SUPPORT AND FACILITATE THE DEVELOPMENT OF THE VISITOR ECONOMY

- Following active advocacy, the State Government announced \$50 million in funding for Shipwreck Coast Master Plan projects through the Geelong City Deal
- In partnership with Great Ocean Road Regional Tourism Inc, we developed and launched the Volcanic Lakes and Plains tourism initiative
- Council held Bed & Breakfast and farmstay workshops, providing participants with the tools to host short-term, temporary accommodation
- The 12 Apostles Hot Springs and Resort near Port Campbell was granted planning approval in December 2017

INCREASE THE POPULATION OF CORANGAMITE SHIRE

- The Chief Executive Officer was appointed chair of the Great South Coast Population and Workforce Supply Working Group, which seeks to develop a regional response to population and labour issues

DISAPPOINTMENTS & CHALLENGES

- The South West Complex Fires had devastating consequences for impacted farmers and businesses, which is expected to continue during the recovery period with flow on effects for supporting businesses in the Shire
- Continued uncertainty regarding milk prices remains a concern
- Static or declining population
- Poor mobile phone coverage in areas such as Scotts Creek is a major concern, particularly following the recent fires
- NBN roll out continues to be a challenge, with issues regarding the service experienced

LOOKING AHEAD

- Continued support for the local Dairy Industry following the fires and milk price issues
- Continued interest in Retail Area Façade Improvement Program
- Involvement in the China Host Program with Warrnambool City Council and Moyne Shire, providing leadership opportunities for business operators funded by RDV

PROGRESS AGAINST OUR 2017-2018 COMMITMENTS

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

BUDGETED 2017-2018	ACTUAL 2017-2018	PROGRESS
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COUNCIL PLAN OBJECTIVE:

Maintain our competitive advantage as an 'investment friendly' Council and a leader in local economic development

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Advocate for improvements to infrastructure to facilitate industry expansion <i>Activities included advocacy with Regional Development Victoria (RDV) to assist with infrastructure related to Camperdown Dairy relocation</i>	NIL	NIL	100%
2017-2018 Retail Area Façade Improvement program <i>Additional funding from Council's Community Planning program enabled 26 of the 35 applications to be funded \$41,626 to undertake \$111,000 worth of improvements</i>	\$30,000	\$41,626	100%

COUNCIL PLAN OBJECTIVE:

Increase the economic value of the food and fibre sector within Corangamite Shire

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Investigate opportunities to expand the 12 Apostles Food Artisans Group and encourage increased niche food production <i>New producers included on the trail and a new map designed</i>	NIL	NIL	100%
Explore other food opportunities to promote greater diversity in the agriculture sector <i>A joint project with the Food and Fibre Council is being explored</i>	NIL	NIL	25%

COUNCIL PLAN OBJECTIVE:

Support and facilitate the development of the visitor economy

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Market to festival and event organisers benefits of events/festivals in the Shire <i>New large scale events have moved to the Shire, with the Camperdown Car and Bike Show and Rock the Clock events held during the year</i>	NIL	NIL	100%
Develop partnerships to facilitate implementation of the Shipwreck Coast Master Plan <i>Council officers have participated in the development of the business case for investment in the Shipwreck Coast Master Plan, and have undertaken advocacy around increased infrastructure investment. Council has also granted planning approval for private sector projects consistent with the Shipwreck Coast Master Plan, and continues to work with RDV and Parks Victoria to further the projects</i>	NIL	NIL	100%
Develop Asian marketing materials <i>The Visit12 Apostles website and booklet, and the I am Volcanic Lakes and Plans brochure have been translated into Chinese, with updates to be published as developed</i>	\$5,000	\$6,433	100%

COUNCIL PLAN OBJECTIVE:

Increase the population of Corangamite Shire

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Revamp Shire welcome pack and online content <i>The welcome pack has been revised and online content updated on the Shire's new website</i>	NIL	NIL	100%
Work with Great South Coast Group and Diverstat to identify new migrant opportunities <i>Regular meetings are held with Diverstat to identify opportunities. Industry training program to improve cultural awareness is being explored</i>	NIL	NIL	100%
Conduct an open weekend for potential new residents <i>The open weekend event was postponed due to the South West Complex Fires</i>	NIL	NIL	50%

PROGRESS AGAINST PERFORMANCE MEASURES SET OUT IN COUNCIL PLAN

[How we said we would measure our success in the Council Plan 2017-2021]

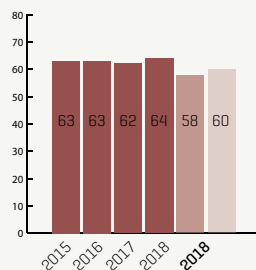
PERFORMANCE MEASURE/INDICATOR	RESULT 2017-2018	COMMENT
Increase in number of new businesses annually	✓	There has been a decrease in the number of vacant shops in some towns, and a significant increase in the number of businesses with an ABN
Increase in businesses added to Corangamite Business Directory	✓	A new database has been created to replace the Business Directory. The number of businesses added to the database has increased over the year
Retail Area Façade Improvement Program is fully subscribed on an annual basis	✓	The program was oversubscribed in 2017-2018
Annual Community Satisfaction rating for business and community development remains above 60%	✓	The rating was 64 points, an increase of two points from the 2017 results
Increase the number of businesses on food artisans trail within the life of the Council Plan	✓	Three new businesses have been added to the trail and the map redesigned
Increase in Value of Agricultural product annually [REMPAN]	✓	An increase was experienced in the industry sector featuring sheep, grain, beef and dairy. Dairy and meat manufacturing also increased
Annual community satisfaction rating for tourism development remains above 60%	✓	The rating was 65 points, an increase of one point from the 2017 results
Maintain number of new resident functions annually	✓	One new resident function was held in November 2017. The open weekend was postponed due to the South West Complex Fires
Increase number of new residents contacted annually	✓	Council continues to engage with various stakeholders, including real estate agents, to assist in contacting new residents

REPORT CARD

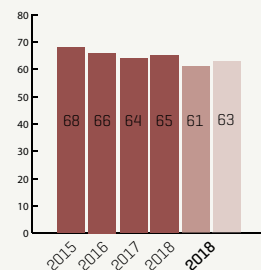
2018 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

- Corangamite
- Large Rural Shires average
- State-wide average

Business & community development



Tourism development



STRATEGIC THEME 4

built and natural environment

We are committed to improving the liveability of Corangamite Shire through the management of our facilities, town planning and environmental sustainability



Main photo & clockwise: Councillors and staff with Eve Black and members of the Noorat community at the Mount Noorat handover; Tree replacement in Thompson Street, Terang; Sweet Pittosporum (weed) control on roadside; kerb & channel in Brooke Street, Camperdown.

OBJECTIVES

- 1 Improve the appearance of our towns and public spaces
- 2 Township infrastructure will contribute to safe and accessible public areas
- 3 Deliver high quality, optimally used, sustainable community facilities
- 4 Ensure the Corangamite Planning Scheme provides for the fair, orderly, economic and sustainable use and development of land
- 5 Provide cost effective and high quality waste management services
- 6 Preserve the natural environment of Corangamite Shire
- 7 Consider the impacts of climate variability on Council operations and infrastructure and provide information and expertise to assist the community to adapt to changes

SERVICES

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

- Building & Planning
- Sustainable Development management
- Waste management
- Asset management
- Environment
- Buildings and facilities

[Services associated with the Roads strategic theme also contribute to achieving objectives for the Built and Natural Environment theme]

BUDGET 2017-2018

	Expenditure [Revenue] Net cost \$'000
Building & Planning	761 [314] 447
Sustainable Development management	680 [16] 664
Waste management	3,771 [2,387] 1,384
Asset management	817 [0] 817
Environment	421 [60] 361
Buildings & facilities	2,713 [209] 2,504
TOTAL	6,177

HIGHLIGHTS & ACHIEVEMENTS

IMPROVE THE APPEARANCE OF OUR TOWNS AND PUBLIC SPACES

- Our Works teams provided initial response and support during the South West Complex Fires, including removing fallen vegetation in townships and clearing roads
- Timboon Streetscape was officially opened in November 2017 by the Parliamentary Secretary for Regional Victoria, Danielle Green, and Mayor Jo Beard
- Consultation with the community commenced for the Port Campbell Town Centre Project to renew the Port Campbell streetscape
- The poplars in Thomson Street, Terang, were removed and replaced following completion of the Urban Street Tree Audit, which identified them as high risk trees. Community consultation was well supported during the process
- Our works teams responded to more than 1,900 customer service requests including 439 for trees and vegetation management, 542 for roads and footpaths, and more than 823 unspecified jobs
- Council adopted the Urban Street Tree Asset Management Plan 2018-2028, which supports programs for long term tree replacement and planting on vacant sites

TOWNSHIP INFRASTRUCTURE WILL CONTRIBUTE TO SAFE AND ACCESSIBLE PUBLIC AREAS

- A condition assessment of the kerb and channel network was completed, which will be used to determine future works and budget allocations
- Kerb and channel replacement was undertaken to preserve the road network and minimise the detrimental effects of rain events. Sites included Walker Street [Derrinallum], School Street [Skipton], and Brooke Street [Camperdown]
- Footpath extensions were installed in Ewing Street [Terang], Lavers Hill Cobden Road [Simpson] and Robinson Street [Camperdown]

- Drainage culvert treatments continued, including draft guidelines for identification and prioritisation of roadside drainage works; linking these works with road maintenance, construction and fire prevention
- Repair works following the September 2016 floods has continued, which involves 213 separate projects with a repair bill of \$3.8 million. The works are due for completion in December 2018
- Heritage works commenced on the Camperdown clocktower with \$200,000 in funding from Heritage Victoria, and heritage works were completed on the Camperdown Court House and Theatre Royal

DELIVER HIGH QUALITY, OPTIMALLY USED, SUSTAINABLE COMMUNITY FACILITIES

- Our facilities team attended over 745 maintenance jobs throughout the year, ensuring our buildings are in good condition
- We completed internal painting of the Skipton Mechanics Institute, Timboon Senior Citizens Centre and Cobden Senior Citizens Centre
- Upgrades were made to Cobden Civic Hall power, Camperdown Heritage Centre toilets, and the public toilets in High Street, Terang
- Council's Facilities Grant Program was oversubscribed with \$52,635 provided to 35 of the 49 applicants for improvements to facilities across the Shire

ENSURE THE CORANGAMITE PLANNING SCHEME PROVIDES FOR THE FAIR, ORDERLY, ECONOMIC AND SUSTAINABLE USE AND DEVELOPMENT OF LAND

- We successfully completed Planning Scheme Amendment C45 and submitted it to the Minister for Planning for approval. The Amendment follows a review of the Planning Scheme and will provide clearer strategic directions for land use and improved alignment with State policy

HIGHLIGHTS & ACHIEVEMENTS

ENSURE THE CORANGAMITE PLANNING SCHEME PROVIDES FOR THE FAIR, ORDERLY, ECONOMIC AND SUSTAINABLE USE AND DEVELOPMENT OF LAND

- Planning Scheme Amendment C44 was drafted for exhibition and public consultation. The Amendment aims to reduce 'red tape' by improving efficiency
- We granted permits that will derive economic benefit to Corangamite Shire, including the 12 Apostles Hot Springs development
- We processed 94% of planning applications under 60 days (the average for other similar councils is 59%, and the average processing time for a planning permit is 25 days (the state average is 71 days))

PROVIDE COST EFFECTIVE AND HIGH QUALITY WASTE MANAGEMENT SERVICES

- Council commenced development of the Resource Recovery and Waste Strategy, which will identify actions to reduce waste going to landfill
- At the Naroghid Landfill we completed construction of the Cell 11 cap (the first of its kind for our landfill), as well as completed excavation of Cell 14B and construction of the side liner for Cell 13. An electrical upgrade was also completed in preparation for future pump needs
- Our greenwaste grinder has increased organics processing at the landfill and transfer stations
- We experienced an increase to 65% in kerbside recycling recovery
- The Food Organics Garden Organics (FOGO) trial was highly successful. Additional supplies of composting bags will be available over the coming year, and roll-out of the program to other towns is under consideration

PRESERVE THE NATURAL ENVIRONMENT OF CORANGAMITE SHIRE

- As part of the Environmental Grants Program, Council awarded just under \$30,000 to 23 applicants for environmental and sustainability projects within the Shire

- We treated 1,535 km of Council's roadsides (combined) as part of the 2017-2018 Roadside Weed Control Program, an increase of 25% from last year, including roadsides not previously treated. This was made possible by an increase in funding by Council and \$54,290 from the Victorian Government's Roadside Weeds and Pest Program, resulting in nearly \$225,000 for weed control. Weeds targeted included:
 - Blackberry 1280 km
 - Sweet Pittosporum 402 kms
 - Pampas Grass 402 km
 - Ragwort 276.5 km
 - Other: 1324 km (including Gorse, Boxthorn and St John's Wort)
- Our staff participated in a seed propagation day, where 1500 seeds were planted to offset Council's vehicle carbon emissions. The plants raised will be provided to farmers and residents of properties affected by the South West Complex Fires
- Ownership of Mount Noorat was transferred to the Shire, following a generous bequest by Niel Black, and a special committee appointed to manage the Mount
- The Mt Leura and Sugarloaf special committee of management installed geo-trail signage and held its first NAIDOC week celebrations

CONSIDER THE IMPACTS OF CLIMATE VARIABILITY ON COUNCIL OPERATIONS AND INFRASTRUCTURE AND PROVIDE INFORMATION AND EXPERTISE TO ASSIST THE COMMUNITY TO ADAPT TO CHANGES

- Council was selected by Sustainability Victoria to participate in the Local Government Energy Saver Program. The program provides financial assistance to undertake audits of facilities to identify actions to save energy. Six of Council's facilities were audited during the year. A further grant of \$100,000 will be matched by Council to implement the actions identified which includes a range of lighting and solar panel installations

DISAPPOINTMENTS & CHALLENGES

- Extensive response and recovery works following the fires on St Patrick's Day delayed some projects
- Staff turnover within the Planning department required extra time spent on the development of new staff
- The high number of State Government planning initiatives, reviews and changes created a significant burden on resources within the Planning department
- Development of building procedures and policies within the Planning department has been slower than anticipated
- China's new restrictions on recyclables resulted in cost increases for kerbside recycling for most councils across Victoria
- Low Community Satisfaction Survey result for Roadside Slashing and Weed Control, despite a significant investment in weed control by Council
- Delayed delivery of the Killara solar panel project due to staff changes and the South West Complex Fires

LOOKING AHEAD

- Successful completion of the tree replacement and planting programs
- Replacement of 130 local street lights to energy efficient LED lighting
- Completion of Terang Civic Hall upgrade to entrance and toilets, and Port Campbell Public Purpose Reserve renewal of playground and toilets
- Upgrades to Camperdown Theatre Royal including flooring, sound and lighting (supported by a Federal Government grant)
- Completion of the Rural Living Study to inform strategic planning of land use and improve agribusiness opportunities and population attraction
- The successful introduction of the Red Tape Reduction Planning Scheme Amendment C44, to improve the planning profile in the community
- Development of Mount Noorat Management Plan by the new Committee of Management
- Management of ongoing issues with the recycling industry and the cost burden on the community
- Ongoing management of leachate ponds at the Naroghid Landfill, with additional ponds planned to deal with volume
- A number of capital projects due for completion in 2018-2019, with some projects from 2017-2018 to be carried over

ENVIRONMENTAL HEALTH

Our Environmental Health department (1.5 FTE staff) deals with domestic waste water permits and inspections, food premises permits, prescribed accommodation, public swimming pool monitoring and tobacco sales.

