



BUILDING A
Vibrant
CITY

City of Ballarat

ANNUAL REPORT 2016-17

ABOUT THIS ANNUAL REPORT

The City of Ballarat has prepared this Annual Report in accordance with the requirements and guidelines of the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* and acknowledges the legal responsibility to comply with the *Charter of Human Rights and Responsibilities Act 2006* and the *Equal Opportunity Act 2010*.

This report provides a report on Council's performance in the 2016-17 financial year against the Council Plan (the framework within which we deliver the everyday services, programs and projects for our community) and the Budget. It is designed to keep residents, businesses, employees, stakeholders and other state and federal government agencies up-to-date on our performance and our future direction.

This document includes the following in accordance with statutory requirements:

- » Report of Operations: this includes highlights of the year, details about Council's governance, management and operations, and a report on our performance against the Council Plan and the Budget in the 2016-17 financial year
- » Financial Statements
- » Performance Statement

How to get your copy and give us feedback

Electronic copies are available on our website and hard copies are available on request from Council offices. We welcome your feedback on this document. Details on how to contact us can be found on the back cover.

OUR STRATEGIC PURPOSE

Leading Sustainable Growth, Strengthening our Community and Respecting our Heritage.

We will achieve our goals by adhering to these principles:

- » Demonstrate clear, decisive and consistent direction.
- » Be financially responsible.
- » Demonstrate to the community a transparent and consultative approach to key decisions.
- » Advocate for Council's priorities and form partnerships to deliver the projects.
- » Foster innovation and creativity in the delivery of results.
- » Review core Council services in the context of our strategic intent.
- » Bring rigour and an evidence-based approach to decision-making.





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Welcome

FROM YOUR COUNCILLORS

We are pleased to present this Annual Report to our community.

It reports on how we performed during 2016-17 against the Council Plan 2013-17 based on the theme *Leading Sustainable Growth, Strengthening our Community and Respecting our Heritage*. We trust it is a detailed and honest account.

The City of Ballarat respectfully acknowledges the Wadawurrung and Dja Dja Wurrung people as the traditional custodians of the land on which we live and work.

1. OVERVIEW

BALLARAT - A SNAPSHOT

CITY OF BALLARAT

Ballarat's population in 2016 was 103,964 (source: ABS 2017).

This has grown by 8,185 new residents since the previous 2011 Census data recorded 93,501 residents, and represents continued strong population growth for Ballarat with a 1.75% annual growth rate, or 1,637 new residents a year. While this is a slight decrease from the 1.9-2.1% in annual growth Ballarat experienced in the past five years, population growth remains a key economic driver for our city. (Source: ABS 2016 Census)



MUNICIPALITY PROFILE

The Municipality of the City of Ballarat: Addington, Alfredton, Ascot, Ballarat East, Black Hill, Blowhard, Bo Peep, Bonshaw, Brown Hill, Buninyong, Bunkers Hill, Burrumbeet, Canadian, Cardigan, Cardigan Village, Chapel Flat, Coghills Creek, Creswick, Delacombe, Durham Lead, Ercildoune, Eureka, Glen Park, Glendaruel, Glendonnell, Golden Point, Gong Gong, Invermay, Invermay Park, Lake Gardens, Lake Wendouree, Learmonth, Lucas, Magpie, Miners Rest, Mitchell Park, Mount Bolton, Mount Clear, Mount Helen, Mount Pleasant, Mount Rowan, Nerrina, Newington, Redan, Scotchmans Lead, Scotsburn, Sebastopol, Smythes Creek, Soldiers Hill, Sovereign Hill, Tourello, Warrenheip, Wattle Flat, Weatherboard, Wendouree, Wendouree Village, Windermere and Winter Valley.



Fast Facts

2016-17

40,000+

people attended the first
White Night Ballarat

100 community members volunteered at the 2016 Archibald Exhibition

36,000

people watched the
2017 Cycling Australia Road National Championships

\$218,335

awarded in
Community Impact Grants

32,000

new green waste bins provided to residents

Public access computers in Council's libraries used

36,431 times

6.34% increase

in attendance overall at Library Learning Programs

165

new volunteers recruited to contribute to Council's Volunteer Program

11,929

maternal child health consultations

5,862
Childhood vaccinations

6,300
School vaccinations

3,600
Flu vaccinations

3,000 community members participated in 2016 Children's Week celebrations over nine days

1,550 children placed into kindergartens via Council's central enrolment program

908 children attended Council's childcare programs

120 nominations

assessed for the sponsored migration scheme program

Council maintained:

150 outdoor artefacts (statues, memorials, monuments, relics, art pieces and plaques)

55 sports grounds

500+ parks and reserves

(reserves include botanic, bushland, waterway and roadside conservation reserves)

Approx. **800,000** street trees

Approx. **1,200km** of sealed roads

Approx. **350km** of unsealed roads

Approx. **900km** of footpaths

672 buildings

156 playgrounds

254 bus shelters



A MESSAGE FROM THE *Mayor*

On behalf of my fellow Councillors I am very pleased to present this Annual Report for 2016-17. As Mayor, I am proud of how hard Council has worked to serve the residents of Ballarat during this period.

BUILDING A VIBRANT CITY

In support of our vision of Ballarat as a vibrant and thriving heritage city our community deserves and is proud of, our focus during this period has been to develop Ballarat as a mature city that stands up nationally and internationally.

HIGHLIGHTS

- » Bringing new major events to Ballarat, including Australia's first ever regional White Night and the second year of the Archibald Exhibition, as well as continuing to deliver existing events such as the Ballarat Begonia Festival and the Cycling Australia Road National Championships.
- » Progressing a significant number of major projects including delivering Mars Stadium and undertaking early works on the Civic Hall site.
- » Making progress in the Ballarat West Growth Zone.
- » Investing in exciting new projects our community identified as priorities such as the Lucas Community Hub and the Marty Busch Recreation Reserve in Sebastopol.
- » Introducing a kerbside green waste collection service which is the first step towards implementing an innovative and integrated waste management solution for Ballarat to cater for our growing population.
- » Securing investment in key community projects such as GovHub as a result of lobbying.

CHALLENGES

With an annual growth rate of around 2%, Ballarat is one of the fastest growing regional councils in Australia. This brings a unique set of opportunities and challenges with rate capping having severely compromised our ability to maintain existing assets, continue to deliver services and deliver new assets for our community. In response, we will be pushing for a fairer funding system for local government.

Another significant challenge continues to be how we respond to the pressures of making sure we capitalise on population growth while protecting what is unique and special and what people – residents and visitors – love about our great city.

NEXT STEPS

Heading into a new Council term, the Council looks forward to maintaining the momentum and ensuring sustainable economic development with a central focus on infrastructure delivery, service provision and job creation. Council will continue to actively lobby at both state and federal levels to secure the capital that will enhance our ability to deliver key projects and initiatives.

A handwritten signature in black ink, appearing to read 'Samantha McIntosh'.

Cr Samantha McIntosh, Mayor



A MESSAGE FROM THE



The City of Ballarat Annual Report is an important document for the Council and the organisation. It is our opportunity to acknowledge the significant achievements together with the challenges of the past 12 months. It is the document used most effectively to hold us, as servants of the public and custodians of public property, to account. It is our report to you, the community, on the things we have done for, and most importantly with you. It is with great respect for the community that we present the 2016-17 Annual Report to you.

HIGHLIGHTS

Highlights for this past year include:

- » The election of a new Council and the development of a new four-year Council Plan with significant community input. It presents a clarity of vision and purpose of a proud city that is bold, vibrant and thriving with core objectives aligned with the themes of prosperity, accountability, liveability and sustainability.
- » The completion of a raft of community and recreation facilities throughout the municipality, and the implementation of actual physical works on the Civic Hall site, which may appear small but are significant steps in our role as custodians of public spaces and facilities.
- » The vibrancy of our weekend economy and the shift in how we see ourselves as a year-round destination for events, festivals, sports, arts and activities is proof the vision is a live one.

CHALLENGES

This year Council constructed a Budget within the state government’s Fair Go Rates system, or rate cap, and did not seek a variation. This will significantly challenge our ability to undertake required asset renewal immediately and into the future. It will also significantly hamper our ability to undertake new works without attracting major funding from other tiers of government.

FOUNDATIONS FOR OUR FUTURE

It has always been a core role of local government to advocate and lobby on behalf of the community. In the face of a growing city with decreased revenue courtesy of rate capping and the ongoing inequitable distribution of the tax dollar, this function is a very important one. The organisation is now well placed to support Councillors in their efforts to make Ballarat a better place for all and we will continue our work to critically and forensically review services and the standard of services we deliver. Our focus will continue to be on what is best for Ballarat and the people we serve.



Justine Linley, CEO

Highlights

OUR PERFORMANCE



Mars Stadium

PEOPLE AND COMMUNITIES

HIGHLIGHTS >>

- » Implementing a wide range of initiatives to engage the youth sector.
- » Completing the delivery of the CALD Education and Employment Pathways Program.
- » Finalising the Intercultural Cities Strategic Plan 2017-21.
- » Implementing the Reconciliation Action Plan.
- » Receiving eSmart Libraries accreditation.
- » Implementing the Early Years' literacy standards.
- » Introducing the Social Connections Program's creative planning of activities directed by participants.
- » Releasing of the second Reflections Consultation Report and Action Plan.
- » Finalising the Children's Consultation report on children's perceptions of neighbourhood and safety.

- » Establishing the Brown Hill Partnership Group and Sebastopol Community Panel.
- » Completing the Cardigan Village Community Hall redevelopment.
- » Delivering Harmony Fest and the Intercultural Gala Dinner.
- » Adopting the Play Space Strategy.
- » Developing the Active Women and Girls Strategy.
- » Developing the 'United' campaign against occupational violence at the City of Ballarat.
- » Establishing the City of Ballarat as a Child Safe organisation.

CHALLENGES >>

- » Securing DHHS Engage funding for a further three years.
- » Dealing with an increase in safety issues related to customer interactions.

- » Working through the changes imposed on Council related to the split in service provision funding between federal and state governments for NDIS, HACC and CHSP programs.
- » Increasing the activation of outdoor pools.

NEXT STEPS >>

- » Implementing the Intercultural City Strategic Plan 2017-21 Action Plan.
- » Developing a new City of Ballarat Libraries Strategic Plan 2018-22.
- » Developing a sustainable Aged and Disability operational model.
- » Developing an Active Ballarat Strategy in line with the new State Government Active Victoria Strategy.

GROWTH AND DEVELOPMENT

HIGHLIGHTS >>

- » Implementing a kerbside green waste service for residents.
- » Progressing the Ballarat Western Link Road works.
- » Significantly progressing development in the Ballarat West growth corridor.
- » Commencing implementation of the CBD Car Parking Action Plan.
- » Adopting the Road Management Plan after an extensive benchmark review across the sector.

- » Constructing two new public toilet facilities in the Howitt Street Shopping Centre and CE Brown Reserve.
- » Gazetting the new Municipal Strategic Statement, including incorporating the Ballarat Strategy into the Ballarat Planning Scheme.
- » Adopting the Cycling Action Plan.
- » Adopting flood controls for Burrumbeet Creek, Miners Rest.

- » Working through the public consultation phase for the Mair Street Upgrade Project (in partnership with VicRoads).
- » Maintaining an increasing number of significant facilities such as the Ballarat Aquatic and Lifestyle Centre and Mars Stadium.

CHALLENGES >>

- » Working through the implementation of a new bus network across Ballarat (in partnership with Public Transport Victoria).

NEXT STEPS >>

- » Delivering quality animal pound services for Ballarat and the broader region following the transfer of management to the City of Ballarat.

DESTINATION AND ECONOMY

HIGHLIGHTS >>

- » Commencing the redevelopment of the Civic Hall site.
- » Securing state government funding as a result of lobbying for major projects such as Mars Stadium, the Railway Station Precinct and GovHub.
- » Facilitating private investment (BROO) into the Ballarat West Employment Zone (BWEZ) with more than 100 jobs and \$150 million of investment so far.
- » Securing and delivering White Night Ballarat 2017.
- » Continuing to grow established events to new markets and for the benefit of the local economy.
- » Securing state government funding for the redevelopment of Her Majesty's Theatre.
- » Promoting the public art sector and completing the Live Music Strategy.
- » Completing the Arts and Culture Review.

- » Securing the Cycling Australia Road National Championships for a further three years.
- » Presenting the Historic Urban Landscape Guidebook at the League of Historical Cities conference in Austria.
- » Having Ballarat's heritage program highlighted as best practice by the Federal Government.
- » Delivering the Mars Stadium construction program.

CHALLENGES >>

- » Working through challenges related to managing growth and creating jobs and investment, balanced with differing community expectations.
- » Addressing the changing needs of retail, especially in the CBD, requiring new investment models and a focus on a premium experience.
- » Finding a sustainable governance and support program for M.A.D.E.

NEXT STEPS >>

- » Continuing to attract investment and jobs into the BWEZ.
- » Progressing the redevelopment of the Civic Hall site and ensuring integration with GovHub.
- » Commencing major urban renewal and master planning projects including the Bakery Hill Master Plan and the Arts and Culture Strategy.
- » Continuing to attract, support and deliver a program of major community events.
- » Progressing heritage outreach programs.
- » Finalising the Ballarat Health and Knowledge Precinct Master Plan.
- » Progressing work on implementing the Making Ballarat Central CBD Strategy.

See also Major Capital Works Expenditure on page 12.



ARCHIBALD PRIZE 2016

REGIONAL TOUR

City of Ballarat
100 Years of the Ballarat Region

Event HIGHLIGHTS

Council delivered or supported the following major events and community events across the city in 2016-17.

July

Ballarat Winterlude
Ballarat Laneways Lumieres
Ballarat Laneways Local and Live

August

Ballarat Festival of Slow Music



September

Melbourne Spring Fashion Week – Ballarat Fashion Series
Season of the Arts

October

Archibald Prize Exhibition 2016
Ballarat Cabaret Festival
Ballarat Seniors Festival
Ballarat Children’s Week
Ballarat Songways Music Festival



November

24 Hour Experience Ballarat

December

Ballarat Christmas Celebrations
Ironman 70.3 Ballarat
Eureka Day
National Jazz Convention



January

Cycling Australia Road National Championships
Summer Sundays
Ballarat Australia Day Celebrations
Live Music Events in North Gardens

February

Ballarat Backyard Tasters
Ballarat Beat Rockabilly Festival
The Garden of the Grieving
Mother Launch
Fall of Singapore Commemorative Events

March

White Night Ballarat
Begonia Festival
Harmony Fest

April

ANZAC Commemorative Events



May

Ballarat Heritage Weekend



Awards

ORGANISATIONAL AWARDS

The Victoria Park Inclusive Playspace won the Community Assets and Infrastructure Award at the 2017 LGPro (Local Government) Awards for Excellence.

The City of Ballarat Annual Report 2015-16 won a Gold Award at the 2017 Australasian Reporting Awards.

The City of Ballarat won the Employer Support Award (Public Sector) at the 2017 Defence Reserves Support Council National Employer Support Awards.

The Ballarat Library was a finalist in the 2017 Community HART (Helping Achieve Reconciliation Together) Awards in recognition of advancing local reconciliation outcomes.

Melissa Dreger won the Educator Award (Ballarat and Central Highlands Region) at the 2017 Excellence in Family Day Care Regional Awards.



2017 LGPro (Local Government) Awards for Excellence



2017 Australasian Reporting Awards



2017 Defence Reserves Support Council National Employer Support Awards

COMMUNITY AWARDS

The City of Ballarat congratulates all winners, finalists and nominees and thanks everyone who entered these awards. Lists of winners can be found at www.ballarat.vic.gov.au/lae/awards-and-ceremonies

Ballarat Heritage Awards 2017

Ballarat Australia Day Awards 2017

KEAG-LIN* NAIDOC Recognition Awards 2016 *Koorie Engagement Action Group and Local Indigenous Network

Ballarat Senior of the Year Awards 2016

Ballarat Youth Awards 2016

Ballarat Community Safety Awards 2016

OAM Ballarat School Citizenship Awards 2016



2016 City of Ballarat Youth Volunteer Award winner



2016 Community Safety Award winners



Major Capital Works

EXPENDITURE

DESCRIPTION OF OPERATIONS

Council is responsible for the delivery of more than 100 services to residents and for managing community assets and infrastructure that support the wellbeing and prosperity of our community. Local government, in partnership with other levels of government, is responsible for aspects of everyday life that people care about deeply. Effective planning and reporting by Council is essential for ensuring transparency and accountability to the community and other levels of government about how public money is being spent and the quality of services delivered. This is reported on in this document. The delivery of services, facilities, support and advocacy to achieve the Strategic Objectives set out in the Council Plan is measured by a set of Service Performance Indicators and measures. Council also has a wide range of responsibilities under Victorian and Australian legislation.

ECONOMIC FACTORS

With the introduction of rate capping Council has faced a significant decline in its revenue raising ability. Council has had to modify its long-term financial strategy from a rate increase of 5.5% to a limit of 2%. This has modified the long-term financial strategy of Council by reducing forecast revenue in excess of \$200 million over 10 years.

MAJOR CHANGES

A new Council was elected in October 2016. Following this, a review of the organisation's structure was undertaken.

MAJOR ACHIEVEMENTS

Council prepared a new Council Plan 2017-21 which is a strategic document outlining what the City of Ballarat will do to help achieve Council's and the community's vision of Ballarat as a proud city that is bold, vibrant and thriving.

Council's Major Capital Works Program during the 2016-17 financial year included the following:

BALLARAT WEST EMPLOYMENT ZONE (BWEZ)

Total Cost \$39.2 million

Investment in ongoing trunk and key infrastructure to service future development in the BWEZ, leveraging \$25 million in state funding and \$9.1 million in federal funding for the Freight Hub. Stage one construction is complete and 85% sold or under negotiation. Stage 1b Expression of Interest is underway.

MARS STADIUM

Total Cost \$21.9 million

Fully funded by the state government and delivered by Council, this project includes the contract for a 5,100 seat grandstand, two oval reconstructions including floodlighting for night matches, a video capable scoreboard and viewing mounds for a further 6,000 people. These works will allow AFL premiership games to be played in Ballarat for the first time.

WENDOUREE SPORTS AND EVENTS CENTRE

Total Cost \$14 million

The design process for this project was completed in 2016-17 with construction to commence by the end of 2017. Funding for this important project included \$9 million from the state government and \$5 million from Council. Council has further supported a federal funding bid to expand the scope to include two additional courts.

CIVIC HALL SITE

Total Cost \$6.78 million

The Master Plan for the Civic Hall site was adopted and works commenced on-site with facade restoration, external lighting and landscaping works. An architect has been appointed to complete the detailed design of the restoration of the main hall with the design to be completed by the end of 2017.

