



GREATER SHEPPARTON CITY COUNCIL ANNUAL REPORT 2015/2016

COUNCIL PLAN IN ACTION



GREATER
SHEPPARTON



TRADITIONAL OWNERS

We, Greater Shepparton City Council, acknowledge the traditional owners of the land which now comprises Greater Shepparton.

We pay respect to their tribal elders, we celebrate their continuing culture and we acknowledge the memory of their ancestors.

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Includes what we have undertaken to achieve economic, social and environmental outcomes, and the capital works we have completed over the last financial year.

Part Three - Governance Report **72**

Presents the corporate governance and statutory information.

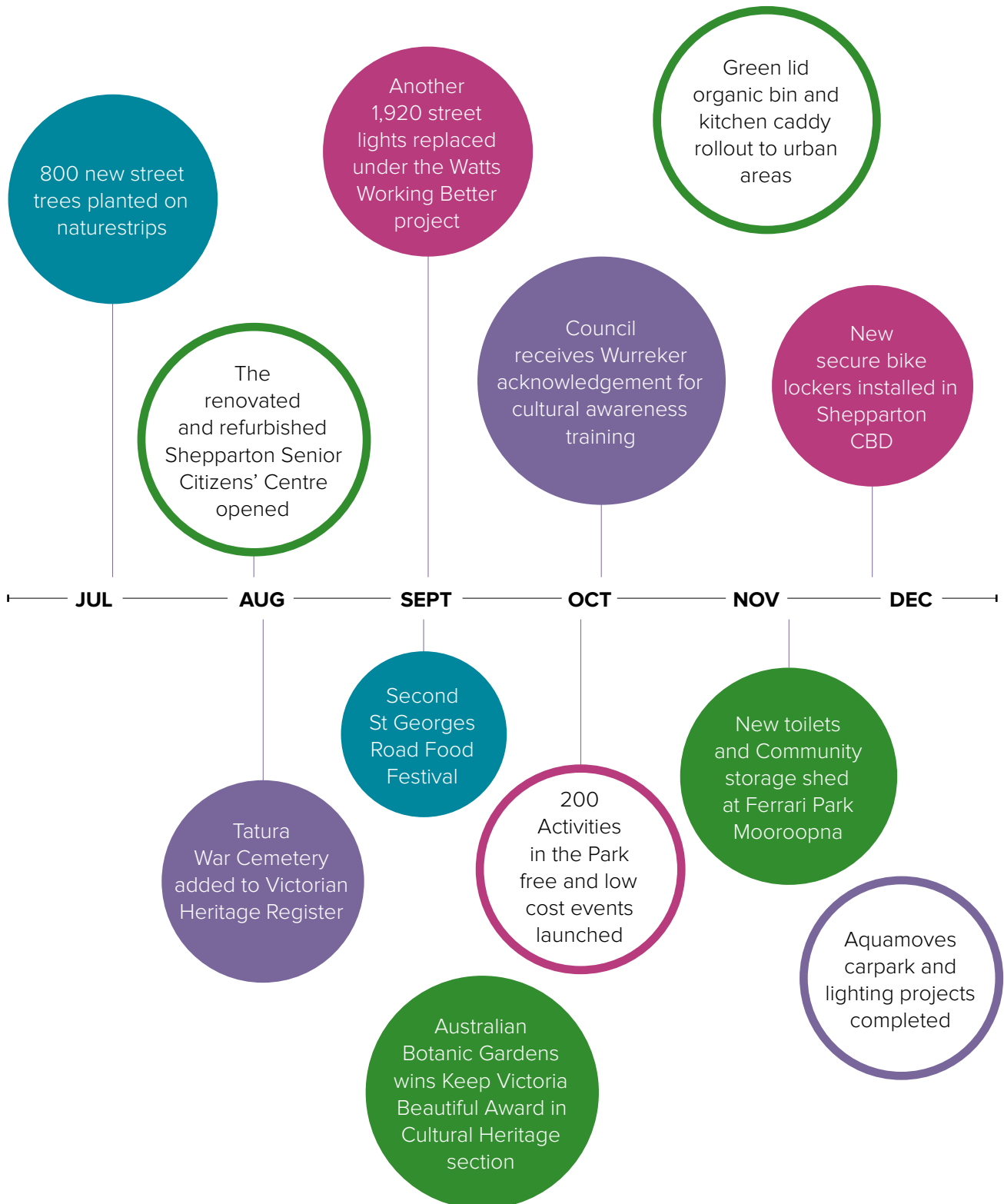
Part Four - Financial Report **80**

Presents the audited performance and financial statements detailing our financial performance over the last financial year.

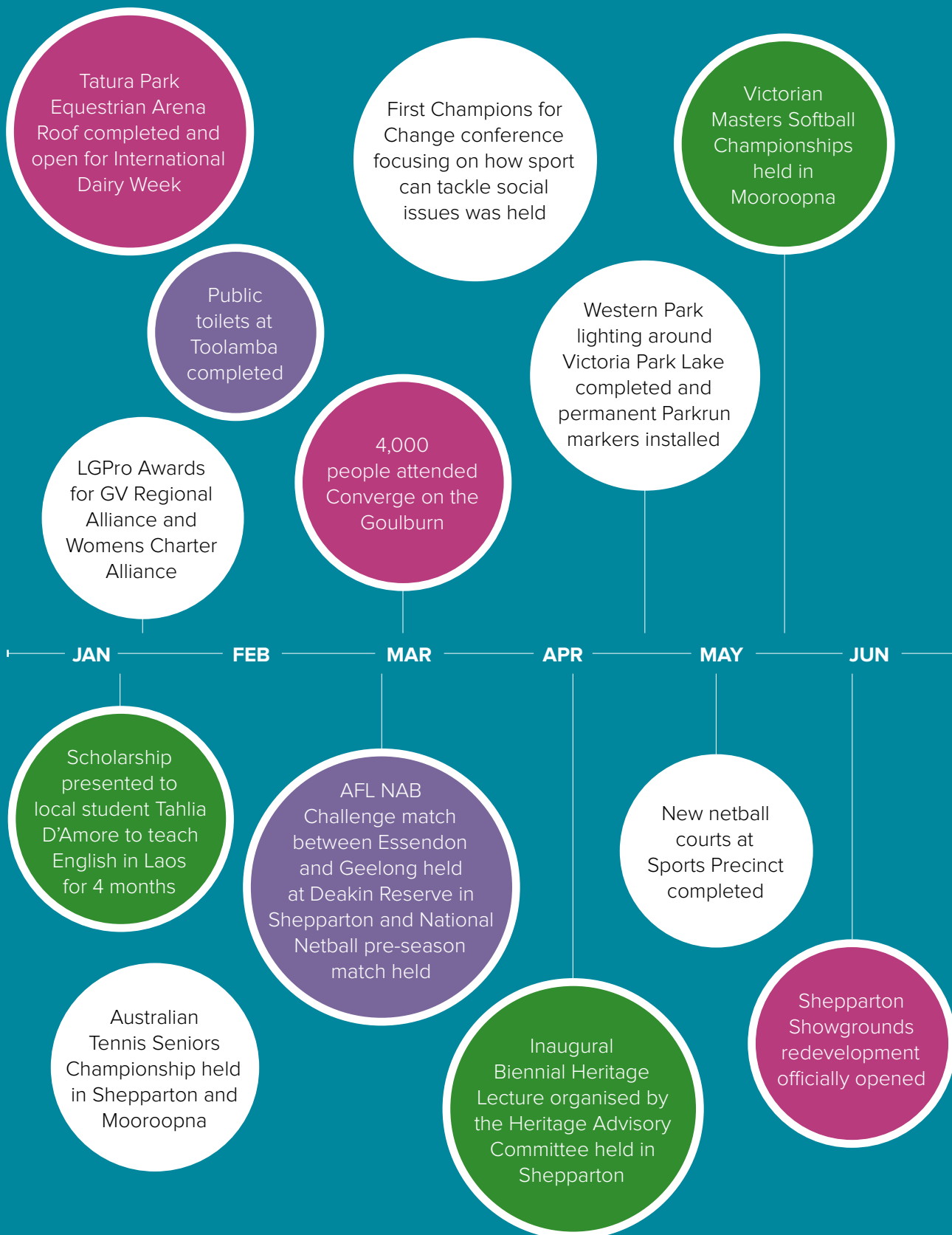
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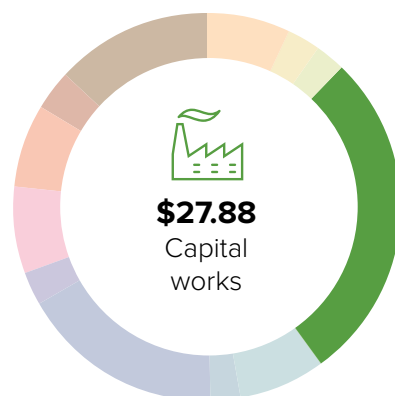
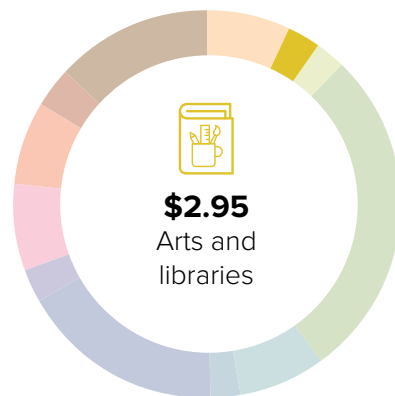
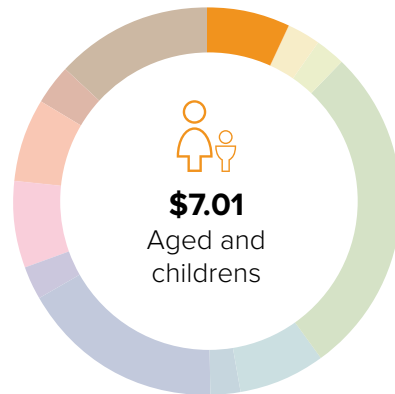


HIGHLIGHTS FROM 2016



WHERE YOUR RATES WERE SPENT IN 2015/2016

For every \$100 of rates income, you are helping fund your local community in these ways





WELCOME



Welcome to the 2015-2016 Annual Report for Greater Shepparton City Council. This report provides a comprehensive account of Council's achievements, challenges and aspirations for the future.

The *Victorian Local Government Act (1989)* requires all Councils to present an Annual Report to the Minister by 30 September each year.

The report details our performance against our commitments as set out in the Council Plan 2013–2017 and provides an analysis of our financial performance. This report also demonstrates the breadth of our operations and the diversity of services delivered on a daily basis to the Greater Shepparton community.

The Annual Report is also an opportunity to acknowledge all the great things that have been happening across the municipality and note the challenges that have marked the year.

We hope you enjoy reading about the 2015 – 2016 year and we thank our community for their continued support and direction.

How the Annual Report Integrates with our Planning, Reviewing and Reporting

The diagram below details how planning, measurement and reporting are undertaken at Council.



The **Council Plan**, developed in consultation with our community, details the vision, goals and strategies to guide Council's actions and work over a four year period.

The **Strategic Resource Plan** describes how key actions and strategies will be resourced over the four years, while the **Annual Budget** sets out funding for projects and services to be undertaken over 12 months.

Departmental business plans provide the road map as to how services and projects will be delivered and sets out key performance indicators to be achieved.

The **Annual Report** describes progress in achieving the overall goals of the Council Plan and reports the results at the end of each financial year.

How to Read this Report

This Report is designed to serve both the needs of our community in informing them of what we've been doing, how we've followed through on the Council Plan and how we performed over the past 12 months, as well as to meet legislative requirements.

The report presents the information that our community might find most interesting at the start of the report, with information that is more detailed and specific such as the financial report, contained towards the back of the document.

The report is divided into:

Part One - Overview

Find out all about Greater Shepparton and your Council.

Part Two - Performance Report

Details how we have set about achieving the goals of the Council Plan.

Includes what we have undertaken to achieve economic, social and environmental outcomes, and the capital works we have completed over the last financial year.

Part Three - Governance Report

Presents the corporate governance and statutory information.

Part Four - Financial Report

Presents the audited performance and financial statements detailing our financial performance over the last financial year. A quick and easy to read summary of the finances is provided to make the finances easy to understand and transparent.

Giving Feedback

We are really eager to hear any thoughts or ideas regarding the Annual Report. If there is information that you think needs to be included or any ideas of how we can improve the report please let us know - communications@shepparton.vic.gov.au



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Our Vision

Greater Shepparton, Greater Future, a thriving economy in the foodbowl of Victoria with excellent lifestyles, innovative agriculture, a diverse community and abundant opportunities.

Our Values

Respect first, always
Take ownership
Courageously lead
Working together
Continually innovate
Start the celebration



PART ONE: OVERVIEW

About Greater Shepparton

Greater Shepparton is a vibrant, diverse community located approximately two hours north of Melbourne in the heart of the Goulburn Valley, the foodbowl of Australia.

Our central location is a major advantage and has seen our urban centre emerge as the retail, industry and services hub for central Victoria. Located at the intersection of the Midland and Goulburn Valley Highways Greater Shepparton provides straightforward access to Adelaide, Sydney, Brisbane and Melbourne.

Along with our location, Greater Shepparton's critical mass of population and significant infrastructure provides the base of many key competitive advantages:

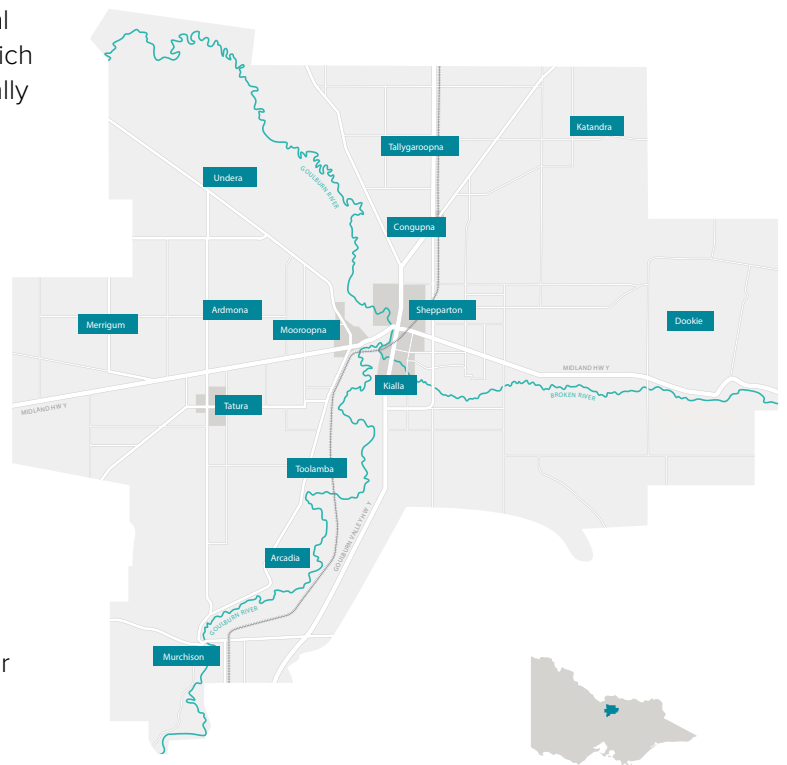
- An established manufacturing sector, with multinational companies such as SPC, Tatura Milk, Campbell's, Pactum Dairy, Pental Soaps and Unilever calling Greater Shepparton home
- Extensive road transport industry with Shepparton often being referred to as the transport hub of regional Victoria
- Thriving food production industry where 25 per cent of the total value of Victoria's agricultural production occurs in Greater Shepparton which contributes \$900 million in production annually and \$1.53 billion in exports
- Affordable residential and commercial real estate
- Access to a high standard of telecommunications and IT infrastructure
- Excellent health, leisure and arts facilities
- Excellent range of health services
- Education facilities that encourage career advancement, trade qualifications and meet ongoing cultural demand
- Recognition as a regional sporting capital, hosting many regional, state, national and international major sporting events
- The mild climate and high level of activity coupled with a diverse culture makes Greater Shepparton an exciting place to be.

Our Location

The Goulburn River forms the backbone and lifeblood of the region, winding its way through beautiful countryside, native forests and fertile farmlands, bringing life to the rich agricultural landscape which has made the area renowned as Australia's Food Bowl. This vibrant and dynamic region is the heart and soul of Australia's fruit and dairy processing.

Greater Shepparton is the fifth largest regional centre in Victoria extending over 2,421 kilometres.

Our city's population is almost evenly split between the main urban centres of Shepparton, Mooroopna and Tatura (53 per cent) and with the remaining 47 per cent of the population residing in the surrounding rural areas, including the smaller townships of Murchison, Dookie, Merrigum, Congupna, Toolamba, Undera, Katandra and Tallygaroopna. This split reflects the wide range of lifestyle choices available across the municipality, from small urban blocks close to high quality amenities, through to large working orchards and farms.



Our People

A well connected community, we are inspired to lead, unite and energise the community to create a brighter future.

As a growing regional centre with a vibrant cultural mix of people, our community comprises 65,249 residents living within 60+ localities. However Shepparton does service a much larger population of approximately 250,000 people as it is the main service centre in northern Victoria.

Greater Shepparton enjoys a young demographic with growing families, with 2011 census data showing the proportion of couples with children nearly three per cent above the regional Victorian average, at 29.7 per cent.

The overall population is forecast to grow from 65,249 in 2016 to 77,974 by 2031. Our community understands that an expanding population will increase demand for services and infrastructure - particularly those that provide for our health and wellbeing. The challenge for all levels of government is to provide essential services and infrastructure in a timely manner.

At the same time we need to be creative and broaden the economy by attracting investment and generating jobs in sectors that complement our lifestyle and environment.

Socially we connect through friendships, gatherings, events and celebrations. Local strengths include high levels of citizen participation, embracing a strong volunteering ethos, participation in community events, the arts and organised sport, with a high level of community ownership and pride. Greater Shepparton delivers a wealth of community leaders, where the community is committed to seeking local solutions to local issues. Like most Victorian regions, people in Greater Shepparton are highly engaged in their community, with nearly one in five involved in volunteer work.

The community are also active in engaging with their local issues, responding well to local government community consultations, and participating in large numbers in local politics, with 26 candidates at the last election.

Our Diversity

Greater Shepparton enjoys its position as one of the most culturally diverse regional cities in Australia continuing to provide people with vibrant opportunities.

Our point of difference and strength is the diversity of our people. We celebrate our strong aboriginal culture and we represent different countries around the world, bringing with us many languages, faiths and cultures. We live together in harmony, respecting the past and each other's identity.

It's our diversity that brings Greater Shepparton to life. Greater Shepparton has a significant Aboriginal population with a strong history of advocacy and leadership both nationally and internationally. The city's Aboriginal population is represented in the census as the largest in regional Victoria, with an estimated 3.5 per cent of residents having Aboriginal or Torres Strait Islander heritage. However anecdotally it is believed to be three times higher. Our Aboriginal residents represent many tribes including the local tribes of Yorta Yorta, Bangerang, Kalitheban, Wollithiga, Moira, Ulupna, Kwat Kwat, Yalaba Yalaba and Nguaria-iiliam-wurrung.

Our community is culturally rich with a large proportion of the population born overseas (13.1 per cent), with many residents immigrating from India, Afghanistan, Sudan, Italy, Iraq, Turkey, New Zealand and the Philippines. Italian, Arabic, Persian/Dari, Turkish, Albanian, Punjabi, Greek, Macedonian, Mandarin and Filipino/Tagalog are the most commonly spoken languages other than English. During the 2015/16 year 202 people received citizenship.



Our Liveability

Greater Shepparton provides an enviable, well-rounded lifestyle that is hard to beat.

Greater Shepparton is a vibrant and progressive community that offers the best of both provincial and metropolitan lifestyles. With its central location being a major strength, Greater Shepparton is the ideal regional location in which to live, work, invest and visit.



The municipality offers affordable real estate; business opportunities and diversified farming practices and residents enjoy a wide range of entertainment and leisure options, including many coffee shops and restaurants.

Scenic open places, shared pathways and our river system add to our environment, and encourage social connection and improved lifestyle behaviours.

Food malls, with an abundance of cafes and restaurants provide plenty of choice. Greater Shepparton's history of migration has evolved our large selection of local cuisine, whether it's Turkish, Japanese, Indian, Thai, Lebanese, Mexican, Chinese, Italian or a bistro meal, you can find it all in Shepparton's Central Business District (CBD), shopping centres and surrounding townships.

Local wineries and ample farm-gate suppliers provide an added gourmet touch to celebrate and promote the region's repertoire.

Greater Shepparton is a retail hotspot for regional Victoria, constantly attracting new brands, and there is an abundance of events and leisure activities available to the community.

Our Culture

As the vibrant heart of one of Victoria's most diversified tourist destinations, there is always something new to discover in and around Greater Shepparton.

Greater Shepparton has continued to develop a very strong sense of self, and that confidence is reflected in its commitment to art and culture.

The arts scene is thriving with regular traveling performances exhibitions and artists visiting the region. Riverlinks programs touring and community performances in the Eastbank and Westside Performing Arts Centres and into smaller towns.

Shepparton is home to many cultural experiences including the Bangerang Cultural Centre, Gallery Kaiela, The Flats, Rumbalara Aboriginal Co-operative, Albanian Mosque, Turkish Cultural Centre and the Mosque and Sikh Temple.



The Shepparton Art Museum (SAM) houses a fine collection of colonial and contemporary paintings plus one of Australia's leading ceramics collections and regularly hosts significant and acclaimed exhibitions. Greater Shepparton's Moooving Art and elevated flying sculptures brighten streets and major buildings.

The SheppARTon Festival has gained recognition for culture and artistic experiences with people coming from far and wide to participate in the many activities on offer.

Our Economy

Located in the heart of Victoria's Goulburn Valley, our central location, extensive infrastructure, entrepreneurial community spirit, quality fresh food, and manufacturing excellence, all combine to provide an ideal environment and climate to grow and thrive.

The region has a strong and well developed economy, based primarily on irrigated agriculture, food processing, retail and road transport. The Goulburn Valley is responsible for about 25 per cent of Victoria's agricultural production and is often referred to as the "Food Bowl of Australia".



Local entrepreneurs and small businesses are the backbone of our communities equating to 32.2 per cent of the business sector. We will continue to support them to prosper and grow, thus retaining local knowledge, building skills and employment in the region.

Tourism and events represents another important sector for Greater Shepparton. In 2014/2015 there were approximately 220 events supported in Greater Shepparton generating a total economic impact of \$44.5m and supporting 291 local jobs.

In terms of employment, people within Greater Shepparton are primarily employed in the following sectors:

- Health Care and Social Assistance (3,775 people or 14.2 per cent)
- Retail Trade (3,381 people or 12.7 per cent)
- Manufacturing (3,311 people or 12.4 per cent)

In combination these three industries employed 10,467 people in total or 39.3 per cent of the employed resident population. The unemployment rate for Greater Shepparton is slightly above the state average and is currently at 6.28 per cent.

Our Education

Greater Shepparton sustains strong, diverse and sustainable business, health and education sectors.

Greater Shepparton has a range of educational facilities including 15 long day care facilities, 27 kindergartens, 26 primary schools, six secondary colleges (including Catholic and Grammar schools) and three tertiary institutions. Several smaller country schools are located just outside of Shepparton (five to 15 minutes' drive). In addition to excellent public schools, private and Catholic education is also available.

Compared to regional Victoria, there is a lower proportion of people holding formal qualifications (Bachelor or higher degree; Advanced Diploma or Diploma; or vocational qualifications), and a higher proportion of people with no formal qualifications residing in Greater Shepparton. Overall, 35.4 per cent of the Greater Shepparton population aged 15 and over hold educational qualifications, while 52.5 per cent of the local population have no formal qualifications.

Overall, 39.2 per cent of the population left school at Year 10 or below, while 32.9 per cent have gone on to complete Year 12 or equivalent, compared with 38.5 per cent and 35.6 per cent respectively for regional Victoria.

Our Health

The *Public Health and Wellbeing Act 2008* requires Councils to prepare a Municipal Public Health and Wellbeing Plan within 12 months of each general election of the Council.

Greater Shepparton City Council under the *Local Government Act 1989* partners with community and agencies undertaking public health initiatives in an effort to prevent disease, illness, injury, disability and premature death.

The Greater Shepparton Health Status Report was developed in 2012, which details a thorough examination of local demographics, health and wellbeing indicators, health trends, identification of future needs

and considerations of what makes Greater Shepparton unique. The Status Report will guide future health and wellbeing planning and has considered individual's access to the social determinants of health.



Council in partnership with the Greater Shepparton Health and Wellbeing Advisory Committee have developed a detailed 12 month Local Municipal Public Health and Wellbeing Action Plan. The Action Plan details initiatives that are both measurable and achievable while considering local evidence, health gaps and future needs to maximise health outcomes. The purpose of the Advisory Committee is to guide strategic direction for health and wellbeing matters for Greater Shepparton in partnership, support the delivery of projects and initiatives to encourage health prevention strategies and identify emerging health and wellbeing issues.

Our community has access to quality health and medical facilities which offer a comprehensive range of services. These include two hospitals, retirement accommodation and nursing home facilities. The city offers specialist and diagnostic services, oncology, family counselling and youth services to meet increasing demand.

Shepparton is home to the University of Melbourne's Faculty of Medicine, Dentistry and Health Sciences and the Shepparton Medical Clinic. The Clinical School provides clinical rotations and education for the final three years of the Doctor of Medicine degree.

Our Environment

Our beautiful natural environment is a product of our fertile land, abundance of water and number of sunny days.

Council strongly supports the location of a large scale solar power plant in Shepparton and has undertaken extensive research and analysis to establish capacity to host such a facility. The Greater Shepparton region has a demonstrated affinity with the advancement of solar energy and is committed to providing developers with the assistance required to identify a preferred site.

The Resource Recovery Precinct accommodates a range of commercial businesses that locally process liquid and solid wastes, converting them to valuable recycled products.



Environmental sustainability is important to the Greater Shepparton community as demonstrated by a number of initiatives such as RiverConnect, the Crouching Emu Revegetation Project, Dookie Biolinks Project and the creation of the Goulburn Broken Greenhouse Alliance.

Our Organisation

Council's main responsibilities are to set the overall directions and goals for the municipality and then monitor their implementation and success. The tools for setting these directions and goals are the major strategic plans.

These include the Council Plan, the Strategic Resources Plan, the Municipal Strategic Statement and the Municipal Public Health Plan. The most important of these are the Council Plan and the Strategic Resource Plan. Both of these plans are four-year plans which set the objectives and strategies of our Council and calculate how these may be resourced.

Greater Shepparton City Council is governed by seven elected Councillors, and operates in accordance with the *Local Government Act 1989*. As a local government authority, Greater Shepparton City Council exercises a wide range of government functions and powers for the "peace, order and good government" of our municipality.

Greater Shepparton City Council is one of the largest regional Councils in Victoria and we strive to achieve our community's vision of a "Greater Shepparton".

As a local government we protect and strengthen Greater Shepparton's economic prosperity and the health, wellbeing and safety of our residents. We endeavour to plan and build a connected regional community which is safe, easy to navigate and provides a healthy and prosperous lifestyle, now and into the future. Our purpose is to deliver services, implement strategic initiatives and develop policies and plans that are in the best interest of our community.

We are committed to making a difference in our community and creating a Greater Shepparton that provides access to world class educational and employment opportunities and health and wellbeing facilities.



Our Services

Greater Shepparton City Council delivers in excess of 120 services for our community.