Some highlights in 2017-2018 included:

- A major investigation into the contamination of household tank water in partnership with the Department of Health and Human Services
- Inspection of all premises and sampling in accordance (or above) legislated requirements
- Completion of the caravan park renewal process, required every three years

- Working with mobile food traders to improve their food standards and food handling processes
- Promoting alternative waste water management systems, resulting in a number of alternative systems installed at sites where significant constraints exist
- Sampling of all public access drinking fountains for lead due to incidents reported in other councils

Challenges in 2017-2018 included:

- An increase in registered premises not going through the legislated transfer process, resulting in closures before registration while community safety requirements are completed



Alternative waste water system on constrained site

PROGRESS AGAINST OUR 2017-2018 COMMITMENTS

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

BUDGETED 2017-2018	ACTUAL 2017-2018	PROGRESS
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COUNCIL PLAN OBJECTIVE:

Improve the appearance of our towns and public spaces

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Seek State Government support and funding for Port Campbell Urban Design

State Government agencies are represented on the Project Control Group for the Port Campbell Town Centre Urban Design Project. Discussions regarding funding arrangements have commenced

Nil

Nil

100%

COUNCIL PLAN OBJECTIVE:

Township infrastructure will contribute to safe and accessible public areas

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Undertake required asset inspections within timeframes

All inspections completed

Nil

Nil

100%

Implement periodic condition assessments of assets

The assessment of the kerb and channel network has been completed with significant improvement noted

Nil

Nil

100%

COUNCIL PLAN OBJECTIVE:

Deliver high quality, optimally used, sustainable community facilities

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Implement periodic condition assessments of assets (buildings)

All buildings have been assessed and updated in asset management system

Nil

Nil

100%

Undertake prediction modelling to determine required renewal funding

Prediction modelling has been completed, the results will be included in the Building Asset Management Plan

Nil

Nil

100%

Update Long Term Financial Plan and Building Asset Management Plan

Review of the plans has been delayed, with completion expected in 2018-2019

Nil

Nil

75%

Measure of facility use/occupancy ratio developed

Ratio has been developed and will be applied to Council properties review

Nil

Nil

100%

Current use of Council properties reviewed

Data collection almost complete, data analysis to be undertaken, however limited staff resourcing has delayed completion until 2018-2019

Nil

Nil

60%

COUNCIL PLAN OBJECTIVE:

Ensure the Corangamite Planning Scheme provides for the fair, orderly, economic and sustainable use and development of land

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Investigate opportunities for increased use of Vic Smart within the Corangamite Planning Scheme

Options identified and incorporated into Planning Scheme Amendment C44 to be considered by Council in 2018-2019

Nil

Nil

100%

Review and streamline procedures and approval processes for new business start-ups

Review completed and processes in place and ongoing

Nil

Nil

100%

Investigate opportunities for intensive animal husbandry including identification of preferred locations

Brief prepared with some costs still to be paid at July 2018

\$30,000

\$14,420

100%

	BUDGETED 2017-2018	ACTUAL 2017-2018	PROGRESS
ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Investigate opportunities to increase Rural Living, and prepare an appropriate strategic planning response <i>Project postponed and carried forward to 2018-2019</i>	\$50,000	\$17,000	75%

COUNCIL PLAN OBJECTIVE:

Provide cost effective and high quality waste management services

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Undertake regular reviews and report at least six monthly on the financial position of Naroghid Landfill to ensure economic viability <i>Development of the Waste Strategy will include investigation and briefing of Councillors on the position of the Naroghid Landfill</i>	NIL	NIL	100%
Investigate combined waste contracts with other municipalities by December 2017 <i>Investigation completed. Interested municipalities plan to seek respective council approval and sign Memorandums of Understanding in 2018</i>	NIL	NIL	100%
Trial the introduction of compostable bags to the FOGO recycling process in kerbside collection <i>Trial complete with final report indicating FOGO recycling increased during trial. Extension of the program to other towns to be considered</i>	NIL	NIL	100%

COUNCIL PLAN OBJECTIVE:

Preserve the natural environment of Corangamite Shire

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Allocate funding to the community through the Environment Support Fund <i>Of the 37 applications received, 23 were provided with full or part funding for environmental and sustainability projects</i>	\$30,000	\$30,000	100%
Investigate community management options for Mount Noorat <i>Options were identified and a special committee established to oversee the management of Mount Noorat</i>	Nil	Nil	100%
Monitor weed control using roadside mapping <i>Council's weed app continues to be developed and has been used to determine the 2018 works program</i>	\$54,290	\$54,290	100%

COUNCIL PLAN OBJECTIVE:

Consider the impacts of climate variability on Council operations and infrastructure and provide information and expertise to assist the community to adapt to changes

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Invest in alternative energy and water saving on Council buildings where it provides an environmental and economic benefit <i>Installation of solar PV on the Killara Centre building to be completed in August 2018</i>	\$30,000	\$28,222	80%
Continue to advocate for State Government funding for the roll out of efficient street lighting on main roads <i>Advocacy efforts were unsuccessful in 2017-2018. Works budgeted for 2019-2020 with further advocacy for funding to continue</i>	Nil	Nil	100%

PROGRESS AGAINST PERFORMANCE MEASURES SET OUT IN COUNCIL PLAN

[How we said we would measure our success in the Council Plan 2017-2021]

PERFORMANCE MEASURE/INDICATOR	RESULT 2017-2018	COMMENT
Streetscape program delivered annually	✓	Minor works were undertaken to enhance previous streetscape works in Terang and Camperdown
Satisfaction survey response for appearance of public spaces increases annually	✓	Satisfaction in public spaces increased by two points
Five hundred new street trees planted for the life of the Council Plan	✓	One hundred and seventeen street trees were planted as new or replacement trees in 2017-2018
One hundred per cent annual removal of identified footpath hazards	✓	All identified footpath hazards have been remedied
Improve the ratio of footpaths in acceptable condition beyond 93%	✓	The results of the footpath network condition assessment in 2017 identified 98% of the network is in an acceptable condition
Improve the ratio of kerb and channel in acceptable condition beyond 80%	✓	The kerb and channel audit revealed a significant improvement
Reduction in the number of high risk trees within Council's urban areas	✓	Removal of high risk trees identified in the 2017 audit has commenced by contractors. Work delayed due to fires
Annual community satisfaction rating for local streets and footpaths maintained or increased	✓	Satisfaction for local streets and footpaths increased by five points
A minimum overall condition of 'fair' is maintained (for Council facilities)	✓	Results of the building condition assessment show that the overall condition of 'fair' or above is being maintained
Reduce property holding costs by 5% over the life of the Council Plan	✓	Council is on track for completion as part of the facility utilisation project
Annual community satisfaction rating for recreational facilities above 70%	✓	Satisfaction for recreational facilities dropped one point to 72 points
Minimum of 80% of planning permits decided within 60 days annually	✓	Ninety-four per cent of planning applications are processed within 60 days
Annual community satisfaction rating for planning and building permits maintained or increased	✓	Satisfaction for planning and building permits was maintained at 58 points
Annual community satisfaction rating for town planning policy maintained or increased	X	Satisfaction for town planning performance dropped two points to 59 points
Increase percentage resource recovery through kerbside collection annually	✓	Overall rates have increased to 65%. Diversion rates continue to increase for green organics. Recyclables have decreased which may be linked to a data management issue with the contractor and is being investigated
Annual community satisfaction rating for waste management remains above 60%	✓	Satisfaction for waste management dropped two points to 69 points
Eighty per cent of actions from the Roadside Management Plan completed over the life of the Plan	✓	Council is successfully moving towards completion as actions continue to be implemented
Eighty per cent of actions in the Environment and Sustainability Strategy completed over the life of the Plan	✓	Ninety per cent of the actions have been completed

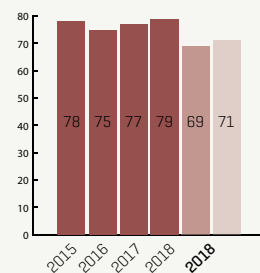
PERFORMANCE MEASURE/INDICATOR	RESULT 2017-2018	COMMENT
Increase number of kilometres of roads in the Shire which have weed management undertaken	✓	Council increased the number of kilometres treated in 2017-2018 by 25% with a total of 1535 km treated
Annual community satisfaction rating for slashing and weed control maintained or increased	✓	Satisfaction for roadside slashing and weed control increased by one point to 45 points
Annual community satisfaction rating for environmental sustainability remains above 60%	✓	Satisfaction for environmental sustainability remained unchanged at 63 points
Ensure major Council projects have climate change impact assessments completed	✓	Council is part of the Climate Resilient Communities of the Barwon South West and is in the process of developing a second climate change tool for use during the scoping phase of projects

REPORT CARD

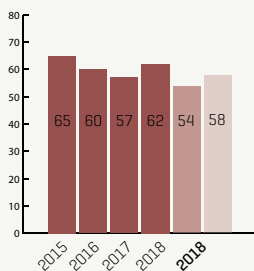
2018 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

- Corangamite
- Large Rural Shires average
- State-wide average

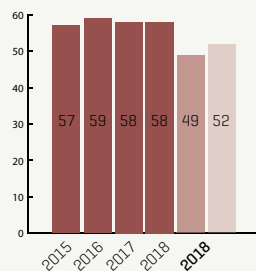
Appearance of public areas



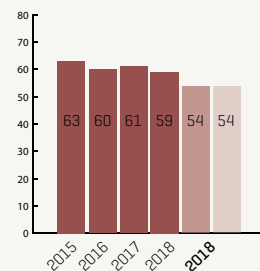
Condition of local streets & footpaths



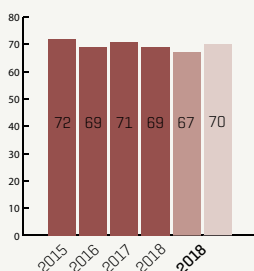
Planning & building permits



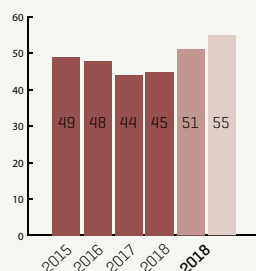
Town planning



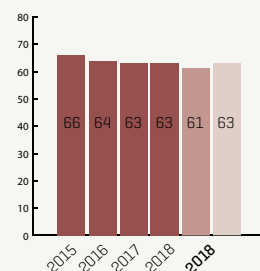
Waste management



Roadside slashing & weed control



Environmental sustainability



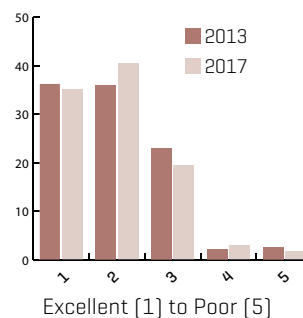
CURRENT FOOTPATH AND KERB & CHANNEL CONDITION ASSESSMENTS

For assessments on the condition of roads please refer to page 40 under the Roads strategic theme.

Footpath condition 2017

Pavement Base Condition Index	Length (m)	Total Area	Length %	Area%
1 (Excellent)	33,517.60	62,169.77	32.06%	35.14%
2	47,251.70	71,665.92	45.19%	40.50%
3	20,378	34,396.65	19.49%	19.44%
4	2,609	5,522.70	2.50%	3.12%
5 (Poor)	805.90	3,185.28	0.77%	1.80%
Total	104,562.20	176,940.32	100%	100%

Footpath condition 2013-2017



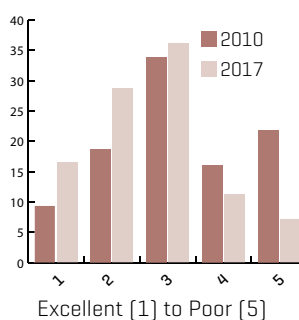
Footpath condition 2013

Pavement Base Condition Index	Length (m)	Total Area	Length %	Area%
1 (Excellent)	34,951.80	64,003.80	33.45%	36.23%
2	40,532.10	63,377.43	38.79%	35.88%
3	25,575.90	40,696.91	24.48%	23.04%
4	1,754.50	3,782.40	1.68%	2.14%
5 (Poor)	1,676.50	4,794.18	1.60%	2.71%
Total	104,490.80	176,654.72	100%	100%

Kerb & channel condition 2017

Overall Condition Index	Length (m)	Length %
1 (Excellent)	31,011.15	16.58%
2	53,648.30	28.69%
3	67,579.00	36.14%
4	21,211.20	11.34%
5 (Poor)	13,547.20	7.24%
Total	186,996.85	100%

Kerb & channel condition 2010-2017



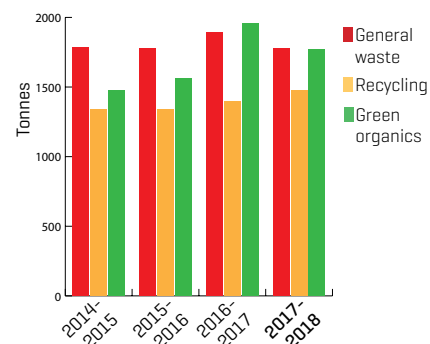
Kerb & channel condition 2010

Overall Condition Index	Length (m)	Length %
1 (Excellent)	17,927.20	9.63%
2	34,787.00	18.68%
3	62,984.70	33.83%
4	29,955.00	16.09%
5 (Poor)	40,545.20	21.78%
Total	186,199.10	100%

WASTE MANAGEMENT RESULTS

Kerbside collection service figures	2014-2015	2015-2016	2016-2017	2017-2018
Municipal waste collected	1,786	1,776	1,889	1,776
Recyclables collected	1,343	1,337	1,394	1,478
Greenwaste collected	1,475	1,565	1,955	1,772
Total waste collected	4,604	4,678	5,238	5,026
Number of tenements at 1 July	5,081	5,251	5,327	5,366
Recovery rate	61%	62%	64%	65%

Kerbside collection rates 2014-2018



Food Organics Garden Organics (FOGO) - kitchen caddy trial

Council conducted a successful Food Organics Garden Organics (FOGO) trial during the year. Kitchen caddies and compostable bags were provided to residents in Skipton, Lismore and Derrinallum, with the aim to reduce food waste going to landfill. Food waste collected in the kitchen caddies was placed into the organics (green) kerbside bin.

The trial resulted in an increase in food waste being transferred from the kitchen caddies into the organic waste stream, from 0% to 18%. Of the residents who participated in a survey following the trial, 16.5% reported a reduction in waste going to landfill, and 9.5% believed they had reduced their greenhouse gas emissions.

Due to the success of the trial, the program will be rolled out to more towns with kerbside collections.

spotlight on: environment support fund



Cape Ivy clearing at Cooriemungle

The Environment Support Fund offers grants of up to \$2,000 (matched funding) for community groups, organisations and individuals to undertake environmental and sustainability projects across Corangamite Shire. In 2017-2018, \$30,000 was awarded to 23 community projects, including:

Timboon Bowling Club

Project: Solar panels

Weerite Landcare Group

Project: Restoring eucalyptus woodlands to Weerite landscape

Camperdown Pastoral & Agricultural Society

Project: The Batt Man Project (lining and insulating walls of the kitchen pavillion)

St Patrick's School

Project: Reduce, Reuse, Recycle (waste education and recycling stations)

Terang Progress Association

Project: Terang Dry Lake Development (revegetation of wetlands under construction)

Rotary Club of Cobden

Project: Blinds for Cobden Miniature Railway Refreshment Room

JE & CM Woodward

Project: Raiwena Plantation (a plantation of trees to increase a wildlife corridor)

Simpson Cricket Club

Project: Rainwater Catchment Tank

Derrinallum Progress Association

Project: Dog Waste Disposal System

Heytesbury District Landcare Network

Project: Cape Ivy Clearing at Cooriemungle

STRATEGIC THEME 5

safe and healthy communities

We are committed to working towards ensuring the safety, health and wellbeing of our communities



Main photo & left: Beach netball at Port Campbell; Live Well virtual reality training on dementia

OBJECTIVES

- 1 Council will continue to provide and support a range of community and social support services
- 2 Engage with and listen to our communities
- 3 Council will provide and support a range of opportunities that support people to engage in healthy and active lifestyles, the arts, recreation and sport
- 4 Improve educational outcomes in Corangamite Shire
- 5 Foster a partnership approach to Emergency Management and understanding risks
- 6 Support our small towns and dispersed population
- 7 Improve the health and wellbeing of our community

SERVICES

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

- Community Relations
- Community Services management
- Children's Services
- Youth Services
- Aged & Disability
- Environmental Health
- Emergency Management & Local Laws
- Recreation & Facility management

BUDGET 2017-2018

	Expenditure [Revenue] Net cost \$'000
Community Relations	1,197 [41] 1,156
Community Services management	259 [20] 239
Children's Services	2,989 [3,042] [53]
Youth Services	147 [55] 92
Aged & Disability	1,535 [1,398] 137
Environmental Health	250 [123] 127
Emergency Management & Local Laws	867 [151] 716
Recreation & Facility management	373 [29] 344
TOTAL	2,758

HIGHLIGHTS & ACHIEVEMENTS

COUNCIL WILL CONTINUE TO PROVIDE AND SUPPORT A RANGE OF COMMUNITY AND SOCIAL SUPPORT SERVICES

- We successfully transitioned to the new National Disability Insurance Scheme (NDIS), providing services to eligible clients
- The Terang Children's Service was assessed as 'Exceeding the National Standard' as part of the National Quality Standards, making it in the top 33% of services nationally
- We successfully tendered to DVA for veterans' home care services to November 2019