LUCAS COMMUNITY HUB

Total Cost \$4.25 million

Construction has commenced on-site with completion due by the end of 2017. This project includes two kindergarten rooms, Maternal and Child Health rooms, community meeting rooms and office space.

MARTY BUSCH RECREATION RESERVE (SEBASTOPOL) **Total Cost \$1.9 million**

This project was constructed in 2016-17 with a complete oval renovation and lighting installation.

SEBASTOPOL LIBRARY

Total Cost \$1.85 million

The design process for this redevelopment project was completed in 2016-17 with construction works to take place in 2017-18. This project was supported through the Budget consultation process.

Engaging

WITH OUR COMMUNITY

As part of Council's strategic objective to encourage residents to contribute more to decision-making on issues that affect them, we continually seek ways to improve how we include and involve residents in the decision-making process. While this engagement process does not replace the final decision-making power of Councillors or the CEO, it strengthens Council's capacity to make well-informed, acceptable and sustainable decisions. It is also about relationship building, capacity building, problem solving, behavioural change and community connectedness.

STRATEGIC FOCUS

Our strategic focus was in six key areas. Details about what we did in 2016-17 can be found in the Performance section.

1. KEEPING RESIDENTS INFORMED

- » Community magazines: notably myBallarat and myNeighbourhood.
- » Websites: the City of Ballarat website and a range of dedicated websites to meet specific needs.
- » Social media: Facebook, Twitter, Instagram, YouTube, Snapchat and LinkedIn accounts and a range of dedicated Facebook, Twitter and Instagram pages to meet specific needs.
- » *myTownHall* Ballarat.
- » Targeted direct mail.
- » Online community engagement calendar.

2. ENCOURAGING RESIDENTS TO HAVE THEIR SAY

Various online and traditional methods were used.

- » myTownHall Ballarat: a one-stop online place for residents to have their say and discuss ideas.
- » Social media.
- » Surveys.
- » Online polling.
- » Customer service.

3. ENCOURAGING RESIDENTS TO PARTICIPATE IN DECISION-MAKING

- » Participatory Budgeting Process: Residents were able to make submissions online or via hard copy and all submissions were referred to the respective Councillor Portfolios for consideration. Residents also had the opportunity to meet with Councillors and key Council staff and provide input at information sessions.
- » Open House Drop-In Project Planning Sessions.
- » Question time at Council meetings, Advisory and Special Committees of Council and Community Project Reference Groups.
- » Stakeholder Forums for key projects and priorities.
- » Community Action Teams: These teams were active as part of our Engaging Communities Program.

4. EMPOWERING OUR COMMUNITY

Council's Engaging Communities Program facilitates and seeds local neighbourhood investment and is designed to empower local communities to decide how Council money should be spent in their local areas. Money was allocated in the 2016-17 Budget for community-led projects in these communities.

5. PROVIDING EFFICIENT AND RESPONSIVE CUSTOMER SERVICE

We continued to improve our performance in a range of areas in line with our Quality Monitoring and Continuous Improvement Program.

6. BUILDING COMMUNITY CAPACITY

These programs aim to build capacity and enhance connectedness.

- » Council's Volunteer Program.
- » Community Impact Grants program.



2. OUR COUNCIL



COUNCILLORS

CENTRAL WARD



Cr Samantha McIntosh (Mayor)

Elected: December 2008

E: samanthamcintosh@ballarat.vic.gov.au

T: 0458 004 880



Cr Mark Harris (Deputy Mayor)

Elected: October 2016

E: markharris@ballarat.vic.gov.au

T: 0409 930 928



Cr Belinda Coates

Elected: October 2012

E: belindacoates@ballarat.vic.gov.au

T: 0417 456 513

SOUTH WARD



Cr Des Hudson

Elected: March 2002

E: deshudson@ballarat.vic.gov.au

T: 0409 865 093



Cr Jim Rinaldi

Elected: February 2015

E: jimrinaldi@ballarat.vic.gov.au

T: 0407 325 693



Cr Ben Taylor

Elected: October 2016

E: bentaylor@ballarat.vic.gov.au

T: 0419 507 305

NORTH WARD



Cr Amy Johnson

Elected: October 2012

E: amyjohnson@ballarat.vic.gov.au

T: 0417 018 369



Cr Daniel Moloney

Elected: October 2016

E: danielmoloney@ballarat.vic.gov.au

T: 0418 165 503



Cr Grant Tillett

Elected: October 2016

E: granttillett@ballarat.vic.gov.au

T: 0417 256 671

OUTGOING COUNCILLORS

The following Councillors served until October 2016:



Cr Vicki Coltman

Elected: October 2012



Cr Glen Crompton

Elected: July 2014



Cr Peter Innes

Elected: October 2012



Cr John Philips

Elected: March 2008

THE ROLE OF LOCAL GOVERNMENT

Local government is one of the three tiers of democratically-elected government in Australia and operates under the *Local Government Act 1989*, which specifies Council powers, duties and functions. The City of Ballarat is one of 79 Councils in Victoria. Each municipality varies in size, population, rate base and resources. Councils plan and deliver services to meet the needs of their communities, specifically in the areas of health, planning and building control, business and economic development, waste and environmental management, and human and community services. They are responsible for implementing programs, policies and regulations set by the Victorian and Australian governments, managing community infrastructure and assets, and managing local issues with the power to set their own regulations and by-laws.

COUNCIL'S PORTFOLIO STRUCTURE

Council's Portfolio Structure aligns each Councillor's strengths and expertise with the major functions of Council as identified in our Council Plan 2013-17. It incorporates health and wellbeing priorities that have been identified for our community into all strategies, actions and operations.

PORTFOLIO STRUCTURE

INTEGRATED PLANNING ACROSS THE WHOLE COUNCIL | INTEGRATED SERVICE DELIVERY ACROSS THE WHOLE COUNCIL

GROWTH AND DEVELOPMENT Until May 2017	PEOPLE AND COMMUNITIES Until May 2017	DESTINATION AND ECONOMY Until May 2017
LEADERSHIP Portfolio team	LEADERSHIP Portfolio team	LEADERSHIP Portfolio team
To Oct 2016 Cr Crompton Cr Philips Cr Rinaldi From Nov 2016 Cr Harris Cr Taylor Cr Tillett Supported by Organisational Directors	To Oct 2016 Cr Coates Cr Coltman Cr Hudson From Nov 2016 Cr Coates Cr Hudson Cr Johnson Supported by Organisational Directors	To Oct 2016 Cr Innes Cr Johnson Cr McIntosh From Nov 2016 Cr McIntosh Cr Moloney Cr Rinaldi Supported by Organisational Directors
INFRASTRUCTURE AND ENVIRONMENT – SUSTAINABILITY Effective May 2017	COMMUNITY DEVELOPMENT – LIVEABILITY Effective May 2017	DEVELOPMENT AND PLANNING – PROSPERITY Effective May 2017
LEADERSHIP Portfolio team	LEADERSHIP Portfolio team	LEADERSHIP Portfolio team
Cr Harris Cr Taylor Cr Tillett Supported by Organisational Directors	Cr Coates Cr Hudson Cr Johnson Supported by Organisational Directors	Cr McIntosh Cr Moloney Cr Rinaldi Supported by Organisational Directors
STRATEGY Vision	STRATEGY Vision	STRATEGY Vision
Ballarat is a well planned city that provides accessible, connected and safe urban areas and facilities, supports diverse housing and active transport options, and uses resources sustainably, while adapting to changes in climate.	Ballarat is a safe and well-serviced city that provides equal access to opportunities for its citizens at all stages of life, has connected communities that participate actively in civic life and offers diverse and accessible recreation, leisure and sporting opportunities that encourage healthy lifestyles.	Ballarat has a prosperous, growing economy that attracts and retains innovative businesses and enterprises which employ a highly-skilled local workforce, attracts new residents and promotes the city's unique heritage and vibrant cultural life.
DELIVERY Action	DELIVERY Action	DELIVERY Action
City presentation including greening the city; improved water and waste management; planning for growth; protecting Ballarat's heritage; pursuing key transport strategies.	Upgraded kindergartens; development of a youth precinct; adoption of a new recreation and aquatics strategy; adoption of a new Early Years' Plan; establishment of a welcome desk at the community hub at the library; development of a background document for social housing; development of neighbourhood plans.	Ballarat West Employment Zone; strategic arts and heritage framework, destination for tourism and events; major projects; destination for visitation; liveability and investment; economic development; sector development and facilitation.

Healthy Communities

Sustainable Communities

Dynamic Communities

Culturally-Rich Communities

Democratic Communities

MANAGING OUR BUSINESS

We will provide responsive and accessible leadership, engagement and advocacy and deliver efficient services with sound financial management and accountable government practices.

3. GOVERNANCE

GOVERNANCE

SPECIAL COMMITTEES

The *Local Government Act 1989* allows Councils to establish special committees with representation by Councillors, Council staff and community members.

Special Committees 2016-17

Committee	Councillors	Officers	Others	Purpose
Ballarat Friends of Ainaro Community Special Committee	1	1	7	Auspice, promote and strengthen the relationship between Ballarat and Ainaro.
CEO Performance Review Special Committee	All	1	Advisory	Meet Council's obligations to the LGA in regard to the position of Chief Executive Officer.
Community Impact Special Committee	3	1	3	Oversee the disbursement of funds to target community needs and implement the structure and probity around the management of funds Council provides to the community in the form of grants.
Contracts Approval Special Committee	3	1		Make decisions on Council contracts between \$250,000 and \$1 million, thereby expediting the contract approval process.
Her Majesty's Theatre Board Special Committee	1	2	10	Provide strategic direction regarding Her Majesty's Theatre, provide industry advice on the performing arts, and set priorities for activities that will enhance Ballarat as a place for the performing arts.
Invermay Recreation Reserve Special Committee	1	1	7	Determine the use and undertake the day-to-day management of the reserve.

ADVISORY AND NON-ADVISORY COMMITTEES, GROUPS AND ORGANISATIONS

A full list of these can be found in Appendix 1.

COUNCILLOR CODE OF CONDUCT

The *Local Government Act 1989* requires Councils to amend and approve a Councillor Code of Conduct within four months after each general election. Council adopted a revised Councillor Code of Conduct on 25 January 2017 that is designed to remove duplication and to remove the inclusion of other policy and procedural statements better suited as separate policies (such as the Social and Electronic Media policy).

COUNCILLOR ALLOWANCES

In accordance with Section 74 of the *Local Government Act 1989*, Councillors are entitled to receive an allowance while performing their duties as a Councillor. The Mayor is entitled to receive a higher allowance. The state government sets the upper and lower limits for all allowances.

Councillor Allowances 2016-17

Cr Des Hudson	\$43,752.51
Cr Samantha McIntosh	\$72,126.63
Cr Amy Johnson	\$27,949.88
Cr Belinda Coates	\$27,949.88
Cr Jim Rinaldi	\$27,949.88
Cr Mark Harris	\$20,404.18
Cr Grant Tillett	\$20,404.18
Cr Daniel Moloney	\$20,404.18
Cr Ben Taylor	\$20,404.18
Cr John Philips	\$7,545.70
Cr Peter Innes	\$7,545.70
Cr Vicki Coltman	\$7,545.70
Cr Glen Crompton	\$7,545.70

COUNCILLOR EXPENSES

In accordance with Section 75 of the *Local Government Act 1989*, Council is required to reimburse a Councillor for expenses incurred while performing their duties as a Councillor.

Councillor Reimbursements 2016-17

Councillor	Professional Development	Expense Reimbursements	Conferences	Meals	Memberships	Travel and Accommodation	Telephone	TOTAL
Cr Samantha McIntosh Mayor from November 2016	\$1,468.77		\$1,449.09	\$1,415.83	\$500.00	\$3,830.78	\$1,352.94	\$10,017.41
Cr Des Hudson Mayor from October 2016	\$272.73		\$50.00	\$944.80		\$1,421.69	\$1,172.52	\$3,861.74
Cr Belinda Coates	\$500.00		\$1,979.25	\$70.50	\$489.09	\$744.28	\$1,234.26	\$5,017.38
Cr Vicki Coltman	\$1,475.00		\$450.00	\$205.08		\$323.70	\$363.62	\$2,817.40
Cr Glen Crompton						\$826.77	\$363.76	\$1,190.53
Cr Mark Harris			\$72.73				\$691.54	\$764.27
Cr Peter Innes						\$1,414.38	\$300.13	\$1,714.51
Cr Amy Johnson		\$35.92	\$841.04	\$416.98	\$500.00	\$3,801.62	\$1,123.79	\$6,719.35
Cr Daniel Moloney			\$540.00				\$1,005.40	\$1,545.40
Cr John Phillips				\$336.82		\$1,588.50	\$829.65	\$2,754.97
Cr Jim Rinaldi						\$569.58	\$1,694.27	\$2,263.85
Cr Ben Taylor				\$9.82			\$878.38	\$888.20
Cr Grant Tillett							\$623.25	\$623.25

SERVICE PERFORMANCE INDICATORS

The results of the Service Performance Indicators as prescribed by the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* and form part of the *Report of Operations* are listed below.

GOVERNANCE				
Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Transparency G1 - 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	4.67%	12.85%	15.90%	The increase in resolutions made at meetings closed to the public is due to more contracts going to Council to be approved.
Consultation and engagement G2 - Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	49.00	53.80	58.00	
Attendance G3 - 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) x (Number of Councillors elected at the last Council general election)) x100	90.87%	94.02%	93.43%	
Service cost G4 - Cost of governance (Direct cost of the governance service / Number of Councillors elected at the last Council general election)	\$39,294.78	\$43,080.76	\$39,040.41	
Satisfaction G5 - Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community)	47.00	51.00	56.50	An increase in satisfaction could potentially be related to final decisions being made on long standing items which have drawn some negativity such as the Civic Hall and Ballarat Saleyards.

MANAGEMENT

Council has implemented a number of statutory and better practice items to strengthen its management framework. Having a strong governance and management framework leads to better decision making by Council. The following items have been highlighted as important components of the management framework.

AUDIT ADVISORY COMMITTEE

The Audit Advisory Committee's role is to oversee and monitor the effectiveness of Council in carrying out its responsibilities in relation to accountable financial management, good corporate governance, maintaining an effective system of internal control and risk management, and fostering an ethical environment. This committee meets five times a year. Recommendations from each meeting are reported to, and considered by, Council.

Committee Members

- » Four independent members: Rex Carland (Chair from 11/9/16), Shane Bicknell (Chair until 10/9/16), Geoff Johnson (until 30/12/16), Noel Perry (from 8/2/17), Michael Porter
- » Mayor of the Day: Cr McIntosh (from November 2016, replacing Cr Hudson)
- » Two Councillors: Cr Coates, Cr Tillett (from November 2016 replacing Cr Coltman)

INTERNAL AUDIT

Council's internal audit function provides independent and objective assurance the appropriate processes and controls are in place across Council. This function is resourced by an external provider, Pitcher Partners. A risk-based three-year Internal Audit Plan is revised annually to ensure the audit resources remain focused on the appropriate areas. The Internal Audit Plan (IAP) is reviewed and adopted by the Audit Committee and Council on a yearly basis.

The internal auditor attends each Audit Committee meeting to report on the status of the IAP, provide an update on the implementation of audit recommendations, and present findings of completed reviews. The responsible director and manager for each area reviewed are required to attend the Audit Committee meeting to respond to questions in relation to the review. Recommendations are assigned to the responsible manager and tracked in Council's performance management system.

Internal Audit Plan 2016-17

The following reviews were conducted and all reports completed:

- » Financial Controls Environment
- » Review of Actions on Past Reports
- » Contract Management
- » Procurement
- » Purchasing Card Compliance
- » Asset Management – Roads Infrastructure

EXTERNAL AUDIT


Council is externally audited by the Victorian Auditor-General. For the 2016-17 financial year, the annual external audit of Council's Financial Statements and Performance Statement was conducted by the Victorian Auditor-General's representative. The external auditors attend a number of Audit Committee meetings during the year to present the annual Audit Plan and Independent Audit Reports. The external audit management letter and responses are also provided to the Audit Committee.

GOVERNANCE AND MANAGEMENT CHECKLIST

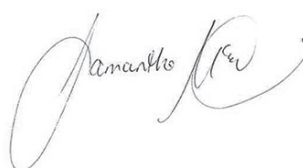
Governance and Management Item	Assessment
Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Current policy in operation 13/04/2016
Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation 31/07/2016
Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Plan adopted in accordance with section 126 of the Act 28/06/2017
Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with section 130 of the Act 28/06/2017
Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Current plans in operation Reason for no plans: Council is currently undertaking a review of the asset management plans which will form the basis of the new plans. The expected completion date is in early 2018.
Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Current strategy in operation 28/06/2017
Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation 30/07/2013 This policy is currently in a draft format awaiting review with expected completion by August 2017.

Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation 25/08/2014 This policy is currently in a draft format awaiting review with expected completion by August 2017.
Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the Emergency Management Act 1986 22/06/2016
Procurement policy (policy under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the Local Government Act 14/06/2017
Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation 1/12/2013 Council is currently undertaking a business services review that will capture current business risks associated with delivery of services. This will be used as the basis for prioritising the BCP plans. The expected completion date will be in October 2017
Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation ICT Disaster Recovery Plan 28/11/2014. Crisis Risk Management 12/11/2012. This plan is to go under review with the expected completion date of October 2017
Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation 28/02/2011 This framework is currently in a draft format awaiting review with expected completion by August 2017.
Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Committee established in accordance with section 139 of the Act 27/08/2008
Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged 9/06/2016
Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Current framework in operation 22/05/2017
Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Current report Reason for no report: There was no formal review due to creating the new council plan when the new councillors had started. However, the results would have been looked at when creating the new council plan.
Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Quarterly statements presented to Council in accordance with section 138(1) of the Act 2015-2016FY Financial statements as part of the annual report presented on the 14/09/16, 16/17FY Sept qtr report - 23/11/16, 16/17FY Dec qtr report - 22/2/17, 16/17FY Mar qtr report - 24/05/17
Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports prepared and presented Taken to Audit Committee on the following dates 7/09/16, 7/12/16, 8/3/17, 26/4/17 and 21/6/17
Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Reports prepared and presented 2015-2016FY performance statement as part of the Annual report presented on the 14/09/16, 16/17FY Sept qtr report - 23/11/16, 16/17FY Dec qtr report - 22/2/17, 16/17FY Mar qtr report - 24/05/17
Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)	Annual report considered at a meeting of Council in accordance with section 134 of the Act 14/09/2016
Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of conduct reviewed in accordance with section 76C of the Act 25/01/2017
Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 98(6) of the Act C4 Special Committee Delegations 14/09/16, S6 Delegation - Councillors to Council Staff 12/07/2017 and S7 Delegation - CEO to Council Staff 22/06/2017
Meeting procedures (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act 22/08/2012 This policy is currently in a draft format awaiting review with expected completion by August 2017.