For families

- Best Start
- Child care
- Children's services
- Family Day Care
- Fun groups and play groups
- Immunisation
- KidsTown
- Kindergartens
- Maternal and Child Health
- Word and Mouth
- Youth Development

For older people and those with disabilities

- Aged and disability services
- Senior citizens centres
- Social support services

For business

- Building and planning permits
- Building services
- Business Centre
- Business and industry development
- Education and training
- Food safety regulation programs
- Investment Attraction
- Parking permits and enforcement
- Shepparton Show Me
- Tourism
- Trading permits

For the community

- Active Living programs
- Actively engage our local indigenous community
- Actively engage our newly arrivals, migrants and refugees
- Advocate for the needs of our community with the state and federal governments

- Aquamoves
- Building and planning permits
- Collection and management of waste
- Community kitchens
- Creating and maintaining recreation and parks and gardens
- Creating, maintaining and improving sporting facilities
- Enforce local laws
- Environmental education
- Environmental services
- Events and community festivals and activities
- Graffiti removal and prevention
- Host citizenship ceremonies
- Libraries
- Maintaining of parks, play equipment and community facilities
- Manage facilities such as Tatura Park, Sports Stadium, Shepparton Showgrounds and Eastbank
- Manage road and footpath maintenance
- Night Rider Bus
- Outdoor pools
- Parking permits
- Pet registrations
- Provision of funding and grants for community facilities, sport, art, community, youth, and community based events and regional towns
- Raise awareness of gender equity and family violence
- Riverlinks
- School crossing supervisors
- Shepparton Art Museum (SAM)
- Street lighting and signage
- Streetscaping
- Undertake strategic planning to ensure that Greater Shepparton has a sustainable and prosperous future
- Work with our regional towns in planning their future

Message from the Mayor

Whilst the Annual Report is a statutory requirement it actually fulfils an important role in showcasing our successes and activities to our community as well as the Victorian government.

The Annual Report is a great way to review what we have achieved as a Council and where we might go in the future.

I have thoroughly enjoyed my time as Mayor serving the community during 2015/2016, with my team of fellow Councillors who have been committed to making the right decisions for a better municipality even if we don't always agree with each other all the time. The sign of democracy is being free to make decisions and stand by those decisions and I believe as Councillors we have all done this.

During the year I have attended many Council meetings, consultations and community events and the input from our residents is welcomed, valued and as much as possible incorporated into future planning for our community. Thank you to everyone that has been in touch as without our community providing feedback and comments we would perhaps not be meeting community needs.

This Annual Report marks the third year of the implementation of the 2013-2017 Council Plan. It has been interesting and exciting to see the growth and progression of Greater Shepparton as a result of activities summarised in the Council Plan.

There have been lots of achievements during the 2015-2016 financial year that have connected Council more strongly with our community, enhanced our environment and infrastructure and consolidated our financial position. We have become a more effective and more highly performing Council as a result.

Council continues to push both State and Federal governments to fund major infrastructure projects and have achieved great success with the announcement of funding for a new Shepparton Art Museum from the State Government. We have also received funding from governments for our Sports Precinct, to upgrade Aquamoves and its carpark, the Shepparton Showgrounds, Tatura Park and many smaller projects. Without this injection of capital funds from the government many valued and necessary projects would not reach fruition.

This year we completed more small town community plans, giving residents of these vibrant and connected communities an opportunity to make changes to their towns. Small towns are important to our economy and provide for the wellbeing of their citizens who are involved in sport, community events and other local activities. Community plans for our small towns are updated regularly to ensure the residents have a say in how their town develops.

I am pleased to report that 202 people became new citizens in our municipality in 2015-2016. It is clear our community continues to be a welcoming place for people from many countries as it has always been in the past. Hopefully we can continue to be a showcase for harmonious resettlement and continue to lead the way for Australia.

In addition to our local focus Council is committed to supporting industry and business and growth for our municipality for long term sustainability including supporting export opportunities and attracting major international, national and state tourism and event activities to our region.

I am very positive about the future of Greater Shepparton and I look forward to continuing my service as a Councillor with Greater Shepparton City Council well into the future.

**Cr Dinny Adem, Mayor
July 2016**

Message from the CEO

I commenced in the role of CEO in January of 2016 having spent the previous three years as CEO of the Wattle Range Shire Council in South Australia. Prior to this I had 12 years of experience as Director and Acting CEO at Greater Shepparton City Council. So whilst some of the projects and services being delivered in 2015-16 are new to me, many are familiar.



In undertaking the role it is my aim that GSCC aspires to be a values based organisation that has individuals who wish to be accountable for the work we do and who also want to work as a team to produce efficient and sustainable results for the community we work for.

From my perspective in the last six months Council has undertaken key initiatives aligned with the Council Plan that has resulted in significant outcomes for our community. These initiatives include working towards a new SAM (Shepparton Art Museum), significant progress with the Shepparton Sports Precinct, refurbishment of the Shepparton Senior Citizens Centre, lighting up of the Victoria Park Lake and the introduction of the green lid organic bin program.

While our core focus has been the 120+ services we delivery for the municipality we have also been busy lobbying the state and federal governments for support and financial commitment for a suite of transformational projects that will position Shepparton as a key regional city. This has also included working diligently to gain security of our water, which is pivotal to our irrigated agriculture, the backbone of our economy.

Greater Shepparton continues to grow as a regional centre and announcements such as the \$168.5 million state government commitment for the redevelopment of GV Health and financial commitment from both the state and federal governments for the new SAM can only assist in securing the range of services expected in a growing regional centre.

Having an interest in our changing climate and the impact our human footprint has on it, it was encouraging to see that 4,000 indigenous trees and shrubs were planted by community groups and schools as part of National Tree Day activities and a further 1,947 street lights were changed to more efficient lighting now totalling 3,840 that will reduce greenhouse emissions and reduce costs.

I am also pleased to say that GSCC completed 92 per cent of its capital works budget during the 2015-16 financial year, and as we are in the final year of the 2013-2017 Council Plan steady progress has been made in the achievement of actions and priorities identified by our community.

I take this opportunity to thank all staff who have assisted in delivering projects and services this year and look forward to continuing this good work into the future. Thank you also to the Councillors for their contributions and direction in overseeing what has been a very busy year.



**Peter Harriott, Chief Executive Officer
July 2016**



Our Councillors

Greater Shepparton City Council comprises seven democratically elected Councillors who represent our community. As the locally elected representatives they advocate on behalf of residents and undertake key tasks such as approving the Council plan and Council budget.

They have a responsibility, as stewards of community resources, to manage the city's assets, provide a wide range of services and facilities and ensure finances are allocated in the best interests of the whole community.

The Councillors set the Council's direction by making decisions on key issues and policies that affect people's lives and community prosperity. Council is also responsible for making statutory decisions, adopting policy, advocacy and the appointment of the Chief Executive Officer. Councillors work closely with the Chief Executive Officer to make important decisions and determine service priorities. The Chief Executive Officer then delegates tasks to members of his administration to be actioned.

Councillors are bound by their Code of Conduct under the provision of the *Local Government Act 1989*. The code outlines legislative requirements and expectations of Councillors when representing their Council and in their dealings with the community, Council staff and each other.

The Mayor is elected by at least a majority vote, where the position becomes the leader of all the Councillors whether they supported an individual or not. What this means is that the Mayor has responsibilities towards, and is accountable to, all Councillors.

The Mayor is the ceremonial head, chairs Council meetings and is Greater Shepparton's representative at civic, business and governmental meetings and events.

COUNCILLORS

Cr Dinny Adem	Cr Fern Summer	Cr Les Oroszvary	Cr Chris Hazelman	Cr Jenny Houlihan	Cr Kevin Ryan	Cr Dennis Patterson
Mayor Nov 2015 - Current	Deputy Mayor First elected 2012	First elected 2012	First elected 1997	First elected 2005	First elected 2000	First elected 2012
First elected June 2014						

Our Directors

The Greater Shepparton City Council is led by the Chief Executive Officer (CEO) with the support of the Executive Leadership Team which comprises four Directors. The CEO and the Directors meet weekly to plan, co-ordinate and monitor the progress of Council's goals and strategic direction, financial management and statutory responsibilities. The team operate in accordance with the organisational values and the organisation's governance principles.

Chief Executive Officer, 2016
Peter Harriott

Director Infrastructure
Steve Bowmaker

Director Community
Kaye Thomson

Director Corporate Services & Acting CEO, 2015
Chris Teitzel

Director Sustainable Development
Johann Rajaratnam



Chief Executive Officer

Peter Harriott

Bachelor of Civil Engineering
Masters of Business Administration
Building Surveyor Certificate
Engineer for Water Supply
Certificate
Municipal Engineers
Certificate

Peter has worked mostly throughout Victoria in local government over the past 30 years, most recently for three years in the picturesque Limestone Coast of South Australia.



Peter has an interest in our changing climate and the impact our human footprint has on it. He believes action is required to ensure a sustainable future for our way of life and economic growth. He also places importance on culture and the arts as well as the traditional roles of local government.

As the Chief Executive Officer Peter is responsible for:

- Assisting the Council in the update and implementation of long-term strategic directions in operational terms.
- Providing leadership and authoritative advice to the Council and Committees on the strategic directions, policies and review mechanisms for Council.
- Promoting and representing the Council to governments and government authorities in order to gain support and investment to achieve Council goals and best outcomes for Greater Shepparton.
- Leading and developing the Council to ensure that it maintains its status as a high functioning organisation and that its functions are benchmarked against best national and international practice.

Director Corporate Services

Chris Teitzel

Bachelor of Business
Graduate Certificate – Management
Associate Member – CPA Australia

Chris came to Shepparton from North Lakes in Queensland with a wealth of knowledge and experience in local government.

Chris is a strategic, community focused individual with exceptional corporate, governance and operation planning skills. Chris has held many senior roles including CEO, Director Community and Environmental Services, Director Corporate Services and Manager Finance as well a position of Commercial Manager in the private sector.



As the Director Corporate Services, Chris is responsible for:

- Finance and Rates
 - › Financial Accounting
 - › Rates and Valuations
 - › Revenue
- Information Services
 - › E-services
 - › Information Technology
 - › Information Management
- Regulatory Services
 - › Animal Management
 - › Citizen Services
 - › Local Laws
 - › Parking Enforcement
- Marketing and Communications
- People and Development
- Corporate Governance

Director Sustainable Development

Johann Rajaratnam

*Bachelor of Science
Master of Social Science (Environment and Planning)*

Johann is responsible for the Investment Attraction, Statutory and Strategic Planning, Environmental Planning and Building portfolios at Greater Shepparton City Council. Johann's background includes strategic planning, environmental planning, government liaison and corporate planning experience. His work history is primarily in local government with a wide range of local government experience ranging from small coastal communities, growth area Councils, inner city metro Councils, and rural Councils.



As the Director Sustainable Development Johann is responsible for:

- Building Services
 - › Building Approvals
 - › Building Enforcement
- Environment
 - › Environmental Health
 - › Immunisation
 - › RiverConnect
 - › Sustainability and Development
- Investment Attraction
 - › Business Centre
 - › Business and Industry Development
 - › Business and Industry Promotion
 - › Events and Tourism
 - › Grants Facilitation and Co-ordination
- Planning
 - › Statutory Planning
 - › Strategic Planning

Director Community

Kaye Thomson

*Graduate Diploma from the Australian Institute of Company Directors
Bachelor of Applied Science/Community Health
General Nurse, Midwife,
Maternal and Child
Health Nurse*

Kaye Thomson commenced her role as the Director Community with Greater Shepparton City Council in November 2012.



Kaye has over 30 years of experience in the health and local government sectors. Prior to Greater Shepparton City Council, Kaye was with the neighbouring Moira Shire Council as Director Community Sustainability and other various roles over a 17 year period. Her passion is community engagement and capacity building, to ensure communities are involved in shaping their future. Kaye is committed to quality service delivery.

As the Director Community Kaye is responsible for:

- Active Living
 - › Aquamoves
 - › Aquatic Program
 - › KidsTown
 - › Physical Activity Programs
 - › Stadiums
- Children and Youth Services
 - › Early Childhood Education and Care services
 - › Maternal and Child Health Services
 - › Youth Development
 - › Word and Mouth

- Neighbourhoods
 - › Aged Services
 - › Community Engagement
 - › Community Planning
 - › Community Safety
 - › Community Strengthening
 - › Multicultural and Aboriginal Relations
 - › Social Planning
- Riverlinks
- Shepparton Art Museum (SAM)
- Libraries
- Emergency Management

Director Infrastructure

Steve Bowmaker

Bachelor of Economics

Institute of Chartered Accountants in Australia

Steve has diverse experience in chartered accounting, consulting, health, finance, information technology and project management and was a founding member of the Greater Shepparton City Council Audit and Risk Management Committee.



Steve joined the Executive Team in 2012 and has a focus on delivering value for the community through best practice in the management and maintenance of our infrastructure assets and through the implementation of best practice asset management and project management processes across Greater Shepparton.

As the Director Infrastructure, Steve is responsible for:

- Projects
 - › Capital Works Planning
 - › Design Services
 - › Development Engineering
 - › Project Management Office
- Parks, Sport and Recreation
 - › Park Construction
 - › Parks and Parks Furniture Maintenance
 - › Public Open Space
 - › Sports Facility Development and Maintenance
 - › Recreational Planning
 - › Showgrounds
 - › Management of Shepparton's Urban Forest and rural trees
- Strategic Assets
 - › Asset Management Planning
 - › Fleet and Stores
 - › Building Maintenance
 - › Property Services
 - › Saleyards
 - › Victoria Park Caravan Park
 - › Asset Condition Surveys
 - › Asset inspections
- Works and Waste
 - › Aerodrome Management
 - › Transport Strategic Planning
 - › Traffic Engineering
 - › Road Construction
 - › Roads and Road Furniture Maintenance
 - › Street Sweeping
 - › Drainage
 - › Kerb and Channel
 - › Footpaths

Strategic Waste - Landfill, Litter Bins, Street Collections and Transfer Stations

Our Staff

Greater Shepparton City Council is one of the north east region's largest employers. We employ 911 staff in a variety of permanent and temporary roles on a full time, part time and casual basis. Three quarters of our staff also live within the municipality. This means our people are able to bring a local passion, perspective and knowledge to the services they provide.

Council provides a range of flexible employment arrangements. The tables below demonstrate a

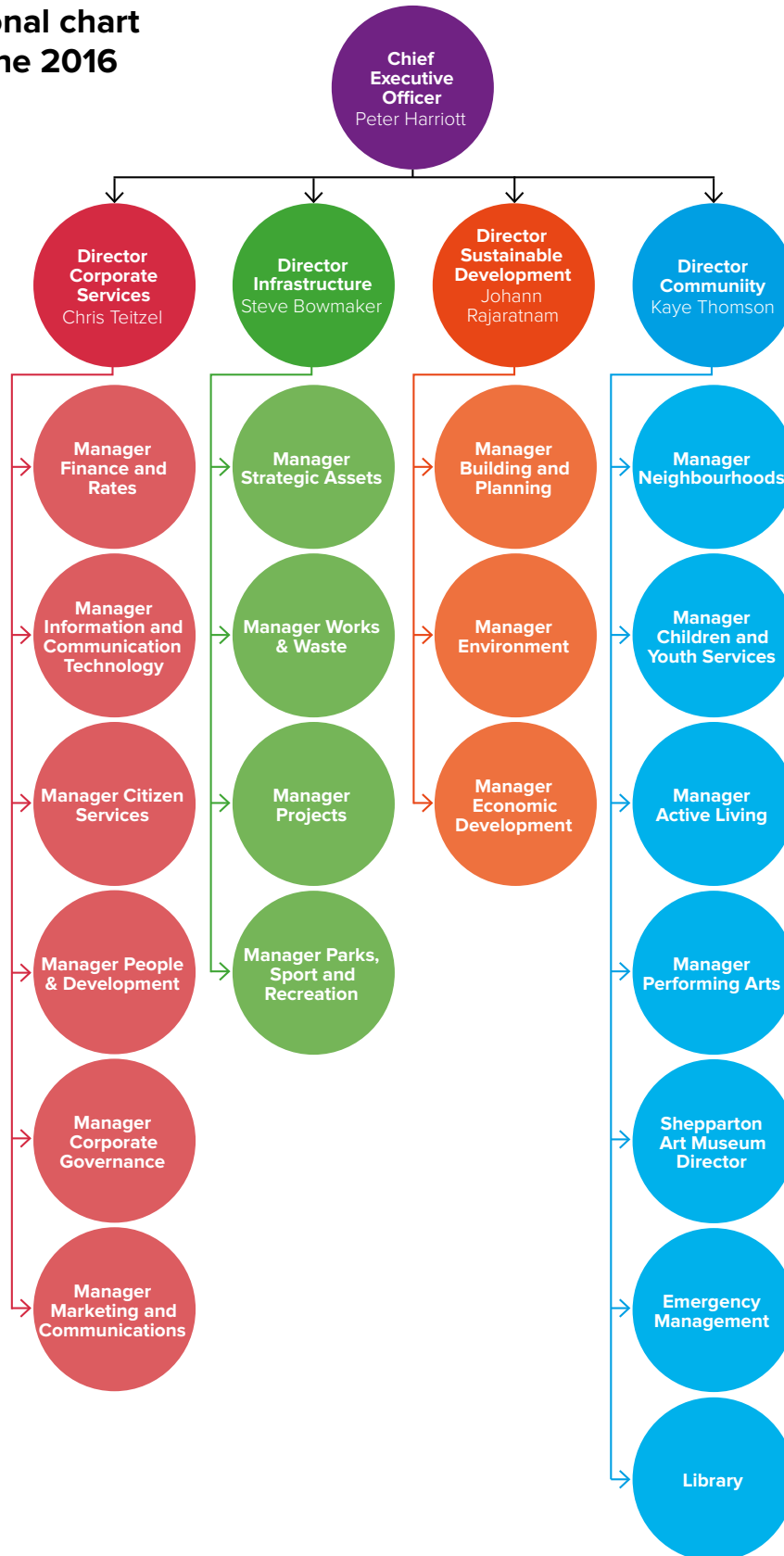
significant portion of the workforce is made up of part time and casual staff at different levels within the organisation. There is a workforce growth of approximately four percent.

Casual employment has decreased, however part time and full time employment has increased. This is due to accurately recording part time employees with multiple positions, some employees casually converting to permanent, and a slight increase in Children and Youth Services due to employee/child ratios required in Child Care Centres.



Employment breakdown by gender			
	310	601	911
Employment by gender - full time, part time and casual staff			
Full time	215	160	375
Part time	4.18	125.02	129.20
Casual	13.39	32.94	46.33
Total	232.57	317.96	550.53
Employment by organisation structure and gender			
Office of the CEO	1.00	00.0	1.00
Corporate Services Directorate	31.04	84.39	115.43
Community Directorate	31.07	173.20	204.27
Infrastructure Directorate	144.06	24.37	168.43
Sustainable Development Directorate	25.40	36.00	61.40
Total	232.57	317.96	550.53
Employment by bands and gender			
Band 1	1.10	4.15	5.25
Band 2	28.71	31.75	60.46
Band 3	57.82	21.73	79.55
Band 4	36.89	100.58	137.47
Band 5	34.85	56.30	91.15
Band 6	25.00	31.79	56.79
Band 7	26.84	23.00	49.84
Band 8	4.00	.88	4.88
Other	17.36	47.78	65.14
Total	232.57	317.96	550.53

Organisational chart as of 30 June 2016



People Performance

As a local government organisation and a business it is important we understand our current workforce and Legislative framework that we operate under.

Legislation requires a Council to have an organisational structure and employees in place to effectively manage the operations in accordance with the Council Plan. The Council's existing organisational structure is based on functional activity and common objectives in order to meet the community's needs, provide quality and efficient services, support the stimulation and strengthening of the local economy and provide efficient and effective administration of the organisation.

Under the existing organisational structure, a range of full time, part time and casual staff is employed with a diverse skills base across a wide range of professions and disciplines. Council's 2014 Enterprise Agreement remains in force until 30 June 2017. The agreement encourages workplace flexibility and multiskilling and delivers to employees sound terms and conditions of employment. In addition, the Early Education Employees Agreement 2016 was approved by Fair Work and in operation as of 26 April 2016.

Strategic Human Resource Management

Constant reviewing of the organisation structure and functionality is undertaken by Council. This is conducted using a Job Analysis/Business Case process that requires all Directors and Managers to complete a Job Analysis and prepare a Business Case for every role where an employee exits the organisation. This process is also to be followed when there is a request for a new position to be placed into the organisation structure, including roles which are externally funded, or when additional hours are requested for a current position. This allows for a constant strategic review of the organisation structure.

Learning Organisation

Over the last four years Council has embarked on enabling and positioning itself as a learning organisation, one which is committed to providing ongoing learning and development opportunities for all employees. The strategic vision is to enable its employees to achieve multi skilling, increase flexibility, and enhance productivity, performance, personal development and career development opportunities.

Council will continue to provide learning and development opportunities to:

- Achieve corporate objectives, initiatives and priorities, as set out in the Council Plan
- Enable continuous improvement
- Implement and improve quality management systems
- Enable effective job and work design
- Improve career opportunities for, and job satisfaction of employees
- Provide specific skills to ensure the effective and efficient operation of the organisation.

One of the purposes of learning and development programs is to ensure that employees acquire and utilise the specialist skills and knowledge, managerial and interpersonal skills to perform the duties of their current position and to prepare them for the future requirements of Council in meeting the needs of the community. These programs are provided through a variety of formats including blended learning, face to face and online training.

Building our Workforce Plan

Greater Shepparton City Council embarked on building our Workforce Plan, based on a number of phases to ensure we gather the best data possible and conduct a thorough review, to enable a successful gap analysis to be undertaken.

Together with Strathbogie Shire Council, Council participated in the MAV Workforce Planning Model in which we worked together to improve our workforce planning. A model was developed and this has now been used by a number of other Councils in North East Victoria. It is hoped that following this the model will be able to be introduced into Local Government across Victoria.

The aim of building the workforce plan is to ensure that GSCC is strategically planning for what the needs of its current workforce are met, but also that Council is planning for what its workforce in the future will look like.

Council has an ageing workforce with the average age of its employees being 41.22 however the average age within its operations staff is 50.39 which is up slightly from last year.

As part of the workforce plan has been the provision of free workshops for employees over the age of 55, in which representatives from Vision Super, Centrelink and Activetics provided these employees with relevant information about their entitlements and enable them to commence the planning for retirement. As a result of these workshops a number of employees have commenced the transition into retirement.

The workforce plan has also examined all Council Corporate Procedures and CEO Directives to ensure that they were in keeping with modern human resource management as well as looking at all Council's processes. This includes incorporating Transition to Retirement in to the Flexibility in the Workplace Corporate Procedure.



Recognition Awards

Staff are acknowledged for their outstanding efforts by being nominated for an award by another staff member or customer. They receive a certificate to acknowledge their contributions to the organisation at an all staff meeting.

The following staff were recognised under the Values of Leadership, Innovation, Respect, Teamwork, and Integrity:

Amy Jones
Andrew Farrell
Daryl Chalcraft
Gavin Cator
Jon Griffin
Karen Liversidge
Liz Connick
Michael Carrafa
Sally Rose
Sharlene Still
Terri Bentancourt
Virginia Boyd

Recognition of Retirement

When a staff member retires after 20 (or more) years of service, they receive a letter from the Mayor and are recognised at all of the staff meetings.

Years of Service

Staff are recognised for their length of service and receive a certificate signed by the CEO and the Mayor. Those that have completed 10 years of service or more also receive gift vouchers. The recipients for the 2015-2016 financial year are detailed below:

5 Years

Aishe Besim
Kim Bussell
Carl Byrne
Marlene Carroll
Sally Coates
Anne Cowie
Jackie Cummins
Kyleigh Devine
Larry Friedberg
Jenni Gibson
Kendall Grace
Courtney Hamill
Sharon Kendall
Zoe Lancaster
Emma Leahy
Brian Linehan
Brett Merry
Julie Michel
Sarah Petrovski
Chris Rumsey
Amy Russell
Kharen Sandland
Travis Turner
Tim Watson
Alan Wright

10 Years

Nola Allen
Dale Anwyl
Bev Bell
Megan Birks
Stacey Cole
Sam Crowe
Tony De Pasquale
Karen Dexter
Gary Dinakis
Stacey Dowling
Craig Doyle
Melinda Noonan
Patricia Fennell
Jon Griffin
Maureen Harman
Debbie Harvey
Rebecca Jeffers
Kylie Knight
Mark Little
Jodie Lyons
Bill McEntee
Anthony Nicolaci
Jen Scandolera
Trent Sidebottom
Debbie Stanton
Tracey Toy
Lin Waite
Jason Wall

15 Years

Liz Adams
Stephen Damon
Patricia Garraway
Des Good
Noelene Kennedy
Tania Lowe
Carol O'Reilly
Sarah Ryan
Garrie Scott
Claire Sprunt
Linda Sutton
Tony Tranter
Jason Watts
Chris Wheeler
Pam Wilson

20 Years

Valerie Lancaster
Sharlene Putman

25 Years

Heather Blackney

30 Years

Peter Boschetti



Employee Wellbeing

Council undertakes a number of employee wellbeing initiatives which results in increased benefits for the employee, whilst creating significant wins for Council: Improved productivity, engagement and retention and the ability to attract the best employees.

Pre Employment Screens are utilised as part of the recruitment process to ensure that all preferred candidates have the ability to carry out the inherent requirements of the role and ensures that no potential employee is put at risk in a position that does not suit them physically. It also enables Council to make reasonable adjustments to the role or workplace to ensure the best person for the role is not disadvantaged in any way.

Physical Requirement Assessments are being carried out on high risk areas and roles such as Children's Services and Works Officers and will eventually be available for every role within Council. These assessments will be used to inform the Occupational Therapist conducting the Pre Employment Screen to assess the applicant's suitability. They can also be used to assist treatment providers, help with treatment programs and determine suitable duties where appropriate for return to work planning.

Council is committed to ensuring the Health and Wellbeing of staff includes not only physical wellbeing but mental wellbeing also. A Mental Health Program has been introduced to incorporate Mental Health First Aid certification for employees whose roles will possibly bring them into contact with people with poor mental health (13 staff have so far been accredited), Understanding Mental Health Workshops for Managers and Team Leaders – providing tools to recognise and deal with mental health issues within their teams (61 Managers and Team Leaders attended), and Mental Health Awareness training for all staff – providing tips and advice on how to manage their own mental health (250 staff members attended).

Other employee wellbeing initiatives include:

- Re-introduction of the Health and Wellbeing Committee to review and implement initiatives across the organisation to improve and promote good health and wellbeing.
- Improvements to the catering options offered at meetings.
- Council sponsored gym membership and salary sacrifice program.
- Duress Alarms provided to at risk or lone workers.
- Sit Stand Desks offered to staff who have a proven medical requirement or work in a mainly sedentary role.
- Safety days provided for Maternal Child Health Nurses who often work alone or have to enter client's homes. This one day training provides tips on personal protection, driving awareness and manual handling.
- A formation of Wellbeing Champions whose role is to rotate Health and Wellbeing signage around various workplaces.

Employee Assistance Program

Council provides an Employee Assistance Program (EAP) for Councillors, employees and family members, and volunteers. The EAP aims to ensure that all GSCC workers who experience hardship are able to discuss in confidence matters either work related or family related, that may be impacting on their work or personal lives.

The EAP provides a confidential portal through which people are able to access a range of professional services at no cost to them. The utilisation rate of EAP's services amongst Council staff and their families is 6.30 per cent. The information provided by Council's EAP provider Optum indicates an even split between the reasons for staff using EAP .

INDUSTRY & BUSINESS DEMOGRAPHICS	WORK RELATED %	PERSONAL %
GSCC	41.18	58.82
Government - Local	26.99	73.01
Public Administration	27.31	72.69
Large Business	27.31	72.69
All Client Organisations	28.86	71.14

Research suggests that the majority of workers feel unsupported when mentally unwell, and that less than half of workplace managers have an understanding of mental health issues. During all Mental Health Awareness training staff are encouraged to make use of this EAP service.

Workplace Health and Safety

Council takes its responsibilities for providing a safe workplace very seriously. The OHS Committee aims to facilitate a culture of safety throughout the organisation and promote initiatives and processes that ensure the health and wellbeing of all employees, customers, contractors, volunteers and visitors within all workplaces. These include:

- Monthly updated list of Contractors who have been fully Inducted.
- Increased number of Health and Safety Representatives to ensure all designated work groups are covered.
- Conducted Eye Sight and Hearing Tests for School Crossing Supervisors.
- Improved reporting of Incidents, Near Misses and Hazards through a new online OHS system called Elumina.
- Documenting Physical Inherent Requirements of Positions.
- Formalising the process of incorporating OHS into Work Group Meetings.
- Moving from generic to site specific Work Place Inspection lists.