ENGAGE WITH AND LISTEN TO OUR COMMUNITIES

- We reviewed five community plans, with the majority of communities successfully achieving many projects they identified as priorities
- Community satisfaction with our Consultation and Engagement increased increased four points to 64 points

COUNCIL WILL PROVIDE AND SUPPORT A RANGE OF OPPORTUNITIES THAT SUPPORT PEOPLE TO ENGAGE IN HEALTHY AND ACTIVE LIFESTYLES, THE ARTS, RECREATION AND SPORT

- Our Eat Well, Move Well, Be Well recreation program was well supported by community groups and participants, including beach netball with the Melbourne Vixens at Port Campbell
- Council's six swimming pools received 46,612 visits during the season
- We were a finalist in the VicHealth Awards for the 'Sugary Drink Free Summer' initiative, where all sports and soft drinks were removed from sale at the swimming pools
- Parkrun, Timboon, celebrated its first year. Part of a world wide initiative, it is an informal 5 km run/walk held each week
- We continued successful delivery of the Live Well (Age-friendly Communities) project, which included a virtual reality training session on dementia

- We secured just over \$74,000 in funding from VicHealth for the We Know Your Name But Not Your Story (Bright Futures) project

IMPROVE EDUCATIONAL OUTCOMES IN CORANGAMITE SHIRE

- Over 3,000 books have been donated to the Beyond the Bell Open Book program
- Thirty-six Early Years staff completed the Let's Read literacy program training

FOSTER A PARTNERSHIP APPROACH TO EMERGENCY MANAGEMENT AND UNDERSTANDING RISKS

- Council's response to the South West Complex Fires, which included establishing relief centres and keeping them open for a long period of time due to the peat fires
- Our Municipal Emergency Management Plan was audited and passed all areas
- We hosted the Cross-Council Relief and Recovery Exercise, which featured over 150 people from Corangamite, Colac Otway and Surf Coast shires improving their skills at running relief centres
- We supported the development of the Regional Flood Plan Management Strategy, which includes actions for Council over the next 10 years
- We participated in a working group to improve emergency management preparedness across the Great Ocean Road region

SUPPORT OUR SMALL TOWNS AND DISPERSED POPULATION

- Our new Events and Festivals Policy and grant program was established, with a total of \$35,448 in funding and \$20,808 of in-kind support awarded to community groups for a variety of events

IMPROVE THE HEALTH AND WELLBEING OF OUR COMMUNITY

- Council adopted the Municipal Health and Wellbeing Plan 2017-2021
- We were ranked first in the region for percentage of fully vaccinated children in all three areas for the January-March 2018 quarter

DISAPPOINTMENTS & CHALLENGES

- Adapting to NDIS systems and processes
- Lack of external funding for Mobile Child Care services, when only \$24,000 of the \$144,000 funding applied for was received
- Continued lack of fully accessible public transport in the region
- Workforce shortages in Community Services and Facilities and Recreation departments
- Staff retirements, resignations and secondments in the Facilities & Recreation unit resulted in changes to 2/3 of the team
- Delays in completing public art projects
- Limited participation in community engagement workshops for Timboon fire preparedness project

LOOKING AHEAD

- Strategic review of Aged and Disability Services
- Continued implementation of Kindergarten governance changes and upgrade to Skipton Kindergarten facility
- Recruitment of new Recreation Development Officer
- Participation in a State-wide project that will integrate the Crisis Works emergency management program into Emergency Management Victoria's web-based EM-COP tool, following our extensive use of Crisis Works during the St Partick's Day fires
- Working with communities to develop township specific emergency plans
- Further community education and training on what to do in an emergency and the role of Neighbourhood Safer Places
- Implementation of changes to Emergency Management legislation, including a review of all Council emergency management processes and committees
- South West Complex Fires Debrief outcomes and implementation of recommendations

LOCAL LAWS

Our Local Laws department (2 FTE staff) deliver a wide range of services and is responsible for dealing with animal management issues across the entire Shire.

Some highlights for 2017-2018 include:

- 276 stubble burning permits issued
- 137 animals were impounded with 35% returned to owners or rehoused through our service agreement with RSPCA Warrnambool
- Ninety-six per cent of Local Law permit holders renewed their permits. These included outdoor eating, A-frames, excess animals and electric fence grazing
- Ninety-five per cent of animal registration renewals at 30 June 2018; the best renewal rate ever recorded
- Social media continued to be an effective tool for reuniting owners with lost animals, however this has impacted the number of animals returned to owners from the pound

- Our pound facility in Terang was upgraded, including new stainless steel cat cages, concreted animal exercise area, and improved access for vehicles
- The Feral Cat Trapping Program experienced an increase in the number of feral cats removed from the community
- Our Microchipping Week resulted in an increase in the number of animals permanently identified prior to registration
- The Roadside Grazing Permit Audit and promotion resulted in an increase in permits issued
- Body cameras for Local Laws staff were introduced to assist with data collection

Future challenges include:

- Possible changes to Local Government legislation
- Dumped and unregistered vehicles

PROGRESS AGAINST OUR 2017-2018 COMMITMENTS

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

BUDGETED 2017-2018	ACTUAL 2017-2018	PROGRESS
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COUNCIL PLAN OBJECTIVE:

Council will continue to provide and support a range of community and social support services

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Key Performance Indicators [KPIs] developed for all Community Services <i>KPIs in place and presented to the Senior Officer Group on a quarterly basis</i>	NIL	NIL	100%
Complete NDIS registration and commence service delivery <i>Registration completed and services commenced in October 2017</i>	NIL	NIL	100%

COUNCIL PLAN OBJECTIVE:

Engage with and listen to our communities

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Reviews of community plans for Princetown, Darlington and Noorat <i>Community plans for Noorat, Simpson, Skipton, Port Campbell and Cobden were reviewed. Review of the Princetown and Darlington community plans was postponed</i>	NIL	NIL	100%
Investigate feasibility of establishing a virtual community of interest <i>Completion has been delayed as this will now be part of the larger 10 year community vision project in line with changes to local government legislation</i>	NIL	NIL	25%

COUNCIL PLAN OBJECTIVE:

Council will provide and support a range of opportunities that support people to engage in healthy and active lifestyles, the arts, recreation and sport

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Develop a program plan aimed at increasing participation in recreation activity <i>The Eat Well, Move Well, Be Well program was established</i>	NIL	NIL	100%
Implement the Eat Well, Move Well, Be Well program <i>The Eat Well, Move Well, Be Well program was very successful with a range of events offered throughout the year, including Beach Netball in Port Campbell</i>	NIL	NIL	100%
Develop a marketing and promotional plan targeting increased female participation in sport and recreation <i>A marketing program was developed</i>	NIL	NIL	100%
Update the footpath strategic network plans for towns and develop a program of footpath installation <i>The plan and program for expansion of the footpath network has been updated and was presented to Council</i>	NIL	NIL	100%
Consider shared hockey/tennis facility at Lakes Recreation Reserve <i>Consideration was given, however securing external funding was unsuccessful and the project did not proceed. Alternative solutions are under investigation</i>	\$10,000	NIL	100%
Deliver FReeZA program <i>The FReeZA program was successful and will continue in 2018-2019</i>	\$25,000	\$21,940	100%

COUNCIL PLAN OBJECTIVE:

Improved educational outcomes in Corangamite Shire

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018			
Attend 80% of regional Beyond the Bell meetings <i>Following a board based structure change at Beyond the Bell, Council is not required to attend regional meetings and did not participate</i>	NIL	NIL	NA

BUDGETED 2017-2018	ACTUAL 2017-2018	PROGRESS
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COUNCIL PLAN OBJECTIVE:

Improved educational outcomes in Corangamite Shire [cont.]

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Work in partnership with Corangamite Regional Library Corporation to implement a program of marketing and promotion of library services
Marketing plan presented to CRLC board and approved

NIL NIL 100%

COUNCIL PLAN OBJECTIVE:

Foster a partnership approach to Emergency Management and understanding risks

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Review of the process being used for issuing Fire Prevention Notices
A review of the existing process revealed that the community notification process should be increased prior to fines being issued

NIL NIL 100%

Review and amend existing fire breaks and fire prevention program based on asset protection priorities
The Municipal Fire Management Committee reviewed Council's existing control lines and treatments and determined that the majority are in the correct location. Lower Darlington Road and Glenelg Highway have been included

NIL NIL 100%

COUNCIL PLAN OBJECTIVE:

Improve the health and wellbeing of our community

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Council adoption of 2017-2021 Municipal Health and Wellbeing Plan
Municipal Health and Wellbeing Plan was adopted by Council

\$14,547 \$14,750 100%

A staff awareness training program on family violence is developed in conjunction with Women's Health and Wellbeing Barwon South West
Training has been provided to the management team with further training to be rolled out to all staff following delays due to changes in staff

NIL NIL 50%

**spotlight on:
youth council**



Corangamite Shire's Youth Council provides an essential link between Council and young people in our local community.

The Youth Council, which consists of up to 17 members, meets regularly to plan various programs and events for the development of young people in the Shire. Led by a Youth Mayor

and Youth Deputy Mayor, the Youth Council also provides advice and submit recommendations to Council on issues relating to the youth of Corangamite.

The Youth Council is supported by our Youth Development Officers and are mentored by Councillors and staff.

PROGRESS AGAINST PERFORMANCE MEASURES SET OUT IN COUNCIL PLAN

[How we said we would measure our success in the Council Plan 2017-2021]

PERFORMANCE MEASURE/INDICATOR	RESULT 2017-2018	COMMENT
Annual community satisfaction rating for family support services and community support services remains above 65% annually	X	Satisfaction survey results for family support (70 points) and elderly support (74 points) were above 65, however the score for disadvantaged support dropped by four points to 63 points
NDIS and HACC transition complete	✓	Transition complete
Council operated community and social services meet the relevant quality and/or accreditation standards	✓	Services met the standards
Increase participation in review of community plans	✓	An increase in participation has been achieved, particularly through the use of online tools
Annual community satisfaction rating for informing the community remains above 60%	✓	Survey results for informing the community increased two points to 69 points
Annual community satisfaction rating for consultation and engagement remains above 60%	✓	Satisfaction survey results for consultation and engagement increased four points to 64 points
Eighty per cent of Heart of Corangamite Network meetings attended annually	✓	Council was well represented at the meetings
Facilitate at least one new recreation activity annually targeted at participation increase	✓	A joint venture between Netball Victoria and Council resulted in Beach Netball being conducted in Port Campbell
Annual community satisfaction rating for recreational facilities remains above 70%	✓	Survey results for recreational facilities was 72 points
Increase in Council's footpath network annually	✓	The footpath network increased, with new footpaths constructed in Swanston Street (Terang) and in Tarrant, Adams and Clarke streets (Cobden)
Ninety per cent of outcomes identified within the Arts and Culture Strategy achieved over the life of the Council Plan	✓	The Strategy continues to be implemented with new initiatives such as The Tempest at Loch Ard Gorge, and various partnership events with Regional Arts Victoria completed with outstanding results. Funding applications were also submitted for redevelopment of the Camperdown Theatre Royal
Complete short term actions of Recreation Open Space Strategy over the life of the Plan	✓	Recreation and Open Space strategy actions continue to be implemented
There is an increase in the level of education attainment for year 12 or equivalent within Corangamite	✓	Census data indicates an increase of 2.8%
All Council-operated approved education and care services achieving at least a rating of 'meeting' the national standard	✓	All services meet or exceed national standards
There is an increase in youth council representation by non-school aged individuals	X	Membership of non-school aged individuals has yet to increase but active recruiting is underway

PERFORMANCE MEASURE/INDICATOR	RESULT 2017-2018	COMMENT
Maintain total library branch opening hours at 83 hours or greater	✓	Library hours were maintained in 2017-2018
Maintain number of township emergency planning programs delivered annually	✓	Township planning has been extended to Timboon and Derrinallum
Participate in annual emergency exercises held	✓	Council hosted the Relief and Recovery exercise for 2017 and continues to train and participate in the collaboration
MOU signed with other municipalities for emergency support	✓	MOU between Colac Otway, Surf Coast and Council has been signed and we are an active member in the MAV state-wide MOU
Annual community satisfaction rating for emergency and disaster management remains above 65%	✓	The satisfaction survey rating for emergency and disaster management increased by four points for 75 points
Events Stalls Program completed annually	✓	Events Stall program completed
Increase in the number of community run events	✓	The new Events and Festivals Policy and grant program was developed to encourage more community run events. The first round of funding resulted in 25 of the 26 applications receiving a total of \$35,448 in funding and \$20,808 worth of in-kind support
All staff have received awareness training in family violence prevention	✓	Completion of this measure over the life of the Council Plan is well underway, with training rolled out to members of the management team. Training for other staff is in development
A White Ribbon Day event is held annually	✓	Council supported 16 days of activism culminating in White Ribbon Day



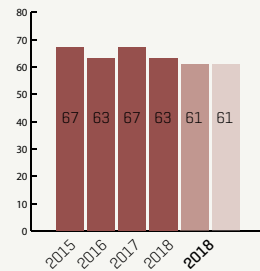
Clockwise from top left: Parkrun, Timboon; Footpath extension Robinson Street, Camperdown; Essendon Community Camp super clinic; New flood gauge station at Guthrie's Bridge, Skipton

REPORT CARD

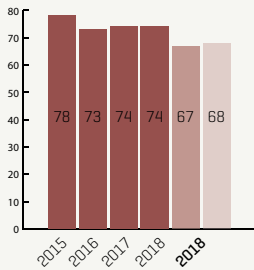
2018 Local Government Community Satisfaction Survey results. Department of Environment, Land, Water and Planning. Prepared by JWS Research. Results are an indexed mean, highest score is 100.

- Corangamite
- Large Rural Shires average
- State-wide average

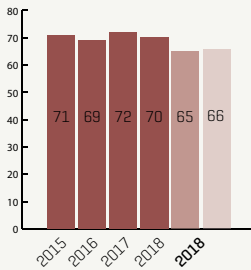
Disadvantaged support services



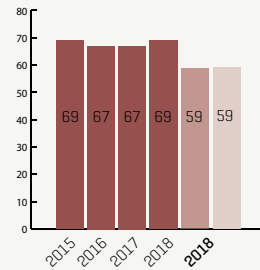
Elderly support services



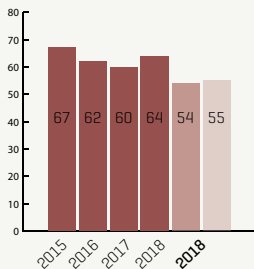
Family support services



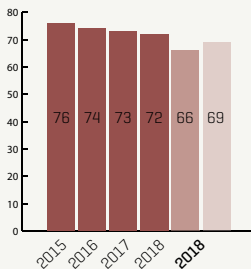
Informing the community



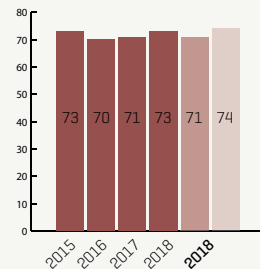
Community consultation



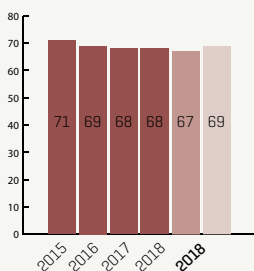
Recreational facilities



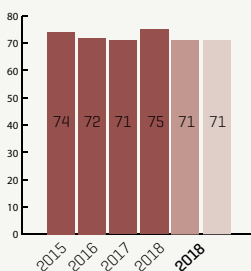
Arts centres & libraries



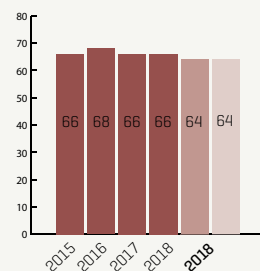
Community activities



Disaster management



Enforcement of local laws



STRATEGIC THEME 6

organisational performance

We value our employees, their contribution and are committed to providing a safe workplace

We will ensure our organisation delivers a high level of customer service and our employees act with integrity at all times



Main photo & clockwise: Works staff with Councillors; Manager Fire Recovery Jarrod Woff; Planning Officer Sophia MacRae; Accountant Jacqui Heffernan at Staff Tree Propagation Day