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



Justine Linley
 Chief Executive Officer
 Dated: 19 September 2017



Cr Samantha McIntosh
 Mayor
 Dated: 19 September 2017

STATUTORY INFORMATION

The following information is provided in accordance with legislative and other requirements applying to Council.

DOCUMENTS AVAILABLE FOR PUBLIC INSPECTION

In accordance with regulation 12 of the Local Government (General) Regulations 2015 the following documents are made available for public inspection or copies of the documents can be obtained for the purposes of section 222 of the Act at Council offices, The Phoenix, 25 Armstrong Street South, Ballarat.

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

CONTRACTS

During the 2016-17 financial year Council did not enter into any contracts valued at \$150,000 or more for services, or \$200,000 or more for works of a kind as specified in section 186(5)(a) and (c) of the Act. It also did not enter into any other contracts valued at \$150,000 or more for goods or services, or \$200,000 or more for works without engaging in a competitive process.

DISABILITY ACTION PLAN

In accordance with Section 38 of the *Disability Act 2006*, Council has adopted a Disability Action Plan 2015-17. Council is currently working on a new plan to take us from 2018 into the future.

The following actions were implemented in the 2016-17 financial year:

- » Improvements were made to our services and facilities, including the opening of the award-winning Victoria Park Inclusive Playspace that includes an adult changing place.
- » A *Disability Discrimination Act 2006* (DDA) retrofit program continued to be rolled out to buildings and infrastructure, including planned work at Marty Busch Recreation Reserve, improved access at Regent Cinemas Ballarat and an adult changing facility at Stockland Wendouree Shopping Centre.
- » An ongoing assessment of accessibility on Council's website continued.
- » Inclusion and participation in the community by persons with a disability was promoted, including a film festival to celebrate International Day of People with a Disability and support for the Arts for All Eisteddfod.
- » A volunteer program for gardening and upkeep at the Victoria Park Inclusive Playspace was commenced.
- » The Open for Business website, aimed at businesses becoming more accessible was rolled out.

FOOD ACT MINISTERIAL DIRECTIONS

In accordance with section 7E of the *Food Act 1984*, Council is required to publish a summary of any Ministerial Directions received. No such Ministerial Directions were received by Council in the 2016-17 financial year.

DOMESTIC ANIMAL MANAGEMENT PLAN

Council's current Domestic Animal Management Plan 2012-16 remains in effect until September 2017. In accordance with the *Domestic Animals Act 1994*, a new Domestic Animal Management Plan 2017-21 has been prepared following an extensive internal and external stakeholder review and public consultation process. The new plan is due to be adopted in the first quarter of the 2017-18 financial year.

ROAD MANAGEMENT ACT MINISTERIAL DIRECTION

In accordance with Section 22 of the *Road Management Act 2004*, Council must publish a copy or summary of any Ministerial Direction in its annual report. No such Ministerial Directions were received by Council during the financial year.

PROTECTED DISCLOSURE PROCEDURES

The *Protected Disclosure Act 2012* aims to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and provide protection for people who make disclosures. In accordance with Section 69, Council must publish information about how to access the procedures established by the Council under Part 9 of that Act as well as certain information about the number and types of protected disclosures complaints investigated. Procedures on how to make a disclosure are available on Council's website at www.ballarat.vic.gov.au/ac/protected-disclosure.aspx

The City of Ballarat has adopted the Independent Broad-Based Anti-Corruption Commission (IBAC) guidelines for handling protected disclosures that were updated in December 2016. A total of three disclosures were notified to Council officers appointed to receive disclosures or to IBAC in the 2016-17 financial year.

INFRASTRUCTURE AND DEVELOPMENT CONTRIBUTIONS

In accordance with section 46GM and 46QD of the Planning and Environment Act 1987, a council that is considered a collecting or development agency must prepare and give a report to the Minister for Planning on infrastructure and development contributions including levies and works in kind. Council does not currently have any Infrastructure Contributions Plans. The Ballarat West Development Contribution Plan is our only Development Contribution Plan in operation in the 2016-17 financial year and is disclosed below.

Ballarat West Development Contribution Plan

Table 1: Total DCP Levies Received 2016-17

DCP Name and Year Approved	Levies Received in 2016-2017 Financial Year (\$)*
Ballarat West (2014)	\$78,300.00
TOTAL	\$78,300.00

Table 2: DCP Land, Works, Services or Facilities accepted as Works in Kind 2016-17

DCP Name and Year Approved	Project ID	Project Description	Item Purpose	Project Value (\$)
Ballarat West (2014)	DI_LA_RB3	Acquisition of land for Retarding Basin 3	Winter Valley Rise - Land WIK for the construction of Retarding Basin 3	\$487,500.00
Ballarat West (2014)	DI_LA_25	Land acquisition for intersections	Winter Valley Rise - Land WIK to widen road reserve to accommodate intersection treatment on the future Western Link Road	\$32,500.00
TOTAL				\$520,000.00

* Levies include DIL and CIL

Table 3: Total DCP Contributions received and expended to date (for DCPs approved after 1 June 2016)

DCP Name and Year Approved	Total Levies Received (\$)	Total Levies Expended (\$)	Total Works-In-Kind Accepted (\$)	Total DCP Contributions Received (Levies and Works-In-Kind) (\$)
	\$0	\$0	\$0	\$0
TOTAL	\$0	\$0	\$0	\$0

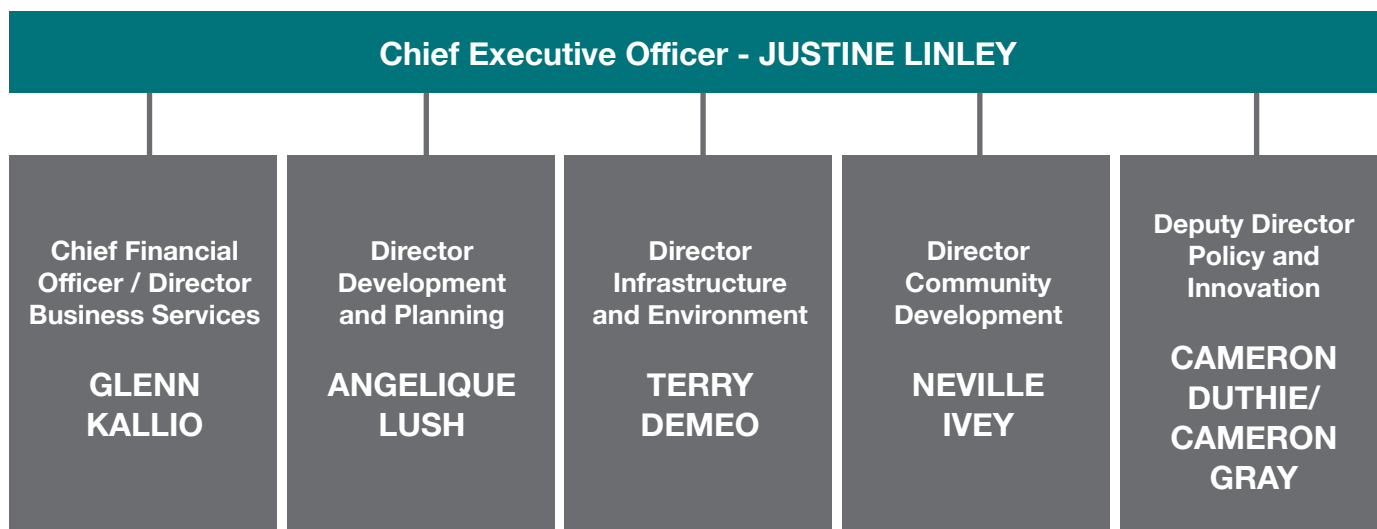
Table 4: Land, Works, Services or Facilities delivered in 2016-17 from DCP Levies Collected

DCP Name and Year Approved	Project ID	DCP Name and Year Approved	DCP Fund Expended (\$)	Works-In-Kind Accepted (\$)	Council's Contribution (\$)	Other Contribution (\$)	Total Project Expenditure (\$)	Percentage of Item Delivered ***
Land for Webb Road Widening - to widen the existing 20m Webb Road reservation to 24m	DI_LA_16	Ballarat West (2014)	\$250,000.00	\$0	\$0	\$0	\$250,000.00	95.15%
Development Contributions Accounting Program	DI_O_1	Ballarat West (2014)	\$7,525.00	\$0	\$0	\$0	\$7,525.00	13.84%
TOTAL			\$257,525.00				\$257,525.00	

*** Percentage of Item Delivered calculated as expenditure over Total Project Costs

4. OUR ORGANISATION

EXECUTIVE LEADERSHIP REPORTING STRUCTURE



ORGANISATIONAL STRUCTURE

Our organisational structure is designed to support the delivery of the goals as set out in the Council Plan 2013-17.



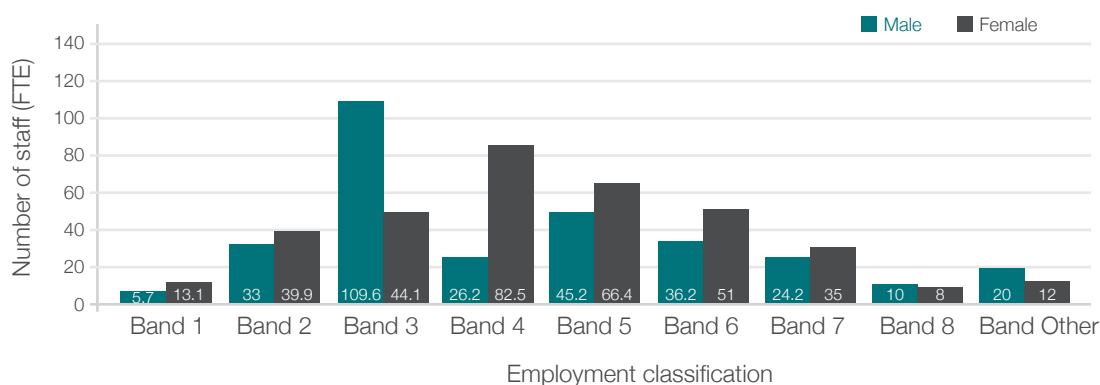
STAFF PROFILE

A summary of the number of full-time equivalent (FTE) Council staff by organisational structure, employment type and gender

Employee Type/Gender	CEO Policy and Support		Business Services		City Infrastructure		People and Communities		City Strategy		Total	Total FTE
	Total	FTE	Total	FTE	Total	FTE	Total	FTE	Total	FTE		
Permanent FT-F	5	5	23	23	35	35	67	67	40	40	170	170
Permanent FT-M	6	6	26	26	196	196	26	26	23	23	277	277
Permanent PT-F	0	0	13	8.5	58	17.6	188	118.6	15	9.2	274	153.9
Permanent PT-M	0	0	0	0	13	3.7	26	14.2	3	1.7	42	19.6
Casual - F	2	0.6	0	0	5	1.8	95	20.3	20	5.4	122	28.1
Casual - M	0	0	0	0	6	1.8	29	8.9	13	2.8	48	13.5
Total	13	11.6	62	57.5	313	255.9	431	255	114	82.1	933	662.1

FTE = Full-Time Equivalent FT = Full-Time PT = Part-Time F = Female M = Male

A summary of the number of full-time equivalent (FTE) Council staff categorised by employment classification and gender



EQUAL EMPLOYMENT OPPORTUNITY PROGRAM

Council's Equal Employment Opportunity Program aims to ensure there is no discrimination relating to the characteristics listed under the *Victorian Equal Opportunity Act 2010* such as race, colour, sex, marital status, parenthood, physical or mental impairment, age, religious or political affiliation, gender identity and sexual orientation. Further objectives include ensuring the workplace is free from discrimination, bullying and harassment.

Indicators that measure the effectiveness of the program and the results for 2016-17 year:

- » Indicator: Percentage of new employees receiving equal opportunity training with six months of commencement. Target: 100%. Result: 44%
- » Indicator: Percentage of existing employees receiving refresher equal opportunity learning regularly. Target: 100%. Result: To be confirmed – refresher training is to be carried out across the organisation in September-October 2017
- » Indicator: Number of contact officers per number of Council employees. Target: 1:50. Result: 1:66

- » The indicators are monitored on an ongoing basis by Council's Human Resources team who regularly promote employee and management awareness, consider relevant issues and contribute to resolution and advice. Council's assessment of the achievement of the program's objectives are that there were no breaches of the Victorian Equal Opportunity Act 2010.
- » The actions taken to implement the program in 2016-17 include providing equal opportunity awareness sessions for all new employees and managers to ensure they are fully aware of their responsibilities in maintaining a workplace free of bullying and harassment, as well as creating equal opportunity online learning to be available for all employees in 2017-18.



Multicultural Information Place at Ballarat Library

5. OUR PERFORMANCE

GROWTH AND DEVELOPMENT

OUR VISION

We imagine Ballarat as a well-planned city that maintains a unique urban character, provides accessible, connected and safe urban areas and facilities, supports diverse housing and active transport options, and uses resources sustainably while adapting to changes in climate.

OUR COMMITMENT TO HEALTH AND WELLBEING

We will impact the health and wellbeing of our community by:

- » Creating urban and rural environments that are safe, attractive and accessible, using design elements that will improve the health and wellbeing of residents.
- » Supporting the provision of a mix of housing in both rural and residential areas.
- » Increasing active transport options and access to community facilities and improving the quality of public and open space areas to provide an inviting environment for leisure and recreation activities.
- » Delivering a more ecologically sustainable use of resources and improved adaptation to climate change, with proposed activities around waste management, water harvesting and tree planting.

STRATEGIC INDICATORS

The following statement reviews the performance of Council during the 2016-17 financial year in relation to the Strategic Indicators in the Council Plan.

Measures

- » Creating a well-planned city.
- » Improving access to active and sustainable transport options.
- » Managing our waste and resources responsibly.
- » Enhancing the quality and character of our city.
- » Managing Council's assets responsibly.

STRATEGIC INDICATOR	RESULT 2016-17	COMMENTS
Percentage of planning applications determined in 60 days per VicSmart Planning Process.	80%	Target of 80% achieved consistently.
Percentage improvement in the Community Satisfaction Survey rating for town planning services year on year.	12% (up from 11% in 2016)	1% increase achieved.
Complete the Ballarat Strategy and present to Council for consideration.	Achieved	Completed in 2015-16 and incorporated into the Planning Scheme in 2016-17.
Percentage increase in the cycle or walk to work rate year on year.	5%	Target achieved.
Percentage increase in walking and cycling paths year on year.	2%	Target achieved.
Percentage of waste diverted from landfill (by weight).	49% (up from 39% in 2016)	Target of 38% exceeded - attributed to 4,000 tonnes more green waste being diverted as a result of the new kerbside green waste collection service.
Percentage of transfer station waste diverted from landfill (by weight).	53%	Target of 50% exceeded.
Positive ratio of trees planted to trees removed on Council managed land year on year.	Achieved	1,850 street trees planted to 830 street trees removed; 7,500 revegetation trees and shrubs planted; 1,750 street trees planted through development.
Net gain in street tree population.	Achieved	Net gain of approximately 1,020 street trees.
Number of trees planted local to the area in parks and reserves.	7,500	Revegetation plantings.
Improvement in stakeholder perception of presentation standards of parks and gardens year on year.	87.8% (up from 85% in 2016)	Significant increase achieved.
Percentage of capital works projects completed.	95%	Target achieved.
Percentage reduction in the asset renewal gap.	10%	Target achieved.

MAJOR INITIATIVES

The following statement reviews the progress of Council in relation to major initiatives identified in the 2016-17 Budget.

MAJOR INITIATIVES	PROGRESS IN 2016-17
Preparing a draft Community Local Law No 15 2017 with extensive public consultation and advice from internal and external stakeholders.	Completed – due to be adopted early in 2017-18.
Preparing a new Domestic Animal Management Plan 2017-21 including undertaking an extensive internal and external stakeholders review and public consultation process.	Completed – due to be adopted early in 2017-18.
Progressing the development of the Ballarat Western Link Road.	On track per scheduled timeframes – completion of Stage 1B is due mid-2018.
Delivering the annual <i>Disability Discrimination Act 1992</i> footpath program.	Completed.
Undertaking improvement works as part of the ongoing Parks Development Program, including Midlands Reserve landscape works, 303 Gillies Street improvements, Lakeland Reserve works, Peady Street Reserve signage, De Soza Park planning works and Buninyong Youth Space improvements.	Completed.
Undertaking landscaping works as part of ongoing works to enhance the presentation of the city's major gateway entrances.	Completed.
Installing signage and interpretation throughout the Ballarat Botanical Gardens Precinct.	Completed.
Undertaking median strip landscaping works in Victoria Street and continuing street irrigation works in Victoria Street and Sturt Street.	Completed.
Undertaking upgrades to the Smythesdale Landfill facility, including interim capping multiple areas, significant haul road upgrades, perimeter fencing extensions, tip face wind throw fencing, new weigh bridge, and extraction of clays (slimes) to enable new cell constructions starting in 2017-18.	Completed.
Continuing the LED street lighting replacement program (130 LEDs in new developments and replacements and 58 retrofitted, saving Council >40,000kWh per year).	Ongoing.
Developing a new Waste Management Strategy to increase the diversion of waste from landfill including undertaking a comprehensive audit of all waste streams.	Commenced – the audit has been completed.
Implementing a kerbside green waste collection service (32,000 bins provided to residents).	Service rolled out.
Undertaking preliminary planning to ensure we are ready for the Waste to Energy project, including benchmarking, transfer station development and development of the Landfill Master Plan.	On track per scheduled timeframes.
Continuing to implement actions from the Environment Sustainability Strategy (ESS) 2012-14 (scope to be defined following development of Waste Strategy and Carbon Neutrality Strategy).	Ongoing.
Undertaking city-scale stormwater modelling and risk analysis.	Completed.
Developing an Integrated Water Management (IWM) Plan for the Ballarat West Employment Zone (BWEZ) working with Major Projects Victoria, and a city-wide IWM Plan working with Central Highlands Water (CHW) (a precinct-scale Managed Aquifer Recharge has been determined to be not economically feasible – Council is working with CHW to facilitate innovation in allotment scale IWM in BWEZ on case-by-case basis).	Ongoing – IWM Plan for BWEZ completed.
Developing flooding controls for Burrumbeet Creek, Miners Rest.	Adopted in Planning Scheme.
Connecting Western Oval to the Harvesting Ballarat Stormwater Network.	Completed.
Identifying the six most significant and feasible stormwater harvesting opportunities across Ballarat and growth areas with >60ML water savings potential combined.	Completed.
Undertaking a feasibility assessment to identify opportunities for alternative and renewable energy sources at BWEZ.	Completed.
Investigating the use of alternative energy sources at the Ballarat Aquatic and Lifestyle Centre – adding co-generation from bio-gas and an expansive solar heating cell arrangement to the ongoing comparative analysis.	Completed.
Implementing initial actions from the Victoria Park Master Plan, including the resurfacing of roads for the criterion cycling track and the delivery of the Inclusive Playspace.	Completed.
Exploring options for the former saleyards site including consideration of the showgrounds relocation – a preliminary buffer study is progressing to inform rehabilitation and long-term alternate use.	On track per scheduled timeframes.
Progressively implementing the Developer Contributions Plan for Ballarat West as part of the Growth Facilitation Role undertaken for the Ballarat West Corridor.	On track per scheduled timeframes.
Resolving to resume control of the existing pound facility and plan for a new facility.	On track per scheduled timeframes.
Developing the Sustainable Transport Strategy 2017 that includes local planning for roads, public transport and alternative transport options.	On track per scheduled timeframes.
Undertaking audits on buildings considered for decommissioning due to being deemed surplus to Council's needs or past their life expectancy in line with Asset Management Plans.	On track per scheduled timeframes.
Undertaking the realisation of surplus properties including undertaking due diligence regarding market valuations and community expectations.	On track per scheduled timeframes.