Early Intervention

If an employee suffers an injury either inside or outside of work they are offered appointments free of charge at Council’s provider Soft Tissue Centre. If the employee’s injury or illness prevents them from fulfilling the inherent requirements of the role they are assessed by Council’s provider P2Group who work with our Early Intervention Officer on either a Care Plan or a Return to Work Plan.

By having the assessment undertaken and comparing it to the documented inherent requirements of the role it is possible to create a list of specific tasks that the employee will or will not be able to undertake and build a care plan or return to work plan around these tasks. If possible, alternative duties are sought to keep the employee in the workplace. These are not necessarily in the same role or department as the employee’s substantive position. By utilising the Soft Tissue Centre and working closely with the employee and their Supervisor results show that 90% of employees suffering some kind of injury are able to remain on full duties and full hours throughout their treatment period.

Council actively utilises these Early Intervention strategies to reduce its Work Cover premiums, and Lost Time Injuries. If the employee does put in a Work Cover claim and is unable to work for a period of time Council works closely with the employees treating practitioners and concentrates on providing return to work plans that will enable the employee to attend work in some capacity.

PREMIUM YEAR	CLAIM SUBMITTED	CLAIM STATUS TODAY
2015/2016	May 2015	Open
2015/2016	April 2016	Minor Closed
2015/2016	April 2016	Closed
2015/2016	March 2016	Open
2013/2014	September 2013	Reopened - Pending
2015/2016	August 2015	Closed

Work cover claims cost increased slightly from \$255K in 2014/15 to \$350K in 2015/16.

Volunteers

Council acknowledges that volunteering is an investment in our community. It strengthens the fabric of our society, providing a sense of belonging and builds positive relationships. Whether volunteering in Council programs, or in one of the many organisations or groups that utilise volunteers within Greater Shepparton, Council recognises the services and support that volunteers provide to our community.

In August 2014, Council adopted the Greater Shepparton Volunteer Strategy and Action Plan 2014-2018. The Strategy provides a framework for the promotion, recruitment/retention, support, recognition and celebration of Council's volunteers at a local level, encouraging a responsive and supportive environment for all volunteers. Council's

adoption of the Volunteer Strategy recognises, where there is a vibrant culture of volunteering, communities are stronger due to the inclusiveness volunteering promotes in the community.



The Greater Shepparton Volunteer Strategy and Action Plan 2014-2018 highlights the actions that Council will undertake to support the volunteer sector and strive for best practice for the volunteers of Greater Shepparton. The action plan consists of identified activities Council and Volunteer Managers/Coordinators will undertake during 2014-2018 on four strategic directions:

Key Strategic Direction 1: Promotion

Council will work to raise the profile of volunteering across the Greater Shepparton municipality.

Key Strategic Direction 2: Recruitment

Council will provide a consistent approach to recruitment of volunteers.

Key Strategic Direction 3: Supporting

Council will work towards ensuring our volunteers across Greater Shepparton municipality are supported with standards of best practice and consistency; providing opportunities to share information.

Key Strategic Direction 4: Celebrate and Recognise

Council will acknowledge the valued contributions of volunteering in the Greater Shepparton municipality.

The Council programs and departments that utilise volunteers include:

- Active Living Department - Activities in the Park, Twilight Stroll, KidsTown and KidsFest
- Events and Tourism Department - general events, Riverlinks, Visitor Centre
- Neighbourhoods Department - Community Plan Groups, Meals on Wheels, Social Connections, Street Rider, Section 86 Committees
- Riverlinks - ushers for performances at Eastbank and WestSide
- Shepparton Art Museum (SAM) - museum education, invigilators, and administration assistance
- Sustainability and Environment Department - revegetation activities
- Visitor Centre
- Works Department - Wipeout Graffiti program



ABS Census data 2011 indicated that almost 20 per cent of the Greater Shepparton population volunteer, with the rate in rural and regional areas higher than metropolitan areas.

Council recognises volunteers within the municipality through the Volunteer Recognition Awards. These awards are held annually during National Volunteer Week in May. The awards are in their sixth year. There are seven categories in which volunteers from the municipality can be nominated.

The 2016 winners were:

- Female - Heather Halsall
- Male - Sam Atukorala
- Female Youth - Jillian Goodman
- Male Youth - Brad Corken
- Long Serving - Joyce Block
- Rural - Tony Farrell
- Team - Shepparton Foodshare

Council in partnership with the Volunteer Managers Network have developed a resource - Quick Reference Guide to Volunteering, to inspire the volunteer within you! This guide showcases the volunteering opportunities within the municipality and is available on the Council website and in hard copy at Customer Service. The Volunteer Managers Network is made up of Volunteer Managers, coordinators and Volunteer organisations from across the municipality that support and share resources to explore, evaluate, and enhance the function of volunteering and volunteer management.



The background of the page is a photograph of a building with a balcony. The balcony has ornate, golden-colored metalwork. A climbing plant with green leaves and small red flowers is growing on the balcony. The building's facade is made of light-colored bricks. The overall scene is brightly lit, suggesting a sunny day.

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PART TWO: PERFORMANCE REPORT

This part of the Annual Report provides an easy to understand summary of how we're performing against the goals and priorities of the Council Plan.

This Annual Report details how we've gone in implementing the third year of the 2013-2017 Council Plan.

The strategic goals that we are aiming to achieve are:



Active & Engaged Community (Social)

We will enhance social connectedness, physical and mental health and wellbeing, education and participatory opportunities in order to improve liveability and a greater range of community services.



Enhancing the Environment (Environment)

We will conserve and enhance significant natural, environmental and cultural heritage.



Economic Prosperity (Economic)

We will promote economic growth, business development and diversification, with a focus on strengthening the agricultural industry.



Quality Infrastructure (Built)

We are committed to facilitating growth in a consolidated and sustainable development framework and will strive to provide urban and rural infrastructure to enhance the performance of the municipality.



High Performing Organisation (Leadership & Governance)

We will deliver best practice management, governance, administrative and financial systems that support the delivery of Council programs to the community of Greater Shepparton.

As you'll read from this performance report in some areas we have performed well, while other areas we could have done a little better. This report enables us to identify the areas that we may need to focus our attention to improve results in the coming 12 months and other areas that might actually need a different approach. It also shares some of the challenges that we have encountered along the way.

This section of the report gives you an idea of the next steps, priorities and future directions for 2016-2017.



GOAL 1

Active and Engaged Communities (Social)

Highlights

- 280 community consultations undertaken
- 4,000+ people attended the Converge on the Goulburn Festival
- 479 events were held at Riverlinks venues (Eastbank Centre and WestSide Performing Arts Centre) with 78,000 attendees
- 31,000 people visited SAM
- SAM held 18 exhibitions and four community exhibitions were managed and supported
- SAM held 103 events with 1,600 people attending workshops, lectures, floor talks, children and youth programs and gallery tours
- SAM hosted 32 school groups of 636 students
- 43 artists collaborated with SAM and 27 new works were commissioned
- 1,000 plus families supported in our early childhood services every week
- 2,412 baby book bags distributed
- 7,624 Maternal and Child Health consultations
- 12 events for young people
- 22,690 meals on wheels delivered
- 22,195 hours of domestic assistance provided
- 9,561 hours of personal care provided
- 7,775 hours of respite care provided
- 202 people became new citizens

STRATEGIES	ACTIVITIES	OUTCOME
1. Continue to enhance community capacity building.		
Develop and implement neighbourhood planning within the Shepparton community.	Develop one Neighbourhood Plan and one Locality Plan endorsed by Council.	Completed Shepparton East and St George's Road Locality Plans were endorsed by Council in December 2015.
Continue to work with our communities to implement their community plans.	Complete the Congupna Community Plan and have endorsed by Council.	Completed Completed the Congupna Community Plan and endorsed by Council
Review, amend, implement and monitor Council's community consultation and engagement strategy.	Achieve a Community engagement community satisfaction survey result greater than 56.	Ongoing The Community Engagement Survey is carried out by JWS Research on behalf of the Department of Environment, Land, Water and Planning. The Survey is completed in February and March annually with the Report being received in late June 2015. This year our Community Engagement and Satisfaction Rating was 49.



GOAL 1

Active and Engaged Communities (Social)

STRATEGIES	ACTIVITIES	OUTCOME
<p>Develop effective partnerships with agencies to deliver improved community wellbeing (all age cohorts) outcomes.</p>	<p>Deliver at least 10 programs in partnership with other government, community and/or corporate organisations.</p>	<p>Ongoing</p> <p>Activities in the Park delivered from October 2015 - March 2016 in partnership with 13 internal Council departments, 41 community/ corporate organisations, 3 media partners and 5 external sponsors.</p> <p>Walk to School Day delivered in partnership with VicHealth throughout October including the Pedometer Challenge.</p>
	<p>Monitor and appropriately support the provision of adequate quality children’s services.</p>	<p>Ongoing</p> <p>The developing role of quality assurance officer is strongly supporting this process. All services achieved “Meeting Standard” in their first Assessment and rating visit under the new National Quality Framework. Three services achieved “Exceeding Standard”. We aim for all services to be ‘Exceeding” standard by 2020. All services will be rated at least once in this time period.</p>
<p>2. Develop and implement a strategy for improving education opportunities for all ages.</p>		
<p>Develop an Education Strategy that includes the principles of lifelong learning.</p>	<p>Continue to work with education providers to increase the range of locally available education options and promote lifelong learning.</p>	<p>Completed</p> <p>The Education Roundtable is an ongoing function with guidance being provided by the Economic Development, Tourism and Events Strategy. The Manager Economic Development has been appointed to the Latrobe University Regional Advisory Board and is also working with GOTAFE on progressing the new Jobs and Skills Centre. Manager Economic Development is also working on the Back to Work Economic Participation Coordination Project with the Victorian Government. A draft MOU has been developed between Council and La Trobe University.</p>
<p>Review and amend (if required) Council’s Higher Education Strategy with the aim to improve the aspirational goals of students to gain further skills by attending higher education.</p>	<p>Ensure there are opportunities for arts education in the region.</p>	<p>Ongoing</p> <p>The Shepparton Art Museum provides school holiday arts programs and ongoing education programs throughout the year. These include preparing education packs for major exhibitions, and developing professional development sessions for teachers as well as tours for school groups. Public programs are developed around key areas, such as community engagement, Indigenous partnerships, and focus on particular ages, such as youth. SAM also runs regular holiday programs.</p>
<p>In association with education providers and industry/ business develop opportunities to assist with the attainment and retention of skills to support industry and business development in Greater Shepparton.</p>	<p>Work with local business and education providers to devise strategies to retain young people in the region and build our community’s intellectual capital and improve educational outcomes.</p>	<p>Completed</p> <p>This action is a part of the Economic Development, Tourism and Events Strategy.</p>

**GOAL 1****Active and Engaged Communities (Social)**

STRATEGIES	ACTIVITIES	OUTCOME
3. Ensure liveability options are always considered in our decision making activities.		
Develop partnerships with federal and state governments, statutory agencies, not for profits and private business to leverage growth within Greater Shepparton.	Develop a Marketing Strategy and have adopted by Council.	Completed
Develop, deliver and implement community safety initiatives with the State Government, Police, State agencies and the community, including but not limited to CCTV.	Work with relevant stakeholders to continue community safety initiatives.	<p>Ongoing</p> <p>Greater Shepparton City Council continues to deliver initiatives as highlighted in the Community Safety Strategy 2014-2017. Council was successful in its application for the Safer Streets Program offered by the Attorney Generals Officer for the Go Light Up Edwards (GLUE) street renewal works. Council was granted approximately \$62,000, for capital works to be undertaken in 2016/17.</p> <p>Council in partnership with local service providers made an application to the Department of Health and Human Services for the Community ICE Action Grant, with funding to be announced in July.</p> <p>StreetRider continues to operate on a Saturday night/Sunday morning to get late night venue patrons home safely. This continues to be funded by late night venue proprietors and local businesses.</p>
Continue to implement the Greater Shepparton City Council Community Safety Plan.	Have Stage 1 Safer City Camera Project operational.	Completed
	Work with all relevant agencies to promote the Community Safety Plan objectives and activities.	Completed

**GOAL 1****Active and Engaged Communities (Social)**

STRATEGIES	ACTIVITIES	OUTCOME
Renew and implement the Universal Access and Inclusion Plan.	Ensure that all kindergartens offer all eligible children 15 hours of kindergarten per week facilitated by a qualified kindergarten teacher.	Ongoing All GSCC kindergartens currently offer 15 hours of kindergarten to each eligible child in the year before they attend primary school. Uncertainty remains for Commonwealth funding beyond December 2017. Due to operational costs this will have a significant impact on the ability to maintain this service level post 2017.
	Implement the identified outcomes and objectives from the adopted UAIP.	Ongoing On 3 December 2015, Council with the support from a number of local organisations and agencies partnered to deliver International Day of Persons with a Disability event. This event was held in the Queens Gardens Shepparton and attracted over 400 people on the day. Recent outcomes of the Universal Access and Inclusion Plan include: <ul style="list-style-type: none"> • Development of Events Advisory Kit • Portable hearing loops purchased to be used at Council events and activities • Portable ramps available free to loan to the community to make events and facilities more accessible.
	Develop a new Universal Access and Inclusion Plan.	Completed
Continue to review and implement the Positive Ageing Strategy objectives.	Implement the Positive Ageing Strategy outcomes and objectives.	Completed The Positive Ageing Strategy 2009-14 was completed in 2014. Highlights of the strategy include: <ul style="list-style-type: none"> • Development of the Positive Ageing Advisory Committee • Development of a wallet size seniors directory • Celebration of Seniors Month in October • Recognition of World Elder Abuse Awareness.
Continue to support the ongoing planning and resourcing of Emergency Management.	Review and update the Emergency Management Plan annually to ensure its ongoing relevance.	In progress The Municipal Emergency Management Plan (MEMP) is being reviewed this year. This process has commenced and progress will be reported to the MEMP committee. The Plan will be audited in September 2016.



GOAL 1

Active and Engaged Communities (Social)

STRATEGIES	ACTIVITIES	OUTCOME
<p>Continue to implement the Early Years Plan objectives.</p>	<p>Implement the Early Years Plan outcomes and objectives.</p> <ol style="list-style-type: none"> 1. All children enjoy a healthy start to life 2. All children are supported to become confident learners 3. Greater Shepparton - a child and family friendly community 	<p>Ongoing</p> <p>The 2015-2019 Best Start Early Years Plan was adopted unanimously at the October Council Meeting. The outcomes identified are largely carried on from the previous plan. The nature of the outcomes is such that they will be achieved over long term concentration on positive influencing factors.</p> <p>The new Best Start Funding guidelines prescribe two mandatory Primary Outcomes; “Improving active engagement in Maternal & Child Health Services” and “Increasing participation in early education services kindergarten with a focus on vulnerable families”. These two outcomes already exist in our Best Start Early Years Plan. Work towards these outcomes is well embedded in the work of the Best Start partnership and our early childhood services.</p> <p>One of the key features of the new plan is the “Developing Language in Early Childhood Settings” training which has been developed locally. This training has completed the piloting stage and is now being offered to early childhood services in a variety of delivery methods to meet the needs of early childhood professionals. This program has the strongest links Outcome 2: Every child is supported to become a confident learner.</p> <p>Key players in the implementation of the Best Start Municipal Early Years Plan have undertaken significant pilot training to meet the current requirements of the Best Start Funding. As a pilot site for the training the learnings provided by these participants has been important in the roll out of training to other Best Start sites across Victoria.</p>

**GOAL 1****Active and Engaged Communities (Social)**

STRATEGIES	ACTIVITIES	OUTCOME
Develop, adopt and implement the Greater Shepparton City Council Municipal Health and Wellbeing Action Plan.	Get Mooving Greater Shepparton in partnership with the Federal Government and key community agencies and Melbourne based sports clubs deliver a series of programs that encourage improved health and well-being focusing on physical education, nutrition and on-going capacity building.	Completed Program has been fully completed in line with the agreement with the Department of Health and Ageing. The final audited report submitted.
	Implement the Municipal Public Health Plan.	Ongoing The annual Health Careers Day was delivered in May 2016. The Careers Day provides an opportunity for secondary school students to experience health careers in a hospital setting. Council is in the process of undertaking a review of the Health Grant pilot program. The evaluation will indicate the success and sustainability of the grant going forward. An analysis was undertaken of the use of the Council hydration trailer providing free drinking water at events. This data has highlighted the need for additional resources to provide free drinking water at Council events a project address this will be delivered in 2016/17. Council supported Immunisation Week 2016 with joint initiatives with the Environmental Health team & CYS. This saw a promotional campaign and the translation of immunisation data into other languages.
	Pursue the highest standard of accessibility and inclusion for all services and activities.	Council has worked in partnership with the Shepparton Art Museum to deliver the Art for Empowerment Project. Art of Empowerment is a 12 week program for HACC eligible clients of varies age's backgrounds and abilities. Participants work on an art piece that represents their own personal story. Participants were actively involved in planning and organising the forth coming exhibition of their work. Council invited a representative from the Council Of The Ageing (COTA), to hold an information session for interested citizens regarding the upcoming transition to My Aged Care and information on advocacy services available through COTA. Council recognised World Elder Abuse Awareness day on the 15 June 2016 by lighting the Monash Park tree in purple. Council was successful in receiving funding from the Department of Health and Human Services for the establishment of a Changing Places Facility. Construction on this facility will commence in 2016/17.

**GOAL 1**

Active and Engaged Communities (Social)

STRATEGIES	ACTIVITIES	OUTCOME
4. Provide sustainable community services to our community.		
Review the provision of library services, including potential partnerships and infrastructure requirements.	Manage the provision of GSCC library services, including participation and reporting to the GVRL board.	Completed A Council officer and a Councillor attend GV Library Board meetings during the year and contribute to all strategic planning and decision making of the board. All meetings have been held and adequately attended for the 2015-16 period.
Continue to lobby, advocate and prioritise the needs of vulnerable and disadvantaged citizens and advocate on their behalf.	Prepare a waiving fees hardship policy.	Completed

**GOAL 1****Active and Engaged Communities (Social)**

STRATEGIES	ACTIVITIES	OUTCOME
Monitor and appropriately support the provision of quality services within the municipality.	Through the implementation of proactive maintenance inspection program for road, path and drainage assets deliver 90 percent of maintenance in line with service levels set out in the Inspection Maintenance Service Level Plan.	Completed Council has achieved 93.5 per cent completion of all proactive maintenance tasks. Since the introduction of proactive inspections at the end of 2014 there have been 8,855 defects raised with 8,191 of these completed.
	Annual visitation across Aquamoves, Outdoor Pools, Sports Stadiums, KidsTown and Healthy Communities Programs exceeds 700,000 visits.	Ongoing Visitation for 2015/16 achieved in excess of the 700,000 target.
	Support and encourage opportunities for constructive and productive youth engagement.	Ongoing The inclusion of Word and Mouth as a Children and Youth Services branch will develop further links in the youth sector and enable the adoption of multiple agency functions. The current priority for this shift is the assimilation of W&M events, objectives and plans with the GSCC Youth action and Strategy Plan and the commitment to maintain W&M's objective - for young people by young people. Council is participating in The Lighthouse project to develop a Youth Hub within the Shepparton CBD. The purpose, design and engagement strategies as well as funding and governance are currently the main focus of the working group. Council's Youth Development Officer is working in a number of partnerships to develop a range of events and opportunities for young people. These include the Indigo Market in National Youth Week, Careers Day Out and the Medical Careers showcase. Council recently received the residual funding from the 'wind up' of the independent Word and Mouth Inc. This funding is to be allocated to the initiation and operation of a Youth Space in Greater Shepparton. This will make a major contribution to the Greater Shepparton Lighthouse Youth Haven Project.
	Implement Domestic Wastewater Management.	A new timeline and program has been developed to implement a management project for the financial year 2017/2018. An Administration Officer has recently been appointed to assist in refining the septic tank data base.
	Implement Food Safety Management Strategy.	Completed
	Complete the Katandra West Community Plan to establish the priority of the Community Centre. Present to Council for endorsement.	Completed
	Report to Council on the priority strategic program for public toilets.	Completed

**GOAL 1****Active and Engaged Communities (Social)**

STRATEGIES	ACTIVITIES	OUTCOME
5. Embrace and strengthen cultural harmony and diversity.		
Continue to engage and partner with our Indigenous community to support improved opportunities and outcomes in employment and health.	Engage with the indigenous community to provide improved opportunities and outcomes.	<p>Ongoing</p> <p>Council has again partnered in the delivery of Sorry Day and NAIDOC week initiatives. This year Sorry Day was well attended by all community members in particular the schools. This year Council's NAIDOC support has continued in the planning and financial commitment towards the week of events hosted by Rumbalara. Further Council has undertaken a project with Rumbalara to design new entry flags that will be displayed each year and include local indigenous art.</p> <p>Council has continued to undertake discussion regarding the Algabonyah Agreement as well as the continuation of the Aboriginal employment secondment to the PD team.</p>
Ensure Council's activities and events support and enhance cultural harmony and inclusiveness.	Engage cooperatively with the Aboriginal community to identify and preserve their culture.	<p>Ongoing</p> <p>Council continues to partner with local aboriginal organisations to support, identify and preserve their culture. Council provides support to Unity Cup, Sorry Day, Reconciliation Week and NAIDOC week.</p> <p>At large events and festivals, Council engages traditional owners to perform a Welcome to Country.</p>
	Ensure Council activities support and enhance its reputation for cultural harmony and inclusiveness.	<p>Ongoing</p> <p>The Cultural Diversity Strategy continues to be delivered. Recently Refugee Week was celebrated with a community launch in the Maude Street Mall supported by local support services and a movie night showing Desert Flower a movie on FGM. A guest speaker from NO FGM Australia attended to provide a debrief opportunity after the event and also a PD day for Childrens Services and Maternal Child Health Staff the next day.</p> <p>Council delivered an Understanding Islam Workshop to local professionals in May that was well attended and opened up the conversation for both non-Muslim & Muslim people to understand their religion better.</p> <p>A small business workshop aimed at our CALD community will be delivered in June to highlight and support the growth of local CALD businesses.</p>
Continue to monitor, review annually and implement the Greater Shepparton City Council Cultural Diversity Strategy.	Engage with all Cultural Diversity stakeholders to implement the Greater Shepparton City Council Cultural Diversity and Inclusion Strategy.	<p>Ongoing</p> <p>Culture Chat, a Council hosted cultural discussion group, continues to meet monthly to discuss and inform cultural focuses for our municipality. The group's Facebook page continues to attract new members and share community events and initiatives.</p>

**GOAL 1****Active and Engaged Communities (Social)**

STRATEGIES	ACTIVITIES	OUTCOME
Recognise and take advantage of opportunities to celebrate our diversity.	Continue to celebrate our diversity and inclusion strategy through a wide range of community events.	Ongoing Cultural celebrations included: <ul style="list-style-type: none"> • Apology Day • Sorry Day • Reconciliation Week • NAIDOC Week • Cultural Diversity Week • Refugee Week • Harmony Day • Wesak
6. Value arts, culture and heritage as an integral part of our dynamic community.		
Continue to support and promote arts events.	Ensure that the Performing Arts and Art Gallery activities continue at a high level and provide diverse programs.	Completed Riverlinks delivered 134 performances to 39,555 patrons during the year with highlights such as Mother starring Noni Hazlehurst, The Gruffalo's Child, Reserved Seating Only (as a part of the In Your Town Season), Wuthering Heights, the Aboriginal Comedy Allstars, Circus OZ, GVCO Chamber Series, Victorian Opera's Remembrance (with a local community choir component) as well as the Afternoon Delight Season with performances each month including Songs of the War Years, Karen Knowles and Jade Hurley. There were community workshops from Circus OZ, a collaboration with the local Pacific Island community for the Pasifika Showcase as well as appearances by the Wiggles, Giggle and Hoot, Emma Bresciana and many other entertainers.
Ensure that the Shepparton Art Museum, Riverlinks and Westside Performing Arts activities continue to deliver quality and diverse events aimed at increasing public participation.	Continue to support and promote events including Shepparton Festival, Sidney Myer International Ceramics Award, Indigenous Ceramics Award, Australian National Piano Awards and others.	Completed The Sidney Myer Ceramics award was announced in August 2015 and the Exhibition of the finalists presented at SAM. Planning is underway for the National Piano Awards later in 2016. The Shepparton Art Festival was successfully held over March 2016.
Renew and implement the Arts and Culture strategy which includes public art.	Develop a comprehensive Arts and Culture Strategy and Policy for Greater Shepparton and pursue implementation of any identified outcomes.	In progress Currently examining all of the past documents and drafts developed around an Arts and Cultural Strategy and Policy in order to begin developing a new Policy in consultation with relevant stakeholders. Meetings held internally and with external stakeholders.
Prepare an additional heritage study to assess places of significance that have not been identified in either of the existing heritage studies.	Complete and implement the Greater Shepparton Heritage Study Stage IIC.	In progress The preparation of the Greater Shepparton Heritage Study Stage IIC commenced in 2015 and is expected to be completed in early 2017.

**GOAL 1**

Active and Engaged Communities (Social)

STRATEGIES	ACTIVITIES	OUTCOME
Establish the Shepparton Art Museum Foundation.	Complete the nomination and selection process for formation of the Shepparton Art Museum Foundation.	Completed
Continue the feasibility investigations for a new location for the Shepparton Arts Museum.	Complete a feasibility study into the construction of a new art gallery.	Completed The feasibility study and Business case are complete. The Project Board to further this project has commenced meeting.



GOAL 2

Enhancing the Environment (Environment)

Highlights

- Since the introduction of hybrid electric vehicles in late 2014, Council's hybrid fleet now consists of 45 units, or 70 per cent of Council's passenger vehicle fleet.
- Over 4,000 indigenous trees and shrubs were planted by community groups and schools as part of National Tree Day activities.
- Another 1,947 street lights were changed to more efficient lighting now totalling 3,840 that will reduce greenhouse emissions and reduce costs.

STRATEGIES	ACTIVITIES	OUTCOME
1. Ensure the environment is a major priority in planning for the future.		
Ensure that development applications provide sustainable management plans which incorporate sustainable building design concepts, water use and stormwater management plans.	Adopt an Environment and Sustainability Strategy.	Completed
	Continue to implement the Sustainable Water Use Plan and Storm Water Management Plan.	Ongoing Sustainable Water Use Plan has been reviewed and is scheduled for adoption after the release of the Water for Victoria paper later in 2016. Storm Water Management Plan - Council has co funded the Storm Water Education Officer; support of water week and monthly water quality testing at six sites. The SWMP will be reviewed during the 2016/17 financial year.
Ensure that development applications take into account the importance of agricultural land to the Greater Shepparton community and its economy.	Continue to implement the provisions within the Municipal Strategic Statement including the Regional Rural Land use Strategy.	Completed
Advocate for and lobby governments to improve community access and safety within the Lower Goulburn National Park.	Acknowledge and appreciate the value placed on the rivers by local Aboriginal people and promote an active park management role for the Aboriginal community.	Completed Promotion of Yorta Yorta and Rumbalara Aboriginal groups park management roles are supported through representatives on the RiverConnect Implementation Advisory Committee. Council discussions with Yorta Yorta regarding Yorta Yorta language on interpretive signage at Boulevard Bush Reserve.
	Support the establishment of the Shepparton Regional Park and the Lower Goulburn National Park and work to ensure they are appropriately resourced to maximise their community benefit.	Completed The Shepparton Regional and Lower Goulburn National Park have been created.
	Support the RiverConnect project with financial and political resources.	Completed Council and the Goulburn Broken Catchment Management Authority have committed to funding RiverConnect for the 2016/17 financial year.