OBJECTIVES

- 1 Improved customer service through improved accessibility of services through online delivery
- 2 Commitment to the education and training of our employees and the provision of a safe workplace
- 3 Achieve improved efficiencies through shared service, innovative practices and joint procurement

SERVICES

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

- Information Services
- Human Resources & Risk management

BUDGET 2017-2018

	Expenditure [Revenue] Net cost \$'000
Information Services	1,225 [23] 1,202
HR & Risk management	1,026 [11] 1,015
TOTAL	2,217

HIGHLIGHTS & ACHIEVEMENTS

IMPROVED CUSTOMER SERVICE THROUGH IMPROVED ACCESSIBILITY OF SERVICES THROUGH ONLINE DELIVERY

- Our new Council website continued to experience an increase in use
- Our use of Facebook for engagement with the community has resulted in more Facebook followers; the highest of all councils in the region

COMMITMENT TO THE EDUCATION AND TRAINING OF OUR EMPLOYEES AND THE PROVISION OF A SAFE WORKPLACE

- Roll-out of Child Safe training to all staff and Councillors
- We successfully implemented a new Drug and Alcohol Use Policy, including random testing of staff, with no positive results
- Provided fraud awareness training to all staff and Councillors
- We held our annual training day for outdoor staff

ACHIEVE IMPROVED EFFICIENCIES THROUGH SHARED SERVICE, INNOVATIVE PRACTICES AND JOINT PROCUREMENT

- We developed a business model for shared IT services with Warrnambool City Council and Moyne Shire
- We continued to achieve savings with a joint road sealing contract with Warrnambool City Council

OTHER ACHIEVEMENTS

- Planning Officer Sophia MacRae was winner of the Outstanding Student Project – Tertiary category at the 2017 South Australian Planning Institute of Australia Awards for Excellence. Sophia went on to be awarded a Commendation at the National Awards in May 2018
- Immunisation & Maternal & Child Health Coordinator Cassie Austin was awarded the 2018 Australian Local Government Women’s Association (Victorian Branch) Bursary Award

DISAPPOINTMENTS & CHALLENGES

- Resignations and subsequent recruitment of staff to some positions proved challenging due to a limited number of qualified applicants
- South West Complex Fires response and recovery efforts caused work delays, and required recruitment and backfilling of positions due to appointment of temporary fire recovery officers

LOOKING AHEAD

- Biennial Employee Satisfaction Survey to be conducted in 2018-2019
- Biennial Equal Opportunity, bullying and Human Rights training to all staff and Councillors
- Development of an online payment system for residents (subject to funding)
- Providing further online forms for the community to interact with Council
- Completion of Continuous Improvement Framework
- Further development of shared IT services with other councils (subject to funding)
- Defensive driver training for heavy plant and light fleet drivers

PROGRESS AGAINST OUR 2017-2018 COMMITMENTS

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

BUDGETED 2017-2018	ACTUAL 2017-2018	PROGRESS
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COUNCIL PLAN OBJECTIVE: Improved customer service through improved accessibility of services through online delivery

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Identify opportunities for transactions and forms that can be delivered via ecommerce

A variety of online forms have been created, including grant applications, employment opportunities, tenders, and feedback. Options for online payments have been identified and are under consideration

NIL	NIL	100%
-----	-----	------

COUNCIL PLAN OBJECTIVE: Commitment to the education and training of our employees and the provision of a safe workplace

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Quarterly meetings of OHS Safety Committee

All meetings held

NIL	NIL	100%
-----	-----	------

Delivery of annual Works day

Works training day held in May 2018, with staff members receiving training on various topics including mental health, fraud, risk and conflict of interest

NIL	NIL	100%
-----	-----	------

Focus on Safety Group meetings

All meetings held

NIL	NIL	100%
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COUNCIL PLAN OBJECTIVE: Achieve improved efficiencies through shared service, innovative practices and joint procurement

ACTIONS FROM ANNUAL ACTION PLAN 2017-2018

Investigate opportunities for shared services with neighbouring councils for regional procurement

Case study prepared, with project dependant on funding from the State Government

NIL	NIL	100%
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spotlight on: growth and engagement



From left: Economic Development & Tourism Coordinator Samantha Fox, Manager Growth & Engagement Rory Neeson, and Economic Development & Events Officer Tammy Young

Council's new Growth and Engagement team was formed following a restructure involving our Community Relations and Economic Development & Tourism departments.

Led by Rory Neeson, Manager Growth and Engagement, the new department sits within the Sustainable Development directorate and involves Customer Service, Communications, Economic Development, Tourism, Events, and Arts & Culture.

The team, which includes Economic Development & Tourism Coordinator Samantha Fox and Communications Coordinator Brooke Barnewall, will be working with business and the wider community on a range of initiatives that will develop Corangamite's local economy.

PROGRESS AGAINST PERFORMANCE MEASURES SET OUT IN COUNCIL PLAN

[How we said we would measure our success in the Council Plan 2017-2021]

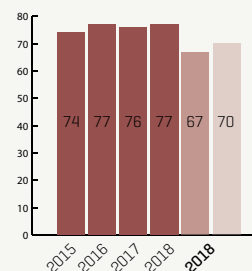
PERFORMANCE MEASURE/INDICATOR	RESULT 2017-2018	COMMENT
Increased use of online tools via website	✓	Council has added over 50 online forms for residents to complete via the website
Increased ecommerce transactions	✓	Council continues to investigate options for ecommerce
Increase in online enquiries	✓	A marked increase in online enquiries was experienced during the year
Participation in mandatory training by employees is maintained at 100%	X	Due to leave, some staff members did not receive training. Online training modules in development will resolve this issue
Twenty-five per cent of ICT services utilise cloud technology by the end of the life of the Council Plan	✓	Use of cloud technology for applications has increased
Increase in value of collaborative procurement	✓	Work on this four year measure is in progress, with options for collaborations being explored
Increase in mandatory training provided collaboratively amongst Great South Coast councils	✓	This measure is a four year measure. Collaborative training is currently in development

REPORT CARD

2018 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.

- Corangamite
- Large Rural Shires average
- State-wide average

Customer service



Please see pages 15-19 in the Our People section for additional information about our organisation

democratic 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, submissions, the ability to make deputations 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 decisions in only one of two ways:

1. By resolution at Council meetings
2. By Council officers and special committees under delegated authority.

There are certain powers that Council cannot delegate. These include 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, with the exception of the first year of the Council term, when three meetings are held outside Camperdown. The July 2017 meeting was held in Noorat, September 2017 meeting in Derrinalum, and the March 2018 meeting was held in Cobden. Council meetings are rotated through all of our towns to ensure attendance at Council meetings is accessible to our communities. Council meetings provide the opportunity for community members to submit a question to Council, make a deputation or speak to an item. In 2017-2018, 12 Ordinary Council Meetings and one Special Council Meeting was held. For details on Councillor attendance at Council meetings, refer to page 14.

Code of Conduct

Council has a Code of Conduct, which was reviewed and adopted by Council on 24 January 2017. 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.

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 2017-2018, Councillors and members of staff made 22 conflict of interest declarations.

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 12-13.

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 2017-2018 were:

- Councillor Bev McArthur
- Councillor Helen Durant
- Colin Hayman (Chair)
- Andrew Jeffers
- Nancy Johnson (to 31/1/2018)
- Simon Buccheri (from 27/2/2018)

Audit Committee members, who are not Councillors or members of Council staff, may receive a fee and travel reimbursements. Payments made in 2017-2018 are listed in the table on the next page.

Strategies, policies and plans adopted in 2017-2018

The following strategies, policies and plans were adopted or endorsed by Council during 2017-2018:

• Naming of Roads, Features or Localities Policy	August 2017
• Planning and Building Fee Waiver Policy	September 2017
• Events and Festivals Grant Program Policy	September 2017
• Conservation Management Plan for the Camperdown Botanic Gardens and Arboretum	September 2017
• Municipal Public Health and Wellbeing Plan 2017-2021	October 2017
• Domestic Animal Management Plan 2017-2021	December 2017
• Procurement Policy	February 2018
• Corporate Purchase Card Policy	February 2018
• Risk Management Policy	February 2018
• Sale of Council Land and Building Policy	April 2018
• Property Leasing Policy	April 2018
• Urban Street Tree Asset Management Plan 2018-2028	April 2018
• Information and Communications Technology Strategy 2018-2022	April 2018
• Essential Safety Measurers Policy	May 2018
• Retail Area Facade Improvement Program Policy	June 2018
• Quick Response Grants Policy	June 2018
• Public Participation at Council Meetings Policy	June 2018
• Councillor Candidates at Federal or State Elections Policy	June 2018

Table: Payments to Audit Committee members

MEMBER	FEE	TRAVEL	TOTAL
C. Hayman	\$2,024	-	\$2,024
A. Jeffers	\$1,624	-	\$1,624
N. Johnson	\$808	-	\$808
S. Buccheri	\$816	-	\$816
TOTAL	\$5,272	-	\$5,272

Special Committee	Members	Purpose
Berrybank Hall	9	To oversee the management of the hall on behalf of Council
Camperdown Swimming Pool	11	To oversee the management of the swimming pool on behalf of Council
Cobden Aerodrome	11	To oversee the management of the airstrip on behalf of Council
Cobden Civic Hall	11	To oversee the management of the hall on behalf of Council
Cobden Swimming Pool	9	To oversee the management of the swimming pool on behalf of Council
Ecklin Hall	11	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	12	To oversee the management of Lake Tooliorook on behalf of Council
Lismore Swimming Pool	15	To oversee the management of the swimming pool on behalf of Council
Mount Leura and Mount Sugarloaf	7	To oversee Mount Leura and Mount Sugarloaf on behalf of Council
Mount Noorat	13	To oversee Mount Noorat on behalf of Council
Port Campbell Public Purposes Reserve	8	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	5	To oversee the management of the hall on behalf of Council
Terang Swimming Pool	10	To oversee the management of the swimming pool on behalf of Council
Timboon and District Public Hall	8	To oversee the management of the hall on behalf of Council
Timboon Sporting Centre	8	To oversee the management of the sporting centre on behalf of Council
Timboon Swimming Pool	7	To oversee the management of the swimming pool on behalf of Council

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]	✓	Adopted in accordance with Section 126 of the Act. Date of adoption: 12/06/2018
4	Annual Budget [Plan under Section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required]	✓	Adopted in accordance with Section 130 of the Act. Date of adoption: 12/06/2018
5	Asset Management Plans [Plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years]	✓	Dates of operation of current plan: Road Asset Management Plan 23/02/2016, Buildings Asset Management Plan 26/04/2017, Playgrounds Asset Management Plan 27/06/2017, Urban Street Tree Asset Management Plan 24/04/2018
6	Rating Strategy [Strategy setting out the rating structure of Council to levy rates & 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: 27/02/2018
8	Fraud Policy [Policy outlining Council's commitment and approach to minimising the risk of fraud]	✓	Date of operation of current policy: 26/04/2017
9	Municipal Emergency Management Plan [Plan under Section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery]	✓	Prepared and maintained in accordance with Section 20 of the <i>Emergency Management Act</i> . Date of preparation: 28/03/2017
10	Procurement Policy [Policy under Section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works]	✓	Prepared and approved in accordance with Section 186A of the <i>Local Government Act</i> . Date of approval: 27/02/2018
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 of current plan: 08/12/2016
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 of current plan: 08/12/2016
13	Risk Management Framework [Framework outlining Council's approach to managing risks to the Council's operations]	✓	Date of operation of current framework: 08/03/2018

GOVERNANCE AND MANAGEMENT ITEMS		ASSESSMENT
14	Audit Committee [Advisory Committee of Council under Section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements]	✓ Established in accordance with Section 139 of the Act. Date of establishment: 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]	✓ Date of engagement of current provider: 23/08/2016
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 of current framework: 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: 27/02/2018
18	Financial Reporting [Quarterly statements to Council under Section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure]	✓ Statements presented to Council in accordance with Section 138(1) of the Act. Date statements presented: 24/10/2017, 23/01/2018, 24/04/2018, 26/06/2018
19	Risk Reporting [Six monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies]	✓ Date of reports: 27/02/2018, 26/06/2018
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]	✓ Date of reports: 27/02/2018, 26/06/2018
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]	✓ Considered at a meeting of Council in accordance with Section 134 of the Act. Date of consideration: 24/10/2017
22	Councillor Code of Conduct [Code under Section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors]	✓ Reviewed in accordance with Section 76C of the Act. Date reviewed: 24/01/2017
23	Delegations [A document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff]	✓ Reviewed in accordance with section 98(6) of the Act. Dates reviewed: Staff 25/07/2017, Special Committees 25/07/2017, Mount Noorat Committee 27/02/2018, CEO 27/03/2018
24	Meeting Procedures [A Local Law governing the conduct of meetings of Council and Special Committees]	✓ Meeting Procedures Local Law made in accordance with Section 91(1) of the Act. Date Local Law made: 27/07/2016

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



David Rae, Acting Chief Executive Officer
Dated: 25 September 2018



Cr Jo Beard, Mayor
Dated: 25 September 2018

corporate governance

LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK (LGPRF) - SERVICE PERFORMANCE INDICATORS

SERVICE/INDICATOR/MEASURE	RESULT 2015	RESULT 2016	RESULT 2017	RESULT 2018	COMMENT
GOVERNANCE					
TRANSPARENCY Council decisions made at meetings closed to the public <i>(Number of Council resolutions made at an ordinary or special meeting 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</i>	14%	11.76%	12.56%	7.88%	During the year Council introduced a change and now considers most procurement matters in a meeting open to the public. Previously these matters, including the awarding of tenders, were considered as a confidential item. This change resulted in a significant reduction to the number of decisions made at meetings closed to the public
CONSULTATION AND ENGAGEMENT Satisfaction with community consultation and engagement <i>(Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement)</i>	67 ^{/100}	62 ^{/100}	60 ^{/100}	64 ^{/100}	Some controversial planning decisions may have impacted the level of satisfaction in the previous year
ATTENDANCE Councillor attendance at Council meetings <i>(The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)) x 100</i>	93%	93.33%	96.19%	92.31%	A small decrease in Councillor attendance was experienced during the year
SERVICE COST Cost of governance <i>(Direct cost of the governance service / Number of Councillors elected at the last Council general election)</i>	\$43,852.57	\$41,003.71	\$42,942.29	\$43,084.29	
SATISFACTION Satisfaction with Council decisions <i>(Community satisfaction rating out of 100 with the performance of Council in making decisions in the interest of the community)</i>	64 ^{/100}	61 ^{/100}	61 ^{/100}	64 ^{/100}	Some controversial planning decisions may have impacted the level of satisfaction in the previous year
STATUTORY PLANNING					
TIMELINESS Time taken to decide planning applications <i>(The median number of days between receipt of a planning application and a decision on the application)</i>	30	35	28	25	Council continues to experience a reduction in the time to process and decide planning applications. In 2017-2018 this was due to increased experience of staff and the capacity of staff to process applications
SERVICE STANDARD Planning applications decided within the relevant required time <i>(Number of planning application decisions made within 60 days / Number of planning application decisions made) x 100</i>	94%	88%	92.99%	93.41%	

SERVICE/INDICATOR/MEASURE	RESULT 2015	RESULT 2016	RESULT 2017	RESULT 2018	COMMENT
STATUTORY PLANNING (CONT)					
SERVICE COST Cost of statutory planning service <i>[Direct cost of the statutory planning service / Number of planning applications received]</i>	\$1,618.26	\$1,703.48	\$1,583.08	\$1,541.29	
DECISION MAKING 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] x 100</i>	0%	0%	0%	0%	
ROADS					
SATISFACTION OF USE Sealed local road requests <i>[Number of sealed local road requests / Kilometres of sealed local roads] x 100</i>	3.39	5.03	5.14	4.93	There was a small reduction in the number of requests received during the reporting period when compared to the previous year
CONDITION Sealed local roads below the intervention level <i>[Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x 100</i>	98%	97.7%	98.91%	99.01%	Council continues to invest in its local sealed road network, resulting in a continuing high standard being achieved
SERVICE COST (RECONSTRUCTION) Cost of sealed local road reconstruction <i>[Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]</i>	\$34.76	\$35.97	\$40.61	\$38.89	
SERVICE COST (RESEALING) Cost of sealed local road resealing <i>[Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]</i>	\$4.44	\$4.40	\$3.69	\$4.04	The 2017-2018 result is consistent with the cost of Council's annual resealing contract. Council benefited from advantageous market conditions in 2016-2017
SATISFACTION Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]</i>	38	36	37	37	Council's research indicates the continuing low level of satisfaction with local roads reflects the community's high level of dissatisfaction associated with State owned roads
LIBRARIES					
UTILISATION Library collection usage <i>[Number of library collection item loans / Number of library collection items]</i>	4.08	2.93	3.16	3.15	Library collection usage was not dissimilar to the previous year
RESOURCE STANDARD Standard of library collection <i>[Number of library collection items purchased in the last five years / Number of library collection items] x 100</i>	83%	76.44%	74.50%	68.18%	The standard of the library collection continues to decline due to a decline in funding from all sources