SERVICES

The following statement provides information in relation to the services funded in the 2016-17 Budget and the persons or sections of the community who are provided the services.

SERVICES	COMMENTS
Environment	<p>Provision of the following services to the municipal community as a whole:</p> <ul style="list-style-type: none"> » Helping the community to live more sustainably in response to emerging environmental challenges such as climate change, water shortage, biodiversity and conservation. » Promoting sustainability within the built and natural environments. » Developing and implementing policies and strategies that set direction in environmental management, public space improvements, conservation of natural resources and sustainable development. » Building the capacity of Council to integrate environmental and sustainability issues into its buildings and public space improvements.
Waste Management	<p>Provision of the following services to municipal households:</p> <ul style="list-style-type: none"> » Managing the Kerbside Bin Garbage, Recycling and Green Waste collections. » Operating the Council Recycling and Resource Centre. » Operating and managing the Ballarat Regional Landfill facility at Smythesdale.
Parks and Gardens	<p>Provision of the following services to the municipal community as a whole:</p> <ul style="list-style-type: none"> » Providing street and park trees. » Managing and maintaining parks, gardens and biodiversity sites. » Providing streetscape and landscape features including garden beds and traffic management devices.
Traffic and Transport	<p>Provision of the following services to support Council's direct service delivery areas:</p> <ul style="list-style-type: none"> » Developing, assessing and implementing engineering solutions that address the amenity of residential and commercial areas. » Implementing parking and traffic management strategies. » Assessing traffic and parking implications of planning permit and rezoning applications. » Investigating black spot accident locations, developing treatment solutions to address any safety issues, and submitting funding applications through the Black Spot Program. » Coordinating and implementing improvements to the bicycle and pedestrian network. » Assessing all applications received from the National Heavy Vehicle Regulator. » Administer the annual bus stop and bus shelter programs.
Building	<p>Provision of the following to services landowners, builders and developers:</p> <ul style="list-style-type: none"> » Assessing building permit applications, conducting mandatory inspections and issuing occupancy permits/final certificates for buildings and structures. » Encouraging desirable building design outcomes for amenity protection and to maintain consistent streetscapes. » Providing property hazard and building permit history information to designers, solicitors, private building surveyors and ratepayers. » Conducting property safety inspections including fire safety audits on high-risk buildings, and pool and spa safety barrier compliance inspections to ensure a safer built environment. » Administering and enforcing the Building Act and Regulations including investigation of illegal and dangerous buildings to ensure public and occupant safety.
Local Laws	<p>Provision of the following services to the road users, pet owners, parents and the municipal community as a whole:</p> <ul style="list-style-type: none"> » Delivering proactive patrol programs to maintain and promote community safety and harmony. » Delivering administrative and field services in parking, amenity and animal management. » Processing and issue permits relating to traders, tradespersons, disabled parking, residential parking, animal registrations, excess animals, commercial waste bins, street furniture and other uses of Council-controlled land. » Delivering educational programs in responsible pet ownership, road safety, amenity, regulation and fire prevention. » Developing, implementing and reviewing appropriate local laws to achieve a safe and liveable environment. » Delivering the School Crossing Supervision Program through the provision of supervision at school crossings.
Infrastructure and Assets	<p>Provision of the following services to the municipal population as a whole:</p> <ul style="list-style-type: none"> » Providing inspections on Council assets to ensure service standards are maintained. » Developing and updating the five-year renewal program for assets. » Managing permits relating to the asset protection local law and stormwater drainage. » Managing street lighting. » Implementing strategies and engineering solutions for planning and subdivision permit referrals and development approvals. » Delivering the Capital Works and Building Renewal program. » Maintaining the Council's infrastructure including buildings, playgrounds, bus shelters, street/park furniture, barbeques, bins and bollards. » Undertaking audits to ensure service standards are maintained, including annual condition audits and five yearly asbestos audits.

Places and Renewal	<p>Provision of the following services to support Council's direct service delivery areas:</p> <ul style="list-style-type: none"> » Implementing the 25-year plan Ballarat Strategy, supporting capital delivery units to align works with policy and strategy. » Managing the Heritage Strategy and grants program. » Providing landscape and urban design. » Providing the Urban Forest program and strategic vegetation advice. » Providing technical design guidance for strategic development sites and major projects. » Providing strategic and sustainable transport and infrastructure programs.
Strategic Planning	<p>Provision of the following services to support Council's direct service delivery areas:</p> <ul style="list-style-type: none"> » Managing the Ballarat Planning Scheme and undertaking strategic land use planning to support growth and prosperity in the municipality. » Providing core planning services as required by the Planning and Environment Act 1987, as well as undertaking long-term strategic land use planning projects, master plans and processes to help manage and lead change for maximum community support and benefit. » Providing strategic land use planning services to Council, considering land use, infrastructure, social, economic and environmental components – to ensure growth delivers on the Vision of the Council Plan (2017-2021) and Ballarat Strategy (2015). » Providing advice to Council and managing all planning aspects of land use within the City of Ballarat. » Ensuring the City of Ballarat meets its statutory obligations concerning strategic land use planning. » Facilitating private development through managing Private Planning Scheme Amendments. » Undertaking place-based land use master plans to support growth.
Statutory Planning	<p>Provision of the following services to landowners, builders and developers:</p> <ul style="list-style-type: none"> » Ensuring statutory planning services are delivered in line with requirements, particularly under the <i>Planning and Environment Act 1987</i>. » Playing a key role in implementing the strategic land use as set out in the Council Plan and Municipal Strategic Statement by ensuring land use and development is consistent with the Ballarat Planning Scheme. » Implementing the Ballarat Planning Scheme to ensure the use and development of land occurs in a manner which balances the needs of the economy, environment and community.

SERVICE PERFORMANCE INDICATORS

The results of the Service Performance Indicators as prescribed by the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* and form part of the *Report of Operations* are listed below.

ANIMAL MANAGEMENT				
Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Timeliness AM1 - 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	4.59	4.22	In the 2017FY, the City of Ballarat have completed some data cleansing and have noticed some animal management requests which were actioned but never actioned in our system. These have been removed from the report as they were actioned in prior financial years.
Service standard AM2 - Animals reclaimed (Number of animals reclaimed / Number of animals collected) x100	36.90%	35.07%	37.92%	
Service cost AM3 - Cost of animal management service (Direct cost of the animal management service / Number of registered animals)	\$59.20	\$48.04	\$51.01	In the 2017FY, the City of Ballarat have completed door to door audits and registration drives resulting in an increase of registrations by over 5000 animals. This also explains the increase in costs associated with completing the animal registration drive.
Health and safety AM4 - Animal management prosecutions (Number of successful animal management prosecutions)	9.00	8.00	7.00	In the 2017FY, there has been a few cases that have been taken to court in the 2017FY, however the final hearing and decision won't be held until the 2018FY therefore being removed from this indicator.

FOOD SAFETY

Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Timeliness FS1 - 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	5.62	4.11	From 1 July 2016, 'Time taken to action food complaints' will be reported by calendar year. Previously this indicator was reported by financial year. This has been implemented to better align reporting with the Department of Health and Human Services. This may result in some variances year on year. In the 2017FY, there has been training on how data is entered to ensure that we get greater accuracy on reporting for this indicator, as delays in data entry was skewing the original data.
Service standard FS2 - 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	106.08%	100.77%	101.79%	The reason for the percentage being over 100% is due to the fact that some businesses have since shut down from when the assessment was completed but prior to the end of the year.
Service cost FS3 - 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)	\$336.75	\$481.53	\$530.35	The allocation of costs has been reviewed and process adjusted to allow more accurate and consistent apportion of food safety related expenses for the 2016FY and 2017FY. The fluctuations are reflective of the transition, implementation and refinement of the costing allocations.
Health and safety FS4 - Critical and major non-compliance outcome notifications (Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises) x100	81.41%	95.88%	100.00%	From 1 July 2016, 'Critical and major non-compliance outcome notifications' will be reported by calendar year. Previously this indicator was reported by financial year. This has been implemented to better align reporting with the Department of Health and Human Services. This may result in some variances year on year.

ROADS

Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Satisfaction of use R1 - Sealed local road requests (Number of sealed local road requests / Kilometres of sealed local roads] x100	32.54	39.19	52.00	Due to the wet start of the 2017FY, it has created more potholes and therefore we have seen more requests in the 2017FY.
Condition R2 - Sealed local roads maintained to condition standards (Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads) x100	99.66%	99.66%	99.77%	
Service cost R3 - Cost of sealed local road reconstruction (Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed)	\$130.99	\$124.79	\$143.93	In the 2017FY, three of the bigger projects for the year (Learmonth Street, Dowling Street, Trewin Street) involved much heavier than normal pavements (being high-volume industrial roads), while Greenhalghs Roads included a major culvert extension and service relocations.
Service Cost R4 - Cost of sealed local road resealing (Direct cost of sealed local road resealing / Square metres of sealed local roads resealed)	\$4.51	\$4.95	\$4.51	
Satisfaction R5 - Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	56.00	58.90	54.70	Due to the wet start of the 2017FY, it has created more potholes and therefore we have seen more greater deterioration of our roads leading to a decrease in satisfaction of the standard of our roads.

WASTE COLLECTION

Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Satisfaction WC1 - Kerbside bin collection requests (Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households) x1000	160.12	164.05	148.90	
Service standard WC2 - 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	7.41	7.46	6.99	
Service cost WC3 - Cost of kerbside garbage bin collection service (Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins)	\$97.87	\$103.70	\$104.63	
Service cost WC4 - Cost of kerbside recyclables collection service (Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins)	\$33.82	\$39.77	\$28.32	In the 2017FY, there was a general reduction in operating expenses mainly stemming from the recycling trucks being re-leased at a much cheaper rate and a major decrease in repairs on the trucks.
Waste diversion WC5 - 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	35.10%	32.43%	48.96%	From the 2017FY, we have introduced our own green waste service, this has increased the amount of tonnages being diverted from landfill, due to green waste not been included in the prior financial year's figures.

STATUTORY PLANNING

Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Timeliness SP1 - Time taken to decide planning applications (The median number of days between receipt of a planning application and a decision on the application)	58.00	59.00	56.00	
Service standard SP2 - Planning applications decided within required time frames (Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made) x100	77.00%	72.00%	76.84%	From 1 July 2016 this indicator was updated to include Vic Smart planning applications assessed within 10 days. This may have resulted in some variances year on year.
Service cost SP3 - Cost of statutory planning service (Direct cost of the statutory planning service / Number of planning applications received)	\$1,262.41	\$1,714.10	\$1,688.28	
Decision making SP4 - 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	44.44%	57.14%	100.00%	In the 2016FY, there were two decisions which Council overturned the officer's recommendations. VCAT then overturned the Council decision and supported the original officer's recommendation. Whereas, in the 2017FY VCAT, Council and officer recommendations have all agreed on each decision.

5. OUR PERFORMANCE

PEOPLE AND COMMUNITIES

OUR VISION

We imagine Ballarat as a safe and well-serviced city that provides equal access to opportunities for its citizens at all stages of life, has connected communities that participate actively in civic life and offers diverse and accessible recreation, leisure and sporting opportunities that encourage healthy lifestyles.

OUR COMMITMENT TO HEALTH AND WELLBEING

We will impact the health and wellbeing of our community, working directly with families, the elderly and youth to engage with and build the resilience and capacity of our community and to provide learning opportunities and facilities, by:

- » Providing key social, cultural and emergency services and initiatives that will improve the personal, physical and mental health of residents of all ages.
- » Influencing and educating on issues of health and wellbeing through key points of contact with families and children, youth, older adults and people with a disability.
- » Working towards increased personal and community safety and more equitable access to health and community services through greater awareness and monitoring.
- » Working towards increased access, opportunities and support for lifelong learning and skills development by providing library services across the city.
- » Prioritising improved health, development and learning outcomes for children with an ongoing emphasis on becoming a child-friendly city.
- » Working towards increased community harmony that celebrates, acknowledges and respects cultural diversity.
- » Fostering a greater awareness of the effects of climate change and implement timely emergency responses.

STRATEGIC INDICATORS

The following statement reviews the performance of Council during the 2016-17 financial year in relation to the Strategic Indicators in the Council Plan.

Measures

- » Demonstrating evidence-based best practice across all service delivery areas ensuring alignment with community needs.
- » Demonstrating active participation in community life.
- » Demonstrating support for and encouragement of health and wellbeing.
- » Demonstrating an improved perception of safety and increased community resilience.
- » Providing accessible infrastructure that supports healthy lifestyles.

STRATEGIC INDICATOR	RESULT 2016-17	COMMENTS
Percentage of HACC clients participating in the strength-based model.	100%	100% of participants in the Active Ageing programs are supported through the Active Service Framework with the introduction of a range of programs to support and promote active living.
Percentage of bookings compliant with respite requirements as requested by the carer.	100%	100% of all respite requests were met within the scope of the available funding.
Percentage of kindergartens participating in the centralised enrolment system.	(Target 90%)	24 of 27 stand-alone kindergartens (89%) and 34 of 48 kindergartens overall (71%). Five new services joined the system this year.
Percentage of children attending the 3.5-year-old key ages and stages visit.	68.8% (target 70%)	Remained consistent with previous years – some data may not have been included due to changes in the IT reporting platform.
Percentage increase in visits to Parent Place noting type of enquiry year on year.	Refer comments	Remained consistent with previous years – new services were introduced.
Improved level of community participation year on year.	Achieved	Demand for Council's programs for residents 65 years and above increased even though new providers commenced operation in Ballarat – this is a positive statement about the quality of the programs and the trust and respect the community has in Council's programs. New initiatives were introduced.
Percentage increase in people accessing library services for alternative and lifelong learning purposes.	See separate table below	
Percentage increase year on year in the provision of health promotion and prevention initiatives across all areas of the City.	Achieved	A variety of new community activities were introduced that support and educate residents to make smart food choices.
Increase in the level of adult perceptions of safety year on year.	Data not available for 2017 - refer comments	VicHealth Indicators surveys are only conducted every four years with the last available data in 2015 and the next round of data expected in 2019. Some of the projects undertaken in 2016-17 include: the Community Safety Advisory Committee; CitySafe taxi ranks; annual review of Public Place CCTV; Prevention of Violence Against Women activities and Community Safety Week activities.
Improved level of children's perceptions of safety year on year.	Refer comments	A report was released in 2016 following a consultation process held during 2015 in which 1,520 primary and pre-school children were surveyed about their perception of liveability and neighbourhood.
Increase of communities demonstrating the ability to self-manage and self-regulate within the City of Ballarat year on year.	Achieved	Initiatives have been undertaken to support communities. Some examples of communities who have demonstrated increased ability to self-manage and self-regulate include the Brown Hill Progress Association and Sebastopol Men's Shed.
Increase in the number of recreation groups and members using Council's recreational reserves.	Partially achieved	Particularly strong growth in women's AFL and women's cricket at the youth level has seen increases in participation. There has generally been increased use of Council recreational reserves.
Increase in attendance at aquatic facilities.	Variable	Attendance numbers increased slightly at the Ballarat Aquatic and Lifestyle Centre but were down at outdoor pools, primarily due to a colder than normal summer.

Libraries Learning Programs Attendance

Council's libraries run a diverse range of learning programs for all ages. They are currently experiencing a significant shift to places that are less about reading and quiet contemplation and more about lifelong learning and community interaction and connection.

Learning Program	2015-16	2016-17	% change
Early Years' programs	12,942	12,501	-3.5%
School-age children's programs	5,077	6,157	19.2%
Youth activities	241	492	68.5%
Adult activities	2,465	3,046	21.1%
Digital literacy classes	2000	1,935	-3.3%
New parent sessions	160	253	45%
Total	22,885	24,384	6.34%

MAJOR INITIATIVES

The following statement reviews the progress of Council in relation to major initiatives identified in the 2016-17 Budget.

MAJOR INITIATIVES	PROGRESS IN 2016-17
Appointing a new contractor for the Meals on Wheels (MOW) service.	An increase in MOW recipient satisfaction in meal provision, variety and quality was achieved.
Refurbishing the Sebastopol Library and Community Hub as part of Council's Engaging Communities Program, in line with a move towards libraries offering lifelong learning services.	Project work has commenced – works are expected to commence in November 2017 and be completed in 2018-19.
Delivering Harmony Fest 2017 and the Intercultural Gala Dinner 2017.	Delivered.
Developing the Reconciliation Action Plan.	Completed.
Developing the Intercultural City Strategic Plan 2017-21.	Completed and implementation underway.
Awarding \$218,335.29 to community groups for a wide range of community projects and events as part of Council's Community Impact Program.	Completed – a list of recipients can be found at: ballarat.vic.gov.au/pc/grants/community-impact-grant-recipients
Establishing the Brown Hill Partnership Group and Sebastopol Community Panel as part of Council's Engaging Communities Program.	Established.
Redeveloping the Cardigan Village Community Hall as part of Council's Engaging Communities Program.	Completed.
Implementing the Municipal Early Years' Plan 2013-18.	Underway – of 78 actions identified, 6 (8%) have been completed and 47 (60%) are in progress.
Redeveloping the Iris Ramsay Kindergarten and Mount Pleasant Kindergarten.	Commenced.
Constructing new Early Years' facilities in growth areas in Ballarat's west – the Bonshaw Early Learning Centre and Lucas Community Hub.	Commenced.
Developing a Social Infrastructure Plan.	Completed.
Finalising the Reflections Consultation Report and Action Plan and the Children's Consultation Report.	Completed.
Finalising the Children's Consultation Report.	Completed.
Completing projects as outlined in the five-Year Recreational Asset Program.	On track per scheduled timeframes.
Reviewing Council's occupancy agreements for recreation reserves and facilities to include clear guidelines and links to relevant legislation regarding smoking, responsible service and supply of alcohol and gaming.	Ongoing.
Supporting the development and promotion of physical activity programs such as the use of cycling and walking trails, working with community groups and agencies.	Ongoing.
Planning and advocating for an integrated solution for indoor sport, working with all indoor sporting associations and stakeholders.	Ongoing.