GOAL 2
Enhancing the Environment (Environment)

STRATEGIES	ACTIVITIES	OUTCOME
Advocate, lobby and work in partnership with the state government to minimise the fire risk to our community on state government controlled land.	Through the Emergency Management Planning Committee and the Fire Prevention Committee liaise with all State Government partners to ensure appropriate risk management relating to fire risk on state government controlled land.	Ongoing Both committees are struggling to meet and comply with the requirements of legislation and the Emergency Management Manual Victoria. Council has a resourcing issue in this area that needs to be addressed in the future.
Work with Department of Primary Industry, Goulburn-Murray Water, University of Melbourne and other municipalities to ensure the use of irrigation water is both innovative and maximised.	Continue to engage the other levels of government in relation to water reform, to ensure that the long term interest of the Goulburn Valley are protected and enhanced. Work with the Irrigation Technologies Cluster and industry to promote on-farm efficiencies through irrigation technologies.	Ongoing Submission to State Government Water for Victoria Discussion Paper made in mid-2016 highlighting the impacts of reduced water availability to the Greater Shepparton economy. Ongoing This is an ongoing process with the irrigation and agriculture industry. There are regular discussions with all parties about technology improvements and how Council can assist with adoption or implementation.
Finalise, adopt and commence implementation of the Environmental Sustainability Strategy (ESS).	Following adoption of the Environmental Sustainability Strategy commence implementation of the recommendations within the Action Plan 2014-17. Prepare and present the Environmental Sustainability Strategy to Council for adoption.	Ongoing Operational budget bids have been submitted for 2016/17 financial year with the following projects currently underway. <ul style="list-style-type: none"> • Review of the Roadside Management Strategy - completed • Energy Reduction Plan completed and adopted by Council • Native Vegetation Offset Management Plan underway but on hold until finalisation of the state government's review of the Native Vegetation regulations. • Development of Climate Adaptation Plan commenced. Continued advocacy work including submissions to State Government for Draft Biodiversity 2036, Native Vegetation Regulation Controls Consultation Paper and participated in the State Climate Adaptation Plan Local Government planning day. Completed



GOAL 2
Enhancing the Environment (Environment)

STRATEGIES	ACTIVITIES	OUTCOME
Investigate the opportunities that are available to Council to enable Council to support renewable energy options.	Aquamoves environmental utility management improvements in operation.	Completed
	Promote and support community solar projects.	Ongoing As per action 3.3.1 of Environmental Sustainability Strategy Council is continuing to support the Tatura Energy Group to investigate the implementation of a 1MW solar power plant for the Tatura area.
	Pursue renewable energy objectives and work towards the assessment of all Council sites to become more energy efficient.	Completed Energy Reduction Plan - changes being made to final draft. Plan outlines objectives for Council. Energy audit undertaken for Welsford St complex. Working with consultant on the final audit.
Investigate the opportunities that will enable Council to support the growth of solar usage within the city.	Work with relevant stakeholders to promote the expansion of solar usage within Greater Shepparton.	Completed Participated in discussions on development and implementation of Environmental Upgrade Agreements.
Review, adopt and commence implementation of the Waste Management Strategy.	Develop the Waste Management Strategy and have adopted by Council.	Completed The Waste and Resource Recovery Management Strategy was adopted by Council in December 2013. There is currently a minor review of the strategy underway.
Continue to implement the Sustainable Purchasing Policy.	Incorporate the sustainable purchasing policy into newly adopted Procurement Policy and Guidelines.	Completed
Continue to reduce Council's Greenhouse Emissions.	Seek opportunities to enable a reduction in Council's greenhouse emissions.	Completed As per actions from the Environmental Sustainability Strategy Council has embarked on the following opportunities to reduce greenhouse emissions: <ul style="list-style-type: none"> • Watts Working Better Street Lighting upgrade - reduce greenhouse emissions by a minimum of 30,000 tonnes CO2 over 20 years • Aquamoves co-generation plant - reduce emissions by an estimated 600 tonnes CO2 per year • Planet footprint reporting tracks Council's energy usage and highlights reductions from energy reduction measures • Energy reduction plan - provides strategic direction for energy reduction and ensure resources are being used in the most efficient way. 20 per cent energy reduction target set on 2015 base year by 2020. • Energy audit conducted at Welsford St complex. Implementation will be undertaken in 2016-17. • 45 hybrid vehicles out of a passenger vehicle fleet of 65 (70 per cent).



GOAL 3 Economic Prosperity (Economic)

Highlights

- Seven shops were opened as part of Renew Shepparton project
- Shepparton Show Me sponsored 20 events to the value of \$230,250
- 25,000+ attended the Summer and Winter City Markets
- Tourism gateway signage installed
- Community billboard event signage installed
- Total visitors to Greater Shepparton 1.2 million
- Total bed nights as a result of main events 102,000
- 288,251 event attendees
- 115,462 visitors for major events outside Greater Shepparton
- Estimated total economic impact of tourism to Greater Shepparton \$190 million
- Economic impact of major events \$44.5 million
- Over 220 events across sporting, arts, civic, community, celebrations and cultural assisted with 77 events financially sponsored and delivered by Council
- KidsFest attracted 15,965 visitors over two days in September 2015
- KidsTown had 150,536 visitors
- More than 700,000 people visited Aquamoves

STRATEGIES	ACTIVITIES	OUTCOME
1. Maximise opportunities to ensure Greater Shepparton leads Victoria, retaining and attracting education and industry.		
Develop and implement a strategy which identifies resources needed to attract new business and industry to Greater Shepparton as well as retaining our existing businesses and industry.	Continue to develop and implement a range of business expansion and retention initiatives.	Ongoing Currently working with the State Government on a range of business growth and increased employment initiatives. There will be further actions coming from the Economic Development, Tourism and Events Strategy once adopted. A survey has been undertaken with business to guide future assistance, particularly in relation to export readiness and actions from that survey have been undertaken.
	Continue to implement the recommendations of the Economic Development Strategy.	In progress The draft strategy has been endorsed by Council for community consultation.
	Continue to work with Regional Development Victoria and other government agencies to identify and attract new businesses.	Ongoing Continuing to work with DEDJTR to attract new businesses to the region. In particular, working with three significant food manufacturing businesses. Hydroponic tomato operations in progress adding 60 new jobs per year over three years for 10 months of the year. A number of other businesses are soon to commence operations.
Ensure sufficient industrial land which offers a range of options for new industry establishment is available throughout Greater Shepparton.	Include the findings and recommendations of the Industrial Land Review, City of Greater Shepparton, 2011 into the Planning Scheme.	Completed The ILR included a detailed supply and demand analysis for industrial land in the City of Greater Shepparton, and found that most industrial precincts had sufficient available industrial lands to accommodate demand for the next 20 years. The review did however make a number of recommendations to safeguard the long term supply of industrial land across the municipality. It recommended a number of investigation areas be designated in the relevant industrial framework plans within the Planning Scheme.



GOAL 3

Economic Prosperity (Economic)

STRATEGIES	ACTIVITIES	OUTCOME
Undertake research of industry to understand and highlight their needs and opportunities to ensure that Council has considered all options for industry attraction and retention.	In process of developing economic development, tourism & events strategy. Consultants have been appointed.	In progress
Undertake research of industry to understand and highlight their needs and opportunities to ensure that Council has considered all options for industry attraction and retention.	Undertake an industry opportunity analysis.	Completed This analysis has been included in the development of the Economic Development, Tourism and Events Strategy.
	Work with "Foodbowl Unlimited" to promote further agricultural development, growth and investment.	Ongoing Council Officers have obtained membership to AusVeg to assist with the attraction of growers from Werribee South and Bacchus Marsh to the Greater Shepparton area and have developed and disseminated a financial comparison analysis to compare investment in Shepparton vs Werribee South for the interested growers. Council and C4GS will be represented at the AusVeg Convention to be held in the Gold Coast 23-25 June 2016. The prospectus will be launched at this convention.
Develop and implement a strategy for attracting renewable energy based industries to Greater Shepparton.	Work with relevant stakeholders to develop a strategy for attracting renewable energy based industry.	Ongoing As per the Environmental Sustainability Strategy Council continues to work with relevant stakeholders in relation to renewable energy based industries.
Develop and implement a marketing strategy for industry attraction including the Council owned GVLink.	Develop and market the Goulburn Valley Freight Logistics Centre.	Completed Council resolved to postpone development of the Goulburn Valley Freight Logistics Centre at the April 2014 Council meeting. Signage has been placed at the location and development will not occur until an investor is secured. Active marketing will commence once funds are committed to the Goulburn Valley Bypass.
Continue to seek out business to establish at GVLink.	Continue to lobby for funding for further stages of the Goulburn Valley Freight Logistics Centre.	Completed Council resolved to postpone development of the Goulburn Valley Freight Logistics Centre at the April 2014 Council meeting. Signage has been placed at the location and development will not occur until an investor is secured. Active marketing will commence once funds are committed to the Goulburn Valley Bypass.



GOAL 3
Economic Prosperity (Economic)

STRATEGIES	ACTIVITIES	OUTCOME
Develop and implement a strategy promoting Shepparton as the regional capital.	Continue to promote Destination Shepparton.	Completed
	Develop a Council advocacy campaign promoting Shepparton as the regional capital in the lead up to the 2014 state election.	Completed
2. Ensure retail strategies deliver appropriate outcomes for the community.		
Continue implementing the Greater Shepparton CBD Strategy.	CBD Issues and Options Paper report to Council.	Completed
	Commercial Activity Centres Strategy adopted by Council.	Completed The Commercial Activity Centre Strategy has been adopted and the implementation of the Strategy will guide retail development across Greater Shepparton and is being implemented through a planning scheme amendment.
	Movement and Place Strategy adopted by Council.	In progress The preparation of the Movement and Place Strategy commenced in 2016 and it expected to be completed in 2017. This Strategy will consider key transport issues within the context of Shepparton's opportunities, aspirations and challenges including pedestrians, cycling, public transport, roads, car parking, freight, land use planning, and urban design.
	Encourage greater retail diversity.	Ongoing Investment Attraction is proactively seeking businesses to fill identified gaps in the retail market. The Economic Development, Tourism and Events Strategy will further inform of the current situation in relation to retail gaps. Zambrero Mexican restaurant will commence in the former Blood Bank building on Fryers Street and a new health food business will commence in the old cupcakes shop in Fryers Street. Place Manager was appointed and an action plan for activation developed.
Continue to support and revitalise Shepparton Show Me.	Develop and commence implementation of the Shepparton Show Me marketing strategy.	Completed
Implement installation of new parking and wayfinding signage in the Shepparton CBD and progressively across the Greater.	Installation of new parking and wayfinding signage in the CBD.	Completed The Wayfinding signage has been completed with signs installed at the Railway Station, Mall and Victoria Park precinct. Parking signage will be determined as a part of the Parking Strategy currently being developed.



GOAL 3

Economic Prosperity (Economic)

STRATEGIES	ACTIVITIES	OUTCOME
3. Make Greater Shepparton the regional sporting capital of Victoria and a leading sporting destination.		
Pursue opportunities for Greater Shepparton to be the location for major sporting events.	Pursue opportunities to have a State/National sporting group using Shepparton as a base for training.	Completed
	Continue to expand regional tennis complex facilities at the Shepparton Sports Precinct.	In progress Works to improve the access and infrastructure surrounding the tennis facility is part of the current Sports precinct works.
	Continue to progress the sports decentralisation project.	Completed
Build partnerships with state bodies to enable Greater Shepparton to be Victoria's leading location for major events.	Create or maintain relationships with at least two state level or equivalent organisations that supports enabling opportunities for hosting major events.	Completed Relationships exist with BMX Australia, Cycling Victoria and Tennis Australia. These events have had significant economic impact on our area, increasing visitation significantly.
	Promote the quality of local arts and cultural activities and events.	Ongoing Two events were held during the Shepparton Festival - Murchison Tomato Festa and Converge on the Goulburn. Both of these events were successful in meeting their objectives. The Tomato Festa was down on attendance due to the extreme heat experienced that day. Council submitted an EOI for a Regional White Night event in 2017.
Continue the development of the Shepparton North sporting precinct.	Expand our sports fields to the north of the current hockey and soccer fields to accommodate expected future growth in junior sports participation and increasing demand for sports field areas.	Completed Contracts for the construction of the Community Football Complex have been awarded and construction of the Community Football Complex will be completed in early 2017.
Continue to implement master plans that have been prepared for recreation reserves and sports facilities.	Continue the development of Deakin Reserve.	Ongoing Minor works for developing the site are continuing. Master plan for this site to be developed in 16/17, this will guide the future development.
	Continue to implement master plans prepared for recreation reserves and sports facilities.	Ongoing Currently working on completion of McLennan street and Tat park and whole of sport plans. McLennan street plan out for public consultation, Tatura park waiting direction from Exec Cricket whole of sport plan commenced to be finished by 30 June 2016.



GOAL 3
Economic Prosperity (Economic)

STRATEGIES	ACTIVITIES	OUTCOME
Review, adopt and implement the tourism and major events strategy to enable the breadth and quality of major events and tourism experiences to grow.	Develop a Destination Brand and have adopted by Council.	Completed Destination brand has been adopted 'Many Great Things'. The launch of this new branding will occur in conjunction with the completion of the new destination website in late 2016.
	Continue to increase the breadth and quality of major events held throughout Greater Shepparton.	Completed Including 22 new state and national major events.
	Review the tourism and major events strategy.	To do This action will be completed as a part of the Economic Development, Tourism and Events Strategy.
	Undertake a feasibility study for the development of a new Visitor Information Centre.	Completed The Feasibility Study has now been incorporated into the Shepparton Art Museum development and this is now completed. The Manager Economic Development is involved in the Build SAM Project Board.
Complete the Shepparton Showgrounds redevelopment.	Continue the redevelopment of the Shepparton Showgrounds site, with an emphasis on the relocation of Shepparton Search and rescue and development of the Archer Street frontage.	Completed The grassed arena is now complete along with the temporary toilet facilities which were completed last financial year. Council is now well placed to attract more diverse events to the facility.
Develop plans and prepare a feasibility study for the redevelopment of the Shepparton Sports stadium.	Develop plans and feasibility studies for the redevelopment of the Shepparton Sports Stadium.	Completed
Continue to develop Aquamoves and environs (including the carpark) as a regional aquatic and water park facility.	Seek additional funding from other levels of government to progress the Aquamoves Masterplan.	In progress Stage 1 Aquamoves Master Plan developments are all complete. This includes the development of new group fitness program rooms, expansion of the existing gymnasium and the re-development of the outdoor area including the construction of the new leisure pool, splash park and associated support infrastructure. \$1.5m was secured in additional funding from the state government to support these developments. A number of unsuccessful submissions have been made via Federal government grants programs to provide funding assistance for the car park over the previous three years.



GOAL 4 Quality Infrastructure (Built)

Highlights

- Tatura Park Outdoor Arena roofed
- Shepparton Showgrounds open space area refurbished
- Resealing of roads - 58 projects totalling 330,254m²
- Asphalt and stabilisation – 153 projects 100,274m²
- Gravel resheeting – 32 projects totalling 55.2kms
- Kerb & channel – 15 projects totalling 5,794Lm
- Footpath renewal – 5 projects totalling 815m²
- Rural drainage – Thompson Road, Tallygaroopna and Adams Road, Kialla
- 720 street trees planted and gifted
- 75 playgrounds maintained
- 4 skate parks maintained
- 10 pieces of public exercise equipment maintained
- 4 new public toilets at Arcadia, Congupna, Mooroopna and Toolamba
- 4682 hours spent on public toilet cleaning and maintenance
- 31 sports fields maintained
- 121 parks maintained
- 712 hours spent on Mall sweeping conducted 52 weeks per year
- 37 Active Living projects including the Aquamoves Car Park redevelopment, change rooms refurbishment and pool concourse.
- Sports Precinct developments including Community Football Complex (6 pitches), Hockey Facility – Main Field Development and 10 Netball Courts with Netball Victoria standard lighting
- Victoria Park Lake Westbank Lighting
- Mooroopna Community Storage Shed

STRATEGIES	ACTIVITIES	OUTCOME
1. Ensure the community has access to high quality facilities.		
Complete the Victoria Park Lake redevelopment project.	Continue to implement projects under the Victoria Park Lake Master Plan within budget provision.	Ongoing Review of masterplan currently underway. This will guide all future works at the VPL precinct. Master plan to be endorsed at an upcoming Council meeting for public consultation.
Work with the community to continue the development of the Australian Botanic Gardens Shepparton.	Integrate the development of the Kialla Landfill site into RiverConnect activities.	Action from RiverConnect Strategic Plan - Development of the site continues as the Shepparton Botanic Gardens with plantings undertaken and implementation plans on track for site to be incorporated into RiverConnect Shepparton -Mooroopna walking cycling paths with ABGS being the destination point. RiverConnect are driving the project along with Parks Victoria, DELWP and internal Council Departments.
	Continue to support the Friends of the Australian Botanic Gardens Shepparton committee.	Ongoing Continuing to work with ABGS committee to support the development.
Review and adopt the Tatura Park Master Plan and develop an integrated sporting facilities master plan with the Howley Complex.	Develop a sporting master plan for Tatura which integrates with the current Tatura Park and Howley Complex Master Plans.	In progress Currently finalising draft masterplans for Tat park, Exec report to be presented outlining options for this site.



GOAL 4
Quality Infrastructure (Built)

STRATEGIES	ACTIVITIES	OUTCOME
2. Ensure the community has access to appropriate transportation infrastructure.		
Develop a long term plan for the Shepparton aerodrome which includes provision for its possible relocation.	Complete application for Aerodrome Relocation Feasibility Study.	Completed Feasibility Study is complete.
Advocate for the delivery of improved passenger rail services to the Greater Shepparton including "fast rail" services.	Advocate to the state government for improved passenger rail services to Greater Shepparton leading up to the state election 2014.	Completed
Advocate for the return of rail freight as an option for regional freight businesses.	Actively participate in the Foodbowl Inland Rail Alliance.	Ongoing Council has been actively lobbying the Federal and State Governments on the advantages of the food bowl route. The Route presents numerous advantages including shorter distance, double stacking capability, shorter transit times and much greater anticipated volumes as identified in the Deloitte report commissioned by the Department of Infrastructure. A delegation from Council went to Canberra in June 2015 to continue lobbying. Council is considering other infrastructure upgrade requests such as the Tocumwal line.
	Continue to lobby for the Melbourne to Brisbane inland rail route to be constructed along the "Foodbowl Rail Alignment".	Ongoing Council continues to advocate for the inland rail project, including providing input into the MBIRA submission to the Federal Government.
Adopt and commence implementation of the Greater Shepparton Cycling Strategy 2013-2017.	Implement the findings and recommendations of the Greater Shepparton Cycling Strategy.	Ongoing
Advocate the Federal and State Governments for a commitment for funding to enable the commencement Shepparton Bypass for the Goulburn Valley Highway.	Continue to lobby for the construction of the Shepparton Bypass and second river crossing.	Ongoing There have been numerous visits to Greater Shepparton since July 2015 from State Government Ministers and Shadow Ministers where key infrastructure projects have been presented and promoted. A further meeting of the Bypass action group was held on the 8/4/16 to formalize the staged approach. Meetings are being planned for relevant Ministers prior to the 2016 Federal election.
	Pursue the completion of environmental works in readiness for construction of the Shepparton Bypass and second river crossing on the Goulburn Valley Highway.	Deferred VicRoads is the agency taking responsibility for this outcome.



GOAL 4
Quality Infrastructure (Built)

STRATEGIES	ACTIVITIES	OUTCOME
Lobby and advocate to other levels of government for funding for major infrastructure projects.	Expend 90 per cent of the adopted Capital Works Budget, excluding works undertaken by developers.	Completed 92 per cent expended at 29 June 2016.
	Work with VicRoads to establish a business case for the duplication of McLennan Street in Mooroopna from Echuca Road to Excelsior Avenue.	Not started VicRoads is the primary agency responsible for this outcome.
Continue to develop plans for and commence implementation of streetscapes and town entrances.	Continue the program of small town entry landscaping and signage works.	Ongoing Currently finalising program for implementation of small town entry signage. Signage installed at agreed locations.
	Work with VicRoads to deliver the agreed landscaping strategy for Numurkah Road, Shepparton.	Completed
Advocate and lobby for funding to enable commencement of the Maude Street bus interchange project.	Complete the Concept Plans for the Maude Street Bus Interchange and Maude Street.	Completed
In collaboration with the community lobby and advocate for the continued development of the Railway station precinct with priority linkage to the CBD.	Prepare a Railway Precinct Masterplan to, amongst other things, improve access to and from the CBD.	In progress



GOAL 4
Quality Infrastructure (Built)

STRATEGIES	ACTIVITIES	OUTCOME
3. Encourage sustainable municipal growth and development.		
Review Council's Municipal Strategic Statement.	Review Municipal Strategic Statement.	Completed
Ensure Development Contributions Plans minimise Council's obligations to fund infrastructure required to support future urban growth areas.	Continue to prepare Development Contributions Plans in accordance with the State Government Guidelines and the Municipal Strategic Statement for future urban growth areas.	Ongoing
Continue to develop precinct structure plans for our growth corridors.	Commence Shepparton East Interface investigation.	Deferred Flood study in the area still being undertaken by the Catchment Management Authority. No date of completion known.
	Complete North East and South East Precinct Structure Plans and Development Contributions Plans.	In progress
	Implement recommendations from the Council's adopted Housing Strategy.	Ongoing
	To accommodate future population growth, infrastructure within the Mooroopna West Growth Corridor construct flood mitigation, drainage and infrastructure within the corridor funded by the Building Better Regional Cities Program.	Completed Construction work completed and acquitted.



GOAL 5 High Performing Organisation (Leadership & Governance)

Highlights

- Rating Strategy Review completed.
- Social media is now an integral part of communication.
- Goulburn Valley Regional Collaborative Alliance expanded to share services between Greater Shepparton, Strathbogie and Moira Shires.
- Strategic Resource Plan for 2016-2020 adopted by Council.

STRATEGIES	ACTIVITIES	OUTCOME
1. Develop and implement best practice communication strategies.		
Develop, adopt and implement Council's marketing and communication strategies.	Implement evaluation of the Marketing Strategy.	Completed
	Adequately support and resource community engagement activities.	Ongoing Continuing to support Council Departments to deliver community engagement strategies. Recently the Youth Recreation Strategy & 3 new community plans have been completed following extensive community engagement.
Review, adopt and implement Council's community engagement strategy.	Develop and implement systems and procedures to ensure that Council decision making remains transparent and accountable to the community.	Ongoing All contracts are now debated in an open meeting to ensure transparency. There are continual discussions with the Executive team and Councillors where required on ensuring transparency and accountability of Councillors and the decisions they make.
	Adopt and implement the Community Engagement Strategy.	Ongoing Continuing to support Council Departments to delivery community engagement strategies.
Implement a "citizen first" commitment to the delivery of our services.	Review and update Council's "Customer First" commitment.	Deferred Research has begun on this action, however, it has been put on hold until budget is allocated in the 2017/18 financial year.
Increase the use of social media to enhance community engagement and discussion.	Maintain social media networks across key program areas - KidsTown, Aquamoves and Get Mooving Greater Shepparton.	Completed
2. Develop stronger relationships between Council and State and Federal Governments, local government sector and non-government partnerships to enhance our position.		
Work with Strathbogie and Moira Shires to improve service delivery to our respective communities via the Goulburn Valley Regional Collaborative Alliance.	Identify at least one Key Project opportunity to work as lead with the Goulburn Valley Regional Collaborative Alliance on.	Ongoing Greater Shepparton City Council and Strathbogie Shire Council launched the Goulburn Valley Regional Collaborative Alliance on 3 September 2014. The Collaborative Alliance aims to achieve real savings across both Councils by sharing services and resources wherever possible. The first collaborative project was the 'Graders without Borders'. Since then there have been numerous other projects including legal services, service planning, grading and bridges with a number of other projects currently being developed. The Alliance now includes the Moira Shire, CT Management no longer administer the group and analysis of appropriate service sharing is continuing.
	Complete the Hume Regional Growth Plan.	Completed



GOAL 5

High Performing Organisation (Leadership & Governance)

STRATEGIES	ACTIVITIES	OUTCOME
Seek opportunities for partnerships with the non-government sector to support Greater Shepparton in the delivery of services to our community.	Greater Shepparton City Council has successfully partnered with Family Care to deliver programs that assist low income families continue to be involved in sport. These initiatives include football boot exchange and small funding grants.	On track
Proactively lobby politicians and the Local Government Sector for support in the delivery of services to our community.	Engage Victorian and Australian politicians in the pursuit of community priorities.	Ongoing There have been numerous visits to Greater Shepparton since July 2015 from State Government Ministers and Shadow Ministers where key infrastructure projects have been presented and promoted. Other visits throughout the year are also being scheduled. Regular meetings are held with Suzanna Sheed, Wendy Lovell and Sharman Stone.
Seek opportunities for partnerships with the non-government sector to support Greater Shepparton in the delivery of services to our community.	Continue to demonstrate our capacity to effectively deliver programs and activities in partnership with other levels of government.	Ongoing There have been numerous visits to Greater Shepparton since July 2015 from State Government Ministers and Shadow Ministers where key infrastructure projects have been presented and promoted. Other visits throughout the year are also being scheduled. There are also regular meetings with grant bodies at both state and federal level along with a close working relationship with Regional Development Victoria.
	Continue to promote Greater Shepparton as an important regional centre, with the capacity to support significant population growth.	Ongoing There have been numerous visits to Greater Shepparton since July 2015 from State Government Ministers and Shadow Ministers where key infrastructure projects have been presented and promoted. Other visits throughout the year are also being scheduled. There are also regular meetings with grant bodies at both state and federal level along with a close working relationship with Regional Development Victoria. Council also has the “Great Things Happen Here” campaign underway promoting the Greater Shepparton area. A video has been produced internally to easily promote our major infrastructure projects.
Continue to advocate for improved levels of support from Federal and State Government.	Seek out opportunities for improved levels of support from governments.	Ongoing There have been numerous visits to Greater Shepparton since July 2015 from State Government Ministers and Shadow Ministers where key infrastructure projects have been presented and promoted. Other visits throughout the year are also being scheduled. There are also regular meetings with grant bodies at both state and federal level along with a close working relationship with Regional Development Victoria. Council works with the respective bodies to ensure that grants and subsidies are applied for on a case-by-case basis. It also works closely with industry lobby groups to ensure a united approach is achieved.

**GOAL 5****High Performing Organisation (Leadership & Governance)**

STRATEGIES	ACTIVITIES	OUTCOME
3. Ensure strong internal systems and processes to ensure best practice delivery of services for the community.		
Develop and review annually Council's long term financial plan (10 year).	Maintain sufficient working capital to sustain operations by achieving and actual working capital ratio for 2013/14 greater than the adopted 2013/14 budget.	Completed
	Through responsible management of resources in the delivery of Council services achieve an Actual Operating surplus for 2013/14 greater than the 2013/14 budget.	Completed
	Undertake an annual review of Council's long term financial plan.	Completed The Strategic Resource Plan 2016/2017 to 2019/2020 including an updated Long Term Financial Plan (LTFP) was adopted by Council at the 21 June Ordinary Council Meeting.
	Develop Council's 10 year capital works program.	In progress Capital Works for 2015/16 year are now completed. The Capital Works program for 2016-17 was adopted by Council at the 21 June 2016 Council meeting. Capital bids for 2017-18 are currently being prepared as is a 10 year Capital Works Program.
Develop and adopt a comprehensive Strategic Resource Plan which contains strategic direction for the management of the resources for Council.	Undertake an annual review of the Strategic Resource Plan 2013-2023.	Completed The Strategic Resource Plan 2016/2017 to 2019/2020 was adopted by Council at the 21 June Ordinary Council Meeting.
	Review the Greater Shepparton 2030 Strategy.	In progress Review has commenced - report to June Ordinary Council Meeting. Data collection from other Council departments has commenced.