SERVICE/INDICATOR/MEASURE	RESULT 2015	RESULT 2016	RESULT 2017	RESULT 2018	COMMENT
LIBRARIES (CONT)					
SERVICE COST Cost of library service <i>[Direct cost of library service / Number of visits]</i>	\$7.47	\$7.93	\$5.83	\$8.06	The increase relates to last year's figure incorrectly including school visits following an upgrade to door counters at one library located in a school. This was rectified in this reporting period, resulting in a significant decrease in visits. There was also a decrease in visits due to the St Patrick's Day Fires and one library closed for renovations for three weeks
PARTICIPATION Active library members <i>[Number of active library members / Municipal population] x 100</i>	14%	14.03%	13.39%	12.91%	
WASTE COLLECTION					
SATISFACTION Kerbside bin collection requests <i>[Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x 1000</i>	59.92	60.61	67.02	99.66	The increase is primarily related to the contractor experiencing staff changes, resulting in missed bins, and increased customer concerns surrounding recycling
SERVICE STANDARD Kerbside collection bins missed <i>[Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x 10,000</i>	8.61	4.58	4.18	14.35	A single incident resulted in over 400 bins being missed in one day, which is greater than the previous amount missed for the entire year
SERVICE COST (GARBAGE) Cost of kerbside garbage collection service <i>[Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]</i>	\$98.98	\$95.76	\$99.09	\$100.44	
SERVICE COST (RECYCLING) Cost of kerbside recycling collection service <i>[Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]</i>	\$55.67	\$28.98	\$28.38	\$40.32	The increase was directly related to changes within the recycling industry, with costs passed on to councils by contractors. Unfortunately, this will result in higher costs to the community for the foreseeable future
WASTE DIVERSION 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] x 100</i>	59%	60.92%	63.94%	\$64.65	

SERVICE/INDICATOR/MEASURE	RESULT 2015	RESULT 2016	RESULT 2017	RESULT 2018	COMMENT
AQUATIC FACILITIES					
SERVICE STANDARD (INSPECTIONS) Health inspections of aquatic facilities <i>(Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities)</i>	1.00	1.00	1.00	1.00	
SERVICE STANDARD (INCIDENTS) Reportable safety incidents at aquatic facilities <i>(Number of WorkSafe reportable aquatic safety incidents)</i>	0	0	1.00	0	There were no reportable safety incidents during the reporting period
SERVICE COST (OUTDOOR) Cost of outdoor aquatic facilities <i>(Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities)</i>	\$13.13	\$11.38	\$10.98	\$12.71	Cooler weather conditions and a shorter pool season due to the St Patrick's Day Fires resulted in lower utilisation and an average cost increase
UTILISATION Utilisation of aquatic facilities <i>(Number of visits to aquatic facilities / Municipal population)</i>	2.34	3.46	3.15	2.9	Utilisation was lower than the previous year due to poorer weather and earlier than scheduled closures across some facilities due to the St Patrick's Day Fires
ANIMAL MANAGEMENT					
TIMELINESS Time taken to action animal management requests <i>(Number of days between receipt and first response action for all animal management requests / Number of animal management requests)</i>	1.21	1.11	1.10	1.06	
SERVICE STANDARD Animals reclaimed <i>(Number of animals reclaimed / Number of animals collected) x 100</i>	65%	51.55%	53.72%	35.04%	A high number of feral cats were impounded during the year. Unfortunately these animals, which cannot be re-homed or returned to owners, contributed to the lower result. However, due to an increase in the use of social media to locate owners of dogs, there was a reduction in the number of dogs impounded by Council
SERVICE COST Cost of animal management service <i>(Direct cost of animal management service / Number of registered animals)</i>	\$34.42	\$38.37	\$39.16	\$41.36	There were fewer animals registered during the year when compared to last year. This, together with an incremental increase in the cost of service, resulted in an overall increase
HEALTH & SAFETY Animal management prosecutions <i>(Number of successful animal management prosecutions)</i>	14.00	4.00	18.00	12.00	The result from 2016-2017 included prosecutions from proceedings commenced in 2015-2016. The 2017-2018 result is consistent with the average of the three previous reporting periods combined

SERVICE/INDICATOR/MEASURE	RESULT 2015	RESULT 2016	RESULT 2017	RESULT 2018	COMMENT
FOOD SAFETY					
TIMELINESS Time taken to action food complaints <i>(Number of days between receipt and first response action for all food complaints / Number of food complaints)</i>	7.20	1.78	1.00	1.33	The result is not unexpected as in any given financial year only a small number of food complaints are received. Any change, positive or negative, can lead to large variations in percentage terms. The low number of complaints is a positive reflection on registered premises
SERVICE STANDARD Food safety assessments <i>(Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984) x 100</i>	87%	95.33%	100%	100%	All food safety assessments were completed during the year
SERVICE COST Cost of food safety service <i>(Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984)</i>	\$180.76	\$181.91	\$165.27	\$154.59	There was a reduction in service costs due to extended leave taken by staff during the reporting period
HEALTH & SAFETY Critical and major non-compliance outcome notifications <i>(Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises) x 100</i>	100%	100%	100%	95.45%	The result is not unexpected as two non-compliances were received towards the end of the reporting period. Investigations commenced prior to June 30 and finalised in July 2018
MATERNAL & CHILD HEALTH					
SATISFACTION Participation in first MCH home visit <i>(Number of first MCH visits / Number of birth notifications received) x 100</i>	102%	109.72%	87.97%	103.57%	Once-off 'data cleaning' in 2016-2017 contributed to a low participation result. Babies born in June and not visited until July can also affect participation rates for home visits. This is reflected in the 2017-2018 result
SERVICE STANDARD Infant enrolments in the MCH service <i>(Number of infants enrolled in the MCH service [from birth notifications received] / Number of birth notifications received) x 100</i>	100%	97.22%	100.63%	104.29%	
SERVICE COST Cost of the MCH service <i>(Cost of the MCH service / Hours worked by MCH nurses)</i>	\$82.82	\$97.10	\$96.14	\$98.95	
PARTICIPATION (GENERAL) 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) x 100</i>	79%	82.92%	78.61%	84.78%	Participation rates are higher than the previous three years' average and reflects ongoing efforts by Council to ensure the community is aware of the importance of the service

SERVICE/INDICATOR/MEASURE	RESULT 2015	RESULT 2016	RESULT 2017	RESULT 2018	COMMENT
MATERNAL & CHILD HEALTH (CONT)					
PARTICIPATION (ABORIGINAL CHILDREN) 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) x 100</i>	80%	93.33%	67.67%	88.24%	Council's M&CH service continues to improve its cultural awareness. This has contributed to increased participation from Aboriginal children. A very small number of children participate, so small numerical changes lead to large variations in percentage

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*.

Contracts

Council's Procurement Policy is reviewed annually to ensure appropriate cost, service and delivery standards are met. Some of the tenders awarded in 2017-2018 included:

- Landfill Gas and Water Monitoring
- Management of Recreation Facilities
- Port Campbell Urban Design
- Road Sealing Tender
- Bones Access Bridge
- Purchase of Photocopiers
- Camperdown Clocktower Remedial Works

Council paid accounts associated with asbestos and remedial works associated with the St Patrick's Day fires as specified in section 186(5)(a) of the Act.

Council did not enter into any contracts during 2017-2018 where Council did not engage in a competitive process before entering into the contract and it is not of a kind specified in section 186(5) or (5A) of the Act.

Carers Recognition

Council has taken all practicable measures to comply with its responsibilities outlined in the *Carers 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 *Carers Recognition Act 2012* in HACC Policy and Procedure Manual
- Support for and promotion of Carers Week
- Affiliate of the Companion Card Program.

Disability Action Plan

Council has incorporated the Community Access Plan (Disability Access Plan) into the Municipal 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.

corporate governance

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 2017-2021 in December 2017 and reviews the plan on an annual basis. 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
- 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 animal handling
 - o new legislation changes.

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.

Road Management Act ministerial directions

In accordance with section 22 of the *Road Management Act 2004*, Council is required to publish a copy or summary of any ministerial directions received in its annual report. No such ministerial directions were received by Council during the financial year.

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 outlined below. Requests:

- Should be in writing
- Should identify as clearly as possible which document is being requested
- 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 2017-2018 financial year, Council received five valid requests (from 11 applications) under the *Freedom of Information Act 1982*. Five of the applications received were resolved with information provided outside to the FOI process, and one application was carried over to 2018-2019.

NUMBER OF FOI REQUESTS

2017-2018	5
2016-2017	3
2015-2016	2
2014-2015	0
2013-2014	6

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.

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 three 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.

The prescribed documents are available for inspection at Council's offices.

Protected Disclosure procedure

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 2017-2018 year, no disclosures were made to Council officers appointed to receive disclosures. Council is unaware of any disclosures made to IBAC.

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/files/assets/public/documents/publications/policies/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/files/assets/public/documents/publications/policies/local-laws/livestock-local-law-no2-2015.pdf

No. 3 Meeting Procedures - Adopted 27 July 2016

Download from our website: www.corangamite.vic.gov.au/files/assets/public/documents/publications/policies/local-laws/meeting-procedures-local-law-no3-2016.pdf

performance statement

- year ended 30 June 2018



Performance Statement

For the year ended 30 June 2018

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 2018, the estimated resident population of Corangamite Shire was 16,086 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 2018

PERFORMANCE STATEMENT

Sustainable Capacity Indicators

Indicator / measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Population					
Expenses per head of municipal population [Total expenses / Municipal population]	\$2,554.70	\$2,536.92	\$2,516.70	\$2,420.05	
Infrastructure per head of municipal population	\$22,402.91	\$22,982.58	\$26,293.06	\$28,014.73	The increase reflects the positive impact of a revaluation of Council's property, plant and equipment.
[Value of infrastructure / Municipal population]	6.75	6.61	6.82	6.79	
Population density per length of road [Municipal population / Kilometres of local roads]					
Own-source revenue					
Own-source revenue per head of municipal population	\$1,642.97	\$1,687.70	\$1,675.39	\$1,787.27	The favourable result generally reflects a combination of higher user fees generated from increased activity associated with the landfill and saleyards, and improved trade-in value of plant and equipment including vehicles.
[Own-source revenue / Municipal population]					
Recurrent grants					
Recurrent grants per head of municipal population	\$983.68	\$565.18	\$951.65	\$763.83	The unfavourable result reflects the variability of the Victorian Grants Commission allocations. Two quarters of the 2017-2018 grant were received in 2016-2017.
[Recurrent grants / Municipal population]					
Disadvantage					
Relative Socio-Economic Disadvantage [Index of Relative Socio-Economic Disadvantage by decile]	5.00	5.00	5.00	5.00	

Definitions

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
- (b) non-monetary asset contributions; and

(c) contributions to fund capital expenditure from sources other than those referred to above

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

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

"population" means the resident population estimated by council

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

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

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

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

Service Performance Indicators

For the year ended 30 June 2018

Service/indicator /measure	Results 2015	Results 2016	Results 2017	Results 2018	Material Variations and Comments
Aquatic Facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	2.34	3.46	3.15	2.90	Utilisation was lower than the previous year due to poorer weather and earlier than scheduled closures across some facilities due to the St Patrick's Day Fire.
Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	14.00	4.00	18.00	12.00	The result from 2016-2017 included prosecutions from proceedings commenced in 2015-2016. The 2017-2018 result is consistent with the average of the three previous reporting periods.
Food Safety Health and safety <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100.00%	100.00%	100.00%	95.45%	The result is not unexpected as two non-compliances were received towards the end of the reporting period. Investigations commenced prior to June 30 and finalised in July 2018.
Governance 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	61.00	64.00	Some controversial planning decisions may have impacted the level of satisfaction in the previous year.

<p>Home and Community Care (HACC) Participation</p> <p><i>Participation in HACC service</i></p> <p>[Number of people that received a HACC service / Municipal target population for HACC services] x100</p> <p>Participation</p> <p><i>Participation in HACC service by CALD people</i></p> <p>[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100</p>	<p>29.00%</p> <p>23.00%</p>	<p>25.80%</p> <p>7.69%</p>	<p>Reporting Ceased 1 July 2016</p> <p>Reporting Ceased 1 July 2016</p>	<p>Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs</p> <p>Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs</p>
<p>Libraries Participation</p> <p><i>Active library members</i></p> <p>[Number of active library members / Municipal population] x100</p>	<p>14.00%</p>	<p>14.03%</p>	<p>13.39%</p>	<p>12.91%</p>
<p>Maternal and Child Health (MCH) Participation</p> <p><i>Participation in the MCH service</i></p> <p>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</p> <p>Participation</p> <p><i>Participation in the MCH service by Aboriginal children</i></p> <p>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</p>	<p>79.00%</p> <p>80.00%</p>	<p>82.92%</p> <p>93.33%</p>	<p>78.61%</p> <p>66.67%</p>	<p>84.78%</p> <p>88.24%</p>

<p>Roads Satisfaction</p> <p><i>Satisfaction with sealed local roads</i></p> <p>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</p>	38.00	36.00	37.00	37.00	Council's research indicates the continuing low level of satisfaction with local roads reflects the community's high level of dissatisfaction associated with State owned roads.
<p>Statutory Planning Decision making</p> <p><i>Council planning decisions upheld at VCAT</i></p> <p>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</p>	0.00%	0.00%	0.00%	0.00%	
<p>Waste Collection Waste diversion</p> <p><i>Kerbside collection waste diverted from landfill</i></p> <p>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</p>	59.00%	60.92%	63.94%	64.65%	
<p>Economic Development (optional)</p> <p><i>Economic activity</i></p> <p><i>Change in number of businesses</i></p> <p>[Number of businesses with an ABN in the municipality at the end of the financial year less the number of businesses at the start of the financial year / Number of businesses with an ABN in the municipality at the start of the financial year] x100</p>	0.00%	-2.43%	-0.40%	7.02%	

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 HACCC 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 HACCC program
- "local road" means a sealed or unsealed road for which the council is the responsible road authority under the Road Management Act 2004
- "major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the Food Act 1984, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
- "MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
- "population" means the resident population estimated by council
- "target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth
- "WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the Occupational Health and Safety Act 2004.