SERVICES

The following statement provides information in relation to the services funded in the 2016-17 Budget and the persons or sections of the community who are provided the services.

SERVICES	COMMENTS
Libraries	<p>Provision of the following services to the municipal community as a whole:</p> <ul style="list-style-type: none"> » Helping the community to live more sustainably in response to emerging environmental challenges such as climate. » Providing a wide range of relevant, contemporary library collections and services: in libraries, online and via home library services. » Providing community spaces for individual and group study, reflection, activity and discovery. » Promoting, advocating for and supporting literacy development, reader development, lifelong learning, creative and intellectual development by providing family, children and adult library programs and activities.
Community planning	<p>Provision of the following services to support Council's direct service delivery areas:</p> <ul style="list-style-type: none"> » Facilitating community connectedness, strengthening community capacity and responding to identified needs through the delivery of programs. » Developing policies, strategies and plans that address community priorities.
Youth	<p>Provision of the following services to develop the capacity of our youth aged 12-25 using a Positive Youth Development model by providing:</p> <ul style="list-style-type: none"> » Providing learning and development approaches that are effective in achieving successful outcomes for young people. » Providing partnerships and social networks that connect youth to community planning, programs and initiatives. » Delivering a range of initiatives in partnership and collaboration with youth, the youth sector and schools to support the youth sector, such as leadership, volunteering and entrepreneurship and to address the impact of local priority youth issues such as bullying and mental health. » Providing ethical promotion of youth through positive images, role models and stories about young people to the community.
Family and Children	<p>Provision of the following services to families and children:</p> <ul style="list-style-type: none"> » Undertaking strategic planning and to support Early Years' development. » Providing maternal child health and immunisation services for children and new parents. » Providing education and care services for children and families through the Wendouree and Girrabanya Children's Services, Occasional Child Care Centre and Family Day Care programs. » Providing a central kindergarten enrolment service. » Providing information and support for families at Parent Place.
Aged, disability and health	<p>Provision of the following services to carers, people with a disability and older people:</p> <ul style="list-style-type: none"> » Delivering an Active Service Model for Home and Community Care clients through the Commonwealth Home Support Program to eligible residents 65 years and over: to assist and support them to remain safe and active within the community living in their own homes by providing support activities including social support community programs, assistance in the home with general tasks, hygiene assistance, medication administration assistance, general home maintenance and modifications, delivered meals and respite for family carers. <i>This is a Victorian Government program.</i> » Delivering the Victorian Home and Community Care Program for Younger Persons to eligible residents under the age of 65 years who are not eligible for NDIS: providing similar support activities as above. <i>This is a Victorian Government program.</i> » Delivering a home-delivered meals service through Meals on Wheels.
Sport and Active Living	<p>Provision of the following services to the municipal population as a whole:</p> <ul style="list-style-type: none"> » Facilitating recreation and sport activities through sporting clubs and committees of management. » Providing inspections on Council's sport and recreation facilities to ensure service standards are maintained. » Delivering a capital works program for Council's sporting grounds and recreation facilities. » Managing Council's leisure and aquatic centres, skate parks, play spaces and other community sport and recreation facilities.
Cultural Diversity	<p>Provision of the following services to our culturally and linguistically diverse community:</p> <ul style="list-style-type: none"> » Providing support and information, activities and programs. » Undertaking strategic planning and policy development to facilitate access to active participation opportunities. » Implementing Sister City, Friendship City and Intercultural City activities to strengthen international cultural connections and harmony within the community. » Delivering programs to sustain career and employment pathways.

SERVICE PERFORMANCE INDICATORS

The results of the Service Performance Indicators as prescribed by the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* and form part of the *Report of Operations* are listed below.

AQUATIC FACILITIES				
Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Satisfaction AF1 - User satisfaction with aquatic facilities (optional) (User satisfaction with how council has performed on provision of aquatic facilities)	0.00	96.48	93.27	
Service standard AF2 - Health inspections of aquatic facilities (Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities)	8.75	4.43	2.57	In 2015FY, the results were based on inspection per pool and not per aquatic facility. The City of Ballarat have realigned the reporting from 2016FY onwards to match the definition of the indicator. The City of Ballarat did have quite a strong focus on pools in the 2015/2016FY and on education and establishment of improved operator processes in conjunction with our Recreation Team this resulted in the early identification and rectification of issues in the lead up to the following seasonal pool opening, resulting in significantly improved compliance rates and reduced follow-up inspections in the 16/17 year. There was also some significant investment in some aquatic facility equipment which reduced frequency of issues arising associated with equipment failure and the monitoring needed.
Health and Safety AF3 - Reportable safety incidents at aquatic facilities (Number of WorkSafe reportable aquatic facility safety incidents)	1.00	1.00	1.00	
Service cost AF4 - Cost of indoor aquatic facilities (Direct cost of indoor aquatic facilities less income received / Number of visits to indoor aquatic facilities)	\$0.29	\$1.36	\$1.41	In September 2015, the management of the BALC transferred from the YMCA to the City of Ballarat. There is only limited information supplied to the City of Ballarat in regards to attendance figures for the first three months of the 2016FY. For the 2017FY costs were reduced but attendance figures were also down due to discontinuation of some programs in the aquatic facility.
Service Cost AF5 - Cost of outdoor aquatic facilities (Direct cost of outdoor aquatic facilities less income received / Number of visits to outdoor aquatic facilities)	\$10.99	\$13.81	\$9.38	In the 2017FY, Eureka, Buninyong and Black Hill pools have transitioned to the LINKS system which has allowed us to calculate more accurate data on visits. This also brings the data system in line with the indoor aquatic facility. Therefore the increase in visits has decreased the cost per visit.
Utilisation AF6 - Utilisation of aquatic facilities (Number of visits to aquatic facilities / Municipal population)	6.25	6.65	6.22	In September 2015, the management of the BALC transferred from the YMCA to the City of Ballarat. There is only limited information supplied to the City of Ballarat in regards to attendance figures for the first three months of the 2016FY. This has led to a more accurate calculation of visitors to the aquatic centre since then. For the 2017FY the attendance figures were also down due to discontinuation of some programs in the indoor aquatic facility. In addition, Eureka, Buninyong and Black Hill pools have transitioned to the LINKS system which has allowed us to calculate more accurate data on visits. This also brings the data system in line with the Indoor aquatic facility.

HOME AND COMMUNITY CARE (HACC)

Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Timeliness HC1 - 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	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
Service standard HC2 - 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	100.00%	100.00%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
Service cost HC3 - Cost of domestic care service (Cost of the domestic care service / Hours of domestic care service provided)	\$53.55	\$51.79	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
Service cost HC4 - Cost of personal care service (Cost of the personal care service / Hours of personal care service provided)	\$47.67	\$41.11	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
Service cost HC5 - Cost of respite care service (Cost of the respite care service / Hours of respite care service provided)	\$48.13	\$45.80	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
Participation HC6 - Participation in HACC service (Number of people that received a HACC service / Municipal target population for HACC services) x100	20.44%	18.83%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
Participation HC7 - 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	12.36%	11.45%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs

LIBRARIES

Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Utilisation LB1 - Library collection usage (Number of library collection item loans / Number of library collection items)	5.43	5.29	5.19	There was a decrease in the number of physical items borrowed in the 2016FY and 2017FY which is in line with state-wide trends. The decrease in physical items is offset by growing use of e-books. In addition, Ballarat library has 18,566 non-circulating items in its local history collection which lowers the usage ratio overall. From the 2016FY, the SIRSI Dynix system has upgraded its analytics system which has improved the data used for this indicator. These figures do not include e-books available to loan as the current systems cannot capture this data.
Resource standard LB2 - Standard of library collection (Number of library collection items purchased in the last 5 years / Number of library collection items) x100	60.47%	64.80%	63.30%	Ballarat library has 18,566 items in its local history collection, whose significant size and age reduces the percentage purchased in the past five years. These figures do not include e-books as the current systems cannot capture this data.
Service cost LB3 - Cost of library service (Direct cost of the library service / Number of visits)	\$6.61	\$7.72	\$8.13	There was a decrease in the number of visits to the library in the 2016FY and 2017FY. This can also be seen by the decreased participation of members and the decrease in items borrowed from the library in the 2016FY and 2017FY. The operational costs are generally increasing in regard to gas, electricity and high freight costs associated with transporting library materials throughout regional and metropolitan Victoria.
Participation LB4 - Active library members (Number of active library members / Municipal population) x100	17.52%	13.66%	12.92%	In the 2017FY, there was a decrease in members, which is in line with state-wide trends. From the 2016FY, the SIRSI Dynix system has upgraded its analytics system which has provided greater accuracy on the data in regards to active members. The older platform listed all members that have had any activity in the financial year. Whereas, from the 2016FY it allows us to narrow the list down to members who have borrowed a book in each financial year. We have then accessed the e-book providers and included them as they were not included in the 2015FY figure.

MATERNAL AND CHILD HEALTH (MCH)

Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Satisfaction MC1 - Participation in first MCH home visit (Number of first MCH home visits / Number of birth notifications received) x100	104.30%	102.66%	99.15%	In the 2017FY, the City of Ballarat has transitioned to a new state-wide Child Development Information System (CDIS). The new system is experiencing a number of issues and as such Council is unable to verify the accuracy of the data. Council is currently working with the Municipal Association of Victoria to verify this data and rectify these issues.
Service standard MC2 - Infant enrolments in the MCH service (Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received)x100	100.00%	100.00%	99.07%	In the 2017FY, the City of Ballarat has transitioned to a new state-wide Child Development Information System (CDIS). The new system is experiencing a number of issues and as such Council is unable to verify the accuracy of the data. Council is currently working with the Municipal Association of Victoria to verify this data and rectify these issues.
Service cost MC3 - Cost of the MCH service (Cost of the MCH service / Hours worked by MCH nurses)	\$79.30	\$78.75	\$84.99	
Participation MC4 - 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	77.73%	77.41%	78.30%	In the 2017FY, the City of Ballarat has transitioned to a new state-wide Child Development Information System (CDIS). The new system is experiencing a number of issues and as such Council is unable to verify the accuracy of the data. Council is currently working with the Municipal Association of Victoria to verify this data and rectify these issues.
Participation MC5 - Participation in the MCH service by Aboriginal children (Number of Indigenous children who attend the MCH service at least once (in the year) / Number of Indigenous children enrolled in the MCH service) x100	50.50%	60.96%	54.88%	In the 2017FY, the City of Ballarat has transitioned to a new state-wide Child Development Information System (CDIS). The new system is experiencing a number of issues and as such Council is unable to verify the accuracy of the data. Council is currently working with the Municipal Association of Victoria to verify this data and rectify these issues. In addition, there continues to be a decrease in the participation of Indigenous children in the MCH service. The local Aboriginal co-operative runs a similar MCH service. They can access both services or choose either one of these services. We still by law receive every birth notification, however, we have a lower intake of the MCH program due to some people choosing the local Aboriginal co-operative MCH program.

IMMUNISATIONS

Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Satisfaction I1 - User satisfaction with immunisation service (User satisfaction with how council has performed on provision of children immunisation service)	0.00	94.44	0.00	There was no satisfaction survey completed for the immunisation service in the 2015FY or 2017FY
Service standard I2 - Vaccination of children by Council (Percentage of children fully vaccinated by Council)	51.68%	51.00%	49.52%	
Service standard I3 - Return of consent cards by secondary school children (Number of secondary school consent cards returned / Total number of secondary school children) x100	0.00%	85.58%	88.13%	
Service cost I4 - Cost of immunisation service (Direct cost of immunisation service / Total number of vaccinations)	\$0.00	\$19.80	\$18.30	
Participation I5 - Vaccination of children (Percentage of children who are fully vaccinated in each age group)	0.00%	94.02%	96.32%	
Participation I6 - Vaccination of secondary school children (Number of secondary school children fully vaccinated by Council / Total number of secondary school children) x100	0.00%	75.16%	60.48%	In the 2016FY there were catch-up vaccinations for Year 8, 9 and 10. This resulted in an extremely higher number of vaccinations issued and resulted in a greater vaccination rate. In 2017FY it was only year 7's, that required their usual vaccinations.

SPORTS GROUNDS

Indicator/measure	Results 2015	Results 2016	Results 2017	Comments
Utilisation SG1 - Structured activities on sports fields (Number of structured activities / Total number of sports fields)	0.00	58.10	81.47	A new reporting system was introduced in January 2016 which allows the tracking of trainings and not only matches. This is the reason for the increase between the 2016FY and 2017FY.
Condition SG2 - Condition of sports fields (Number of days sports fields are unavailable for structured activities due to condition excluding maintenance and reconstruction/redevelopment / Total number of sports fields)	0.00	0.00	0.65	Due to the wet start to the 2017FY, there has been some grounds closed due to their condition. This was mainly the City Oval, which was under water and was unavailable for all structured activities. In addition, the start of 2017 saw some grounds which had to be closed due to hardness of the grounds and were unavailable for all structured activities.
Service cost SG3 - Cost of sports grounds (Direct cost of sports grounds / Total number of sports fields)	\$0.00	\$22,435.56	\$19,061.51	
Availability SG4 - Population per sports field (Municipal population / Total number of sports fields)	1078.31	1092.24	1106.00	

5. OUR PERFORMANCE

DESTINATION AND ECONOMY

OUR VISION

We imagine Ballarat as a city with a prosperous, growing economy that attracts and retains innovative businesses and enterprises that employ a highly skilled local workforce, attracts new residents and promotes the city's unique heritage and vibrant cultural life.

OUR COMMITMENT TO HEALTH AND WELLBEING

We will impact the health and wellbeing of our community by:

- » Contributing to developing a thriving regional economy, resulting in improved and inclusive employment and education opportunities.
- » Working towards better access to active and sustainable transport options in the Central Business District.
- » Working towards creating enhanced employment opportunities through major projects such as the Ballarat Western Link Road and the Ballarat West Employment Zone.
- » Working towards improved community cohesiveness, social connections and cultural expression through participation in arts, culture and community events.

STRATEGIC INDICATORS

The following statement reviews the performance of Council during the 2016-17 financial year in relation to the Strategic Indicators in the Council Plan.

Measures

- » Building on Ballarat's existing tourism product to further enhance the city's identity and brand.
- » Using events and festivals to celebrate Ballarat's unique culture and identity in partnership with the community.
- » Continuing to develop Ballarat's unique identity and essence which is celebrated via our rich and diverse arts and cultural sector.
- » Developing and implementing Council's strategic program of major projects designed to enhance the liveability and prosperity of Ballarat.
- » Delivering economic development activities and services that have a positive impact upon the prosperity, creativity and innovation of the Ballarat economy.

STRATEGIC INDICATOR	RESULT 2016-17	COMMENTS
Increased use and uptake of Ballarat's accommodation resource year on year.	Variable	<p>YE June 2017 Ballarat received 789,000 domestic overnight visitors which was up by 21.0% on YE June 2016 and up 29.3% since YE June 2014</p> <p><i>Source: National Visitor Survey (NVS), YE Jun 17, Tourism Research Australia (TRA)</i></p>
Increased visitor attendance at key Ballarat tourism assets year on year.	Achieved	All institutions report increased patronage, particularly as a result of a program of significant events. Record attendance was achieved at the second year of the Archibald Prize Exhibition.
100% delivery of programmed community events in partnership with the community.	Achieved	
100% delivery of programmed major events in the city.	Achieved	Examples include the highly successful hosting of White Night 2017 and the second year of the Archibald Prize Exhibition in 2016.
Increase in major events attracted and staged in the city year on year.	Achieved	
Increase in the community participation rate in arts and cultural program activities year on year.	Achieved	Examples include Backyard Tasters, Summer Sundays and events at Her Majesty's Theatre and the Art Gallery of Ballarat.
Increase in the number of arts and cultural events delivered through partnership funding, support or direct program delivery year on year.	Achieved	Continued growth in the number of events facilitated through the City of Ballarat Events Program.
Identification and delivery of key projects that are critical to the future prosperity of the Ballarat economy.	Achieved	Master Plans for the Civic Hall site, Sports and Events Precinct and CBD Strategy are completed and implementation is underway; commitment to GovHub has been secured; and the Station Precinct Master Plan has been progressed.
Percentage of Council's major projects infrastructure program delivered.	(Target 95%) Achieved	All identified and programmed major projects have been completed with the exception of the Fernery development and the delay to the Civic Hall redevelopment.
Greater use of Ballarat businesses delivering projects on behalf of the City of Ballarat year on year.	Achieved	Continued use of Ballarat Industry Participation Program in Council procurement processes.
Successful development and adoption of the Economic Strategy.	Achieved	
All milestones within the project plan for the Ballarat West Employment Zone project completed successfully.	Achieved	
Increase in the number of businesses maintained on Regional Industry Gateway year on year.	Achieved	
Successful delivery of the TenderWrite training programs year on year.	Achieved	Four TenderWrite workshops were held – since the program was introduced, more than 698 local business people have participated.

MAJOR INITIATIVES

The following statement reviews the progress of Council in relation to major initiatives identified in the 2016-17 Budget.

MAJOR INITIATIVES	PROGRESS IN 2016-17
Supporting the appointed operator of the Livestock Selling Centre to continue operation at the current site until the new site is completed.	Completed.
In conjunction with the Ballarat Agricultural and Pastoral Society (BAPS), determining the feasibility and the business planning for the showgrounds and develop long-term facility options.	Completed.
Developing an integrated Ballarat Hospital Precinct Master Plan and Economic Activation Plan that supports the future development of the precinct.	85% completed – final drafting underway. Due to staff changes and the considerable size and scope of the project, this work will continue into 2017-18.
Identifying priority projects for the CBD per the CBD Strategy, including identified works in Armstrong Street.	Completed.
Reviewing the CBD Strategy in relation to access, parking and connectivity in consultation with relevant Council departments and committees.	Completed.
Finalising a development option for the Civic Hall site and progress design and delivery of the project.	Completed.
Implementing the Economic Strategy in partnership with industry that builds on Ballarat's key strengths and drivers that encourages business operation.	Completed.
Developing key projects in the Ballarat West Employment Zone (BWEZ) including the Freight Facility, Innovation Centre and Waste to Energy Facility.	50% completed – long-term project that is subject to external funding.
Supporting expansion and investment attraction activities for the Ballarat Technology Park expansion at Mount Helen.	Completed.
Supporting expansion and investment attraction activities of the Ballarat Technology Park expansion in the CBD (Tech Park Central).	Completed.
Maximising local participation in economic development opportunities through the Ballarat Industry Participation Plan (BIPP) – Council's procurement process.	Completed.
Implementing a development facilitation resource to assist and fast track significant investment opportunities within the city.	Completed.
Marketing Ballarat as a premium tourist destination	Completed.
Developing a Destination Management Plan (DMP) that provides a strategic review of the region's long-term tourism infrastructure needs.	90% completed – work on the update and review of the DMP continues with Visit Ballarat.
Delivering a tourism events program for Ballarat.	Completed.
Attracting, supporting and delivering major community events including Begonia Festival, Heritage Weekend and Christmas celebrations as well as a new winter festival concept.	Completed.
Conducting the first review of the Service Level Agreement for M.A.D.E.	Completed.
Implementing the Public Art Policy and Master Plan.	Completed.
Preparing a Music Industry Plan designed to invigorate the live music sector in Ballarat.	Completed.
Delivering the Capital Works Program and the Strategic and Marketing Plans for the Art Gallery of Ballarat and conduct the first review of the Service Level Agreement.	Completed.
Completing the Ballarat Events Precinct Master Plan and seeking external funding for key infrastructure elements of the plan.	Completed.
Implementing the Equine Precinct Master Plan.	Completed.