GOAL 5

High Performing Organisation (Leadership & Governance)

STRATEGIES	ACTIVITIES	OUTCOME
Complete a Workforce Development Plan which will enable GSCC to become an employer of choice.	Continue to implement our strategic human resources plan and recognise the value of our staff.	Ongoing Council has developed a People Performance Strategy, which was adopted by Council in 2014. This strategy addressed numerous areas including workforce planning, culture, learning and development, succession planning, talent management, performance management, employee recognition, whole brain thinking and early intervention and proactive occupational health and safety. Work continues in all of the areas.
	Encourage and provide training opportunities for Councillors and staff to increase their knowledge and skills.	Ongoing Over the past three years, Council has centralised the training budgets across Council as well as centralising the performance review process which links data to our annual learning needs analysis report. This allows us to annually develop a Corporate Training Schedule based on staff needs. In relation to Councillors, Council continues to inform and encourage Councillors' to engage and take up training opportunities which are available to them. Two Councillors have recently commenced the Australian Company of Directors Course and other training has included media training, meeting procedures, conflict of interest, local government training and other opportunities which are offered by the MAV and other industry providers.
Develop and adopt best practice project management principles including asset investment guidelines which will guide Council investment in existing and new assets.	Implement the Project Assessment model.	Completed Approved by Council in late 2014/15.
Commence implementation of the 2013 - 2018 Information, Communications & Telecommunications Strategy.	Implement 2013/14 ICT Strategy initiatives.	Completed Initiatives implemented. Reviewed annually.
	Undertake an annual review of Council's ICT Strategy.	Ongoing Reviews are undertaken annually in order to prepare for the capital bid process of the coming financial year.
Implement the approved recommendations from the Greater Shepparton 2013 Rating Review.	Commence implementation of the Rating Strategy 2013-2017.	Completed All finite recommendations of the Rating Strategy 2013-2017 have been completed. A review and update of the Rating Strategy for the next four years is due for commencement.
	Implement the State Government Fire Services Property Levy.	Completed

Major Works Report

Council completed 92 per cent of its capital works budget during the 2015/16 financial year.

Council delivered 153 projects on behalf of its community last year, with 138 projects on time and on budget.

- Aquamoves Car Park Redevelopment - \$1.012m
- Aquamoves Change Rooms Refurbishment - \$972k
- Aquamoves Pool Hall & Concourse - \$250k
- Aquamoves Splash Park Shade Sail - \$120k
- Sports Precinct – Community Football Complex - \$6.832m
- Sports Precinct – Hockey Facility Main Field Development - \$587k
- Sports Precinct – Netball Court & Lighting Development - \$1.274m
- Victoria Park Lake Westbank Lighting - \$143k
- 4 Public Toilets (Arcadia, Congupna, Mooroopna and Toolamba) - \$589k
- Mooroopna Community Storage Shed - \$229k
- Town Signs for Katandra West - \$20k
- Cosgrove 3 Land Acquisition - \$1.989m
- Road Sealing Program - \$1.569m
- Shepparton East Drainage Scheme - \$1.191m
- Verney Road - \$1.068m
- Gravel Resheeting - \$894k
- Saleyards Walkways and Pens - \$809k
- Building renewals - \$797k
- 25 Road Renewal projects - \$6.8m



Sustainability Report

Our Commitment

We are committed to planning and action that will progress our municipality, enhancing and persevering the quality of life for our community, while ensuring that Council is financially sustainable and environmentally responsible.

Financial Sustainability

One of Greater Shepparton City Council's financial goals is to achieve financial sustainability for the long-term.

The recent introduction of the Fair Go Rates System (FGRS) which, in the first year, has capped rates increases by Victorian Councils to the forecast movement of 2.5 per cent in the Consumer Price Index (CPI).

The FGRS provides an additional challenge to Council to remain financially sustainable while balancing the service delivery and infrastructure needs and expectations of a growing municipality.

In planning for our long-term financial sustainability Council utilises a number of financial indicators to assess our financial health and performance.

Liquidity

Also referred to as Working Capital, Liquidity is the difference between Council's current assets and non-current assets.

The broad objective of this indicator is to ensure Council has sufficient working capital available to pay bills when they fall due.

At the end of 2015, Council reported a Liquidity of 241 per cent which was greater than the average of similar large regional city Councils and higher than the average of all Victorian Councils.

Victorian Auditor General

With Liquidity (Working Capital), the Victorian Auditor General's Office (VAGO) considers anything under 100 per cent to be 'high risk', between 100 per cent and 150 per cent to be "medium risk" and greater than 150 per cent as "low risk" in the context of a Council's ongoing financial sustainability.

In 2016 Greater Shepparton City Council recorded a working capital of 186.4 per cent which is considered low risk.

Strategic Resource Plan and Long Term Financial Plan

Through annual revisions to our Strategic Resource Plan and Long Term Financial Plan Council will continue to focus on identifying sustainable cost savings that will enable it to remain financially sustainable when delivering high quality, responsive and accessible services to the Community.

Goulburn Valley Regional Collaborative Alliance

Responding to financial pressures and increased community expectations on the Local Government sector, the GVRCA was established in 2012. The Greater Shepparton City Council and Strathbogie Shire Council remain committed to the success of the alliance. The initiative seeks to drive reform and lead change through innovation, foster team work between alliance partners and develop a culture of best practice to support sustainable futures.

The alliance draws on the expertise and independence of Local Government consultancy CT Management Group which, in conjunction with the MAV, developed the project, and now oversees its ongoing implementation, conducts annual reviews and documents the learnings from the pilot project. The model adopted by the GVRCA allows other Councils to join the project and indeed the MAV and CT Management Group anticipate that additional Councils will join the alliance in the future as its benefits become more widely understood.

Some of the highlights of the Alliance so far include:

- Establishment of governance structure including Statement of Intent (Council policy) and Strategic Alliance Agreement (a management agreement between CEOs)
- \$3.96 million in total savings and targeted savings and efficiencies delivered
- Launch of the Alliance's first projects, which include:
 - › Organisational Development
 - › Graders without Borders
 - › Legal Services joint tender
 - › Bridges projects and funding
 - › Procurement
 - › Service Planning
- Greater understanding of each Council's work practices
- Joint Federal funding for Bridges Project \$460,000
- Creation of a legal library and Legal Engagement Protocol
- Launch of the MAV's STEP Workforce Strategy Program
- Early Intervention Strategy and program for ill and injured workers
- Development of organisation protocols and policies

Environmental Sustainability

The Environmental Sustainability Strategy continues to be implemented with the following notable achievements:

- Continued implementation of the Watts Working Better street-lighting upgrade project.
- Council internal Sustainable Working Group continues to offer a range of education and behaviour change programs for staff.
- 66 community participants attended a cold and rainy National Tree Day planting in July 2015. Over 600 plants were planted in the Tassicker Reserve that is being revegetated to provide a bio-corridor between the Goulburn River and Reedy Swamp.
- Over 4,000 indigenous trees and shrubs were planted by community groups and schools throughout the municipality as part of the National Tree Day activities.
- Through the RiverConnect project, 14 environmental education events were organised and attended by 305 community members and 2,112 students from 26 local schools attended 77 school events.
- Under the Roadside Weed and Pest Annual Control Plan, 57 kilometres of roadside was treated for five species of noxious weeds and over 500km of road was mapped to be treated in 2016/17.
- Inaugural Speed Date a Sustainability Expert held in May. Over 40 participants booked to speak to one of six experts including architects, designers, landscape architects, renewable energy specialist and permaculture designers.
- Council continues to work with the Infrastructure Sustainability Council of Australia (ISCA) to modify the rating tool for Local Government.



Social Sustainability

Council has a range of strategies and action plans to ensure that diversity is respected, that there is equity in the services that Council delivers and that social connectedness is nurtured. Council is committed to those that live in Greater

Shepparton to enable them to enjoy a high quality lifestyle that provides opportunities for members of our community to reach their full potential. This includes providing services and actions that foster a good quality of life for all in regards to health, housing, education, employment and safety.

<p>Cultural Diversity and Inclusion Strategy and Action Plan</p>	<p>Greater Shepparton City Council's vision is to promote and facilitate good multicultural practice and leadership within and across Victorian local government. The Cultural Diversity Strategy supports Council in continuing its work towards creating a vibrant, cohesive society that celebrates and incorporates aspects of cultural diversity within daily life. The Strategy is based on valuing our community's diversity, recognising contributions to our society and celebrating the many cultures and diversity in our community. The five strategic goals that frame the strategy are: Active & Engaged Community (Social); Enhancing the Environment (Natural); Economic Prosperity (Economic); Quality Infrastructure (Built); and High Performing Organisation (Leadership & Governance). This strategy and associated action plan is considered a living document and will be reviewed by the Cultural Development Officer on an annual basis.</p>
<p>Youth Strategy and Action Plan</p>	<p>The Youth Strategy and Action Plan 2012-2015 provides Council with a strategic framework to guide our role within the youth sector into the future.</p> <p>The strategy informs how we will work in partnership with the youth sector, young people and their families to ensure that young people are provided with every opportunity to actively participate in their community including those with diverse social, economic or cultural backgrounds.</p>
<p>Housing Strategy</p>	<p>This Strategy has been developed to respond to existing and future housing needs in the municipality to the year 2031.</p> <p>It includes objectives, strategies and actions to guide housing delivery and sets a long-term direction for future residential growth. The strategy informs and guides decision making by landowners, Council, service authorities and the general community about residential land and housing needs and locations.</p>
<p>Volunteer Strategy and Action Plan</p>	<p>The Volunteer Strategy sets out Council's vision and approach to support volunteering in our region. This Strategy provides a framework for the promotion, recruitment/retention, recognition and celebration of Council's volunteers at a local level, encouraging a responsive and supportive environment for all volunteers. Council recognises, where there is a vibrant culture of volunteering, communities are stronger due to the inclusiveness volunteering promotes in the community.</p>
<p>Community Safety Strategy</p>	<p>The Community Safety Strategy 2014-2017 addresses high priority relevant community safety issues facing Greater Shepparton that were identified using local agency knowledge, statistics and community feedback. Each initiative has been developed with measurable objectives to enable the Advisory Committee to assess and report on progress of each community safety initiative on an annual basis.</p>
<p>Municipal Health and Wellbeing Action Plan</p>	<p>The MPHP plays an important role whereby community, local stakeholders and Council set the strategic direction for positive health and wellbeing initiatives that address population health trends to maximise health outcomes.</p>

Positive Ageing Action Plan	<p>The Greater Shepparton City Council remains committed to our older residents and the actions within the Health and Wellbeing Plan and the Universal Access and Inclusion Plan ensure that Council is working towards creating an ‘age friendly’ community for the residents who live within the municipality. The main areas of focus are:</p> <ul style="list-style-type: none"> • Settlement • Housing and Infrastructure • Participation in Community Life • Workforce Participation • Transition to Retirement and Financial Wellbeing • Community Planning and Leadership
Disability Action Plan	<p>The Disability Action Plan provides the framework for Greater Shepparton to address disability access issues across all Council areas of responsibility in line with Council’s Corporate Plan and Municipal Public Health Plan. The strategies developed will assist the Council in removing barriers and providing equity of access to Council services, facilities and employment for all people.</p>
Women’s Charter Alliance	<p>The Women’s Charter Alliance Advisory Committee provides advice to Council on issues relating to the Victorian Government Women’s Charter and its key principles. A three point action plan focussing on Gender Equity, Diversity, and Active Citizenship guides the key strategic objectives of this Committee who make recommendations to encourage delivery of initiatives to ensure there are opportunities for the women of Greater Shepparton to access information, share knowledge and be aware of local leadership opportunities.</p>





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PART 3: GOVERNANCE REPORT

Council Meetings

Council meetings are held at 5.30pm on the third Tuesday of each month including public question time. Public questions must be submitted five clear business days prior to the Council meeting. Special Council Meetings are also held as required.

There were 11 Ordinary Council Meetings and six Special Council Meetings in 2015-2016.

Meetings of the Council are open to the public unless the Council resolves to close the meeting. Council is committed to transparent governance and therefore meetings and regular briefing sessions are only closed when considering confidential reports.

While the majority of the Council meetings are held in the Council Boardroom, some meetings are held in our regional towns throughout the municipality. The times and venues of Council meetings are advertised in the Shepparton News and Tatura Guardian, on our website and Facebook page.

A video summary of meeting outcomes is presented by the Mayor or available Councillor on the Wednesday following each meeting. This is made available on Council's website and YouTube channel.

Briefing Sessions

In addition to regular Council Meetings, there are weekly briefing sessions where Council officers make presentations to Councillors on policy matters, projects and initiatives and issues of importance to the Council and the Greater Shepparton community.

Briefing sessions are not decision-making forums. They enable Councillors to ascertain critical information required to assist them in making a formal decision at a Council Meeting.

Council Committees

Council can appoint advisory committees and committees with special delegated power. There are 21 Section 86 committees made up of community volunteers. Most of the committees have delegated functions for community facilities such as recreation reserves, community centres and halls.

- Arcadia Community Centre Committee of Management
- Australian Botanic Gardens Shepparton Special Committee
- Ballantyne Centre Committee of Management
- Bunbartha Recreation Reserve Committee of Management
- Caniambo Hall Committee of Management
- Central Park Recreation Reserve Committee of Management
- Congupna Recreation Reserve and Community Centre Committee of Management
- Development Hearings Panel
- Dhurringile Recreation Reserve and Community Centre Committee of Management
- Dookie Memorial Hall Committee of Management
- Dookie Recreation Reserve and Community Centre Committee of Management
- Harston Hall Committee of Management
- Karramomus Recreation Reserve and Community Centre Committee of Management
- Katandra West Community Facilities Committee of Management
- Kialla District Hall Committee of Management
- Kialla West Recreation Reserve Committee of Management
- Lemnos Recreation Reserve Committee of Management
- Murchison Community Centre Committee of Management
- Shepparton Show Me Committee of Management
- Tallygaroopna Memorial Hall Committee of Management
- Toolamba Recreation Reserve Committee of Management

Advisory Committees

Council also has 19 advisory committees with community representatives. Advisory committees provide advice to Council but, unlike a Section 86 committee, have no delegated authority.

- Audit and Risk Management Committee
- Cussen Park Advisory Committee
- Deakin Reserve Advisory Committee
- Festive Decorations Advisory Committee
- Goulburn Valley Highway Shepparton Bypass Action Group
- Greater Shepparton Aerodrome Advisory Committee
- Greater Shepparton Disability Advisory Committee
- Greater Shepparton Health and Wellbeing Advisory Committee
- Greater Shepparton Heritage Advisory Committee
- Greater Shepparton Positive Ageing Advisory Committee
- Greater Shepparton Safer Communities Advisory Committee
- Greater Shepparton Sports Hall of Fame Advisory Committee
- Greater Shepparton Women's Charter Alliance Advisory Committee
- RiverConnect Implementation Advisory Committee
- Shepparton Art Museum Advisory Committee
- Shepparton Regional Saleyards Advisory Committee
- Shepparton Showgrounds Advisory Committee
- Sir Murray Bouchier Memorial Advisory Committee
- Tatura Park Advisory Board

Audit and Risk Management Committee

The Audit and Risk Management Committee is an independent Advisory Committee to Council formed pursuant to Section 139 of the *Local Government Act 1989*.

The primary objective of the ARMC is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and ensuring that Council obtains value for money.

The Committee comprises two Councillors and three external independent people appointed by Council. The membership of the Committee at 30 June 2016 is:

- Mr Geoff Cobbledick (Chairperson)
- Cr Dennis Patterson
- Cr Dinny Adem
- Mr Graeme Jolly
- Ms Anne O'Connor
- Mr John Calleja

The Committee oversees the activities and reports of the internal auditor HLB Mann Judd, and the external auditor (Victorian Auditor-General's Office.) The committee also provides advice on Council's annual financial reporting, insurance, risk management and compliance issues.

The annual internal audit program and the scope of the works to be performed is set by the Committee and the Committee reviews each of the reports made pursuant to that program.

The committee met five times during the year with the following activities carried out:

- Financial Statements, Standard Statements and Performance Statement for the year ended 30 June 2016 were considered and recommended 'in principle' adoption to Council.
- Received quarterly risk management reports including insurance claims.

- Received quarterly updates on Occupational Health and safety incidents and statistics.
- Received the internal audit plan for 2015/2016.
- Received and considered Council's monthly financial reports.
- Received a variety of final reports presented by HLB Mann Judd on internal audits conducted throughout the year.

Information to be made available to the public

Greater Shepparton City Council is committed to open and transparent governance. In accordance with Regulation 12 of the Local Government (General) Regulations (2015), the following information is available for public inspection at Council's Welsford Street office:

- Details of overseas or interstate travel (with the exception of interstate travel by land for less than three days) undertaken in an official capacity by Councillors or any member of Council staff in the previous 12 months, including the names of the Councillors or members of Council staff and the date, destination, purpose and total cost of the overseas or interstate travel, including accommodation costs
- 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 parts of meetings which have been closed to members of the public under section 89 of the Act
- Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months except if the minutes relate to parts of meetings which have been closed to members of the public under section 89 of the Act and are confidential information within the meaning of the section 77 (2) of the Act
- A register of delegations kept under sections 87 (1) and 98 (4) of the Act, including the dates on which the last reviews under section 86(6) and 98(6) of the Act took place
- 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 value of the lease
- A register of authorised officers appointed under section 224 (1A) of the Act
- A list of donations and grants made by the Council during the previous 12 months, including the names of persons or bodies which have received a donation or grant and the amount of each donation or grant.

Freedom of Information

Greater Shepparton City Council maintains both paper based and electronic documents in respect to its operational, general administrative, financial and investment functions.

The disposal of these records is governed by the *Public Records Act (1973)* and no records are destroyed or otherwise disposed of except in accordance with the relevant standards.

The *Freedom of Information Act (1982)* gives any individual or organisation the right to access information held by Greater Shepparton City Council unless that information is deemed exempt under the Act.

The *Freedom of Information Act (1982)* embodies the four following basic principles:

- Members of the public have a legal right of access to information in documentary form
- Government departments and agencies are required to publish information concerning the documents they hold
- People may ask for inaccurate, incomplete, out-of-date or misleading information in their personal records to be amended
- People may appeal against a decision not to give access to the information or not to amend a personal record.

During the 2015 – 2016 financial year Greater Shepparton City Council received the following request for information:

Freedom of Information Activity 2015/2016

DESCRIPTION	NUMBER
Applications received	8
Access granted in full	1
Access granted in part	2
Number not finalised	0
Not proceeded with	3
No information found	2
Access denied in full	0

Requests for information should be directed to the Freedom of Information Officer, Greater Shepparton City Council, Locked Bag 1000, Shepparton, Victoria, 3632 or phone (03) 5832 9700.

Current Local Laws

Local Law No 1 Community Living

This local law provides for the administration of Council powers and functions, and for the issue of permits and infringement notices.

It prohibits, regulates and controls activities, events, practices or behaviour in places so that no detriment is caused to the amenity of the neighbourhood, nuisance to a person, or detrimental effect to a person's property.

It also prohibits, regulates and controls activities, events, practices or behaviour in the Maude Street Mall so that no detriment is caused to the amenity of the Mall.

It regulates the droving and movement of livestock throughout the municipal district, minimises the damage to road surfaces, formations, drainage, native vegetation and surrounding areas arising from livestock and to alert other road users to the presence of livestock on roads in the interests of road safety.

It also aims to enhance public safety and community amenity.

Local Law No 2 Processes of Local Government (Meetings and Common Seal)

This local law regulates and controls processes for the election of Mayor and chairpersons of committees, procedures for formal Council and committee meetings, and use of the Common Seal.

Local Law No 5 Drainage of Land

This local law enables better implementation of an exercise of power, under section 200 of the Local Government Act 1989, to define the obligations of a member of Council staff; and a person authorised by Council when entering land to investigate the carrying out of drainage works on or adjacent to or for the benefit of that land.

This local law defines what a member of Council staff; and a person authorised by Council may do once they have entered land to investigate the carrying out of drainage works on, adjacent to or for the benefit of that land, and provides for the peace, order and good government of the municipal district.

Protected Disclosure Act

Council is committed to the aims and objectives of the *Protected Disclosure Act 2012* and does not tolerate improper conduct by its employees, nor the taking of reprisals against those who come forward to disclose such conduct.

Council recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

Council will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure, and will also afford natural justice to the person who is the subject of the disclosure.

The Act commenced operation in 2013, and a Policy has been developed to establish a system for reporting disclosures of improper conduct or detrimental action by employees of the Council. This Policy is publicly available at the Council offices and website.

As at 30 June 2016, Council's Protected Disclosure Officers are the people holding the position of:

- Team Leader Governance
- Manager People and Development
- Team Leader Information Management

The Protected Disclosure Officer is the Team Leader of People and Workforce.

The Protected Disclosure Coordinator is the Manager Corporate Governance.

Protected Disclosure Activity 2015/2016

DESCRIPTION	NUMBER
Number and type of disclosures made to the Council during the year	0
Number of disclosures referred to the Ombudsman for determination	2
Number and type of disclosed matters referred to the Council by the Ombudsman for investigation	0
Number and type of disclosed matters referred by the Council to the Ombudsman for investigation	0
Number and type of investigations taken over from the Council by the Ombudsman	0
Number of requests made by a Whistleblower to the Ombudsman to take over an investigation by the Council	0
Number and types of disclosed matters that the Council has declined to investigate	0
Number and type of disclosed matters that were substantiated upon investigation and action taken on completion of the investigation	0
Any recommendations made by the Ombudsman that relate to the public body	3

Disclosure Relating to Contracts

Section 186 of *Local Government Act 1989* requires Council to seek public tenders before entering into contracts valued at greater than \$150,000 for goods and services and \$200,000 for works.

Councils are required to make available to the public a list of contracts above these amounts which were entered into during the financial year without first engaging in a competitive process.







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FINANCIAL SUMMARY

Council has achieved a break even result with an operating surplus of \$0.09 million compared to a budgeted surplus of \$9.12 million. The variance is largely due to two items:

1. The early receipt in the previous financial year (2014/15) of 50% of the Federal Financial Assistance Grant funding allocation for 2015/16 (\$5.74 million); and
2. The recognition of a further \$3.4 million in provisions for the Cosgrove land fill restoration.

Council recorded \$37.04 million in capital works for 2015/16 with asset renewal expenditure of \$17.98 million or 82% of the total depreciation expense.

Council's working capital ratio remains healthy at 1.86:1 however Council does have a restricted investments balance meaning not all working capital is considered available for discretionary use.

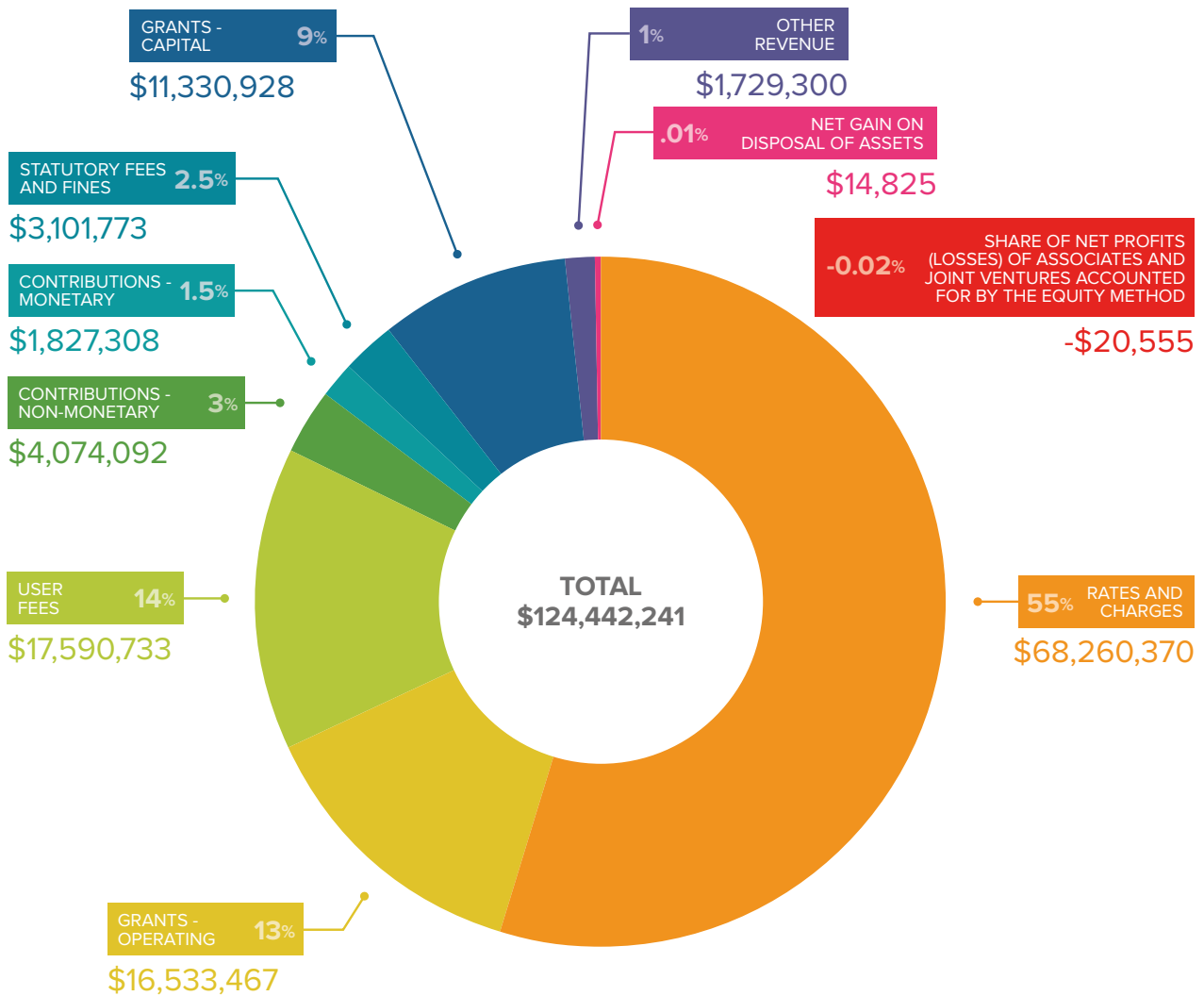
Highlights

- Total Operating Revenue (excluding Capital) \$109.0 million
- Total Operating Expenses \$124.4 million
- Total Capital Revenue \$15.4 million
- Capital Works Completed \$37.04 million