Financial Performance Indicators

For the year ended 30 June 2018

Financial Performance Indicators		Results 2015	Results 2016	Results 2017	Results 2018	2019	2020	2021	2022	Material Variations and Comments
Dimension/indicator/measure										
Efficiency										
Revenue level										
Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]		\$1,115.75	\$1,177.46	\$1,204.00	\$1,242.47	\$1,289.47	\$1,320.43	\$1,352.11	\$1,384.57	
Expenditure level										
Expenses per property assessment [Total expenses / Number of property assessments]		\$4,212.89	\$4,099.40	\$4,175.44	\$3,995.59	\$4,076.67	\$3,962.74	\$4,039.41	\$4,118.14	
Workforce turnover										
Resignations and terminations compared to average staff		6.46%	9.45%	8.71%	11.16%	8.16%	8.16%	8.16%	8.16%	Council continues to experience difficulties associated with attracting applicants and retain existing staff in a competitive employment market, as the Shire's unemployment rate is low. For example, at the end of the reporting period there were three unfilled positions. During the reporting period there were also four redundancies.
[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100										
Liquidity										
Working capital										
Current assets compared to current liabilities		283.54%	276.53%	296.41%	366.45%	302.49%	263.55%	274.05%	305.69%	The favourable result reflects (1) the impact of two quarters of the 2018-2019 Victorian Grants Commission allocation received in advance, prior to the end of the financial year. (2) Some capital works which had not been completed and (3) a favourable financial result compared to budget.
[Current assets / Current liabilities] x100										
Unrestricted cash										
Unrestricted cash compared to current liabilities		154.32%	218.32%	253.49%	316.35%	249.59%	210.84%	221.57%	253.25%	The favourable result reflects (1) the impact of two quarters of the 2018-2019 Victorian Grants Commission allocation received in advance prior to the end of the financial year. (2) Some capital works which had not been completed and (3) a favourable financial result compared to budget.
[Unrestricted cash / Current liabilities] x100										

Obligations Asset renewal	<i>Asset renewal compared to depreciation</i>	104.71%	117.44%	91.79%	74.78%	95.04%	135.45%	132.61%	124.59%	<p>The result reflects the impact of \$5.7 million of capital work in progress to be completed in 2018-2019 . This is primarily due to the impact of adverse weather conditions on road construction, delays associated with the St Patrick's Day Fires and a multi-year upgrade to be completed in 2018-2019. The result also includes the adverse impact of a new accounting policy. In the absence of this policy impact, the underlying renewal ratio is 83.3%</p>
[Asset renewal expense / Asset depreciation] x100 Loans and borrowings	<i>Loans and borrowings compared to rates</i>	24.57%	16.32%	11.03%	0.00%	0.00%	0.00%	0.00%	0.00%	<p>The result reflects the impact of Council's decision to repay all borrowings during the financial year. This was an initiative of the 2017-2018 Budget.</p>
[Interest bearing loans and borrowings / Rate revenue] x100 <i>Loans and borrowings repayments compared to rates</i>	<i>Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i>	8.31%	8.06%	5.51%	11.22%	0.00%	0.00%	0.00%	0.00%	<p>The result reflects the impact of Council's decision to repay all borrowings during the financial year. This was an initiative of the 2017-2018 Budget.</p>
<i>Non-current liabilities compared to own source revenue</i> Indebtedness	[Non-current liabilities / Own source revenue] x100	32.13%	28.71%	21.06%	12.38%	20.09%	20.10%	20.11%	20.12%	<p>The result reflects the impact of Council's decision to repay all borrowings during the financial year. This was an initiative of the 2017-2018 Budget.</p>

Operating position Adjusted underlying result	Adjusted underlying surplus (or deficit)	4.49%	-11.85%	5.55%	8.43%	5.27%	21.96%	15.13%	14.50%	The favourable result reflects the impact of two quarters of the 2018-2019 Victorian Grants Commission allocation received in advance, prior to the end of the financial year.
Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100 Rates effort <i>Rates compared to property values</i>	43.46%	55.06%	46.89%	48.80%	51.35%	44.57%	48.69%	49.26%	The 2017-2018 result reflects the increase in rates during the year and supplementary valuations.	
										[Rate revenue / Capital improved value of rateable properties in the municipality] x100

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 2018

1. Basis of preparation

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

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

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

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

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: 25 September 2018

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

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

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

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



Cr Lesley Brown

Councillor

Dated: 25 September 2018



Cr Helen Durant

Councillor

Dated: 25 September 2018



David Rae

Acting Chief Executive Officer

Dated: 25 September 2018

Independent Auditor's Report

To the Councillors of Corangamite Shire Council

<p>Opinion</p>	<p>I have audited the accompanying performance statement of Corangamite Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2018 • sustainable capacity indicators for the year ended 30 June 2018 • service performance indicators for the year ended 30 June 2018 • financial performance indicators for the year ended 30 June 2018 • other information and • the certification of the performance statement. <p>In my opinion, the performance statement of Corangamite Shire Council in respect of the year ended 30 June 2018 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
<p>Basis for Opinion</p>	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
<p>Councillors' responsibilities for the performance statement</p>	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
<p>Auditor's responsibilities for the audit of the performance statement</p>	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

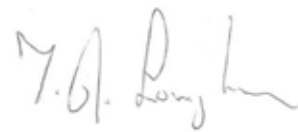
Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

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

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

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

MELBOURNE
26 September 2018



Tim Loughnan
as delegate for the Auditor-General of Victoria

annual financial report

- year ended 30 June 2018



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Certification of the Financial Statements

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

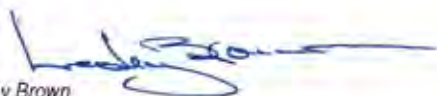


Adam Taylor, CPA Australia
Principal Accounting Officer
Date: 25/9/18
Camperdown

In our opinion the accompanying financial statements present fairly the financial transactions of Corangamite Shire Council for the year ended 30 June 2018 and the financial position of the Council as at that date.

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

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



Lesley Brown
Councillor
Date: 25-9-18
Camperdown



Helen Durant
Councillor
Date: 25-9-18
Camperdown



David Rae
Acting Chief Executive Officer
Date: 25/9/18
Camperdown

Independent Auditor's Report

To the Councillors of Corangamite Shire Council

Opinion	<p>I have audited the financial report of Corangamite Shire Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2018 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • statement of cash flows for the year then ended • notes to the financial statements, including significant accounting policies • certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2018 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
26 September 2018



Tim Loughnan
as delegate for the Auditor-General of Victoria

Comprehensive Income Statement As at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Income			
Rates and charges	2.1	20,747	20,158
Statutory fees and fines	2.2	431	373
User fees	2.3	6,512	6,450
Grants - operating	2.4	12,013	14,188
Grants - capital	2.4	5,623	4,544
Contributions	2.5	157	153
Fair Value Adjustments	5.3	2,128	(295)
Share of net profits (or loss) of associates and joint ventures	5.2	5	22
Other revenue	2.7	1,055	1,022
Total income		48,671	46,615
Expenses			
Employee Benefits	3.1	(14,630)	(14,542)
Materials and services	3.2	(11,105)	(12,433)
Depreciation	3.3	(12,329)	(10,324)
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	2.6	(116)	(1,010)
Bad and doubtful debts	3.4	(2)	(7)
Finance costs	3.5	(104)	(141)
Other expenses	3.6	(2,770)	(2,847)
Total expenses		(41,057)	(41,305)
Surplus/(deficit) for the year		7,614	5,310
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	5.1	23,548	23,913
Total comprehensive result		31,161	29,223

Balance Sheet As at 30 June 2018

	Note	2018 \$'000	2017 \$'000
Assets			
Current assets			
Cash and cash equivalents	4.1	4,540	13,969
Trade and other receivables	4.1	2,619	2,664
Other financial assets	4.1	19,101	8,180
Inventories	4.2	78	83
Other assets	4.2	585	483
Total current assets		26,923	25,379
Non-current assets			
Trade and other receivables	4.1	42	45
Investments in associates, joint arrangements and subsidiaries	5.2	265	260
Property, infrastructure, plant and equipment	5.1	460,616	434,346
Total non-current assets		460,922	434,652
Total assets		487,846	460,031
Liabilities			
Current liabilities			
Trade and other payables	4.3	3,261	2,290
Trust funds and deposits	4.3	236	203
Provisions	4.5	3,851	3,845
Interest-bearing liabilities	4.4	-	2,224
Total current liabilities		7,347	8,562
Non-current liabilities			
Provisions	4.5	3,560	5,693
Total non-current liabilities		3,560	5,693
Total liabilities		10,907	14,256
Net assets		476,939	445,775
Equity			
Accumulated surplus		184,171	175,847
Reserves	8.1	292,768	269,929
Total Equity		476,939	445,775

Statement of Changes in Equity For the Year Ended 30 June 2018

2018	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		445,775	175,847	267,201	2,727
Surplus/(deficit) for the year		7,614	7,614	-	-
Net asset revaluation increment/(decrement)		23,551	3	23,548	-
Transfers to other reserves		-	(328)		328
Transfers from other reserves		-	1,036		(1,036)
Balance at end of the financial year		476,940	184,171	290,749	2,020

2017		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		416,552	212,066	203,162	1,324
Surplus/(deficit) for the year		5,310	5,310	-	-
Net asset revaluation increment/(decrement)		23,913	(40,126)	64,039	-
Transfers to other reserves		-	(1,494)	-	1,494
Transfers from other reserves		-	91	-	(91)
Balance at end of the financial year		445,775	175,847	267,201	2,727

Statement of Cash Flows For the Year Ended 30 June 2018

	Note	2018 Inflows/ (Outflows) \$'000	2017 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		20,747	20,018
Statutory fees and fines		431	373
User fees		6,559	6,450
Grants - operating		12,013	14,188
Grants - capital		5,623	4,544
Contributions - monetary		157	153
Interest received		472	537
Reimbursements		180	383
Other receipts		403	102
Net GST refund		24	74
Employee costs		(14,630)	(14,471)
Materials and services		(10,231)	(11,257)
Trust funds and deposits repaid		(45)	(204)
Fire service property levy		77	(23)
Other payments		(2,794)	(3,739)
Net cash provided by/(used in) operating activities		18,985	17,128
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	5.1	(16,022)	(11,265)
Proceeds from sale of property, infrastructure, plant and equipment		857	628
Payments for investments		(11,000)	(4,500)
Payments of loans and advances		79	287
Net cash provided by/(used in) investing activities		(26,086)	(14,850)
Cash flows from financing activities			
Finance costs		(104)	(141)
Repayment of borrowings		(2,224)	(970)
Net cash provided by/(used in) financing activities		(2,328)	(1,111)
Net increase (decrease) in cash and cash equivalents		(9,429)	1,167
Cash and cash equivalents at the beginning of the financial year		13,969	12,802
Cash and cash equivalents at the end of the financial year		4,540	13,969
Financing arrangements	4.6	960	960
Restrictions on cash assets	4.1	236	3,196

Statement of Capital Works For the Year Ended 30 June 2018

	Note	2018 \$'000	2017 \$'000
Property			
Land		-	47
Total land		-	47
Buildings		427	140
Heritage buildings		81	35
Leasehold improvements		-	31
Total buildings		508	206
Total property		508	253
Plant and equipment			
Plant, machinery and equipment		1,957	2,640
Computers and telecommunications		192	9
Total plant and equipment		2,149	2,649
Infrastructure			
Roads		6,443	5,801
Footpaths and cycleways		175	400
Drainage		29	74
Recreational, leisure and community facilities		-	31
Parks, open space and streetscapes		-	259
Kerb and channel		218	519
Retaining walls and small culverts		46	-
Waste Management		2,187	-
Other infrastructure		-	6
Total infrastructure		9,098	7,090
Total capital works expenditure		11,755	9,992
Represented by:			
New asset expenditure		2,456	392
Asset renewal expenditure		9,220	9,476
Asset upgrade expenditure		79	124
Total capital works expenditure		11,755	9,992

OVERVIEW

Introduction

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

Significant accounting policies

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 5.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 5.1)
- the determination of employee provisions (refer to Note 4.5)
- the determination of landfill provisions (refer to Note 4.5)

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.

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 10 percent or \$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 13 June 2017. The budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

1.1 Income and expenditure

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Ref
Income				
Rates and charges	20,578	20,747	169	
Statutory fees and fines	238	431	193	1
User fees	6,067	6,512	445	
Grants - operating	10,292	12,013	1,721	2
Grants - capital	5,824	5,623	(201)	
Contributions	253	157	(96)	3
Fair Value Adjustments	-	2,128	2,128	4
Share of net profits (or loss) of associates and joint ventures	-	5	5	5
Other revenue	472	1,055	583	6
Total income	43,724	48,671	4,947	
Expenses				
Employee Benefits	14,982	14,630	352	
Materials and services	10,173	11,105	(932)	7
Depreciation	10,132	12,329	(2,197)	8
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	-	116	116	9
Bad and doubtful debts	2	2	-	
Finance costs	176	104	72	10
Other expenses	3,023	2,770	253	
Total expenses	38,488	41,057	(2,337)	
Surplus/(deficit) for the year	5,236	7,614	2,378	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory fees and fines	Additional EPA Levies (\$100,000) and Planning Fees (\$54,000) collected throughout year due to higher than anticipated activity.
2	Grants - operating	Unbudgeted Grants from 2016 flood event (\$860,000), Additional Victorian Grants Commission (\$380,000) and Heritage Grants (\$105,000).
3	Contributions	Delays in completion of Special Charge Schemes (\$96,000) for Footpath and Kerb and Channel projects.
4	Fair Value Adjustments	As a result of the increase in expected life of the Naroghid landfill site the Net Present Value for rehabilitation has decreased.
5	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 due to its uncertainty.
6	Other revenue	Additional interest income (\$195,000), Insurance reimbursements (\$80,000) and Fuel Tax Credits (\$70,000) received in excess of budget.
7	Materials and services	Additional expenditure related to the South West Complex Fires in March 2018 which is expected to be recouped through Disaster Recovery funding in 2018-2019 (\$1,985,000)
8	Depreciation	Additional depreciation on roads (\$800,000) due to revaluation of road network in 2016-2017 and a change in accounting policy requiring landfill cell construction to be depreciated (\$1,257,000)
9	Net gain (or loss) on disposal of property, infrastructure, plant and equipment	Proceeds from the disposal of Light Fleet, Heavy Plant and Buildings (\$857,000) offset by the written-down value of plant and infrastructure assets disposed (\$973,000)
10	Finance costs	Savings in interest expense (\$72,000) due to loans being paid out early in July 2017.

Note 1 Performance against budget (cont'd)

1.2 Capital works

	Budget 2018 \$'000	Actual 2018 \$'000	Variance 2018 \$'000	Ref
Property				
Land	-	-	-	
Total Land	-	-	-	
Buildings	521	427	(94)	
Heritage buildings	192	81	(111)	1
Total Buildings	713	508	(205)	
Total Property	713	508	(205)	
Plant and Equipment				
Plant, machinery and equipment	2,449	1,957	(492)	2
Computers and telecommunications	318	192	(126)	3
Total Plant and Equipment	2,767	2,149	(618)	
Infrastructure				
Roads	7,300	6,443	(857)	
Bridges	2,165	-	(2,165)	4
Footpaths and cycleways	114	175	61	5
Drainage	253	29	(224)	6
Parks, open space and streetscapes	1,279	-	(1,279)	7
Kerb and channel	317	218	(99)	8
Retaining walls and small culverts	-	46	46	9
Waste Management	80	2,187	2,107	10
Other infrastructure	10	-	(10)	11
Total Infrastructure	11,518	9,098	(2,420)	
Total Capital Works Expenditure	14,998	11,755	(3,243)	
Represented by:				
New asset expenditure	554	2,456	1,902	
Asset renewal expenditure	11,485	9,220	(2,265)	
Asset upgrade expenditure	2,959	79	79	
Total Capital Works Expenditure	14,998	11,755	(284)	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Heritage buildings	A number of projects remained incomplete at the end of the financial year and will be carried forward to the future years. Some smaller projects (\$23,000) have been transferred to operating expenses as they were not able to be recognised as assets.

Variance Ref	Item	Explanation
2	Plant, machinery and equipment	Savings were achieved in Light Fleet (\$150,000), Heavy Plant (\$327,000) and Minor Plant (\$15,000)
3	Computers and telecommunications	Some smaller purchases have been transferred to operating expenses as they were not able to be recognised as assets (\$109,000) and some incomplete projects were carried forward to 2018-2019 (\$179,000).
4	Bridges	The majority of this expenditure is for Castle Carrey Bridge works which will be undertaken over multiple years. The amount spent will be part of work in progress until the project is finalised.
5	Footpaths and cycleways	Work completed in prior years was capitalised (\$152,000) in the current year offset by of carry forward projects (\$90,000)
6	Drainage	Projects not completed at end of year and will be carried forward to 2018-2019 (\$249,000)
7	Parks, open space and streetscapes	Budget included Port Campbell Streetscape Urban Design and construction. The design work is ongoing and included in work in progress whilst the construction has been deferred until the planning and consultation is completed.
8	Kerb and channel	Some retaining wall and small culvert projects were originally budgeted as kerb and channel (\$46,000) and projects to be carried forward (\$85,000).
9	Retaining walls and small culverts	Some retaining wall and small culvert projects were originally budgeted as kerb and channel (\$46,000)
10	Waste Management	Landfill cell construction costs (\$2,187,000) were capitalised in the current year due to a change in accounting policy
11	Other infrastructure	One project was not completed during the year (\$10,000) and will be carried forward to be completed in a future year.

Note 2 Funding for the delivery of our services	2018	2017
2.1 Rates and charges	\$'000	\$'000

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 2017-2018 was \$4.771 billion (2016-2017 \$4.737 billion).

General Rates	7,720	7,462
Municipal charge	1,629	1,591
Waste management charge	1,577	1,514
Farm/Rural	9,631	9,474
Vacant Industrial Land rates	15	13
Supplementary rates and rate adjustments	169	98
Cultural and recreational land rates	6	6
Total rates and charges	20,747	20,158

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2018, and the valuation will be first applied in the rating year commencing 1 July 2018.