SERVICES

The following statement provides information in relation to the services funded in the 2016-17 Budget and the persons or sections of the community who are provided the services.

SERVICES	COMMENTS
Arts and Culture	<p>Provision of the following services to the municipal community as a whole:</p> <ul style="list-style-type: none"> » Producing cultural programs and events for the community and providing funding. » Programming, protecting, curating and managing cultural facilities including the Art Gallery of Ballarat, Her Majesty's Theatre and M.A.D.E. » Delivering a range of professional development opportunities, activities and special events to support the development of the creative industries including visual arts, live music and performance art, as well as the connectivity of arts practitioners and audiences.
Economic Development	<p>Provision of the following services to the municipal community as a whole:</p> <ul style="list-style-type: none"> » Researching and analysing the municipality's economic performance. » Preparing business cases to attract major investment and jobs. » Identifying, marketing and seeking opportunities for investment that can substantially grow the city's economy and recommending actions to remove impediments to investment. » Supporting new and established businesses through training, development and networking opportunities. » Facilitating support through planning processes. » Developing policies, strategies and plans that address economic gaps and priorities. » Coordinating the Ballarat Industry Participation and TenderWrite programs. » Coordinating the new resident program.
Tourism and Events	<p>Provision of the following services to the municipal community as a whole:</p> <ul style="list-style-type: none"> » Providing funding to support the development and marketing of Ballarat as a tourism destination. » Attracting and coordinating new and exciting major events. » Supporting the development and funding of other events. » Supporting the growth and development of signature community events.
Major Projects	<p>Provision of the following services to the municipal community as a whole:</p> <ul style="list-style-type: none"> » Planning for and delivering, in partnership, major projects that achieve sustainable commercial and industrial development and key infrastructure projects that provide a high quality of life for a growing population. » Delivering all Early Years' expansion projects and a viable development option for the Civic Hall site. » Delivering projects on time, on budget and to requisite quality standards. » Supporting improvements in the presentation of major public realm.

5. OUR PERFORMANCE

MANAGING OUR BUSINESS

OUR VISION

We will provide responsive and accessible leadership, engagement and advocacy and deliver efficient services with sound financial management and accountable government practices.

OUR COMMITMENT TO HEALTH AND WELLBEING

We will impact the health and wellbeing of our community by:

- » Providing opportunities for citizen engagement, ensuring all Council operations are transparent and accountable, and prioritising the safety and welfare of our workforce.
- » Encouraging and increasing community participation in government processes.
- » Continuing to implement sound monitoring and reporting mechanisms to give residents confidence that Council is delivering services efficiently and in a transparent manner.
- » Continuing to develop policies and initiatives that lead to a better work environment and improved health and wellbeing for our staff.

STRATEGIC INDICATORS

The following statement reviews the performance of Council during the 2016-17 financial year in relation to the Strategic Indicators in the Council Plan.

Measures

- » Maintaining financial stability.
- » Continuing to improve the environmental sustainability of Council's operations.
- » Creating confidence in Council's governance.
- » Providing excellence in customer service.
- » Advocating and lobbying for the City of Ballarat.
- » Actively engaging and communicating with our community and stakeholders.

STRATEGIC INDICATOR	RESULT 2016-17	COMMENTS
Maintain the assets to liabilities ratio at a minimum of 155%.	264%	This ratio has been impacted by the significant amount of government grants received in advance and major projects that remain 'works in progress'.
Maintain the debt to revenue ratio to less than 150%.	20.8%	This remains in line with Council's Long-Term Financial Strategy.
Achieve a debt servicing costs to total revenue ratio of less than 10%.	1.0%	This remains in line with Council's Long-Term Financial Strategy.
Reduction in the ratio of operational costs to rate revenue year on year.	-3%	As per the long term financial plan operating costs represents a smaller portion of rate revenue each year.
Percentage reduction in water consumed by Council operations year on year.	0%	Water savings in 2016-17 matched city growth. Currently 2.7 kilolitres per Estimated Resident Population (seasonally adjusted).
Percentage reduction in electricity consumed by Council operations year on year.	0%	Energy (gas and electricity) savings in 2016-17 matched city growth. Currently 0.56 gigajoules per Estimated Resident Population (seasonally adjusted).
Increase in the Community Satisfaction Survey rating for Council's engagement in decision-making on local issues year on year.	58% (up from 51% in 2016)	Significant improvement achieved.
80% of customer service requests suitably resolved at the first point of contact.	83.19%	Target exceeded.

Increase in the Community Satisfaction Survey rating for advocacy and representation on key local issues.	57.2% (up from 52.4% in 2016)	Significant improvement achieved.
Improvement in lobbying strategies provided and used for key projects year on year.	Achieved – examples listed below	Council continued to lobby state and federal government to deliver project and outcomes for Ballarat.
Increase in the number of opportunities the community has to engage with Council year on year.	Achieved – examples listed below	Council continued to introduce and improve opportunities for our community to engage with Council.

LOBBYING OUTCOMES FOR KEY PROJECTS

The following commitments have come about directly or indirectly from Council's lobbying activities and strategies:

- » Additional government jobs for Ballarat at GovHub to be built at the Civic Hall Precinct.
- » An order for 114 train carriages from the state government to be built in Ballarat.
- » Ten extra rail services per week for the Ballarat line.
- » Ballarat to host:
 - The 2017 National Economic Development Conference.
 - The Cycling Australia Road National Championships for a further three years.
 - The first regional White Night.
- » Funding for:
 - Developing a Gender Equity Strategy.
 - The Art Gallery of Ballarat through Creative Victoria's Regional Partnerships programs.
 - A major upgrade of the Ballarat rail line.
 - New change rooms at the White Flat Recreation Reserve.
- A lighting upgrade at Doug Dean Reserve in Delacombe.
- Two new courts at the Warrenheip Multisport and Activity Hub.
- Grassroots sports clubs in Ballarat and surrounding area.
- Creating a digital map that explores significant music sites in Ballarat.
- Establishing an Australian Craft Beer Centre of Excellence in Ballarat.
- Emergency services volunteers in Ballarat.
- A new bus interchange at the revamped Ballarat Station Precinct.
- A major upgrade of kindergartens across the city.
- An upgrade of the Ballarat Turf Club.

OPPORTUNITIES FOR THE COMMUNITY TO ENGAGE WITH COUNCIL

Community magazines

- » The following new publications were introduced in 2016-17: myNeighbourhood (Pennyweight Park, Sebastopol and Mount Pleasant) and The City of Ballarat – Children's Services Families Handbook.
- » The following quarterly magazine was maintained: myBallarat.

Dedicated websites

- » The following new websites were introduced in 2016-17: www.ballarataquaticcentre.com and www.ballaratbotanicalgardens.com.au
- » The following websites were maintained: www.ballarat.vic.gov.au, www.youthservicesballarat.com.au, www.ballaratbegoniafestival.com, www.ballaratheritageweekend.com, www.artgalleryofballarat.com.au, www.hermaj.com, www.capitalballarat.com, www.centralhighlandslibraries.org.au

Facebook [facebook.com/BallaratCityCouncil](https://www.facebook.com/BallaratCityCouncil)

- » Page likes have increased year on year: 32,348 in 2016-17 (a 51.85% increase), 21,302 in 2015-16 (a 54% increase), and 13,808 in 2014-15.

Dedicated Facebook accounts

- » The following new Facebook accounts were introduced in 2016-17: Ballarat Songways Music Festival.
- » The following Facebook pages were maintained: Mayor of Ballarat, Ballarat Aquatic and Lifestyle Centre, Art Gallery of Ballarat, Her Majesty's Theatre, Ballarat Botanical Gardens, Ballarat Koorie Engagement Action Group, CALD Education and Employment Program, Parent Place Ballarat – City of Ballarat, Multicultural Ambassador Program City of Ballarat, B'YOU Ballarat, Making Brown Hill, Making Learmonth, Making Buninyong, Making Sebastopol, Making Miners Rest, Central Highlands Libraries, Ballarat Begonia Festival, Ballarat Heritage Weekend, Harmony Fest, Summer Sundays and Ballarat Backyard Tasters.

Twitter twitter.com/CityOfBallarat

- » Followers have increased year on year: 5,740 in 2016-17 (a 10.19% increase), 5,209 in 2015-16 (an 18% increase), and 4,412 in 2014-15.

Dedicated Twitter accounts

- » The following Twitter accounts were maintained: Mayor of Ballarat, Art Gallery of Ballarat, Her Majesty's Theatre and Historic Urban Landscapes.

Instagram [@cityofballarat](https://www.instagram.com/cityofballarat)

- » 5,179 followers in 2016-17.

Dedicated Instagram account

- » Art Gallery of Ballarat.

YouTube www.youtube.com/user/TheCityofBallarat

- » Video views have increased year on year: 52,087 in 2016-17 (a 43.63% increase), 36,265 in 2015-16 (a 530% increase) and 5,751 in 2014-15.

Snapchat [snapchat.com/add/cityofballarat](https://www.snapchat.com/add/cityofballarat) or [cityofballarat](https://www.snapchat.com/add/cityofballarat) (snapcode)

- » A Snapchat account was introduced in May 2017 – it will mainly be used at targeted events such as Ballarat Heritage Weekend.

LinkedIn <https://au.linkedin.com/company/ballarat-city-council>

- » Followers have increased year on year. 1,220 followers in 2015-16 and 1428 followers in 2016-17.

myTownHall Ballarat (www.mysay.ballarat.vic.gov.au)

- » Visitor numbers have increased year on year: 21,800 in 2016-17, 20,700 in 2015-16, 14,100 in 2014-15.

Targeted direct mail

- » 6,825 emails were sent to registered users of myTownHall informing them of new surveys and engagement opportunities.
- » 99,280 emails were sent to subscribers of the Ballarat Aquatic and Lifestyle Centre.
- » 52,000 postcards were sent to householders about the Council Plan 2017-2021 consultation and Celebration of Footy events.
- » 950 postcards were sent to householders in the Lake Wendouree area about the Lake Wendouree Master Plan.

Online community events calendar

- » Page views decreased to 27,700 in 2016-17 (-59.56%) – most likely due to Council's push towards social media and Facebook to promote events. Page views in 2015-16 were 68,502, a 34.75% increase from 50,835 in 2014-15.

Council's Volunteer Program

- » Our volunteers contributed to the following programs in 2016-17: Meals on Wheels, Art Gallery of Ballarat Gallery guides, Her Majesty's Theatre guides, Youth Services programs, the home library service, Parent Place (a free drop-in centre for parents and carers in central Ballarat), the Multicultural Ambassadors Program, the Multicultural Information Centre Welcome Desk, the Begonia Festival and the Archibald Prize Exhibition 2016.

MAJOR INITIATIVES

The following statement reviews the progress of Council in relation to major initiatives identified in the 2016-17 Budget.

MAJOR INITIATIVES	PROGRESS IN 2016-17
Actively lobbying to secure funding for Council's projects.	Achieved – see list above.
Continuing to improve and expand the social media offering to expand reach.	Achieved - see details above.
Investigating a new branding strategy for the city that reflects the community's views from <i>Ballarat Imagine</i> .	50% completed – considerations progressing in 2017-18
Developing and implementing a new framework for city entrance signage – this will be considered as a component of any entrance works planned.	Completed.
Developing a 'United' against occupational violence campaign, including building awareness and targeted training.	Delivered.
Participating in activities to progress Council's advocacy agenda as follows: Regional Futures Summit, Central Highlands Regional Partnership, Central Highlands Victorian Councils, Municipal Association of Victoria (MAV) Regional and Rural Forum, Regional Development Australia, Delegation to China (Jiangsu Province), Delegation to Canberra (October 2016 and March 2017), Regional Australia Institute, Regional Cities Victoria, Victorian Manufacturing Showcase, MAV State Council and Australian Local Government Association National General Assembly Canberra.	Ongoing.
Developing a Strategic Advocacy Plan that includes a Stakeholder Engagement Strategy.	Completed in August 2016 – subsequently reviewed following the election of a new Council in October 2016 – due to be completed in 2017-18.
Undertaking a high-level service review.	Completed in March 2017 – this has provided the foundation for a detailed service review program to be rolled out in line with the new Council Plan.
Developing significant collateral to support Council's lobbying and advocacy agenda.	Completed.
Redeveloping Council's compliance and governance frameworks.	Ongoing.
Improving and simplifying Council's policies and procedures to enhance compliance and support improved performance.	Ongoing.

SERVICES

The following statement provides information in relation to the services funded in the 2016-17 Budget and the persons or sections of the community who are provided the services.

SERVICES	COMMENTS
Communication and engagement	<p>Provision of the following services to support Council's direct service delivery areas:</p> <ul style="list-style-type: none"> » Providing strategic communication and issues management advice, and implementing key communications and marketing strategies for the organisation including the Mayor, Councillors, Chief Executive Officer, Directors, Managers and staff from across the organisation. » Enhancing stakeholder engagement and relations. » Preparing corporate and community publications such as <i>myBallarat</i>. » Maintaining City of Ballarat website for the community. » Engaging with the community via <i>myTownHall</i> and City of Ballarat social media accounts: Facebook, Twitter, Instagram, Snapchat, LinkedIn.
Human Resources	<p>Provision of the following services to support Council's direct service delivery areas:</p> <ul style="list-style-type: none"> » Reviewing, implementing and driving the human resources strategy to facilitate organisational capacity to enable growth and the development of the services to the community. » Developing and promoting the implementation of relevant and up-to-date human resource policies and processes. » Leading the review, design and implementation of an appropriate performance management framework across Council which encourages employees to take ownership of their own performance and development. » Providing strategic direction in the design and development of appropriate systems to enable Managers across Council to make sound and consistent workforce planning and management decisions. » Overseeing compliance with all Human Resources related legislative requirements and promotion of good practice.
Safety, Risk and Compliance Services	<p>Provision of the following services to support Council's direct service delivery areas:</p> <ul style="list-style-type: none"> » Ensuring compliance with the Local Government Act, the Occupational Health and Safety Act and other compliance related legislation for the management of safety, risk and compliance services. » Ensuring Council's safety management systems. » Coordinating and managing Council's insurance portfolio renewals and coverage requirements. » Developing, implementing and administering the Enterprise Risk Management and Business Continuity Plans. » Coordinating Council's professional development of safety and risk leaders to deliver strong and effective health and wellbeing programs for our workforce. » Developing, implementing and coordinating Council's statutory arrangements for protected disclosures, Freedom of Information requests and privacy complaints.
Finance	<p>Provision of the following services to support Council's direct service delivery areas:</p> <ul style="list-style-type: none"> » Delivering phone, online, reception and cashiering customer and engagement services. » Coordinating the Audit Committee and external audit. » Managing procurement, conducting all public tenders and administering the purchasing system and purchasing card systems. » Managing the financial accounting, accounts payable and receivable and payroll services. » Managing rates and property services, including Council databases and communication of the rate payment options available to residents.
Governance	<p>Provision of the following to support Council's direct service delivery areas:</p> <ul style="list-style-type: none"> » Providing administrative support to Council, Councillors, the Chief Executive Officer and the Executive Management Group. » Administering the conduct of Council meetings and elections. » Managing Freedom of Information, Information Privacy and Protected Disclosures. » Maintaining statutory registers, authorisations and delegations. » Providing administrative support to Special and S86 Committees.
Information Technology	<p>Provision of the following services to support Council's direct service delivery areas:</p> <ul style="list-style-type: none"> » Managing computing and communication systems. » Managing corporate information and archival services. » Implementing a customer relationship management tool.