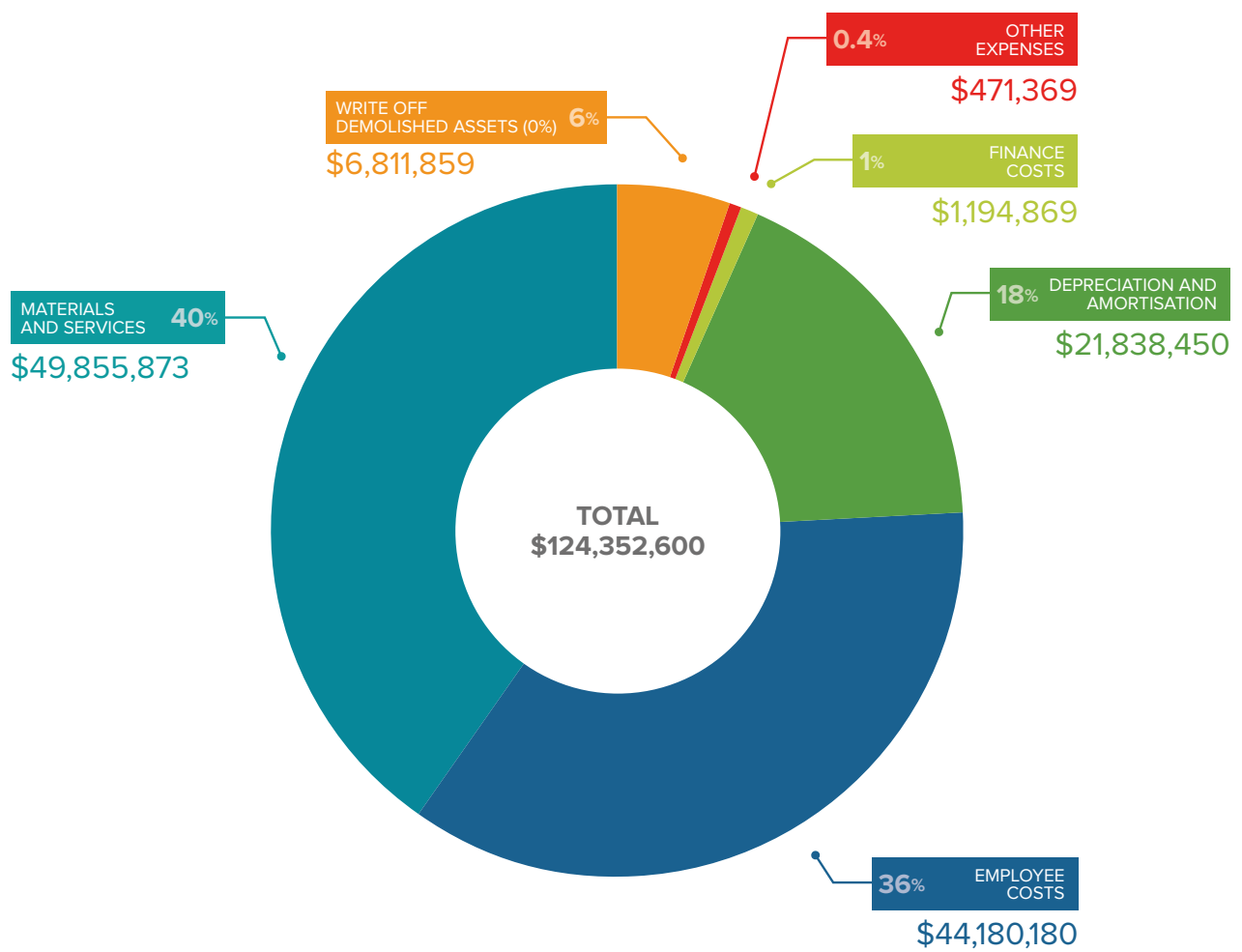


PART 4: FINANCIAL REPORT

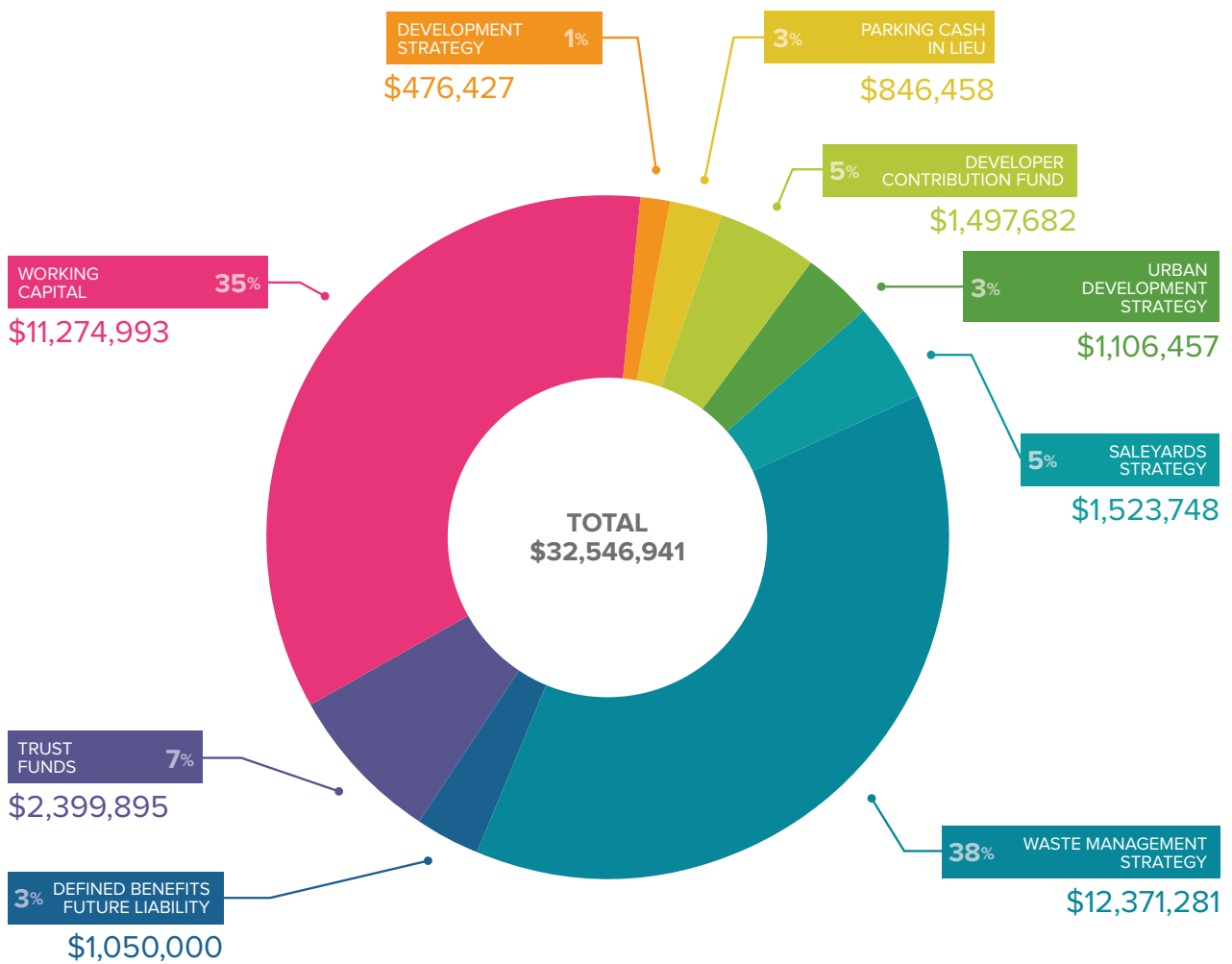
2015 – 2016 Operating Income



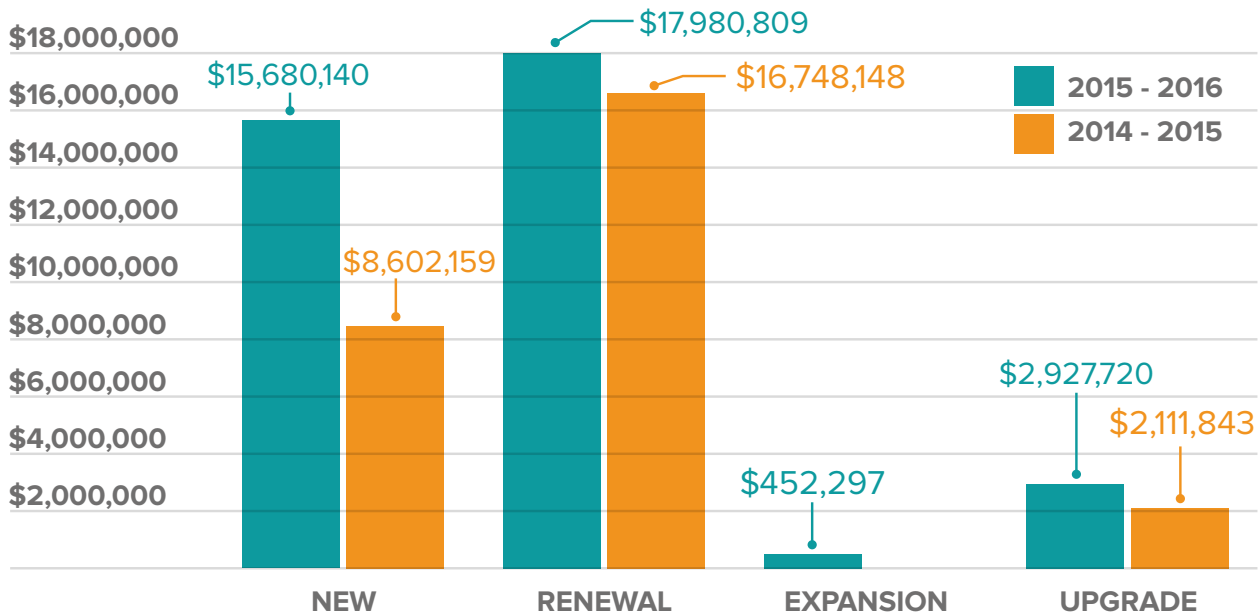
2015 – 2016 Operating Expense



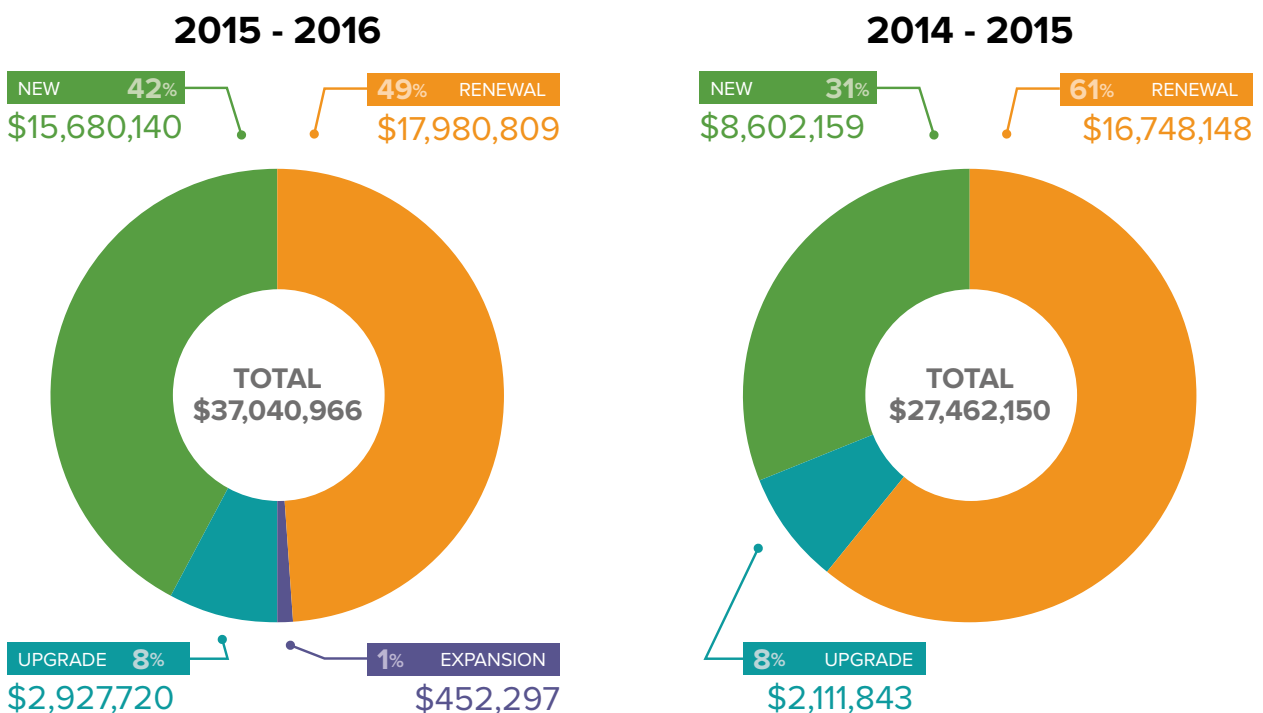
2015 – 2016 Council Investments



2015 – 2016 Capital Expenditure Comparison



2014 – 2015 Capital Expenditure by Type





FINANCIAL STATEMENTS

FOR THE YEAR ENDING 30 JUNE 2016

Comprehensive Income Statement

	NOTE	2016 \$	2015 \$
INCOME			
Rates and charges	3	68,260,370	63,779,711
Statutory fees and fines	4	3,101,773	3,335,681
User fees	5	17,590,733	18,422,848
Grants - operating	6	16,533,467	29,170,289
Grants - capital	6	11,330,928	1,910,676
Contributions - monetary	7	1,827,308	2,259,432
Contributions - non monetary	7	4,074,092	13,607,192
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	8	14,826	105,840
Share of net profits (or loss) of associates and joint ventures	16	(20,555)	131,196
Other income	9	1,729,300	1,865,236
Total income		124,442,241	134,588,101
EXPENSES			
Employee costs	10(a)	(44,180,180)	(42,222,309)
Materials and services	11	(49,794,183)	(52,512,015)
Bad and doubtful debts	12	(61,690)	(224,242)
Depreciation and amortisation	13	(21,838,450)	(22,728,072)
Borrowing costs	14	(1,194,869)	(1,123,275)
Other expenses	15	(7,283,228)	(8,196,776)
Total expenses		(124,352,600)	(127,006,689)
Surplus/(deficit) for the year		89,641	7,581,412
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	22		(1,791,530)
Total comprehensive result		89,641	5,789,882

Balance Sheet

	NOTE	2016 \$	2015 \$
ASSETS			
<i>CURRENT ASSETS</i>			
Cash and cash equivalents	17	13,275,933	18,302,549
Trade and other receivables	18	5,965,568	5,260,957
Other financial assets	19	27,042,827	25,100,000
Inventories	20	73,754	93,670
Other assets	21	1,230,300	1,131,987
Total current assets		47,588,382	49,889,163
<i>NON-CURRENT ASSETS</i>			
Investments in associates and joint ventures	16	1,493,041	1,513,596
Property, infrastructure, plant and equipment	22	1,020,986,173	1,008,911,117
Intangible assets	23	972,944	1,013,338
Total non-current assets		1,023,452,158	1,011,438,051
Total assets		1,071,040,541	1,061,327,214
LIABILITIES			
<i>CURRENT LIABILITIES</i>			
Trade and other payables	24	9,986,239	8,680,085
Trust funds and deposits	25	3,093,498	2,748,204
Provisions	26	11,499,521	9,323,920
Interest-bearing loans and borrowings	27	896,755	489,696
Total current liabilities		25,476,013	21,241,905
<i>NON-CURRENT LIABILITIES</i>			
Provisions	26	6,484,709	4,720,584
Interest-bearing loans and borrowings	27	17,494,161	13,868,708
Total non-current liabilities		23,978,870	18,589,292
Total liabilities		49,454,882	39,831,197
Net assets		1,021,585,658	1,021,496,017
EQUITY			
Accumulated surplus		323,971,195	323,881,554
Reserves	28	697,614,463	697,614,463
Total Equity		1,021,585,658	1,021,496,017

Statement of Changes in Equity

2016	NOTE	TOTAL \$	ACCUMULATED SURPLUS \$	REVALUATION RESERVE \$
Balance at beginning of the financial year		1,021,496,017	323,881,554	697,614,463
Surplus/(deficit) for the year		89,641	89,641	-
Balance at end of the financial year		1,021,585,658	323,971,195	697,614,463

2015		TOTAL \$	ACCUMULATED SURPLUS \$	REVALUATION RESERVE \$
Balance at beginning of the financial year		1,013,939,001	316,300,142	697,638,859
Surplus/(deficit) for the year		7,581,412	7,581,412	-
Net asset revaluation increment/(decrement)	28	(1,791,530)	-	(1,791,530)
Adjustment to prior year accounts	22	1,767,134	-	1,767,134
Balance at end of the financial year		1,021,496,017	323,881,554	697,614,463

Statement of Cash Flows

	NOTE	2016 INFLWS/ (OUTFLOWS) \$	2015 INFLWS/ (OUTFLOWS) \$
CASH FLOWS FROM OPERATING ACTIVITIES			
Rates and charges		68,461,621	63,779,711
Statutory fees and fines		3,021,964	2,026,029
User fees		17,451,499	19,995,685
Grants - operating		16,390,534	29,170,289
Grants - capital		11,330,926	1,910,676
Contributions - monetary		1,827,308	2,281,796
Interest received		1,182,721	1,865,236
Trust funds and deposits taken		345,294	(26,159)
Other receipts		546,579	527,135
Net GST refund/(payment)		(627,888)	1,378
Employee costs		(43,749,658)	(41,617,234)
Materials and services		(45,124,911)	(51,726,845)
Trust funds and deposits repaid		(306,843)	(26,165)
Net cash provided by/(used in) operating activities	29	30,749,145	28,161,532
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, infrastructure, plant and equipment	22	(37,164,981)	(27,462,150)
Proceeds from sale of property, infrastructure, plant and equipment		494,404	344,702
Payments for investments		(1,942,826)	(8,600,000)
Net cash provided by/(used in) investing activities		(38,613,403)	(35,717,448)
CASH FLOWS FROM FINANCING ACTIVITIES			
Finance costs		(1,194,869)	(1,123,275)
Proceeds from borrowings		4,436,000	-
Repayment of borrowings		(403,488)	(453,745)
Net cash provided by/(used in) financing activities		2,837,643	(1,577,020)
Net increase (decrease) in cash and cash equivalents		(5,026,616)	(9,132,936)
Cash and cash equivalents at the beginning of the financial year		18,302,549	27,435,485
Cash and cash equivalents at the end of the financial year		13,275,933	18,302,549

Statement of Capital Works

	NOTE	2016 \$	2015 \$
PROPERTY			
Land		1,989,448	26,559
Land improvements		11,033,512	4,817,330
Total land		13,022,960	4,843,889
Buildings		4,245,437	4,357,488
Total buildings		4,245,437	4,357,488
Total property		17,268,397	9,201,377
PLANT AND EQUIPMENT			
Plant, machinery and equipment		2,098,394	1,825,662
Fixtures, fittings and furniture		970,411	356,223
Computers and telecommunications		815,333	766,238
Art collection and regalia		-	168,669
Total plant and equipment		3,884,137	3,116,792
INFRASTRUCTURE			
Roads		9,768,116	10,597,568
Bridges		-	119,930
Footpaths and cycleways		216,371	636,314
Drainage		1,667,324	1,498,810
Recreational, leisure and community facilities		3,061,285	1,015,133
Waste management		722,382	926,041
Parks, open space and streetscapes		201,821	201,575
Aerodromes		37,087	123,535
Other infrastructure		214,045	25,075
Total infrastructure		15,888,431	15,143,981
Total capital works expenditure		37,040,965	27,462,150
REPRESENTED BY:			
New asset expenditure		15,680,140	8,602,159
Asset renewal expenditure		17,980,809	16,748,148
Asset expansion expenditure		452,297	-
Asset upgrade expenditure		2,927,720	2,111,843
Total capital works expenditure		37,040,965	27,462,150

NOTES TO THE FINANCIAL REPORT

FOR THE YEAR ENDING 30 JUNE 2016

The Greater Shepparton City Council was established by an Order of the Governor in Council on 17 November 1994 and is a body corporate. The Council's main office is located at 90 Welsford Street Shepparton.

Statement of compliance

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

Note 1 - Significant accounting policies

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Notes 1 (f & k))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 1 (l))
- the determination of employee provisions (refer to Note 1 (q)) and landfill site provisions (refer to Note 1 (r))

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

(b) Changes in accounting policies

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

c) Committees of Management

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

d) Accounting for investments in associates and joint arrangements

Associates

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

(e) Revenue recognition

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

Rates and Charges

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

Statutory fees and fines

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

User fees

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

Grants

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

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

Contributions

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

Sale of property, infrastructure, plant and equipment

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

Interest

Interest is recognised as it is earned.

Dividends

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

Other Income

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

(f) Fair Value Measurement

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

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

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

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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

(g) Cash and cash equivalents

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

(h) Trade and other receivables

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

(i) Other financial assets

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

(j) Inventories

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

All other inventories, including land held for sale, are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(k) Recognition and measurement of property, plant and equipment, infrastructure, intangibles **Acquisition**

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

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

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

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 22 Property, infrastructure, plant and equipment.

In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 3 to 5 years. The valuation is performed either by experienced Council officers or independent experts.

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

Land under roads

Council recognises land under roads it controls at fair value.

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

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

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

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

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

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

Asset recognition thresholds and depreciation periods

	DEPRECIATION PERIOD	THRESHOLD LIMIT \$
PROPERTY		
Buildings and Land Improvements		
Land	-	1
Land improvements	5 to 60 years	5,000
Land under roads	-	-
Buildings ^{1,2}	10 to 100 years	5,000
Heritage Assets		
Heritage assets ¹	10 to 100 years	5,000
PLANT AND EQUIPMENT		
Plant, machinery and equipment	2 to 10 years	500
Furniture, equipment and computers	2 to 13 years	1,500
Art and civic regalia ³	-	3,000
INFRASTRUCTURE		
Roads		
Road surface and seals	12 to 60 years	-
spray seal	-	500m ²
asphalt	-	150m ²
concrete	-	55m ²
line marking	-	5,000
Road pavement	53 to 60 years	290m ²
Road kerb, channel and minor culverts	60 to 90 years	1
Bridges deck	50 to 80 years	1
Footpaths	10 to 60 years	1
Bike paths	10 to 65 years	1
Drainage	50 to 90 years	1
Naturestrip trees	50 years	1
Regulatory signs	7 to 35 years	1
Street furniture	5 to 50 years	1

¹In 2014/2015 Council had elected to adopt a depreciation period of 40 years as per an independent valuation. In May 2016 Council adopted a Depreciation Policy that prescribed a useful life of 10 to 100 years. This table shows the

impact of the change in the depreciation rate.

Asset	40 Years Depreciation	10 to 100 Years Depreciation
Buildings	4,936,928	3,213,729

²Greater Shepparton City Council's Depreciation Policy 34.POL3 notes a threshold for New buildings as 'all'. The minimum threshold for renewal, upgrade and expansion is \$5,000

³Greater Shepparton City Council's Depreciation Policy 34.POL3 notes a depreciation period of 50 years for Mayoral Robes

(m) Repairs and maintenance

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

(n) Impairment of assets

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

(o) Trust funds and deposits

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited (refer to Note 25).

(p) Borrowings

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

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

Borrowing costs

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

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

(q) Employee costs and benefits

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

Wages and salaries, and annual leave

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

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

Long service leave

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

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

The components of this current liability are measured at:

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

Classification of employee benefits

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

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

(r) Landfill rehabilitation provision

Council is obligated to restore the Cosgrove 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.

(s) Leases

Operating leases

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

(t) Goods and Services Tax (GST)

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

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

(u) Contingent assets and contingent liabilities and commitments

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

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

(v) Pending accounting standards

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

(w) Rounding

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

Note 2 - Budget comparison

The budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of 10 percent and \$100k 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 23 June 2015. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

Note 2 - Budget comparison (continued)

A) INCOME AND EXPENDITURE	BUDGET 2016 \$'000	ACTUAL 2016 \$'000	VARIANCE 2016 \$'000	REF
INCOME				
Rates and charges	67,706	68,260	554	
Statutory fees and fines	2,420	3,102	682	1
User fees	18,520	17,591	(929)	
Grants - operating	21,602	16,533	(5,068)	2
Grants - capital	7,604	11,331	3,727	3
Contributions - monetary	1,862	1,827	(34)	
Contributions - non monetary	3,000	4,074	1,074	4
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	(541)	15	555	5
Share of net profits/(losses) of associates and joint ventures	-	(21)	(21)	
Other income	2,983	1,729	(1,254)	6
Total income	125,156	124,442	(714)	
EXPENSES				
Employee costs	45,617	44,180	1,437	
Materials and services	46,562	49,794	(3,232)	7
Bad and doubtful debts	15	62	(47)	
Depreciation and amortisation	22,636	21,838	798	
Borrowing costs	1,210	1,195	15	
Other expenses	-	7,283	(7,283)	8
Total expenses	116,041	124,353	(8,312)	
Surplus/(deficit) for the year	9,115	90	(9,026)	

(i) Explanation of material variations

VARIANCE REF	ITEM	EXPLANATION
1	Statutory fees and fines	More than budget by \$682k due to Parking Infringements being budgeted under Other income, but correctly reported under Statutory fees and fines (\$671k).
2	Grants - operating	Less than budget by \$5.068m largely due to the early receipt in 2014/15 of 50% (\$5.74m) of the 2015/16 Federal Financial Assistance Grant funding from the Commonwealth Government.
3	Grants - capital	More than budget by \$3.727m largely due to additional Roads to Recovery Grant funding of \$1.325m, \$750k contribution from VicRoads for Midland Highway Duplication drainage works, \$654k in additional milestone payments for the Greater Shepparton Regional Sports Precinct and \$460k grant funding from the Department of Economic Development, Jobs, Transport and Resources for Katandra West Community Centre.
4	Contributions - non monetary	More than budget by \$1.071m largely due to contributions received from developers which are often difficult to predict.
5	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	Less than budget by \$555k due to \$350k write off of replaced assets being recorded as an other expense (refer #8) and a lower recorded value of write offs for sold motor vehicles (\$240k).
6	Other income	Less than budget by \$1.254m due to budget incorrectly including Parking Infringements of \$671k (refer #1).
7	Materials and services	More than budget by \$3.232m due to increased provision for cell capping required against Cosgrove Landfill.
8	Other expenses	More than budget by \$7.283m due to write down of replaced assets, lost assets and works in progress expenditure not relating to Council assets.

Note 2 - Budget comparison (continued)

B) CAPITAL WORKS	BUDGET 2016 \$'000	ACTUAL 2016 \$'000	VARIANCE 2016 \$'000	REF
PROPERTY				
Land	-	1,989	1,989	1
Land improvements	16,985	11,034	(5,951)	2
Total Land	16,985	13,023	(3,962)	
Buildings	4,405	4,245	(159)	
Total Buildings	4,405	4,245	(159)	
Total Property	21,390	17,268	(4,121)	
PLANT AND EQUIPMENT				
Plant, machinery and equipment	2,169	2,098	(71)	
Fixtures, fittings and furniture	647	970	323	3
Computers and telecommunications	1,385	815	(569)	4
Total Plant and Equipment	4,201	3,884	(317)	
INFRASTRUCTURE				
Roads	10,781	9,768	(1,013)	
Bridges	79	-	(79)	
Footpaths and cycleways	345	216	(129)	5
Drainage	1,255	1,667	412	6
Recreational, leisure and community facilities	1,489	3,061	1,573	7
Waste management	-	722	722	8
Parks, open space and streetscapes	217	202	(15)	
Aerodromes	-	37	37	
Other infrastructure	340	214	(125)	9
Total Infrastructure	14,506	15,888	1,383	
Total Capital Works Expenditure	40,096	37,041	(3,055)	
REPRESENTED BY:				
New asset expenditure	13,369	15,680	2,311	
Asset renewal expenditure	23,332	17,981	(5,351)	
Asset expansion expenditure	334	452	118	
Asset upgrade expenditure	3,062	2,928	(134)	
Total Capital Works Expenditure	40,096	37,041	(3,056)	

(i) Explanation of material variations

VARIANCE REF	ITEM	EXPLANATION
1	Land	More than budget by \$1.989m due to land acquisition for Cosgrove 3 landfill originally budgeted in Land Improvements.
2	Land improvements	Less than budget by \$5.951m largely due to the Cosgrove Landfill with \$1.989m land acquisition reclassified to Land, \$772k reclassified to Waste Management and \$2.721m of works rescheduled to future years and therefore transferred to the Waste Restricted Investment.
3	Fixtures, fittings and furniture	More than budget by \$323k largely due to the rebudget of Kids Town Fruit Bin Upgrade works from 2014/15 \$140k and increased kerbside waste bin purchases \$118k.
4	Computers and telecommunications	Less than budget by \$569k due to rebudgeting of the replacement Finance System expenditure into 2016/17 \$400k and leasing of computers instead of purchasing outright \$180k.
5	Footpaths and cycleways	Less than budget by \$129k largely due to budget savings on Shared Path Renewal \$69k and Corio Street Bike Lanes \$38k.
6	Drainage	More than budget by \$412k largely due to Mooroopna West Growth Corridor DCP drainage works \$316k.
7	Recreational, leisure and community facilities	More than budget by \$1.573m largely due to reclassification of Aquamoves Change Room renewals from Buildings to Recreational, Leisure and Community Facilities \$1.04m and the rebudget of Mooroopna Recreation Reserve Power Upgrade works from 2014/15 \$334k.
8	Waste management	More than budget by \$772k due to the reclassification of Cosgrove 3 Landfill works from Land Improvements to Waste Management.
9	Other infrastructure	Less than budget by \$125k largely due to budget savings for Victoria Park Lake lighting works \$67k.

Note 3 - Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is its market value, which takes into account the land and all improvements fixed to the land.

The valuation base used to calculate general rates for 2015/16 was \$8.98 billion (2014/15 \$8.92 billion).