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

2.2 Statutory fees and fines

Landfill Levy	116	115
Town Planning fees	177	133
Health Registrations	103	91
Permits	21	20
Infringements and costs	14	14
Total statutory fees and fines	431	373

Statutory 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.

2.3 User fees

Landfill	2,473	2,459
Family Day Care	863	809
Saleyards	505	624
Aged & Disability Services	549	401
Kindergartens	229	283
Building services	245	185
Other fees and charges	1,648	1,689
Total user fees	6,512	6,450

User fees are recognised as revenue when the service has been provided or council has otherwise earned the income.

2.4 Funding from other levels of government	2018	2017
Grants were received in respect of the following :	\$'000	\$'000
Summary of grants		
Commonwealth funded grants	12,153	15,782
State funded grants	5,483	2,950
Total grants received	17,636	18,731
(a) Operating Grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants	7,616	10,778
Family and children	587	542
Aged Services	752	763
Recurrent - State Government		
Aged & Disability Services	293	342
Community health	38	28
Economic development	-	10
Environment	67	63
Families and children	1,054	934
Maternal and child health	206	200
School Crossings	23	16
Youth Services	60	59
Total recurrent operating grants	10,696	13,735
	2,018	2,017
Non-recurrent - Commonwealth Government		
Nil	-	-
Non-recurrent - State Government		
Aged Services	-	100
Corporate Services	-	77
Economic Development	54	123
Environment	30	-
Facilities Management	25	-
Family and children	-	35
Kindergartens	24	14
Natural Disaster	934	-
Other Council Buildings	80	-
Recreation Projects	10	13
Recycling Grant	16	-
Tourism	-	90
Works & Services Management	70	-
Youth	75	-
Total non-recurrent operating grants	1,317	452
Total operating grants	12,013	14,187

	2018	2017
	\$'000	\$'000
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	1,591	1,600
Recurrent - State Government		
Aged Services	-	18
Total recurrent capital grants	<u>1,591</u>	<u>1,618</u>
Non-recurrent - Commonwealth Government		
Roads to recovery	1,608	2,092
Tourism	-	6
Non-recurrent - State Government		
Bridges	2,050	-
Family and children	-	5
Roads	184	189
Recreation	-	230
Streetscapes	90	249
Camperdown Clock Tower	100	-
Waste Management	-	155
Total non-recurrent capital grants	<u>4,032</u>	<u>2,926</u>
Total capital grants	<u>5,623</u>	<u>4,544</u>
(c) Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	266	197
Received during the financial year and remained unspent at balance date	138	266
Received in prior years and spent during the financial year	266	197
Balance at year end	<u>138</u>	<u>266</u>

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

	2018 \$'000	2017 \$'000
2.5 Contributions		
Community Services	48	2
Contributions - Special Charge Schemes	27	-
Works and Services	20	45
Footpaths	19	13
Council Buildings	10	-
Community Planning	9	9
Environmental Health	5	12
Environment	3	8
Community Centres	2	-
Recreation Projects	-	44
Other monetary contributions	14	20
Total contributions	157	153

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

2.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

Proceeds of sale	857	628
Written down value of assets disposed	(973)	(1,638)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(116)	(1,010)

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

2.7 Other income

Interest	472	464
Insurance Reimbursement	142	142
Legal costs recovered	38	41
Fuel Tax Credits	167	200
Interest on Rates	83	73
Other Revenue	153	102
Total other income	1,055	1,022

Interest is recognised as it is earned.

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

Note 3 The cost of delivering services	2018	2017
3.1 Employee costs	\$'000	\$'000
Wages and Salaries	11,214	10,945
Annual leave and long service leave	1,349	1,507
Superannuation	1,432	1,466
Workcover	300	315
Employee Benefits	159	142
Fringe Benefits Tax	176	167
Total employee costs	14,630	14,542

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	182	202
	<u>182</u>	<u>202</u>
Employer contributions payable at reporting date.	-	-

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	1,032	998
Employer contributions - other funds	449	488
	<u>1,481</u>	<u>1,486</u>
Employer contributions payable at reporting date.	56	56

Refer to note 8.3 for further information relating to Council's superannuation obligations.

3.2 Materials and services

Contracts	6,157	7,291
Internal Recoveries	2,648	2,828
Fleet Costs	1,085	1,121
Utilities	644	616
Telephone and Internet	301	293
Subscriptions, Publications, Memberships	101	116
Printing and Stationery	65	61
Postage	51	52
Bank Charges	53	55
Total materials and services	11,105	12,433

	2018	2017
	\$'000	\$'000
3.3 Depreciation and amortisation		
Property	(938)	(937)
Plant	(1,098)	(1,289)
Infrastructure	(10,293)	(8,098)
Total depreciation	<u>(12,329)</u>	<u>(10,324)</u>

Refer to note 4.2(c) and 5.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

3.4 Bad and doubtful debts

Other debtors	(2)	(7)
Total bad and doubtful debts	<u>(2)</u>	<u>(7)</u>

Movement in provisions for doubtful debts

Balance at the beginning of the year	21	16
New Provisions recognised during the year	3	9
Amounts already provided for and written off as uncollectible	(6)	(4)
Amounts provided for but recovered during the year	(1)	-
Balance at end of year	<u>17</u>	<u>21</u>

Provision for doubtful debt is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.

3.5 Finance costs

Interest - Borrowings	(104)	(141)
Total borrowing costs	<u>(104)</u>	<u>(141)</u>

Borrowing costs are recognised as an expense in the period in which they are incurred, except where they are capitalised as part of a qualifying asset constructed by Council.

3.6 Other expenses

Council Contributions	1,215	1,431
Insurance	537	493
Councillor Allowances	270	250
Advertising	176	164
Rent, Rates and Charges	181	178
Legal Costs	108	74
Audit Expenses	75	65
Meals and Accomodation	54	60
Levies	24	23
Other expenses	130	109
Total other expenses	<u>2,770</u>	<u>2,847</u>

Note 4 Our financial position	2018	2017
4.1 Financial assets	\$'000	\$'000
(a) Cash and cash equivalents		
Cash on hand	2	3
Cash at bank	4,538	3,965
Term deposits	-	10,000
Total cash and cash equivalents	<u>4,540</u>	<u>13,969</u>
(b) Other financial assets		
Term deposits - current	19,000	8,000
Economic Development Loans	101	180
Total other financial assets	<u>19,101</u>	<u>8,180</u>
Total financial assets	<u>23,641</u>	<u>22,149</u>

Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

- Trust funds and deposits (Note 4.3)	236	203
Total restricted funds	<u>236</u>	<u>203</u>
Total unrestricted cash and cash equivalents	<u>4,305</u>	<u>13,766</u>

Intended allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

Resort and Recreation Reserve	67	62
Trust funds and deposits	75	43
Grants received but not acquitted	138	266
Total funds subject to intended allocations	<u>280</u>	<u>371</u>

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

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

	2018 \$'000	2017 \$'000
(c) Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	841	825
Net GST Receivable	359	383
Provision for doubtful debts - infringements	(17)	(21)
<i>Non statutory receivables</i>		
Loans and advances to community organisations	9	36
Other debtors	1,427	1,441
Total current trade and other receivables	<u>2,619</u>	<u>2,664</u>
Non-current		
<i>Statutory receivables</i>		
Special rate scheme	31	25
<i>Non statutory receivables</i>		
Loans and advances to community organisations	11	20
Total non-current trade and other receivables	<u>42</u>	<u>45</u>
Total trade and other receivables	<u>2,661</u>	<u>2,709</u>

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

(a) Ageing of Receivables

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

Current (not yet due)	1,099	1,226
Past due by up to 30 days	145	112
Past due between 31 and 180 days	103	113
Past due between 181 and 365 days	4	6
Past due by more than 1 year	97	-
Total trade & other receivables	<u>1,447</u>	<u>1,457</u>

(b) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$17,126 (2017: \$21,210) were impaired. The amount of the provision raised against these debtors was \$17,126 (2017: \$21,210). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	17	21
Total trade & other receivables	<u>17</u>	<u>21</u>

Notes to the Financial Report
For the Year Ended 30 June 2018

4.2 Non-financial assets	2018	2017
(a) Inventories	\$'000	\$'000
Inventories held for distribution	61	65
Inventories held for sale	17	17
Total inventories	<u>78</u>	<u>83</u>
<p>Inventories held for distribution are measured at cost, adjusted when applicable for any loss of service potential. All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.</p>		
(b) Other assets		
Prepayments	350	288
Accrued income	196	195
Total other assets	<u>546</u>	<u>483</u>
(c) Intangible assets		
Landfill air space	39	-
Total intangible assets	<u>39</u>	<u>-</u>
	<u>Landfill</u>	
	<u>\$'000</u>	
Gross carrying amount		
Balance at 1 July 2017	-	
Additions from internal developments	-	
Other Additions	39	
Balance at 1 July 2018	<u>39</u>	
Accumulated amortisation and impairment		
Balance at 1 July 2017	-	
Amortisation expense	-	
Balance at 1 July 2018	-	
Net book value at 30 June 2017	-	
Net book value at 30 June 2018	<u>39</u>	

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

**Notes to the Financial Report
For the Year Ended 30 June 2018**

2017-2018 Financial Report

4.3 Payables	2018	2017
(a) Trade and other payables	\$'000	\$'000
Trade payables	2,582	1,745
Accrued expenses	679	545
Total trade and other payables	<u>3,261</u>	<u>2,290</u>
(b) Trust funds and deposits		
Refundable deposits	48	43
Fire services levy	77	86
Amounts held in trust	111	75
Total trust funds and deposits	<u>236</u>	<u>203</u>

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Purpose and nature of items

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

Fire Services Property Levy - Council is the collection agent for fire services property levy on behalf of the State Government. Council remits amounts four times each financial year, within 28 days after the due date of each rates instalment. Amounts disclosed here will be remitted to the state government in line with that process.

4.4 Interest-bearing liabilities

Current

Borrowings - secured	-	2,224
	<u>-</u>	<u>2,224</u>

4.5 Provisions

	Employee	Landfill restoration	Other	Total
	\$ '000	\$ '000	\$ '000	\$ '000
2018				
Balance at beginning of the financial year	4,159	5,379	-	9,538
Additional provisions	1,392	-	-	1,392
Amounts used	(1,430)	-	-	(1,430)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	-	(2,089)	-	(2,089)
Balance at the end of the financial year	4,121	3,290	-	7,411
2017				
Balance at beginning of the financial year	4,009	5,004	79	9,092
Additional provisions	1,644	147	-	1,791
Amounts used	(1,492)	-	(79)	(1,571)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(2)	228	-	226
Balance at the end of the financial year	4,159	5,379	-	9,538

	2018 \$'000	2017 \$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	1,013	957
Rostered Days Off	101	82
Long service leave	316	377
	1,430	1,416
Current provisions expected to be wholly settled after 12 months		
Annual leave	68	69
Long service leave	2,353	2,360
	2,420	2,429
Total current employee provisions	3,851	3,845
Non-current		
Long service leave	269	314
Annual leave	-	-
Total non-current employee provisions	269	314
Aggregate carrying amount of employee provisions:		
Current	1,430	3,845
Non-current	269	314
Total aggregate carrying amount of employee provisions	1,699	4,159

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

Wages and salaries and annual leave

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

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

Long service leave

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

Key assumptions:

- discount rate	2.65%	2.61%
- oncost rate	11.50%	11.50%
- inflation rate	3.88%	3.81%

Notes to the Financial Report
For the Year Ended 30 June 2018

	2018 \$'000	2017 \$'000
(b) Landfill restoration		
Current	-	-
Non-current	3,290	5,379
	<u>3,290</u>	<u>5,379</u>

Council is obligated to restore Naroghid Landfill and Noorat 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.

Key assumptions:

- discount rate	3.0%	3.0%
- inflation rate	2.1%	1.9%
- estimated cost to rehabilitate	7,043	5,950

(c) Other provisions

Current	-	-
Non-current	-	-
	<u>-</u>	<u>-</u>

4.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2018.

Bank overdraft	960	960
Credit card facilities	1,000	1,000
Total facilities	<u>1,960</u>	<u>1,960</u>
Used facilities	36	1
Unused facilities	<u>1,924</u>	<u>1,959</u>

Notes to the Financial Report
For the Year Ended 30 June 2018

4.7 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value and presented inclusive of the GST payable.

2018	Not later than	Later than 1	Later than 2	Later than 5	Total
	1 year	year and not later than 2 years	years and not later than 5 years	years	
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Recycling	227	231	-	-	458
Garbage collection	266	271	-	-	537
Green waste collection	180	184	-	-	363
Street litter bins	48	49	-	-	98
Skip bin transfer	95	97	-	-	193
Maintenance of Council buildings	82	83	-	-	165
Cleaning of Council buildings	125	-	-	-	125
Recreation facility management	423	-	-	-	423
Banking	54	55	5	-	113
Home care services	146	-	-	-	146
Water quality monitoring	43	44	138	48	273
Landfill Geosynthetics	283	-	-	-	283
Photocopiers	17	18	45	-	80
Total	1,989	1,032	188	48	3,257
Capital					
Buildings	226	-	-	-	226
Bridges	1,242	-	-	-	1,242
Streetscapes	346	-	-	-	346
Total	1,814	-	-	-	1,814
2017					
	Not later than	Later than 1	Later than 2	Later than 5	Total
	1 year	year and not later than 2 years	years and not later than 5 years	years	\$'000
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Recycling	146	151	156	-	453
Garbage collection	262	271	281	-	814
Organics collection	182	188	195	-	565
Street litter bins	62	64	66	-	192
Transfer station skips	87	87	261	-	435
Recreation facility maintenance	81	82	83	-	246
Recreation facility management	-	-	-	-	-
Banking	-	-	-	-	-
Water quality monitoring	42	42	127	85	296
Landfill Geosynthetics	151	182	48	-	381
Landfill design audit	129	80	-	-	209
Landfill Earthworks	35	-	-	-	35
Home care services	135	135	-	-	270
Cleaning contracts for council buildings	15	-	-	-	15
Meals for delivery	23	-	-	-	23
Total	1,350	1,282	1,217	85	3,934
Capital					
Bridges	2,654	1,634	-	-	4,288
Total	2,654	1,634	-	-	4,288

Notes to the Financial Report
For the Year Ended 30 June 2018

	2018	2017
	\$'000	\$'000

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	145	142
Later than one year and not later than five years	508	524
Later than five years	4,161	4,085
	<u>4,814</u>	<u>4,751</u>

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.