6. FINANCIAL REPORT

Annual Financial Report

For the year ended 30 June 2017

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FINANCIAL STATEMENTS

Comprehensive Income Statement

For the Year Ended 30 June 2017

	Note	2017 \$'000	2016 \$'000
Income			
Rates and charges	3	105,194	98,179
Statutory fees and fines	4	4,097	3,058
User fees	5	24,501	24,898
Grants - operating	6	31,264	19,172
Grants - capital	6	36,733	13,772
Contributions - monetary	7	1,839	1,355
Contributions - non-monetary	7	22,698	15,904
Net gain/(loss) on disposal of assets	8	243	236
Other income	9	4,515	7,916
Total Income		231,084	184,490
Expenses			
Employee benefits	10	58,224	58,642
Materials and services	11	57,918	55,533
Bad and doubtful debts	12	628	701
Depreciation and amortisation	13	31,806	31,549
Borrowing costs	14	2,349	2,139
Fair value adjustments for investment property	22	-	1,132
Other expenses	15	28,959	2,964
Total Expenses		179,884	152,660
Surplus		51,200	31,830
Other comprehensive income			
Net asset revaluation increment(decrement)	28 (a)	(113,425)	(77,511)
Comprehensive result		(62,225)	(45,681)

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

ANNUAL FINANCIAL REPORT

Balance Sheet

As at 30 June 2017

	Note	2017 \$'000	2016 \$'000
Assets			
Current assets			
Cash and cash equivalents	16	28,836	22,806
Other financial assets	17	48,194	39,861
Trade and other receivables	18	25,337	12,664
Inventories	19	275	370
Other assets	20	821	1,010
Total Current assets		103,463	76,711
Non-current assets			
Trade and other receivables	18	12	28
Property, infrastructure, plant and equipment	21	1,467,484	1,539,752
Investment property	22	-	6,547
Intangible assets	23	194	-
Total Non-current assets		1,467,690	1,546,327
Total Assets		1,571,153	1,623,038
Liabilities			
Current liabilities			
Trade and other payables	24	15,876	7,823
Trust funds and deposits	25	4,750	3,934
Provisions	26	14,181	13,392
Interest-bearing loans and borrowings	27	4,394	3,872
Total Current liabilities		39,201	29,021
Non-current liabilities			
Provisions	26	4,971	5,108
Interest-bearing loans and borrowings	27	43,700	44,276
Total Non-current liabilities		48,671	49,384
Total Liabilities		87,872	78,405
Net Assets		1,483,281	1,544,633
Equity			
Accumulated surplus		1,004,432	952,759
Reserves	28	478,849	591,874
Total Equity		1,483,281	1,544,633

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

Statement of Changes in Equity

For the Year Ended 30 June 2017

	Note	Total 2017 \$'000	Accumulated Surplus 2017 \$'000	Revaluation Reserve 2017 \$'000	Asset Reserves 2017 \$'000
Balance at beginning of the financial year		1,544,633	952,759	585,577	6,297
Found assets	39	873	873	-	-
Adjusted balance at beginning of financial year		1,545,506	953,632	585,577	6,297
Profit/(loss)		51,200	51,200	-	-
Net asset revaluation increment (decrement)	28 (a)	(113,425)	-	(113,425)	-
Transfer to other reserves	28 (b)	-	(400)	-	400
Balance at end of the financial year		1,483,281	1,004,432	472,152	6,697

	Note	Total 2016 \$'000	Accumulated Surplus 2016 \$'000	Revaluation Reserve 2016 \$'000	Asset Reserves 2016 \$'000
Balance at beginning of the financial year		1,562,360	893,976	663,088	5,296
Found assets	39	5,869	5,869	-	-
Prior year adjustments	1(x) & 21	22,085	22,085	-	-
Adjusted balance at beginning of financial year		1,590,314	921,930	663,088	5,296
Profit/(loss)		31,830	31,830	-	-
Net asset revaluation increment/(decrement)	28 (a)	(77,511)	-	(77,511)	-
Transfer to other reserves	28 (b)	-	(1,001)	-	1,001
Balance at end of the financial year		1,544,633	952,759	585,577	6,297

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

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Cash Flow Statement

For the Year Ended 30 June 2017

	Note	2017 Inflows/ (Outflows) \$'000	2016 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		105,146	93,634
Statutory fees and fines		3,909	3,078
User fees		24,165	25,964
Grants - operating		31,393	19,355
Grants - capital		26,570	13,990
Contributions - monetary		1,916	1,365
Interest received		1,939	1,697
Trust funds and deposits taken		14,230	13,426
Other receipts		2,726	2,595
Net GST refund		11,796	8,282
Employee costs		(58,249)	(56,132)
Materials and services		(65,875)	(63,206)
Trust funds and deposits repaid		(12,737)	(11,996)
Other payments		(4,813)	(1,824)
Net cash provided by (used in) operating activities	29	82,116	50,228
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment		(65,770)	(51,651)
Proceeds from sale of property, infrastructure, plant and equipment		404	1,008
Payments for investments		(151,581)	(36,724)
Proceeds from sale of investments		143,248	16,027
Loans and advances made		-	-
Payments of loans and advances		16	94
Net cash provided by (used in) investing activities		(73,683)	(71,246)
Cash flows from financing activities			
Finance costs		(2,349)	(2,139)
Proceeds from borrowings		3,872	23,128
Repayment of borrowings		(3,926)	(8,127)
Net cash provided by (used in) financing activities		(2,403)	12,862
Net increase/(decrease) in cash and cash equivalents		6,030	(8,156)
Cash and cash equivalents at the beginning of the financial year		22,806	30,962
Cash and cash equivalents at the end of the financial year	16	28,836	22,806
Financing arrangements	31	6,050	6,034
Restrictions on cash assets	16	4,750	3,934

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

Statement of Capital Works

As at 30 June 2017

	Note	2017 \$'000	2016 \$'000
Property			
Land		1,157	48
Total Land		1,157	48
Buildings		23,939	-
Heritage buildings		1,181	706
Building improvements		3,125	3,739
Total Buildings		28,245	4,445
Total Property		29,402	4,493
Plant and equipment			
Plant, machinery and equipment		2,820	3,481
Fixtures, fittings and furniture		55	1,293
Computers and telecommunications		461	2,116
Library books		339	367
Total Plant and Equipment		3,675	7,257
Infrastructure			
Roads		25,640	17,809
Bridges		876	-
Footpaths and cycleways		1,131	-
Drainage		833	-
Recreational, leisure and community facilities		4,049	13,907
Waste management		599	1,704
Parks, open space and streetscapes		882	1,717
Off-street car parks		1,090	-
Other infrastructure		1,789	1,135
Total Infrastructure		36,889	36,272
Total Capital works expenditure		69,966	48,022
Represented by:			
New asset expenditure		41,779	6,647
Asset renewal expenditure		26,118	32,173
Asset upgrade expenditure		923	7,733
Asset expansion expenditure		1,146	1,469
Total Capital works expenditure		69,966	48,022

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Notes to the Financial Statements

For the Year Ended 30 June 2017

Introduction

The City of Ballarat was established by an Order of the Governor in Council on 6th of May 1994 and is a body corporate.

Council's main office is located at the Town Hall in Sturt Street, Ballarat. Council's main customer service centre is in the Phoenix Building, 25 Armstrong Street South, Ballarat (located behind the Town Hall).

The purpose of Council is to:

- provide for the peace, order and good government of its municipal district;
- to promote the social, economic and environmental viability and sustainability of the municipal district;
- to ensure that resources are used efficiently and effectively and services are provided in accordance with Best Value Principles to best meet the needs of the local community;
- to improve the overall quality of life for people in the local community;
- to promote appropriate business and employment opportunities;
- to ensure that services and facilities provided by the Council are accessible and equitable;
- to ensure the equitable imposition of rates and charges; and
- to ensure transparency and accountability in Council decision making.

External Auditor - Auditor-General of Victoria

Internal Auditor - Pitcher Partners

Bankers - National Australia Bank

Website address - www.ballarat.vic.gov.au

This Financial Report is a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement, Statement of Capital Works and notes accompanying these financial statements.

The general purpose Financial Report complies with 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.

Notes to the Financial Statements

For the Year Ended 30 June 2017

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 Australian Accounting Standards that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 1 (j)).
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 1 (k)).
- the determination of employee provisions (refer to Note 1 (q)).

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

(b) Change in accounting policies

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

(c) Revenue recognition

Income is recognised when 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 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.

ANNUAL FINANCIAL REPORT

Notes to the Financial Statements

For the Year Ended 30 June 2017

Note 1 Significant accounting policies (cont.)

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.

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.

Contributions

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

Interest

Interest is recognised as it is earned.

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.

(d) 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.

Notes to the Financial Statements

For the Year Ended 30 June 2017

Note 1 Significant accounting policies (cont.)

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

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

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

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

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

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

(e) 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.

(f) Trade and other receivables

Short term receivables are carried at invoice amount, as amortised cost using the effective interest rate method would not impact the carrying value. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

(g) 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.

(h) Inventories

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

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

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

ANNUAL FINANCIAL REPORT

Notes to the Financial Statements

For the Year Ended 30 June 2017

Note 1 Significant accounting policies (cont.)

(j) 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, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits detailed in Note 1(k) 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, 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 on 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 21 - Property, infrastructure, plant and equipment.

In addition, Council undertakes a formal revaluation of Land, Buildings, and Infrastructure assets on a regular basis. The revaluation frequency of non-current assets is as follows:

Buildings	4 Years
Land	4 Years
Recreation and open spaces	Annually
Infrastructure	Annually
Artworks and heritage collections	5 Years

Valuation of Land and Buildings as at 30 June 2016 were determined by Opteon (Vic) Pty Ltd. The valuation has been compiled on the basis of current replacement cost less accumulated depreciation.

Valuation of Infrastructure comprising earthworks, substructures, seals, kerbs relating to roads, footpaths, bridges and roundabouts, drains and street furniture are revalued yearly by Council's Infrastructure Engineer, and are valued at written down current replacement cost as at 1 July 2016.

The valuation of Artworks was performed by Simon Storey Values MAVAA and are valued at net realisable value at 30 June 2016.

Notes to the Financial Statements

For the Year Ended 30 June 2017

Note 1 Significant accounting policies (cont.)

The valuation of Recreation and Open Space was performed by Council's Infrastructure Engineer and are valued at written down current replacement cost at 1 July 2016.

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 same year are offset.

Land under roads

Land under roads acquired after 30 June 2008 is brought to account using the fair value basis. Council does not recognise land under roads that it controlled prior to that period in its financial report.

Eureka Flag

Whilst Council has control over the Eureka Flag, it has not been included in the financial statements as uncertainty exists to the appropriateness of its carrying value. This is due to the unique nature of this asset and the absence of a realistic market value.

- (k) **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 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.

Artworks and heritage collections are not depreciated.

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

ANNUAL FINANCIAL REPORT

Notes to the Financial Statements

For the Year Ended 30 June 2017

Note 1 Significant accounting policies (cont.)

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		
Land	-	5,000
Buildings	40 years	5,000
Building improvements	40 years	5,000
Plant and Equipment		
Heritage plant and equipment	5 - 30 years	1,000
Plant, machinery and equipment	2 - 20 years	1,000
Fixtures, fittings and furniture	2 - 20 years	1,000
Computers and telecommunications	3 - 20 years	1,000
Library books	10 years	1,000
Infrastructure		
Road pavements and seals	10 - 80 years	5,000
Road formation and earthworks	-	5,000
Road kerb, channel and minor culverts	80 - 150 years	5,000
Bridges deck	60 - 100 years	5,000
Bridges substructure	60 - 100 years	5,000
Footpaths and cycleways	15 - 80 years	5,000
Drainage	50 - 200 years	5,000
Recreational, leisure and community facilities	15 - 50 years	5,000
Parks, open space and streetscapes	8 - 50 years	5,000
Off-street car parks	10 - 80 years	5,000
Aerodromes	10 - 80 years	5,000
Intangible Assets		
Landfill air-space	1 - 5 years	5,000

(I) 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.

Notes to the Financial Statements

For the Year Ended 30 June 2017

Note 1 Significant accounting policies (cont.)

(m) Investment property

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

(n) Impairment of assets

At each reporting date, 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 assets 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 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. 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.

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Notes to the Financial Statements

For the Year Ended 30 June 2017

Note 1 Significant accounting policies (cont.)

(q) Employee 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 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 Council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at :

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

Classification of employee costs

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

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

(r) Landfill rehabilitation provision

Council is obligated to restore 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 expected cost of works to be undertaken as determined by the Environment Protection Agency. 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.

Notes to the Financial Statements

For the Year Ended 30 June 2017

Note 1 Significant accounting policies (cont.)

(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 Taxation Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

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

(u) Financial guarantees

Financial guarantee contracts are not recognised as a liability in the Balance Sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that that right will be exercised. Details of guarantees that Council has provided, that are not recognised in the Balance Sheet are disclosed at Note 35 Contingent liabilities and contingent assets.

(v) 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.

(w) Pending accounting standards

The following new Australian Accounting Standards have been issued that are not mandatory for the 30 June 2017 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

Revenue from contracts with customers (AASB 15) (applies 2018/19)

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

ANNUAL FINANCIAL REPORT

Notes to the Financial Statements

For the Year Ended 30 June 2017

Note 1 Significant accounting policies (cont.)

Leases (AASB 16) (applies 2019/20)

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

Council has a significant number of operating leases that will be impacted as a result of this change. At this time, Council has not made an approximation of the expected recognition of assets and liabilities.

(x) **Material prior period errors**

Council had a targeted review of its Infrastructure Asset Management practices in the 2016/17 financial year. Uncovered in this review was a delay in the recognition of subdivided contributed infrastructure assets resulting in a material understatement of Council's assets in this class.

On assessing the dates that control of assets transferred to Council, it was found that the following assets had not been recognised in prior years:

2015/16 - Infrastructure assets (Roads, Drainage, Footpaths) to a value of \$13.620m

2014/15 - Infrastructure assets (Roads, Drainage, Footpaths, Recreation) to a value of \$8.466m

The recognition of these assets have been addressed in the current year financial statements by adjusting the comparative year opening balances for Assets and Equity as per AASB 108.

Adjustments have been made to the Statement of Changes in Equity opening balance, and the opening balances of Council's Infrastructure assets (refer note 21).

(y) **Rounding**

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

Note 2 Budget comparison

The Budget comparison notes compare Council's financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variances. Council has adopted a materiality threshold of the lower of 5 percent or \$500,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The Budget figures detailed below are those adopted by Council on the 22nd of June, 2016. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The Budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

a) Income and Expenditure	Budget 2017 \$'000	Actual 2017 \$'000	Variance 2017 \$'000	Ref
Income				
Rates and charges	103,879	105,194	1,315	1
Statutory fees and fines	3,518	4,097	579	2
User fees	25,046	24,501	(545)	
Grants - operating	23,730	31,264	7,534	3
Grants - capital	2,000	36,733	34,733	4
Contributions - monetary	2,182	1,839	(343)	
Contributions - non-monetary	20,572	22,698	2,126	5
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	243	243	
Fair value adjustments for investment property	-	-	-	
Other income	2,323	4,515	2,192	6
Total Income	183,250	231,084	47,834	
Expenses				
Employee costs	57,894	58,224	(330)	
Materials and services	63,413	57,918	5,495	7
Bad and doubtful debts	515	628	(113)	
Depreciation and amortisation	32,649	31,806	843	
Borrowing costs	2,343	2,349	(6)	
Fair value adjustments for investment property	-	-	-	
Other expenses	1,379	28,959	(27,580)	8
Total Expenses	158,193	179,884	(21,691)	
Surplus/(deficit) for the year	25,057	51,200	26,143	

(i) Explanation of material variations

Variance Ref	Explanation
1	Increases in rates and charges for the year is a direct result of the significant growth being experienced by the municipality. Growth in the West of Ballarat continues to grow at a rate in excess of that level being forecast by Council.
2	Increased recognition and collection of dog and cat registrations as a result of greater awareness of registration requirements. Increased building activity has resulted in the growth of planning fees and associated income.
3	Council received 2017-2018 grant funding from the Victorian Grants Commission in June 2017. This funding was not included in 2016-2017 Budget. Advance payments were paid to all Victorian Councils.

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- 4 Significant capital projects were funded in 2016-2017, that were not budgeted for in the 2016-2017 Budget. These grants include: Ballarat West Link Road, Eureka Stadium Upgrade, Wendouree Sports and Events Centre, Building works for Her Majesty's Theatre.
- 5 Continued growth in Ballarat West and Ballarat West Link Road have led to a significant increase in donated assets.
- 6 General increase in insurance recoveries, interest and property rentals.
- 7 General reduction in expenditure of materials and contract payments.
- 8 A targeted analysis of unit rates applied to assets in Councils Sport & Recreation facilities has resulted in a considerable write down of values in these asset categories.

Note 2 Budget comparison (cont.)**b) Capital Works**

	Budget 2017 \$'000	Actual 2017 \$'000	Variance 2017 \$'000	Ref
Property				
Land	2,233	1,157	1,076	1
Total Land	2,233	1,157	1,076	
Buildings	-	23,939	(23,939)	2
Heritage buildings	-	1,181	(1,181)	3
Building improvements	2,602	3,125	(523)	3
Total Buildings	2,602	28,245	(25,643)	
Total Property	4,835	29,402	(24,567)	
Plant and Equipment				
Plant, machinery and equipment	3,485	2,820	665	4
Fixtures, fittings and furniture	-	55	(55)	
Computers and telecommunications	1,837	461	1,376	5
Library books	371	339	32	
Total Plant and equipment	5,693	3,675	2,018	
Infrastructure				
Roads	28,342	25,640	2,702	6
Bridges	210	876	(666)	7
Footpaths and cycleways	906	1,131	(225)	
Drainage	1,251	833	418	
Recreational, leisure and community facilities	4,503	4,049	454	8
Waste management	2,333	599	1,734	9
Parks, open space and streetscapes	1,064	882	182	
Off-street car parks	-	1,090	(1,090)	10
Other infrastructure	12,567	1,789	10,778	11
Total Infrastructure	51,176	36,889	14,287	
Total Capital works expenditure	61,704	69,966	(8,262)	
Represented by:				
New asset expenditure	30,995	41,779	(10,784)	
Asset renewal expenditure	21,880	26,118	(4,238)	
Asset upgrade expenditure	8,828	923	7,905	
Asset expansion expenditure	-	1,146	(1,146)	
Total Capital works expenditure	61,703	69,966	(8,263)	

(i) Explanation of material variations

Variance Ref	Explanation
1	Budgeted land purchases for the Ballarat West growth area did not progress in line with forecast projections.

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- 2 Additional funding was received by Council for further building projects during the year, including Eureka Stadium
- 3 Building improvements for Heritage buildings were not reported separately in the budget. Additional funding was received by Council for further building improvements during the year.
- 4 Plant replacement program budgeted allocations were not fully spent during the year. Council assesses all programmed renewal of assets on an individual basis to ensure that Council's resources are utilised appropriately.
- 5 Technology and business improvement strategies are progressing across Council operations. The associated expenditure linked to these strategies were not realised within the reporting period.
- 6 Adverse weather conditions at the beginning of the reporting period resulted in delays for a number of scheduled projects.
- 7 Additional funding was received by Council for further bridge works during the year.
- 8 Not all recreation projects were completed prior to the end of financial year.
- 9 Environment Protection Authority regulations surrounding landfills and adverse weather conditions at the beginning of the reporting period have delayed construction of a new cell at Council's Landfill operation.
- 10 The acquisition of a car park has been identified as a component within a property purchase during the financial year. Other capital expenditure was budgeted within other asset classifications.
- 11 Actual expenditure has been attributed to other asset categories.

2017
\$'000

2016
\$'000

Note 3 Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the City of Ballarat.

The valuation base used to calculate general rates for 2016/17 was \$17,443 million (2015/16 \$16,563 million). The 2016/17 rate in the dollar was 0.4280 cents (2015/16 0.4350 cents).