	2016 \$	2015 \$
General Rates	52,239,432	47,007,926
Municipal charge	7,334,500	6,629,966
Waste management charge	8,430,173	7,700,800
Supplementary rates and rate adjustments	256,265	2,441,019
Total rates and charges	68,260,370	63,779,711

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

Note 4 - Statutory fees and fines

	2016 \$	2015 \$
Infringements and costs	681,006	708,077
Court recoveries	40,563	21,921
Town planning fees	422,302	309,204
Permits	1,419,448	1,752,201
Aged Services	538,454	544,278
Total statutory fees and fines	3,101,773	3,335,681

Note 5 - User fees

	2016 \$	2015 \$
Aged and Disability services	27,358	44,359
Animal Control	97,360	92,275
Aquatic Facilities	2,821,997	2,815,368
Arts and Culture	657,273	730,025
Children's Services	2,224,757	2,011,324
Development Facilities	212,281	115,348
Environmental Health	25,140	89,022
Financial Services	432,052	810,050
Miscellaneous	794,770	941,599
Parking	1,254,776	1,283,241
Private Works	385,792	550,077
Recreational Facilities	409,619	420,060
Saleyards	1,741,715	1,984,755
Tourism	1,013,930	1,259,222
Waste Management	5,491,913	5,276,123
Total user fees	17,590,733	18,422,848

Note 6 - Grants

Grants were received in respect of the following :	2016 \$	2015 \$
SUMMARY OF GRANTS		
Commonwealth funded grants	13,568,282	22,423,476
State funded grants	14,296,113	8,657,489
Total grants received	27,864,395	31,080,965
OPERATING GRANTS		
Recurrent - Commonwealth Government		
Federal Financial Assistance Grants	5,706,000	17,274,971
Children's Services	2,527,218	2,442,892
Aged & Disability Services	558,633	452,387
Waste & Resource Recovery	104,940	-
Recurrent - State Government		
Aged & Disability Services	3,314,989	3,157,114
Children's Services	1,735,661	1,685,411
Art and Culture	193,000	169,033
Economic Development	15,000	135,000
Environmental Health	74,038	163,202
Emergency Management	146,106	146,106
Other	77,849	68,022
Total recurrent operating grants	14,453,434	25,694,138

Note 6 - Grants (continued)

	2016 \$	2015 \$
Non-recurrent - Commonwealth Government		
Environmental planning	267,511	511,926
Other	150,353	192,112
Non-recurrent - State Government		
Recreation and Parks	32,973	4,062
Youth and Childrens Services	1,216,355	1,307,739
Infrastructure	100,000	2,179
Emergency Management	-	846,760
Arts and Culture	139,606	282,622
Active Living	74,545	145,930
Community Development	-	117,950
Other	98,690	64,871
Total non-recurrent operating grants	2,080,033	3,476,151
Total operating grants	16,533,467	29,170,289
CAPITAL GRANTS		
Recurrent - Commonwealth Government		
Roads to recovery	4,225,997	1,479,188
Non-recurrent - Commonwealth Government		
Information Services	19,800	-
Recreation and Parks	7,830	-
Community life	-	70,000
Non-recurrent - State Government		
Buildings	110,000	248,421
Sports Facilities	5,993,289	-
Recreation and Parks	123,700	-
Drainage	750,400	-
Other	99,912	113,067
Total non-recurrent capital grants	7,104,931	431,488
Total capital grants	11,330,928	1,910,676
Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	5,769,338	3,550,466
Received during the financial year and remained unspent at balance date	1,060,241	6,052,405
Received in prior years and spent during the financial year	6,052,405	3,833,533
Balance at year end	777,174	5,769,338

Note 7 - Contributions

	2016 \$	2015 \$
Monetary	1,827,308	2,259,432
Non-monetary	4,074,092	13,607,192
Total contributions	5,901,399	15,866,624
Contributions of non monetary assets were received in relation to the following asset classes.		
Land	671,345	3,276,339
Roads	3,402,747	10,330,853
Total non-monetary contributions	4,074,092	13,607,192

Note 8 - Net gain on disposal of property, infrastructure, plant and equipment

	2016 \$	2015 \$
Proceeds of sale	494,404	344,702
Written down value of assets disposed	(479,578)	(238,862)
Total net gain on disposal of property, infrastructure, plant and equipment	14,826	105,840

Note 9 - Other income

	2016 \$	2015 \$
Interest	1,182,721	1,338,101
Other rent	546,579	527,135
Total other income	1,729,300	1,865,236

Note 10 (a) - Employee costs

	2016 \$	2015 \$
Wages and salaries	39,833,737	37,861,120
WorkCover	316,467	557,858
Superannuation	3,823,195	3,588,531
Fringe benefits tax	206,781	214,800
Total employee costs	44,180,180	42,222,309

Note 10 (b) - Superannuation

	2016 \$	2015 \$
COUNCIL MADE CONTRIBUTIONS TO THE FOLLOWING FUNDS:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	172,053	191,821
	172,053	191,821
Employer contributions payable at reporting date.	-	2,580
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,642,084	3,387,284
Employer contributions - other funds	9,058	9,426
	3,651,142	3,396,710
Employer contributions payable at reporting date.	62	26,881
	3,823,195	3,588,531

Note 11 - Materials and services

	2016 \$	2015 \$
Contract payments	15,456,631	14,429,923
Building maintenance	778,954	3,252,500
General maintenance	14,999,779	14,394,939
Utilities	3,090,771	3,142,891
Office administration	12,219,309	14,075,746
Information technology	283,780	289,602
Insurance	1,016,706	1,020,454
Consultants	1,948,253	1,905,960
Total materials and services	49,794,183	52,512,015

Note 12 - Bad and doubtful debts

	2016 \$	2015 \$
Parking fine debtors	28,857	206,226
Rates debtors	11,371	10,037
Other debtors	21,462	7,979
Total bad and doubtful debts	61,690	224,242

Note 13 - Depreciation and amortisation

	2016 \$	2015 \$
Property	4,000,083	5,461,394
Plant and equipment	2,527,236	2,249,502
Infrastructure	15,311,131	15,017,176
Total depreciation	21,838,450	22,728,072
Intangible assets	-	-
Total depreciation and amortisation	21,838,450	22,728,072

Refer to note 22 and 23 for a more detailed breakdown of depreciation and amortisation charges

Note 14 - Borrowing costs

	2016 \$	2015 \$
Interest - Borrowings	1,194,869	1,123,275
Total borrowing costs	1,194,869	1,123,275

Note 15 - Other expenses

	2016 \$	2015 \$
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	66,500	65,526
Auditors' remuneration - Internal	84,435	96,903
Councillors' allowances	240,343	231,703
Write off of replaced assets	6,811,859	7,789,271
Write down of intangible assets	80,091	13,373
Total other expenses	7,283,228	8,196,776

Note 16 - Investments in associates, joint ventures and subsidiaries

a) Investments in associates

	2016 \$	2015 \$
Investments in associates accounted for by the equity method are:	1,493,041	1,513,596
- Goulburn Valley Regional Library Corporation		

Goulburn Valley Regional Library Corporation

Background

The Goulburn Valley Regional Library Corporation is an entity which has been established to serve three northern Victorian Councils; the Greater Shepparton City Council, Moira Shire Council and the Strathbogie Shire Council. Each Council has two representatives on the Board of the Corporation.

Each of the member Councils contributes financially to the operation of the Corporation based on the ratio of their population base. Contribution payments are considered a 'fee for service' on a commercial basis and are relative to the services the Corporation provides. The amount of financial contribution does not bring with it any additional voting rights or influence on the library activities and therefore no greater power or control.

	2016 \$	2015 \$
Fair value of Council's investment in the Goulburn Valley Regional Library Corporation	1,493,041	1,513,596
COUNCIL'S SHARE OF ACCUMULATED SURPLUS/(DEFICIT)		
Council's share of accumulated surplus(deficit) at start of year	(366,592)	(497,788)
Reported surplus(deficit) for year	(20,555)	131,196
Council's share of accumulated surplus(deficit) at end of year	(387,147)	(366,592)
COUNCIL'S SHARE OF RESERVES		
Council's share of reserves at start of year	1,382,400	1,382,400
Council's share of reserves at end of year	1,382,400	1,382,400
MOVEMENT IN CARRYING VALUE OF SPECIFIC INVESTMENT		
Carrying value of investment at start of year	1,513,596	1,382,400
Share of surplus(deficit) for year	(20,555)	131,196
Carrying value of investment at end of year	1,493,041	1,513,596

Note 17 - Cash and cash equivalents

	2016 \$	2015 \$
Cash on hand	8,700	8,900
Cash at bank	7,763,119	13,289,535
Term deposits	5,504,114	5,004,114
	13,275,933	18,302,549
Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:		
- Trust funds and deposits (Note 25)	3,093,498	2,748,204
- Funds held on a statutory basis	1,429,228	1,848,779
Total restricted funds	4,522,726	4,596,983
Total unrestricted cash and cash equivalents	8,753,207	13,705,566
INTENDED ALLOCATIONS		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
- Cash held to fund carried forward capital works	3,425,876	2,734,393
- Conditional grants unspent	777,174	5,769,338
Total funds subject to intended allocations	4,203,050	8,503,731

Refer also to Note 19 for details of other financial assets held by Council.

Note 18 - Trade and other receivables

	2016 \$	2015 \$
CURRENT		
Rates debtors	3,277,313	3,478,564
Infringement debtors	425,046	345,237
Provision for doubtful debts - infringements	(44,778)	(101,386)
Other debtors	1,711,478	1,568,542
Provision for doubtful debts - other debtors	(30,000)	(30,000)
Net GST receivable	626,510	-
Total trade and other receivables	5,965,568	5,260,957
A) AGEING OF RECEIVABLES		
At balance date other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade & other receivables (excluding statutory receivables) was:		
Current (not yet due)	1,457,932	1,437,507
Past due by up to 30 days	169,752	54,833
Past due between 31 and 180 days	83,794	76,202
Past due by more than 1 year	-	-
Total trade & other receivables	1,711,478	1,568,542
B) MOVEMENT IN PROVISIONS FOR DOUBTFUL DEBTS		
Balance at the beginning of the year	(131,386)	(125,689)
New Provisions recognised during the year	(5,082)	(22,405)
Amounts already provided for and written off as uncollectible	61,690	16,708
Amounts provided for but recovered during the year	-	-
Balance at end of year	(74,778)	(131,386)
C) AGEING OF INDIVIDUALLY IMPAIRED RECEIVABLES		
At balance date, other debtors representing financial assets with a nominal value of \$29,826 (2015: \$33,995) were impaired. The amount of the provision raised against these debtors was \$30,000 (2015: \$30,000). 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:		
Past due between 31 and 180 days	29,826	33,995
Total trade & other receivables	29,826	33,995

Note 19 - Other financial assets

	2016 \$	2015 \$
Term deposits	27,042,827	25,100,000
Total other financial assets	27,042,827	25,100,000

Note 20 - Inventories

	2016 \$	2015 \$
Inventories held for distribution	73,754	93,670
Total inventories	73,754	93,670

Note 21 - Other assets

	2016 \$	2015 \$
Prepayments	763,344	725,462
Accrued income	421,491	321,367
Intangible asset - Parkside Gardens right to receive income within 12 months	45,465	85,158
Total other assets	1,230,300	1,131,987

Note 22 - Property, infrastructure plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2016	Accumulated Depreciation	WDV 30 June 2016	At Fair Value 30 June 2015	Accumulated Depreciation	WDV 30 June 2015
Land	244,432,282	(790,637)	243,641,645	308,078,921	(4,863,148)	303,215,773
Buildings	116,992,529	(46,585,108)	70,407,420	197,118,587	(81,400,779)	115,717,808
Plant and Equipment	44,643,824	(17,222,705)	27,421,119	50,523,883	(20,385,457)	30,138,426
Infrastructure	960,680,855	(314,683,134)	645,997,721	796,451,365	(257,395,918)	539,055,447
Work in progress	33,518,268	-	33,518,268	20,783,663	-	20,783,663
	1,400,267,758	(379,281,584)	1,020,986,173	1,372,956,419	(364,045,302)	1,008,911,117

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
Buildings	9,481,399	2,572,089	(9,229,821)	-	2,823,667
Plant and Equipment	(167,584)	892,597	479,181	-	1,204,194
Infrastructure	11,469,848	22,600,338	(4,579,779)	-	29,490,407
Total	20,783,663	26,065,024	(13,330,419)	-	33,518,26

Note 22 - Property, infrastructure plant and equipment (continued)

Land and Buildings	Land-specialised	Land-non specialised	Land improvements	Total Land	Heritage buildings	Buildings-specialised	Total Buildings	Work In Progress	Total Property
At fair value 1 July 2015	178,510,839	113,676,733	15,891,349	308,078,921	3,763,536	193,355,051	197,118,587	9,481,399	514,678,907
Opening balance accumulated depreciation at 1 July 2015	-	-	(4,863,148)	(4,863,148)	(1,557,026)	(81,610,887)	(83,167,913)	-	(88,031,061)
Adjustment to prior year depreciation ¹	-	-	-	-	280,865	1,486,269	1,767,134	-	1,767,134
Accumulated depreciation at 1 July 2015	-	-	(4,863,148)	(4,863,148)	(1,276,161)	(80,124,618)	(81,400,779)	-	(86,263,927)
	178,510,839	113,676,733	11,028,201	303,215,773	2,487,375	113,230,433	115,717,808	9,481,399	428,414,980
Movements in fair value									
Acquisition of assets at fair value	-	-	649,248	649,248	266,133	951,150	1,217,283	2,572,089	4,438,620
Fair value of assets disposed	(82,675)	(136,500)	(246,768)	(465,943)	-	(2,075,538)	(2,075,538)	-	(2,541,481)
Gifted	646,345	25,000	15,386	686,731	-	-	-	-	686,731
Transfers	-	-	5,020,512	5,020,512	-	2,027,105	2,027,105	(9,229,821)	(2,182,204)
Transfers between Categories	-	(55,369,100)	(14,168,087)	(69,537,187)	22,524,580	(103,819,488)	(81,294,908)	-	(150,832,095)
	563,670	(55,480,600)	(8,729,709)	(63,646,639)	22,790,713	(102,916,771)	(80,126,058)	(6,657,732)	(150,430,429)
Movements in accumulated depreciation									
Depreciation and amortisation	-	-	(755,452)	(755,452)	(30,902)	(3,213,729)	(3,244,631)	-	(4,000,083)
Accumulated depreciation of disposals	-	-	89,116	89,116	-	1,726,830	1,726,830	-	1,815,946
Transfers between Categories	-	-	4,738,847	4,738,847	(8,168,980)	44,502,452	36,333,472	-	41,072,319
	-	-	4,072,511	4,072,511	(8,199,882)	43,015,553	34,815,671	-	38,888,182
At fair value 30 June 2016	179,074,509	58,196,133	7,161,640	244,432,282	26,554,249	90,438,280	116,992,529	2,823,667	364,248,477
Accumulated depreciation at 30 June 2016	-	-	(790,637)	(790,637)	(9,476,043)	(37,109,065)	(46,585,108)	-	(47,375,745)
	179,074,509	58,196,133	6,371,003	243,641,645	17,078,206	53,329,214	70,407,420	2,823,667	316,872,732

Note 22 - Property, infrastructure plant and equipment (continued)

Plant and Equipment	Plant machinery and equipment	Fixtures fittings and furniture	Computers & Telecommunications	Art Collection & Regalia	Work In Progress	Total plant and equipment
At fair value 1 July 2015	13,820,235	19,504,403	-	17,199,245	(167,584)	50,356,299
Accumulated depreciation at 1 July 2015	(6,999,229)	(13,386,228)	-	-	-	(20,385,457)
	6,821,006	6,118,175	-	17,199,245	(167,584)	29,970,842
Movements in fair value						
Acquisition of assets at fair value	1,757,184	609,417	-	-	892,597	3,259,198
Fair value of assets disposed	(1,370,359)	(776,867)	-	-	-	(2,147,226)
Transfers	77,943	935,015	-	-	479,181	1,492,139
Transfers between Categories	(898)	(13,268,358)	6,156,864	-	-	(7,112,392)
	463,870	(12,500,793)	6,156,864	-	1,371,778	(4,508,281)
Depreciation and amortisation	(1,335,260)	(1,191,976)	-	-	-	(2,527,236)
Accumulated depreciation of disposals	890,780	742,738	-	-	-	1,633,518
Transfers between Categories	897	9,024,706	(4,969,133)	0	-	4,056,470
	(443,583)	8,575,468	(4,969,133)	0	-	3,162,752
At fair value 30 June 2016	14,284,105	7,003,610	6,156,864	17,199,245	1,204,194	45,848,018
Accumulated depreciation at 30 June 2016	(7,442,812)	(4,810,760)	(4,969,133)	-	-	(17,222,705)
	6,841,293	2,192,850	1,187,731	17,199,245	1,204,194	28,625,313

Note 22 - Property, infrastructure plant and equipment (continued)

Infrastructure	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Waste Management
At fair value 1 July 2015	567,110,708	23,954,449	65,459,528	127,855,074	-	-
Accumulated depreciation at 1 July 2015	(166,699,267)	(7,983,978)	(31,802,361)	(46,368,971)	-	-
	400,411,441	15,970,471	33,657,167	81,486,103	-	-
Movements in fair value						
Acquisition of assets at fair value	5,841,585	-	6,835	108,650	-	-
Fair value of assets disposed	(5,647,109)	-	(75,814)	(53,409)	-	-
Gifted	1,694,385	-	544,924	1,120,554	-	-
Transfers	2,045,467	(124,024)	400,580	323,847	-	-
Transfers between Categories	(24,291)	(2,070,000)	(255,397)	(2,087,220)	111,478,113	5,886,741
	3,910,037	(2,194,024)	621,128	(587,578)	111,478,113	5,886,741
Movements in accumulated depreciation						
Depreciation and amortisation	(11,737,367)	(327,721)	-1,157,808	(1,485,020)	-	-
Accumulated depreciation of disposals	2,966,895	-	39,783	18,689	-	-
Transfers	-	13,213	-	(13,213)	-	-
Transfers between Categories	12,955	445,322	120,469	722,451	(39,500,752)	(2,481,542)
	(8,757,517)	130,814	(997,556)	(757,093)	(39,500,752)	(2,481,542)
At fair value 30 June 2016	571,020,745	21,760,425	66,080,656	127,267,496	111,478,113	5,886,741
Accumulated depreciation at 30 June 2016	(175,456,784)	(7,853,164)	(32,799,917)	(47,126,064)	(39,500,752)	(2,481,542)
	395,563,961	13,907,261	33,280,739	80,141,432	71,977,361	3,405,199

Note 22 - Property, infrastructure plant and equipment (continued)

Infrastructure (continued)	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Other Infrastructure	Work In Progress	Total Infrastructure
At fair value 1 July 2015	-	-	-	12,071,606	11,469,848	807,921,213
Accumulated depreciation at 1 July 2015	-	-	-	(4,541,341)	-	(257,395,918)
	-	-	-	7,530,265	11,469,848	550,525,295
Movements in fair value						
Acquisition of assets at fair value	-	-	-	145,172	22,600,338	28,702,580
Fair value of assets disposed	-	-	-	(132,300)	(1,872,084)	(7,780,716)
Gifted	-	-	-	23,836	-	3,383,699
Transfers	-	-	-	61,825	(2,707,695)	-
Transfers between Categories	27,450,373	6,955,423	11,138,999	(528,255)	-	157,944,486
	27,450,373	6,955,423	11,138,999	(429,722)	18,020,559	182,250,049
Movements in accumulated depreciation						
Depreciation and amortisation	-	-	-	(603,213)	-	(15,311,129)
Accumulated depreciation of disposals	-	-	-	94,995	-	3,120,362
Transfers	-	-	-	-	-	-
Transfers between Categories	(2,358,760)	(510,098)	(1,792,374)	245,880	-	(45,096,449)
	(2,358,760)	(510,098)	(1,792,374)	(262,338)	-	(57,287,216)
At fair value 30 June 2016	27,450,373	6,955,423	11,138,999	11,641,884	29,490,407	990,171,262
Accumulated depreciation at 30 June 2016	(2,358,760)	(510,098)	(1,792,374)	(4,803,679)	-	(314,683,134)
	25,091,613	6,445,325	9,346,625	6,838,205	29,490,407	675,488,128

Note 22 - Property, infrastructure plant and equipment (continued)

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer LG Valuation Services. The date of the last revaluation was 1 July 2014. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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

	LEVEL 1	LEVEL 2	LEVEL 3
Land	-	195,675	58,000,458
Specialised land	-		179,074,509
Land improvements		2,579,528	3,791,475
Heritage buildings	-	-	17,078,206
Buildings	-	3,075,183	50,254,031
Building improvements	-	-	-
Total	-	5,850,386	308,198,679

Note 22 - Property, infrastructure plant and equipment (continued)

Valuation of infrastructure

Valuation of infrastructure assets (excluding Major Culverts) has been determined in accordance with an internal valuation undertaken by the Team Leader Strategic Assets.

Valuation of infrastructure assets (Major Culverts) has been determined in accordance with an internal valuation undertaken by Sterling Group Consultants Pty Ltd. The date of the last revaluation for infrastructure assets was 30 June 2015.

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

	LEVEL 1	LEVEL 2	LEVEL 3
Roads	-	-	395,563,961
Bridges	-	-	13,907,261
Footpaths and cycleways	-	-	33,280,739
Drainage	-	-	80,121,432
Recreational, leisure and community facilities	-	-	71,977,361
Waste management	-	-	3,405,199
Parks, open space and streetscapes	-	-	25,091,613
Aerodromes	-	-	6,445,325
Off Street Car Parks	-	-	9,346,625
Other infrastructure	-	-	6,838,205
Total	-	-	645,977,721

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.05 and \$834.54 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement cost is calculated on a square metre basis and ranges from \$150 to \$15,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 20 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 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 7 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.

Note 22 - Property, infrastructure plant and equipment (continued)

	2016 \$	2015 \$
Reconciliation of specialised land		
Land under roads	179,074,509	178,510,839
Total specialised land	179,074,509	178,510,839

¹ Adjustment to prior period Accumulated Depreciation

In May 2016 Council adopted a Depreciation Policy that prescribed a useful life of 10 to 100 years for Building and Heritage Assets. This replaced the previous policy useful life of 40 years. Refer Note 1 (l).

Note 23 - Intangible assets

	2016 \$	2015 \$
Parkside Gardens right to receive income	972,944	1,013,338
Total intangible assets	972,944	1,013,338
	PARKSIDE GARDENS \$	
Gross carrying amount		
Balance at 1 July 2014	1,046,471	
Additions from internal developments	-	
Write down of intangible asset due to actual lot sales	(33,133)	
Balance at 1 July 2015	1,013,338	
Write down of intangible asset due to actual lot sales	(40,394)	
Balance at 30 June 2016	972,944	
Accumulated amortisation and impairment		
Balance at 1 July 2014	-	
Amortisation expense	-	
Balance at 1 July 2015	-	
Amortisation expense	-	
Balance at 30 June 2016	-	
Net book value at 30 June 2015	1,013,338	
Net book value at 30 June 2016	972,944	

Note 24- Trade and other payables

	2016 \$	2015 \$
Trade payables	1,565,326	1,669,231
Net GST payable	-	1,378
Accrued expenses	8,420,913	7,009,476
Total trade and other payables	9,986,239	8,680,085

Note 25- Trust funds and deposits

	2016 \$	2015 \$
Refundable deposits	2,189,369	1,931,045
Fire services levy	397,577	377,311
Retention amounts	506,552	439,848
Total trust funds and deposits	3,093,498	2,748,204

Purpose and nature of items

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

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

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

Note 26 - Provisions

	EMPLOYEE \$	LANDFILL RESTORATION \$	TOTAL \$
2016			
Balance at beginning of the financial year	10,015,174	4,029,330	14,044,504
Additional provisions	3,489,286	3,455,329	6,944,615
Amounts used	(3,091,327)	-	(3,091,327)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	86,437	-	86,437
Balance at the end of the financial year	10,499,570	7,484,659	17,984,229
2015			
Balance at beginning of the financial year	9,575,423	-	9,575,423
Additional provisions	4,384,824	4,029,330	8,414,154
Amounts used	(3,544,545)	-	(3,544,545)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	(400,528)	-	(400,528)
Balance at the end of the financial year	10,015,174	4,029,330	14,044,504

	2016 \$	2015 \$
(A) EMPLOYEE PROVISIONS		
Current provisions expected to be wholly settled within 12 months		
Annual leave	2,667,615	2,591,227
Long service leave	1,649,109	1,246,645
	4,316,724	3,837,872
Current provisions expected to be wholly settled after 12 months		
Annual leave	779,685	745,955
Long service leave	4,835,594	4,740,093
	5,615,279	5,486,048
Total current employee provisions	9,932,003	9,323,920
Non-current		
Long service leave	567,568	691,254
Annual leave	-	-
Total non-current employee provisions	567,568	691,254
Aggregate carrying amount of employee provisions:		
Current	9,932,003	9,323,920
Non-current	567,568	691,254
Total aggregate carrying amount of employee provisions	10,499,570	10,015,174
(B) LAND FILL RESTORATION		
Current	1,567,518	-
Non-current	5,917,141	4,029,330
	7,484,659	4,029,330
Summary		
Current-Employee provisions	9,932,003	9,323,920
Current-Land fill restoration	1,567,518	-
Total Current Provisions	11,499,521	9,323,920
Non-current-Employee provisions	567,568	691,254
Non-current-Land fill restoration	5,917,141	4,029,330
Total Non-current Provisions	6,484,709	4,720,584

Note 27 - Interest-bearing loans and borrowings

	2016 \$	2015 \$
Current		
Borrowings-secured	896,755	489,696
	896,755	489,696
Non-current		
Borrowings-secured	17,494,161	13,868,708
	17,494,161	13,868,708
Total	18,390,916	14,358,404
Borrowings are secured over general rates as per Local Government Act-Section 148 (1) (a).		
(a) The maturity profile for Council's borrowings is:		
Not later than one year	896,755	489,696
Later than one year and not later than five years	4,175,361	2,379,065
Later than five years	13,318,800	11,489,643
	18,390,916	14,358,404

Note 28 - Reserves

	BALANCE AT BEGINNING OF REPORTING PERIOD \$	INCREMENT (DECREMENT) \$	BALANCE AT END OF REPORTING PERIOD \$
(A) ASSET REVALUATION RESERVES			
2016 Property			
Land	230,250,523	-	230,250,523
Buildings	26,162,472	-	26,162,472
	256,412,995	-	256,412,995
Plant & Equipment			
Artwork & Regalia	13,516,054	-	13,516,054
	13,516,054	-	13,516,054
Infrastructure			
Roads	343,537,637	-	343,537,637
Bridges	17,826,478	-	17,826,478
Footpaths and cycleways	33,335,296	-	33,335,296
Drainage	31,855,019	-	31,855,019
Other infrastructure	1,130,984	-	1,130,984
	427,685,414	-	427,685,414
Total asset revaluation reserves	697,614,463	-	697,614,463
2015 Property			
Land	233,456,986	(3,206,463)	230,250,523
Buildings	19,775,848	6,386,624	26,162,472
	253,232,834	3,180,161	256,412,995
Plant & Equipment			
Artwork & Regalia	11,351,012	2,165,042	13,516,054
	11,351,012	2,165,042	13,516,054
Infrastructure			
Roads	350,674,370	(7,136,733)	343,537,637
Bridges	17,826,478	-	17,826,478
Footpaths and cycleways	33,335,296	-	33,335,296
Drainage	31,855,019	-	31,855,019
Other infrastructure	1,130,984	-	1,130,984
	434,822,147	(7,136,733)	427,685,414
Total asset revaluation reserves	699,405,993	(1,791,530)	697,614,463

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

Note 29 - Reconciliation of cash flows from operating activities to surplus/(deficit)

	2016 \$	2015 \$
Surplus/(deficit) for the year	89,641	7,581,412
Depreciation/amortisation	21,838,45	30,517,343
(Profit)/loss on disposal of property, infrastructure, plant and equipment	(14,826)	(105,840)
Contributions- Non-monetary assets	(4,074,092)	(13,607,192)
Finance costs	1,194,869	1,123,275
Share of net (profits)/losses of associates and joint ventures	20,555	(131,196)
CHANGE IN ASSETS AND LIABILITIES:		
(Increase)/decrease in trade and other receivables	(704,611)	191,554
(Increase)/decrease in prepayments	(37,882)	(246,133)
Increase/(decrease) in accrued income	(100,124)	594,971
Increase/(decrease) in trade and other payables	1,306,154	(2,220,261)
Increase/(decrease) in other liabilities	4,377,806	(479,910)
(Increase)/decrease in inventories	19,916	12,653
Increase/(Decrease) in provisions	484,396	1,131,899
Increase/(Decrease) in landfill provisions	3,455,329	3,337,182
(Increase)/decrease in other assets	2,893,564	461,775
Net cash provided by/(used in) operating activities	30,749,145	28,161,532

Note 30 - Financing arrangements

Bank overdraft	200,000	200,000
Credit card facilities	100,000	
Interest bearing loans	18,390,916	-
Total facilities	18,690,916	200,000
Used facilities- Credit card	58,113	-
Used facilities- Interest bearing loans	18,390,916	
Unused facilities	18,632,803	200,000

Note 31 - Commitments

The Council has entered into the following commitments:

2016	NOT LATER THAN 1 YEAR \$	LATER THAN 1 YEAR AND NOT LATER THAN 2 YEARS \$	LATER THAN 2 YEARS AND NOT LATER THAN 5 YEARS \$	LATER THAN 5 YEARS \$	TOTAL \$
OPERATING					
Recycling	820,500	861,525	904,601	949,831	3,536,458
Garbage collection	4,310,000	4,525,500	4,751,775	4,989,364	18,576,639
Open space management	682,426	-	-	-	682,426
Consultancies	1,580,196	796,104	465,639	149,031	2,990,971
Home care services	2,007,600	2,066,328	2,126,817	-	6,200,745
Cleaning contracts for Council buildings	406,456	406,456	-	-	812,912
Meals for delivery	400,000	412,000	424,360	-	1,236,360
Council elections 2016	360,000	-	-	-	360,000
Total	10,567,178	9,067,913	8,673,192	6,088,226	34,396,510
CAPITAL					
Buildings	2,474,061	-	-	-	2,474,061
Roads	1,289,505	-	-	-	1,289,505
Drainage	82,344	-	-	-	82,344
Total	3,845,910	-	-	-	3,845,910
2015	NOT LATER THAN 1 YEAR \$	LATER THAN 1 YEAR AND NOT LATER THAN 2 YEARS \$	LATER THAN 2 YEARS AND NOT LATER THAN 5 YEARS \$	LATER THAN 5 YEARS \$	TOTAL \$
OPERATING					
Recycling	559,500	-	-	-	559,500
Garbage collection	2,248,000	-	-	-	2,248,000
Open space management	731,064	607,426	631,723	-	1,970,213
Consultancies	666,184	128,660	39,775	-	834,619
Home care services	2,209,451	2,159,451	6,478,353	2,159,451	13,006,706
Cleaning contracts for Council buildings	19,722	-	-	-	19,722
Meals for delivery	420,000	420,000	1,260,000	420,000	2,520,000
Total	6,853,921	3,315,537	8,409,851	2,579,451	21,158,760
CAPITAL					
Buildings	2,827,833	165,000	-	-	2,992,833
Roads	942,599	-	-	-	942,599
Drainage	85,206	-	-	-	85,206
Total	3,855,638	165,000	-	-	4,020,638

Note 32 Operating leases

	2016 \$	2015 \$
(A) OPERATING LEASE COMMITMENTS		
At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment and land and buildings for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than one year	427,812	389,178
Later than one year and not later than five years	933,694	419,341
Later than five years	-	-
	1,361,507	808,519
(B) OPERATING LEASE RECEIVABLES		
The Council has entered into commercial property leases on its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.		
Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	215,770	230,153
Later than one year and not later than five years	236,684	457,828
Later than five years	-	36,885
	452,455	724,866

Note 33 Superannuation

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

Accumulation

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

Defined Benefit

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

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

Funding arrangements

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

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

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

Vision Super has advised that the estimated VBI at June 2016 quarter end was 102.0% (subject to the finalisation of Fund Actuary report). The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2015 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

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

Funding calls

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

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

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

2015 Interim actuarial investigation surplus amounts

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

A VBI surplus of \$130.8 million; and

A total service liability surplus of \$239 million.