5.1 Property, infrastructure, plant and equipment
Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2017 \$'000	Additions \$'000	Revaluation \$'000	Depreciation \$'000	Disposal \$'000	Write-off \$'000	Transfers \$'000	At Fair Value 30 June 2018 \$'000
Property	35,216	204	20,884	(1,016)	(187)	-	304	55,405
Plant and equipment	9,601	2,036	-	(1,098)	(635)	-	113	10,017
Infrastructure	388,138	7,326	2,663	(10,220)	(151)	-	1,772	389,528
Work in progress	1,391	6,504	-	-	-	(41)	(2,189)	5,665
	434,346	16,070	23,548	(12,334)	(973)	(41)	-	460,615

Summary of Work in Progress

	Opening WIP \$'000	Additions \$'000	Write-off \$'000	Transfers \$'000	Closing WIP \$'000
Property	66	372	(6)	(304)	128
Plant and equipment	165	229	(35)	(113)	246
Infrastructure	1,160	5,902	-	(1,772)	5,290
Total	1,391	6,504	(41)	(2,189)	5,665

Asset recognition thresholds and depreciation periods

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

(a) Property

	Land - specialised	Land - non specialised	Total Land & Land Improvements	Heritage buildings	Buildings - specialised	Leasehold improvements - Buildings	Leasehold improvements - Waste	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	1,883	8,277	10,160	17,327	39,168	1,469	1,578	59,543	66	69,769
Accumulated depreciation at 1 July 2017	-	-	-	(12,106)	(20,984)	(36)	(1,361)	(34,487)	-	(34,487)
	1,883	8,277	10,160	5,221	18,185	1,433	217	25,056	66	35,282
Movements in fair value										
Additions	-	-	-	58	146	-	-	204	372	576
Revaluation	-	(177)	(177)	(140)	2,228	(932)	-	1,156	-	979
Disposal	-	(12)	(12)	(58)	(321)	-	-	(379)	-	(390)
Write-off	-	-	-	-	-	-	-	-	(6)	(6)
Transfers	-	-	-	23	281	-	-	304	(304)	-
	-	(189)	(189)	(117)	2,334	(932)	-	1,285	62	1,158
Movements in accumulated depreciation										
Depreciation and amortisation	-	-	-	(132)	(776)	(29)	(78)	(1,016)	-	(1,016)
Accumulated depreciation of disposals	-	-	-	43	160	-	-	203	-	203
Accumulated depreciation revaluation increments/	-	-	-	8,068	11,795	42	-	19,905	-	19,905
	-	-	-	7,979	11,178	13	(78)	19,093	-	19,093
At fair value 30 June 2018	1,883	8,088	9,971	17,211	41,502	537	1,578	60,828	128	70,927
Accumulated depreciation at 30 June 2018	-	-	-	(4,127)	(9,805)	(23)	(1,439)	(15,394)	-	(15,394)
	1,883	8,088	9,971	13,083	31,697	514	139	45,434	128	55,533

(b) Plant and Equipment

	Plant machinery and equipment \$'000	Fixtures fittings and furniture \$'000	Computers and telecomms \$'000	Other \$'000	Work In Progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2017	15,901	726	1,342	111	165	18,245
Accumulated depreciation at 1 July 2017	(6,926)	(392)	(1,160)	-	-	(8,479)
	8,975	333	182	111	165	9,766
Movements in fair value						
Additions	1,953	-	83	-	229	2,265
Disposal	(2,089)	-	-	-	-	(2,089)
Write-off	-	-	-	-	(35)	(35)
Transfers	4	-	109	-	(113)	-
	(132)	-	192	-	81	141
Movements in accumulated depreciation						
Depreciation and amortisation	(916)	(60)	(123)	-	-	(1,098)
Accumulated depreciation of disposals	1,454	-	-	-	-	1,454
	539	(60)	(123)	-	-	356
At fair value 30 June 2018	15,769	726	1,534	111	246	18,386
Accumulated depreciation at 30 June 2018	(6,387)	(452)	(1,283)	-	-	(8,123)
	9,381	274	251	111	246	10,263

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Parks open spaces and streetscapes	Kerb and Channel	Culverts and Retaining Walls	Waste Management	Other Infrastructure	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2017	336,458	58,275	16,392	36,817	2,326	2,810	33,828	21,492	-	71	1,160	509,626
Accumulated depreciation at 1 July 2017	(72,875)	(3,960)	(1,676)	(16,336)	(854)	(1,455)	(9,732)	(13,434)	-	(10)	-	(120,328)
	263,583	54,315	14,716	20,481	1,472	1,355	24,096	8,058	-	61	1,160	389,298
Movements in fair value												
Additions	4,824	-	22	29	-	-	218	46	2,187	-	5,902	13,228
Revaluation	-	-	-	-	-	-	4,721	-	-	-	-	4,721
Disposal	(246)	-	-	-	-	-	(161)	-	-	-	-	(407)
Transfers	1,619	-	153	-	-	-	-	-	-	-	(1,772)	-
	6,197	-	175	29	-	-	4,778	46	2,187	-	4,130	17,543
Movements in accumulated depreciation												
Depreciation and amortisation	(6,834)	(545)	(346)	(328)	(84)	(136)	(399)	(289)	(1,257)	(3)	-	(10,220)
Accumulated depreciation of disposals	137	-	-	-	-	-	119	-	-	-	-	256
Accumulated depreciation revaluation increments/	-	-	-	-	-	-	(2,058)	(289)	(1,257)	(3)	-	(2,058)
	(6,697)	(545)	(346)	(328)	(84)	(136)	(2,338)	(289)	(1,257)	(3)	-	(12,022)
At fair value 30 June 2018	342,655	58,275	16,567	36,846	2,326	2,810	38,607	21,538	2,187	71	5,290	527,172
Accumulated depreciation at 30 June 2018	(79,571)	(4,505)	(2,022)	(16,665)	(937)	(1,591)	(12,070)	(13,723)	(1,257)	(13)	-	(132,353)
	263,084	53,770	14,545	20,182	1,388	1,219	26,537	7,815	930	59	5,290	394,819

Acquisition

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

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

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

Land under roads

Council recognises land under roads it controls at fair value.

Depreciation and amortisation

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

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

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

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

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

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

Repairs and maintenance

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

Leasehold improvements

Leasehold improvements are recognised at cost and are amortised over the unexpired period of the lease or the estimated useful life of the improvement, whichever is the shorter.

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer Bruce Phillips (Assetic Pty Ltd). The valuation of buildings is based on Level 2 building condition data. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation.

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

Any significant movements in the unobservable inputs for land and land under roads will have a significant impact on the fair value of these assets. The date of the current valuation is detailed in the following table. A full revaluation of these assets was undertaken in 2017-2018.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2018 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
Specialised land under roads	-	-	1,883	Jun-18
Land	-	-	8,088	Jun-18
Heritage Buildings	-	-	17,211	Jun-18
Buildings - specialised	-	-	41,502	Jun-18
Leasehold Improvements	-	-	2,115	Jun-18
Total	-	-	70,799	

Valuation of infrastructure

Valuation of infrastructure assets has been determined in accordance with an independent valuation undertaken by Mr Ashay Prabhu CPEng of The date of the current valuation is detailed in the following table.

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 2018 are as follows:

	Level 1	Level2	Level 3	Date of Valuation
Roads	-	-	342,655	Jun-17
Bridges	-	-	58,275	Jun-17
Footpaths and cycleways	-	-	16,567	Jun-17
Drainage	-	-	36,846	Jun-14
Recreational, leisure and community facilities	-	-	2,326	Jun-14
Waste management	-	-	2,187	Jun-14
Parks, open space and streetscapes	-	-	2,810	Jun-14
Culverts and Retaining Walls	-	-	21,538	Jun-17
Kerb and Channel	-	-	38,607	Jun-18
Other infrastructure	-	-	71	Jun-14
Total	-	-	521,882	

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 of 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 and \$80 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.

	2018	2017
	\$'000	\$'000
Reconciliation of specialised land		
Land under roads	1,883	1,883
Total specialised land	1,883	1,883

	2018	2017
	\$'000	\$'000
5.2 Investments in associates, joint arrangements and subsidiaries		
(a) Investments in associates		
Investments in associates accounted for by the equity method are:		
Corangamite Library Corporation	265	260
Corangamite Regional Library Corporation		
<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 2018. Corangamite's share as at 30 June 2018 is 18.63% (2016-2017 18.5%)		
Fair value of Council's investment in Corangamite Regional Library Corporation	265	260
Council's share of accumulated surplus/(deficit)		
Council's share of accumulated surplus/(deficit) at start of year	199	166
Reported surplus/(deficit) for year	5	22
Council's share of accumulated surplus/(deficit) at end of year	204	188
Council's share of reserves		
Council's share of reserves at start of year	61	72
Transfers (to) from reserves	(6)	(11)
Council's share of reserves at end of year	55	61
Movement in carrying value of specific investment		
Carrying value of investment at start of year	260	237
Share of surplus/(deficit) for year	5	22
Carrying value of investment at end of year	265	260

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.

5.3 Fair Value Adjustments

(a) Landfill closure costs

Balance at beginning of financial year	-	5,379	-	5,005
Additions	-	-	-	79
Fair value adjustments	2,089	-	-	295
Balance at end of financial year	-	3,290	-	5,379

(a) Landfill airspace asset

Balance at beginning of financial year	-	-	-	-
Fair value adjustments	39	-	-	-
Balance at end of financial year	39	-	-	-

	2018	2017
	No.	No.
Note 6 People and relationships		
6.1 Council and key management remuneration		
(a) Related Parties		
<i>Parent entity</i>		
Corangamite Shire Council is the parent entity.		
<i>Subsidiaries and Associates</i>		
Interests in subsidiaries and associates are detailed in Note 5.3.		
(b) Key Management Personnel		
Details of persons holding the position of Councillor or other members of key management personnel at any time during the year are:		
Councillors		
Mayor Jo Beard (Mayor)		
Councillor Ruth Gstrein		
Councillor Neil Trotter		
Councillor Lesley Brown		
Councillor Helen Durant		
Councillor Simon Illingworth		
Councillor Beverley McArthur		
Total Number of Councillors	7	11
Chief Executive Officer and other Key Management Personnel		
Andrew Mason, Chief Executive Officer		
David Rae, Director Corporate and Community Services		
Ian Gibb, Director Sustainable Development		
Brooke Love, Director Works and Services		
Chief Executive Officer and other Key Management Personnel	4	4
Total Key Management Personnel	11	15
(c) Remuneration of Key Management Personnel		
	2018	2017
Total remuneration of key management personnel was as follows:	\$'000	\$'000
Short-term benefits	919	886
Post Employment Benefits	87	90
Long-term benefits	(9)	20
Total	997	996
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
\$1 - \$9,999	-	4
\$20,000 - \$29,999	1	5
\$30,000 - \$39,999	5	1
\$90,000 - \$99,999	-	1
\$100,000 - \$109,999	1	-
\$160,000 - \$169,999	1	1
\$170,000 - \$179,999	1	2
\$180,000 - \$189,999	1	-
\$240,000 - \$249,999	-	1
\$250,000 - \$259,999	1	-
	11	15

(d) Senior Officer Remuneration

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

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$145,000

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

Income Range:	2018 No.	2017 No.
<\$145,000	-	1
	-	1
Total Remuneration for the reporting year for Senior Officers included above, amounted to	-	121

6.2 Related party disclosure

(a) Transactions with related parties

During the period Council entered into the following transactions with related parties.

Cr Durant has a daughter who was an employee of Council and employed under Council's Enterprise Agreement for part of the 2017-2018 financial year.

(b) Outstanding balances with related parties

The following balances are outstanding at the end of the reporting period in relation to

Nil

(c) Loans to/from related parties

The aggregate amount of loans in existence at balance date that have been made, guaranteed or secured by the council to a related party as follows:

Nil

(d) Commitments to/from related parties

The aggregate amount of commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party are as follows:

Nil

Note 7 Managing uncertainties

7.1 Contingent assets and liabilities

(a) Contingent assets

Nil

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:

	2018	2017
	\$'000	\$'000
Not later than one year	145	142
Later than one year and not later than five years	508	524
Later than five years	4,161	4,085
	4,814	4,751

(b) Contingent liabilities

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Future superannuation contributions

In addition to the disclosed contributions, Corangamite Shire Council has paid unfunded liability payments to Vision Super totalling \$Nil (2016-2017 \$Nil) There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2018. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2019 are \$182,000

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.

(c) Guarantees for loans to other entities

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

The amount outstanding as at 30 June 2018 is \$Nil (2017 \$Nil)

Guarantee is in respect of a loan from the ANZ bank

Security Deposit Guarantee - National Australia Bank

This guarantee has been in place since 9 February 1996 for \$45,000

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

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.

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.

7.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2018 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Financial Instruments - Disclosures (AASB 7) (applies 2018/19)

This Standard requires entities to provide disclosures in their financial statements that enable users to evaluate: (a) the significance of financial instruments for the entity's financial position and performance; and (b) the nature and extent of risks arising from financial instruments to which the entity is exposed.

Financial Instruments (AASB 9) (applies 2018/19)

The key changes include the simplified requirements for the classification and measurement of financial assets, a new hedging accounting model and a revised impairment loss model to recognise impairment losses earlier, as opposed to the current approach that recognises impairment only when incurred.

Revenue from contracts with customers (AASB 15) (applies 2019/20 for LG sector)

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

Amendments to Australian Accounting Standards – Deferral of AASB 15 for Not-for-Profit Entities (AASB 2016-7) (applies 2019/20)

This Standard defers the mandatory effective date of AASB 15 for not-for-profit entities from 1 January 2018 to 1 January 2019.

Leases (AASB 16) (applies 2019/20)

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

Income of Not-for-Profit Entities (AASB 1058) (applies 2019/20)

This standard replaces AASB 1004 Contributions and establishes revenue recognition principles for transactions where the consideration to acquire an asset is significantly less than fair value to enable to not-for-profit entity to further its objectives.

7.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / 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 7.1(b).

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 7.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 4.4.

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

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts, and management's knowledge and experience of the financial markets, Council believes 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 2.5%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

7.4 Fair value measurement

Fair value hierarchy

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

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

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

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

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

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

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

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

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

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than plant and equipment, are measured at their fair value, being the 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. 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.

Impairment of assets

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

7.5 Events occurring after balance date

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

Note 8 Other matters

8.1 Reserves	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Share of increment (decrement) on revaluation of library books by Associate \$'000	Balance at end of reporting period \$'000
(a) Asset revaluation reserves				
2018				
Property				
Land & land improvements	6,223	(177)	-	6,046
Buildings	10,963	21,061	-	32,024
	17,186	20,884	-	38,070
Infrastructure				
Roads	146,853	-	-	146,853
Bridges	46,303	-	-	46,303
Footpaths and cycleways	14,788	-	-	14,788
Drainage	16,323	-	-	16,323
Kerb and channel	20,234	2,663	-	22,897
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	-	-	-	-
Bus shelters	1	-	-	1
Other infrastructure	-	-	-	-
	250,015	2,663	-	252,678
Total asset revaluation reserves	267,201	23,548	-	290,749
2017				
Property				
Land & land improvements	6,223	-	-	6,223
Buildings	10,963	-	-	10,963
	17,186	-	-	17,186
Infrastructure				
Roads	96,751	50,102	-	146,853
Bridges	34,910	11,393	-	46,303
Footpaths and cycleways	12,244	2,544	-	14,788
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	-	-	-	-
Bus shelters	1	-	-	1
Other infrastructure	-	-	-	-
	185,976	64,039	-	250,015
Total asset revaluation reserves	203,162	64,039	-	267,201

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

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
(b) Other reserves				
2018				
Resort and recreation reserve	62	5	-	67
Landfill rehabilitation reserve	293	-	-	293
Superannuation reserve	1,200	89	-	1,289
Infrastructure Reserve	1,000	48	(1,000)	48
Other reserves	172	186	(36)	323
Total Other reserves	2,727	328	(1,036)	2,020
2017				
Resort and recreation reserve	62	-	-	62
Landfill rehabilitation reserve	201	92	-	293
Superannuation reserve	800	400	-	1,200
Infrastructure Reserve	-	1,000	-	1,000
Other reserves	261	2	(91)	172
Total Other reserves	1,324	1,494	(91)	2,727

	2018	2017
8.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	\$'000	\$'000
Surplus/(deficit) for the year	7,614	5,310
Depreciation/amortisation	12,329	10,324
Profit/(loss) on disposal of property, infrastructure, plant and equipment	116	1,010
Borrowing costs in finance activities	104	141
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	48	(838)
(Increase)/decrease in other assets	(101)	791
Increase/(decrease) in trade and other payables	971	102
Increase/(decrease) in trust fund and deposits	32	(119)
(Increase)/decrease in inventories	4	(16)
Increase/(Decrease) in provisions	(2,128)	445
(Increase)/Decrease in Library Corporation	(5)	(22)
Net cash provided by/(used in) operating activities	18,985	17,128

8.3 Superannuation

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

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2018, this was 9.5% as required under Superannuation Guarantee legislation).

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under 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 2017, a full triennial actuarial investigation was completed. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 103.1%. To determine the VBI, the Fund Actuary used the following long-term assumptions:

Net investment returns 6.5% pa
Salary information 3.5% pa
Price inflation (CPI) 2.5% pa.

Vision Super has advised that the estimated VBI at 30 June 2018 was 106%.

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2017 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2017 triennial actuarial investigation conducted by the Fund Actuary, Corangamite Shire Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2018, this rate was 9.5% of members' salaries (9.5% in 2016-2017). This rate will increase in line with any increases in the SG contribution rate. In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

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

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

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

2017 triennial actuarial investigation surplus amounts

The Fund's triennial investigation as at 30 June 2017 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$69.8 million
- A total service liability surplus of \$193.5 million.
- A discounted accrued benefits surplus of \$228.8 million.

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2017.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2017.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2017.

Corangamite Shire Council was notified of the 30 June 2017 VBI during August 2017

2018 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2018 as the fund provides lifetime pensions in the Defined Benefit category. It is anticipated that the actuarial investigation will be completed by October 2018.



**CORANGAMITE
SHIRE**

Corangamite Shire Council

Civic Centre, 181 Manifold Street, Camperdown VIC 3260

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

www.corangamite.vic.gov.au



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