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

Superannuation contributions

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

SCHEME	TYPE OF SCHEME	RATE	2016 \$'000	2015 \$'000
Vision Super	Defined benefits	9.50%	172	192
Vision Super	Accumulation	9.50%	3,642	3,387
Other Funds than Vision Super	Accumulation	9.50%	9	9

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2016.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2017 is \$180k.

Note 34

Contingent liabilities and contingent assets

Contingent Liabilities

(i) Contingent liabilities arising from public liabilities

As a local authority with ownership of numerous parks, reserves, roads and other land holdings, the Council carries a \$400 million Public and Products Liability Insurance that has an excess payment of \$20,000 per claim on this policy. Any exposure to the Council from insurable incidents allegedly arising out of negligent management of its assets has a maximum liability of the excess payment on any single claim. MAV Insurance – Liability Mutual Insurance (LMI) is the Council's primary insurer and under the terms and conditions of the 2015/2016 policy the Council has made the insurer aware of any pending or existing claims. Financial outcomes pertaining to claims are unpredictable and are an estimate only. Payments for Public Liability claims are limited to the excess amount or part thereof.

(ii) Contingent liabilities arising from professional indemnity

As a local authority with statutory regulatory responsibilities, including the issuing of permit approvals, the Council can be exposed to claims and demands for damages allegedly arising due to advice given by Council Officers. The Council carries \$300 million Professional Indemnity Insurance that has an excess payment of \$20,000 per claim on this policy. The maximum liability for the Council in any single insurable claim is the extent of its excess payment. MAV Insurance – Liability Mutual Insurance (LMI) is Council's primary insurer and under the terms and conditions of the 2015/2016 policy the Council has made the insurer aware of any pending or existing claims.

(iii) Contingent liabilities arising from Cosgrove Landfill Financial Assurance

Council has a responsibility under the Environment and Protection Act 1970, for rehabilitation, site aftercare and remedial action at its landfill site at Cosgrove. While rehabilitation and site after care is funded through the annual budget, the EPA requires a financial assurance to meet the potential costs should Council neglect their responsibility for closure. As it is not possible to accurately calculate the cost of such a contingent event, the EPA has derived a formula to calculate the required landfill financial operational assurance. Using this model, Council has recognised a contingent liability of \$487k at 30 June 2016 (\$493k at 2014/15). The Council also has a \$30k bank guarantee held by the Dept. Primary Industry for an extractive industry work authority for clay extraction (WA1425) taken out in 2010.

(iv) Contingent liabilities arising from defined benefits superannuation scheme (refer Vision Super website for more details)

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in Note 33. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists. At this point in time it is not known if additional contributions will be required, their timing or potential amount.

Contingent assets

As at the reporting date there were a number of subdivisions in progress throughout the municipality and on completion the Council will receive ownership of the infrastructure associated with those subdivisions. Valuations are determined at the time of handover.

Note 35 Financial Instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

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

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

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

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

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

(c) Credit risk

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

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

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 34.

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 34, 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 27.

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

(e) Fair value

Fair value hierarchy

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

(f) Sensitivity disclosure analysis

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

- A parallel shift of +1.0% and -1.0% in market interest rates (AUD) from year-end rates of 2.79%.

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

Note 36 Related party transactions

(i) Responsible Persons

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

Councillors

- Cr Dinny Adem [Mayor from November 2015]
- Cr Dennis Patterson [Mayor until November 2015]
- Cr Kevin Ryan
- Cr Jenny Houlihan
- Cr Fern Summer
- Cr Les Oroszvary
- Cr Michael Polan [Resigned as Councillor 30 June 2015]
- Cr Chris Hazelman [Elected to Council 6 July 2015]

Chief Executive Officer

- Peter Harriott (Appointed from 4 January 2016)
- Chris Teitzel (Acting CEO 4 July 2015 to 3 January 2016)
- Gavin Cator (Resigned at 3 July 2015)

(ii) Remuneration of Responsible Persons

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

	2016 NO.	2015 NO.
\$1 - \$9,999	1	-
\$20,000 - \$29,999	5	5
\$40,000 - \$49,999	1	1
\$50,000 - \$59,999	2	1
\$110,000 - \$119,999	1	-
\$120,000 - \$129,999	1	-
\$280,000 - \$289,999	-	1
	11	8
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	\$537,699	\$514,727

(iii) Senior Officers Remuneration

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

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

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

INCOME RANGE:	2016 NO.	2015 NO.
Less than \$119,999	2	2
\$120,000 - \$129,999	1	1
\$130,000 - \$139,999	1	2
\$140,000 - \$149,999	2	-
\$170,000 - \$179,999	1	1
\$180,000 - \$189,999	1	2
\$190,000 - \$199,999	1	-
	9	8
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	\$1,306,201	\$1,152,639

(iv) Responsible persons retirement benefits

The aggregate amount paid during the reporting period by Council in connection with the retirement of responsible persons was \$55k. (2014/15, \$390k).

(v) Loans to responsible persons

At balance date Council had not made, guaranteed or secured any loans to a responsible person of the Council, or a related party of a responsible person (2014/15, Nil).

(vi) Transactions with responsible persons

There were no transactions with responsible persons or related parties of responsible persons during the reporting period (2014/15, Nil).

Note 37 Events occurring after balance date

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

Certification of the Financial Statements

Greater Shepparton City Council
2015/2016 Financial Report

Certification of the Financial Statements

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



Mr. Matthew Jarvis, Manager Finance and Rates
Principal Accounting Officer

Date: 14/9/2016
Shepparton

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

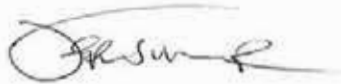
As at the date of signing, we are not aware of any circumstances which would render any particulars in the financial statements to be misleading or inaccurate.

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



Cr. Dinny Adem (Mayor)
Councillor

Date: 14-9-2016
Shepparton



Cr. Fern Summer (Dep. Mayor)
Councillor

Date: 14/9/16
Shepparton



Mr. Peter Harriott
Chief Executive Officer

Date: 12/9/16
Shepparton

PERFORMANCE STATEMENT

For the year ended 30 June 2016

Council is required under Section 127 of the *Local Government Act (1989)* to separately identify in the budget the Key Strategic Activities to be undertaken during the financial year, and performance targets and measure to each of those Key Strategic Activities.

Under Section 132 of the Act, it is required that the Key Strategic Activities and performance target and measures specified under Section 127 of the Act must be included in the Performance Statement in the Annual Report, and be subject to Audit.

The following table details the Key Strategic Activities and performance target and measures contained in the Council's 2015-16 budget compared to the actual results for the year.

Description of municipality

Greater Shepparton is a vibrant, diverse community located approximately two hours north of Melbourne in the heart of the Goulburn Valley, the food bowl of Australia.

As a growing regional centre with a vibrant cultural mix of people, the community comprises approximately 62,000 residents living within 60 localities. However Shepparton services a much larger population of approximately 250,000 people as the main service centre for northern Victoria.

Greater Shepparton enjoys a young demographic with growing families, with 2011 census data showing the proportion of couples with children nearly three per cent above the regional Victorian average, at 29.7 per cent.

Our community is culturally rich with a large proportion of the population born overseas (13 per cent), with many residents immigrating from India, Afghanistan, Sudan, Italy, Iraq, Turkey, New Zealand and the Philippines. Italian, Arabic, Persian/Dari, Turkish, Albanian, Punjabi, Greek, Macedonian, Mandarin and Filipino/Tagalog are the most commonly spoken languages other than English.

Greater Shepparton is also the home to regional Victoria's largest Aboriginal community, making up approximately 10 per cent of the population.

Two hours north of Melbourne, Greater Shepparton's central location is a major advantage and has seen our urban centre emerge as the retail, industry and services hub for central Victoria. Located at the intersection of the Midland and Goulburn Valley Highways, Greater Shepparton provides easy access to Adelaide, Sydney, Brisbane and Melbourne.

The City of Greater Shepparton acts as a major industrial, employment and service centre for a wide catchment, including many rural settlements within and beyond its municipal boundaries, with its gross regional product totalling \$2.86 billion per annum.

Greater Shepparton forms part of the 'Food Bowl of Australia', which accounts for 25 per cent of the total value of Victoria's agricultural production. We are a national centre for dairy and horticulture, exporting reliable premium quality fresh and value-added produce via innovative practices and a world class irrigation system. Shepparton is also often referred to as the transport hub of regional Victoria due to its extensive road transport industry.

Major industries for the region include manufacturing, retail trade, health care and social assistance, agriculture and construction. Greater Shepparton is home to several multinational and iconic companies such as Campbell's Soups, SPC, Tatura Milk Industries (Bega), Unilever, Visy, Pental Soaps and Pactum Dairy (Australian Consolidated Milk). Several multinational companies also reside just outside of the Greater Shepparton municipal boundary, such as Nestle, Murray Goulburn and Bega.

These companies utilise Shepparton as their major hub and home to their transport and logistics operations.

REPORT OF OPERATIONS

Service Performance Indicators

For the year ended 30 June 2016

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	MATERIAL VARIATIONS
Aquatic Facilities			
Service standard			
Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities]	0.50	1.00	Each of our four aquatic sites were tested once by the Health Department in 15/16. In 14/15 only two tests were completed.
Health and Safety			
Reportable safety incidents at aquatic facilities [Number of WorkSafe reportable aquatic facility safety incidents]	5.00	3.00	Numbers were reduced this year due to less fall incidents reported at the indoor pool hall at Aquamoves.
Service cost			
Cost of indoor aquatic facilities [Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities]	\$0.69	\$1.15	The 2015-16 attendance results for Aquamoves were unfavourably impacted due to major renewal and facility upgrades in and around the site. These upgrades and renewals included: the closure of the indoor pool hall for 4 weeks to upgrade the wet area flooring around the indoor pools; for 5.5 months the Aquamoves carpark was partly closed for a major parking upgrades; parking numbers were reduced to half while the works were being completed; and all facilities change rooms and toilets were closed at different times over the year for renewal. All works were completed over an 8 month period.
Service Cost			
Cost of outdoor aquatic facilities [Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities]	\$15.78	\$8.09	This year we saw an increase in our attendances number at all of our outdoor pools due to: The 2015-16 season saw an increase in the number of dry weather days; The number of programs and events we ran at the pools were increased; and Aquamoves operated with reduced services pushing the overflow of users to outdoor pools over the summer months.

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	MATERIAL VARIATIONS
Animal Management			
Timeliness			
Time taken to action animal management requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	0.00	1.00	Council has recently changed software recording systems (now Pathways). Absolute data is, as yet unable to be obtained. Council is continuing to seek improvement in this indice.
Service standard			
Animals reclaimed [Number of animals reclaimed / Number of animals collected] x100	26.00%	44.22%	A change in both the year-on-year information required and our ability to report with greater accuracy has increased the variance between years.
Service cost			
Cost of animal management service	\$79.00	\$47.23	2015 included the costs to operate the Local Laws component of the Local Laws and Animal Management service. In 2016 the costs better represent the Animal Management service as costs to operate the Local Laws component of the unit (eg: 50% salaries/salary oncosts, 45% plant, 27% Contracts) have been excluded.
Food Safety			
Timeliness			
Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	0.00	4.97	
Service standard			
Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	72.00%	80.76%	Council had an increase in the number of premises that it was able to inspect for the year. A concentrated effort was made to increase the inspection numbers.
Service cost			
Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$760.56	\$669.46	Costs were reduced due to a temporary drop in staff numbers whom were not replaced immediately

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	MATERIAL VARIATIONS
Governance			
Transparency			
Council decisions made at meetings closed to the public [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100	14.00%	4.56%	Reduction due to the awarding of contracts now taking place in the open meeting.
Consultation and engagement			
Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	58.00	51.00	The number of investigations undertaken within the organisation may have impacted on community satisfaction.
Attendance			
Councillor attendance at council meetings [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100	94.00%	89.52%	
Service cost			
Cost of governance [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$53,119.86	\$74,780.00	2015/16 direct costs impacted by increased Councillor legal expenses.
Home and Community Care (HACC)			
Timeliness			
Time taken to commence the HACC service [Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service]	0.00	0.00	Data not collected
Service standard			
Compliance with Community Care Common Standards [Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100	89.00%	88.89%	Audit completed in September 2012
Service cost			
Cost of domestic care service [Cost of the domestic care service / Hours of domestic care service provided]	\$0.00	\$38.67	

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	MATERIAL VARIATIONS
Service cost			
Cost of personal care service [Cost of the personal care service / Hours of personal care service provided]	\$0.00	\$48.32	
Service cost			
Cost of respite care service [Cost of the respite care service / Hours of respite care service provided]	\$0.00	\$46.04	
Libraries			
Utilisation			
Library collection usage [Number of library collection item loans / Number of library collection items]	1.73	2.98	Loans per collection item have increased. Loans at Shepparton Library were greater this year (last year Library was closed for a period due to reconstruction). Library collection items have decreased due to planned reductions in items greater than 5 yo to improve quality.
Resource standard			
Standard of library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	34.00%	41.08%	Quality standard has increased. This is due to number of Library collection items decreasing as part of planned reductions in items greater than 5 yo to improve quality.
Service cost			
Cost of library service [Direct cost of the library service / Number of visits]	\$8.41	\$7.12	Cost per Library visits has decreased due to an increase in the number of visits. Last year Shepparton Library was closed for a period due to reconstruction.
Maternal and Child Health (MCH)			
Satisfaction			
Participation in first MCH home visit [Number of first MCH home visits / Number of birth notifications received] x100	96.00%	96.52%	
Service standard			
Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	95.00%	95.29%	
Service cost			
Cost of the MCH service [Cost of the MCH service / Hours worked by MCH nurses]	\$0.00	\$59.35	

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	MATERIAL VARIATIONS
Roads			
Satisfaction of use			
Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100	19.76	17.81	
Condition			
Sealed local roads below the intervention level [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	94.00%	94.40%	
Service Cost			
Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$3.76	\$8.24	Increased use of asphalt sealing compared to spray sealing in 2015/16.
Statutory Planning			
Timeliness			
Time taken to decide planning applications [The median number of days between receipt of a planning application and a decision on the application]	52.81	51.00	
Service standard			
Planning applications decided within 60 days [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	78.00%	76.94%	
Service cost			
Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]	\$1,695.77	\$2,318.74	Increase due to unforeseen legal costs as the result of a supreme court hearing.
Waste Collection			
Satisfaction			
Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	13.36	38.23	Several elements affecting this indice. Change of collection contractor in Nov 2016; introduction of compulsory green organics bins; change in recording and reporting software; and an increase in the number of residents in the municipality.
Service standard			
Kerbside collection bins missed [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	1.83	2.01	

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	MATERIAL VARIATIONS
Service cost			
Cost of kerbside garbage bin collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$50.06	\$46.15	Change of collection contractor in Nov 2016.
Service cost			
Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$31.29	\$25.83	Change of collection contractor in Nov 2016.

PERFORMANCE STATEMENT

Sustainable Capacity Indicators

For the year ended 30 June 2016

INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	MATERIAL VARIATIONS
Own-source revenue			
Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$1,385	\$1,431	No material variations
Recurrent grants			
Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$429	\$314	2016 result is impacted by timings. In 2014/15 Council received in advance 50% (\$5.74m) of its 2015/16 Federal Financial Assistance Grant funding allocation.
Population			
Expenses per head of municipal population [Total expenses / Municipal population]	\$2,007	\$1,964	No material variations
Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$9,172	\$12,268	As per the definitions "infrastructure" means non-current property, plant and equipment excluding land. During 2015/16 Council re-categorised a number of land and building assets into the Recreational, Leisure and Community Facilities asset category. This has reduced the reported value of land assets and increased the infrastructure asset values (compared to 2014/15). Therefore the result of this indicator has seen an increase between years. Population has remained steady and has not influenced the reported result.
Population density per length of road [Municipal population / Kilometres of local roads]	28	28	No material variations
Disadvantage			
Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	2	2	No material variations

Definitions

“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*

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

“population” means Estimated Resident Population (ERP) sourced from the Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0)

“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

Service Performance Indicators

For the year ended 30 June 2016

SERVICE/INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	MATERIAL VARIATIONS
Governance			
Satisfaction			
Satisfaction with Council decisions [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	56	46	<p>The Local Government Victoria Community Satisfaction Survey conducted approximately 400 interviews of residents within the Greater Shepparton municipality. While there have been minimal changes to Council processes, programs and services over this time, it is a possibility that the following activities may have influenced the result:</p> <ul style="list-style-type: none"> • Councillor code of conduct investigations and perceived associated legal costs • Perceived disunity between Councillors and former CEO • Decision to pursue a new Shepparton Art Museum which is not supported by some sections of the community and despite clear and consistent communication some misunderstanding prevails • Implementation of an imposed green waste service • Reduced financial contribution to HACC services • Greater media attention given to business and community groups and their success • Negative perceptions of Greater Shepparton with the reporting of high obesity levels, unemployment, prevalent drug and alcohol abuse, and family violence.

SERVICE/INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	MATERIAL VARIATIONS
Statutory Planning			
Decision making			
Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	80%	100%	Fewer applications decided by VCAT in 2015/16 compared to 2014/15. All applications were found in Council's favour.
Roads			
Satisfaction			
Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	49	48	No material variations
Libraries			
Participation			
Active library members [Number of active library members / Municipal population] x100	14%	13%	No material variations
Waste Collection			
Waste diversion			
Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	28%	37%	No material variations
Aquatic facilities			
Utilisation			
Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	10	10	No material variations
Animal management			
Health and safety			
Animal management prosecutions [Number of successful animal management prosecutions]	1	1	No material variations

SERVICE/INDICATOR/MEASURE	RESULTS 2015	RESULTS 2016	MATERIAL VARIATIONS
Food safety			
Health and safety			
Critical and major non-compliance notifications [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	0%	100%	In 2014/15 Greater Shepparton City Council had resolved all issues prior to critical/major non-compliance outcomes. This means that Council did not have ANY critical or major non-compliance notifications for 2014/15. In 2015/16 one critical/major non-compliance notification was recorded and followed up.
Home and community care			
Participation			
Participation in HACC service [Number of people that received a HACC service / Municipal target population for HACC services] x100	15%	17%	No material variations
Participation			
Participation in HACC service by CALD people [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	11%	10%	No material variations
Maternal and child health			
Participation			
Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	78%	77%	No material variations
Participation			
Participation in the MCH service by Aboriginal children [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	66%	64%	No material variations

Definitions

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

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

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

“Annual Report” means an Annual Report prepared by a Council under sections 131, 132 and 133 of the Act

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

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

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

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

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

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

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

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

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

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

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

“population” means Estimated Resident Population (ERP) sourced from the Australian Bureau of Statistics, Regional Population Growth, Australia (3218.0)

“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

Financial Performance Indicators

DIMENSION/INDICATOR/ MEASURE	RESULTS			FORECASTS			MATERIAL VARIATIONS
	2015	2016	2017	2018	2019	2020	
OPERATING POSITION							
Adjusted underlying result							
Adjusted underlying surplus (or deficit)	-6%	-9%	7%	6%	7%	8%	2015 and 2016 results impacted by recognition of land fill restoration provision and expensing write down of replaced and lost assets. Improvement in future years due to no such expenses forecast.
[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100							
LIQUIDITY							
Working capital							
Current assets compared to current liabilities	241%	186%	140%	137%	141%	147%	2014/15 working capital was high due to Council receiving in advance 50% (\$5.74m) of its 2015/16 Federal Financial Assistance Grant funding allocation.
[Current assets / Current liabilities] x100							
Unrestricted cash							
Unrestricted cash compared to current liabilities	144%	136%	86%	85%	83%	82%	No material variations
[Unrestricted cash / Current liabilities] x100							
OBLIGATIONS							
Loans and borrowings							
Loans and borrowings compared to rates	23%	27%	31%	28%	35%	34%	No material variations
[Interest bearing loans and borrowings / Rate revenue] x100							
Loans and borrowings repayments compared to rates	3%	2%	3%	4%	4%	5%	No material variations
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100							
Indebtedness							
Non-current liabilities compared to own source revenue	22%	26%	26%	24%	28%	27%	No material variations
[Non-current liabilities / Own source revenue] x100							
Asset renewal							
Asset renewal compared to depreciation	74%	82%	113%	103%	106%	64%	Future year improvement is forecast due to a greater focus by Council on meeting asset renewal demand in future capital works programs.
[Asset renewal expenses / Asset depreciation] x100							

DIMENSION/INDICATOR/ MEASURE	RESULTS			FORECASTS			MATERIAL VARIATIONS
	2015	2016	2017	2018	2019	2020	
STABILITY							
Rates concentration							
Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	53%	60%	56%	52%	54%	58%	2014/15 lower due to Council receiving in advance 50% (\$5.74m) of its 2015/16 Federal Financial Assistance Grant funding allocation.
Rates effort							
Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.7%	0.7%	0.8%	0.8%	0.8%	0.8%	No material variations
EFFICIENCY							
Expenditure level							
Expenses per property assessment [Total expenses / Number of property assessments]	\$4,449	\$4,141	\$3,855	\$3,931	\$3,818	\$3,822	2015 and 2016 results impacted by recognition of land fill restoration provision and expensing write down of replaced and lost assets. Improvement in future years due to no such expenses forecast.
Revenue level							
Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,696	\$1,803	\$1,597	\$1,605	\$1,613	\$1,622	The increase from 2015 to 2016 is due to the 4.95% rate increase in 2016 plus the introduction of the green organics kerbside collection service. Future years should read as \$1,857 in 2017, \$1,888 in 2018, \$1,920 in 2019 and \$1,952 in 2020. Waste service charges include a contribution towards future capital construction costs of the Cosgrove 3 landfill.
Workforce turnover							
Resignations and terminations compared to average staff [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	7%	13%	9%	9%	9%	9%	During 2015/16 Council had an increase in retirements and resignations due to our ageing workforce. Resignations/terminations for future years are difficult to predict and are based on historical trends.

Definitions

“adjusted underlying revenue” means total income other than—

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

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

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

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

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

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

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

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

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

“population” means the resident population estimated by Council

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

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

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

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

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

Other Information

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 for the prescribed financial performance indicators and measures as well as 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 the materiality thresholds as per Appendix B – Materiality Guidelines of the *Local Government Better Practice Guide 2014-15 Performance Statement*. Explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material of its nature.

The forecast figures included in the performance statement are those adopted by Council in its strategic resource plan on 21 June 2016. 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 visiting www.greatershepparton.com.au

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*.



Matthew Jarvis CPA

Principal Accounting Officer

Dated: 14/9/2016

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

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

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

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



Cr Dinny Adem

Mayor

Dated: 14/9/16



Cr Fern Summer

Deputy Mayor

Dated: 14/9/16



Peter Harriott

Chief Executive Officer

Dated: 14/9/16

GALLERY

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INDEPENDENT AUDITOR'S REPORT

To the Councillors, Greater Shepparton City Council

The Financial Report

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

The Councillors' Responsibility for the Financial Report

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

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

Auditor's Responsibility

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

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

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

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

Independent Auditor's Report (continued)

Independence

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

Opinion

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

MELBOURNE
22 September 2016


Andrew Greaves
Auditor-General

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Greater Shepparton City Council

The Performance Statement

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

The Councillors' Responsibility for the Performance Statement

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

Auditor's Responsibility

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

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

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

Independent Auditor's Report (continued)

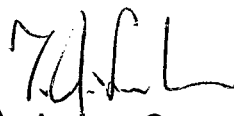
Independence

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

Auditor's Opinion

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

MELBOURNE
22 September 2016


R Andrew Greaves
Auditor-General







CONTACT US

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Join the conversation:    

Greater Shepparton City Council is NRS friendly. If you are deaf, hearing-impaired, or speech-impaired, we ask that you call us via the National Relay Service:

TTY users: 133 677 then ask for (03) 5832 9700.

Speak & Listen users: (speech-to-speech relay) 1300 555 727 then ask for (03) 5832 9700.

Internet relay users: Connect to the National Relay Service via www.relayservice.com.au and then ask for (03) 5832 9700.

A hearing loop is also available at Council's customer service centre and Council meeting rooms.



Interpreter service available.