General rates	89,791	85,348
Waste management charge	14,795	12,250
Special rates and charges	320	316
Interest on rates	227	207
Revenue in lieu of rates	61	58
Total Rates and charges	105,194	98,179

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

Note 4 Statutory fees and fines

Dog and cat registrations and fines	1,349	1,027
Health licences and fees	679	613
Land Information Certificates	121	105
Local law permits	63	188
Sale of valuations	219	43
Subdivision supervision and certification fees	796	578
Town planning fees and certificates	870	504
Total Statutory fees and fines	4,097	3,058

Note 5 User fees

Aged services fees	967	1,028
Art Gallery of Ballarat	1,589	1,570
Ballarat Aquatic and Lifestyle Centre	4,257	4,461
Building and scaffolding fees	412	395
Child care centres and kindergartens	2,141	2,184
Family day care	389	317
Her Majesty's Theatre	1,071	952
Landfill operations	3,901	4,520
Library services	1,025	1,179
Meals on wheels	429	572
Parking fees, fines and charges	6,111	5,277
Private works	15	65
Recreation income	431	442
Robert Clark Centre	63	43
Sponsorship	46	29
Training incentives	8	36
Transfer station	602	560
Other	1,044	1,268
Total User fees	24,501	24,898

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	2017 \$'000	2016 \$'000
Note 6 Grants		
Grants were received in respect of the following:		
Summary of grants		
Commonwealth funded grants	29,203	15,320
State funded grants	38,794	17,624
Total Grants	67,997	32,944
Operating grants		
<i>Recurrent - Commonwealth Government</i>		
Victorian Grants Commission	18,791	6,094
Family day care	4,674	4,324
General home care	175	456
Other	257	257
<i>Recurrent - State Government</i>		
Aged care	5,356	5,699
Arts	303	267
School crossing supervision	245	239
Libraries	661	676
Recreation	-	34
Community safety	106	173
Other	130	87
Total Recurrent operating grants	30,698	18,306
<i>Non - recurrent - Commonwealth Government</i>		
Cultural diversity	20	-
Other	7	-
<i>Non - recurrent - State Government</i>		
Community health	352	398
Arts	99	25
Recreation	38	342
Other	50	101
Total Non-recurrent operating grants	566	866
Total Operating grants	31,264	19,172
Capital grants		
<i>Recurrent - Commonwealth Government</i>		
Roads	5,279	4,189
<i>Recurrent - State Government</i>		
Other	-	-
Total Recurrent capital grants	5,279	4,189

	2017 \$'000	2016 \$'000
Note 6 Grants (cont.)		
<i>Non - recurrent - Commonwealth Government</i>		
Buildings	-	-
<i>Non - recurrent - State Government</i>		
Buildings	7,430	2,166
Roads	6,890	717
Waste	92	528
Recreation	17,042	6,168
Plant	-	4
Total Non-recurrent capital grants	31,454	9,583
Total Capital grants	36,733	13,772
Total Grants	67,997	32,944

Conditions on grants

Balance at start of year	3,308	1,980
Received during the financial year and remained unspent at balance date	6,188	2,153
Received in prior years and spent during the financial year	(2,654)	(825)
Balance at year end	6,842	3,308

Note 7 Contributions

Monetary	1,839	1,355
Non-monetary	22,698	15,904
Total Contributions	24,537	17,259

Contributions of non-monetary assets were received in relation to the following asset classes:

Artworks	1,086	320
Drainage	6,622	8,126
Footpaths	1,576	-
Land	3,496	507
Land under roads	2,198	973
Parks, open space and street scapes	-	164
Recreation, leisure and community	-	215
Roads	7,720	5,599

Total Non-monetary contributions	22,698	15,904
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Note 8 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

Proceeds of sale	367	917
Write down value of assets disposed	(124)	(681)
Total Net gain/(loss) on disposal of property, infrastructure, plant and equipment	243	236

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	2017 \$'000	2016 \$'000
Note 9 Other income		
FBT staff reimbursement	161	177
Insurance	97	119
Interest	1,939	1,697
Legal expenses recovered	335	276
Property rentals	1,177	1,049
Asset revaluation increment offset	-	3,791
WorkCover reimbursement	217	291
Other	589	516
Total Other income	4,515	7,916

Note 10 Employee costs

Wages and salaries	47,568	47,904
WorkCover	1,082	1,046
Casual staff	3,355	3,503
Superannuation	4,592	4,526
Fringe benefits tax	157	141
Other overheads and related costs	1,470	1,522
Total Employee costs	58,224	58,642

Note 10 (a) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	525	579
Employer contributions - other funds	-	-
	525	579

Employer contributions payable at reporting date.

- -

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	2,760	2,854
Employer contributions - other funds	1,307	1,093
	4,067	3,947

Employer contributions payable at reporting date.

323 316

Refer to note 34 for further information relating to Council's superannuation obligations.



	2017	2016
	\$'000	\$'000
Note 11 Materials and services		
Contract payments	39,997	37,900
Building maintenance	932	951
General maintenance	3,217	3,609
Utilities	4,548	4,436
Office administration	5,468	4,787
Information technology	1,717	1,686
Insurance	1,433	1,428
Consultants	606	736
Total Materials and services	57,918	55,533

Note 12 Bad and doubtful debts

Child care	13	8
Community care	1	82
Parking fine debtors	352	175
Local laws debtors	60	50
Animal control	185	160
Other debtors	17	226
Total Bad and doubtful debts	628	701

Note 13 Depreciation and amortisation

Plant and equipment	3,832	3,515
Property	3,310	3,705
Infrastructure	24,372	24,329
Intangible assets	292	-
Total Depreciation and amortisation	31,806	31,549

Refer to Note 21 and Note 23 for a more detailed breakdown of depreciation and amortisation charges.

Note 14 Borrowing costs

Interest - Borrowing costs	2,349	2,139
Total Borrowing costs	2,349	2,139

Note 15 Other expenses

Auditors remuneration internal	102	99
Auditors remuneration VAGO	94	94
Councillors' allowances	311	289
Election expenses	329	-
Operating leases	926	1,040
Asset revaluation decrement expense*	27,042	1,436
Landfill rehabilitation provision	114	-
Other	41	6
Total Other expenses	28,959	2,964

* The Asset revaluation decrement expense represents the decrease in the value of Council assets in excess of the asset revaluation reserve balances for the following asset classes: Recreation, leisure and community \$2.348m, Parks and open spaces \$24,153m and Off-street carparks \$0.301m (Refer Note 21 and Note 28).

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	2017 \$'000	2016 \$'000
Note 16 Cash and cash equivalents		
Cash on hand	10	9
Cash at bank	2,562	812
Term deposits	26,264	21,985
Total Cash and cash equivalents	28,836	22,806
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)	4,750	3,934
Total Restricted funds	4,750	3,934
Total Unrestricted cash and cash equivalents	24,086	18,872
Intended allocations		
Although not externally restricted the following amounts have been allocated for specific future purposes by Council:		
- Cash and Other financial assets (Note 17) held to fund carried forward capital works and funded programs	33,474	32,499
- Reserve funds (Note 28 (b))	6,697	6,297
Total Funds subject to intended allocations	40,171	38,796
Refer also to Note 17 for details of Other financial assets held by Council. Refer to Note 30 for a summary on Total cash available to Council		
Note 17 Other financial assets		
Term deposits	48,192	39,859
Shares in other companies	2	2
Total Other financial assets	48,194	39,861
Note 18 Trade and other receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	3,388	3,340
Parking infringement debtors	2,411	2,116
Provision for doubtful debts - parking infringements	(1,159)	(1,087)
<i>Non statutory receivables</i>		
Loans and advances to community organisations	16	17
Government grants	13,020	2,000
Other debtors	8,308	6,862
Provision for doubtful debts - other debtors	(647)	(584)
	25,337	12,664
Non-current		
<i>Non statutory receivables</i>		
Loans and advances to community organisations	12	28
	12	28
Total Trade and other receivables	25,349	12,692

	2017	2016
	\$'000	\$'000

Note 18 Trade and other receivables (cont.)

a) Ageing of receivables

At balance date other debtors representing financial assets were past due but not impaired. The ageing of the Council's receivables (excluding statutory receivables) was:

Current (not yet due)	19,174	6,564
Past due by up to 30 days	804	923
Past due between 31 and 180 days	722	765
Past due between 181 and 365 days	91	77
Past due by more than 1 year	537	533
Total Trade and other receivables	21,328	8,862

b) Movement in provisions for doubtful debts

Balance at the beginning of the year	(1,671)	(1,559)
New provisions recognised during the year	(628)	(410)
Amounts already provided for and written off as uncollectible	493	298
Amounts provided for but recovered during the year	-	-

Balance at end of year	(1,806)	(1,671)
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c) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$237,380 (2016: \$215,835) were impaired. The amount of the provision raised against these debtors was \$64,410 (2016: \$57,442). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

Current (not yet due)	-	-
Past due by up to 30 days	2	-
Past due between 31 and 180 days	25	2
Past due between 181 and 365 days	7	25
Past due by more than 1 year	30	30
Total Trade and other receivables - individually impaired	64	57

Note 19 Inventories

Inventories held for distribution	172	257
Inventories held for sale	103	113
Total Inventories	275	370

Note 20 Other assets

Prepayments	538	502
Accrued income	283	508
Total Other assets	821	1,010

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City of Ballarat

Notes to the Financial Report
For the Year Ended 30 June 2017

Note 21 Property, Infrastructure, Plant and Equipment

Summary of Property, Infrastructure, Plant and Equipment

	At Fair Value 30 June 2016	Acquisitions	Contributions	Revaluation	Found Assets	Depreciation	Impairments	Disposal	Transfers from Works in Progress	Asset Class Transfers	At Fair Value 30 June 2017
Land	277,427	1,150	6,161	(707)	144	-	-	-	-	3,040	287,215
Buildings	127,320	3,820	-	-	-	(3,310)	-	(40)	21,669	3,508	152,967
Plant and Equipment	112,605	3,663	1,086	-	-	(3,832)	-	(84)	-	2	113,440
Infrastructure	1,016,436	790	15,918	(140,229)	728	(24,372)	-	-	29,078	(181)	898,168
Work in progress	5,964	60,477	-	-	-	-	-	-	(50,747)	-	15,694
	1,539,752	69,900	23,165	(140,936)	872	(31,514)	-	(124)	-	6,369	1,467,484

Summary of Work in Progress

	Opening WIP	Additions	Transfers	Write Offs	Closing WIP
Buildings	2,462	24,432	(21,668)	-	5,226
Plant and equipment	-	12	-	-	12
Infrastructure	3,502	36,033	(29,077)	-	10,458
Total	5,964	60,477	(50,745)	-	15,696

Note	Property, Infrastructure, Plant and Equipment (cont'd)											Total Property
	Land - specialised	Land - non specialised	Land improvements	Total Land	Heritage buildings	Buildings specialised	Buildings non-specialised	Buildings specialised	Building improvements	Total Buildings	Work in progress	
Land and Buildings												
At fair value 1 July 2016	4,597	272,830	-	277,427	26,166	96,866	-	4,288	-	127,320	2,462	407,209
Accumulated depreciation at 1 July 2016	4,597	272,830	-	277,427	26,166	96,866	-	4,288	-	127,320	2,462	407,209
Movements in fair value												
Acquisition of assets at fair value	250	900	-	1,150	-	3,820	-	-	-	3,820	24,432	29,402
Contributed assets at fair value	2,263	3,898	-	6,161	-	-	-	-	-	-	-	6,161
Transfers from work in progress	-	-	-	-	841	17,895	-	2,933	-	21,669	(21,669)	-
Fair value increments/decrements *	(272)	(435)	-	(707)	-	-	-	-	-	-	-	(707)
Found assets	144	-	-	144	-	-	-	-	-	-	-	144
Fair value of assets disposed	-	-	-	-	-	(41)	-	-	-	(41)	-	(41)
Transfers ^	-	3,040	-	3,040	-	2,749	-	758	-	3,507	1	6,548
	2,385	7,403	-	9,788	841	24,423	-	3,691	-	28,955	2,764	41,507
Movements in accumulated depreciation												
Depreciation and amortisation	-	-	-	-	(655)	(2,208)	-	(447)	-	(3,310)	-	(3,310)
Accumulated depreciation of disposals	-	-	-	-	-	1	-	-	-	1	-	1
Transfers ^	-	-	-	-	-	(143)	-	144	-	1	-	1
Accumulated depreciation fair value adjustment	-	-	-	-	(655)	(2,350)	-	(303)	-	(3,308)	-	(3,308)
At fair value 30 June 2017	6,982	280,233	-	287,215	27,007	121,289	-	7,979	-	156,275	5,226	448,716
Accumulated depreciation at 30 June 2017	-	-	-	-	(655)	(2,350)	-	(303)	-	(3,308)	-	(3,308)
	6,982	280,233	-	287,215	26,352	118,939	-	7,676	-	152,967	5,226	445,408

* The fair value decrement on Land represents the difference between the agreed value of assets given to Council as subdivider contributions during the 2017 financial year and the fair value of those assets (as valued by Opteon (Vic)) based on their best purpose when in the hands of Council.

^ A transfer between Investment Properties and Land and Buildings was made during the financial year ending 30 June 2017 as a review of the primary purpose for Council acquiring and holding these assets was not to generate long-term yields as defined by AASB 140 Investment Property and Note 1(m).

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Note 21	Property, Infrastructure, Plant and Equipment (cont'd)	Art works and heritage collections	Heritage plant and equipment	Plant machinery and equipment	Fixtures fittings and furniture	Computers and telecoms	Library books	Work in progress	Total Plant and equipment
	Plant and Equipment	Note							
	At fair value 1 July 2016		92,815	25,676	1,776	9,858	6,630	-	136,755
	Accumulated depreciation at 1 July 2016		-	(11,300)	(1,408)	(7,213)	(4,229)	-	(24,150)
			92,815	14,376	368	2,645	2,401	-	112,605
	Movements in fair value								
	Acquisition of assets at fair value		-	2,808	55	461	339	12	3,675
	Contributed assets at fair value		1,086	-	-	-	-	-	1,086
	Transfers from work in progress		-	-	-	-	-	-	-
	Revaluation increments/decrements		-	-	-	-	-	-	-
	Found assets		-	-	-	-	-	-	-
	Fair value of assets disposed		-	(1,205)	(7)	-	-	-	(1,212)
	Impairment losses recognised in operating result		-	-	-	-	-	-	-
	Transfers		-	(2)	-	-	1	-	(1)
			1,086	1,601	48	461	340	12	3,548
	Movements in accumulated depreciation								
	Depreciation and amortisation	13	-	(2,482)	(77)	(927)	(346)	-	(3,832)
	Accumulated depreciation of disposals		-	1,121	7	-	-	-	1,128
	Impairment losses recognised in operating result		-	-	-	-	-	-	-
	Transfers		-	-	2	-	1	-	3
			-	(1,361)	(68)	(927)	(345)	-	(2,701)
	At fair value 30 June 2017		93,901	27,277	1,824	10,319	6,970	12	140,303
	Accumulated depreciation at 30 June 2017		-	(12,661)	(1,476)	(8,140)	(4,574)	-	(26,851)
			93,901	14,616	348	2,179	2,396	12	113,452

Note 21 Property, Infrastructure, Plant and Equipment (cont'd)

	Infrastructure	Note	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Waste management	Parks open spaces and streetscapes	Aerodromes	Off-street car parks	Other infrastructure	Work in progress	Total Infrastructure
At fair value 1 July 2016			557,923	27,560	44,863	271,746	48,217	4,836	25,048	-	7,787	33,132	3,502	1,024,614
Prior year adjustments ~		1(x)	11,232	(474)	2,237	8,486	86	4,836	25,048	-	-	44	-	22,085
Accumulated depreciation at 1 July 2016			(13,775)	(1,334)	(1,334)	(3,241)	(2,268)	(3,426)	(788)	-	(148)	(1,307)	-	(26,761)
			555,380	27,086	45,766	276,991	46,035	1,410	24,260	-	7,639	31,869	3,502	1,019,938
Movements in fair value														
Acquisition of assets at fair value			-	-	-	-	-	-	-	-	790	-	36,033	36,823
Contributed assets at fair value			7,720	-	1,576	6,622	-	-	-	-	-	-	-	15,918
Transfers from work in progress			16,166	876	1,131	833	3,833	3,214	1,091	-	155	1,779	(29,078)	-
Revaluation increments/decrements *			(74,702)	(390)	821	(32,638)	(5,749)	-	(24,260)	-	(1,970)	(1,341)	-	(140,229)
Found assets ^			325	25	144	178	9	-	-	-	-	47	-	728
Fair value of assets disposed			-	-	-	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result			-	-	-	-	-	-	-	-	-	-	-	-
Transfers #			-	-	-	-	-	(545)	-	-	-	1	1	(543)
			(50,491)	511	3,672	(25,005)	(1,907)	2,669	(23,169)	-	(1,025)	486	6,956	(87,303)
Movements in accumulated depreciation														
Depreciation and amortisation		13	(13,905)	(430)	(1,356)	(2,997)	(2,315)	(1,884)	-	-	(146)	(1,339)	-	(24,372)
Accumulated depreciation of disposals			-	-	-	-	-	-	-	-	-	-	-	-
Revaluation increments/decrements *			-	-	-	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result			-	-	-	-	-	-	-	-	-	-	-	-
Transfers #			-	-	-	-	-	362	-	-	-	-	-	362
			(13,905)	(430)	(1,356)	(2,997)	(2,315)	(1,522)	-	-	(146)	(1,339)	-	(24,010)
At fair value 30 June 2017			504,889	27,597	49,438	251,986	44,128	7,505	1,091	-	6,614	32,355	10,458	932,635
Accumulated depreciation at 30 June 2017			(13,905)	(430)	(1,356)	(2,997)	(2,315)	(4,948)	-	-	(146)	(1,339)	-	(24,010)
			490,984	27,167	48,082	248,989	41,813	2,557	1,091	-	6,468	31,016	10,458	908,625

* The full amount of the Infrastructure revaluation increment has not been transferred to the asset revaluation reserves due to a decrement in the revaluation of the Recreation, leisure and community assets, and Parks, open spaces and streetscapes assets fully diminishing the Recreation and Open Space reserve (refer Note 28). A amount of \$27,891m has been recorded as an expense in the Comprehensive Income Statement as required by AASB 1041 (refer Note 15).

^ During the asset revaluation process, Council identified further assets owned that were not reflected in the fixed asset register. Advancements in technologies, including GIS Mapping, utilised by Council as well as improved asset management practices, allow for better identification and recognition of Council assets.

A transfer between Waste management and intangible assets (Note 23) was made during the financial year ending 30 June 2017 to recognise Landfill air space as an intangible asset.

~ Review of Asset Management practices uncovered Council Infrastructure assets that had not been accounted for correctly in prior financial years. These have been brought to account as an adjustment to opening asset balances as required by AASB 108 (refer Note 1(x)).

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Note 21 Property, Infrastructure, Plant and Equipment (cont.)

Valuation of Land and Buildings

Valuations of Land and Buildings were undertaken by a qualified independent valuer Opteon (Vic) Pty Ltd. The valuation of Land and Buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the Comprehensive Income Statement.

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

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

The date of the current valuation is detailed in the following table. A review of movement in values based on local market indices as advised by Council's valuers was conducted and deemed immaterial at balance date. A full revaluation of these assets will be conducted in 2017/18.

Details of Council's Land and Buildings and information about the fair value hierarchy as at 30 June 2017 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Land	-	-	280,233	June 2016
Specialised land	-	-	6,982	June 2016
Land improvements	-	-	-	June 2016
Heritage buildings	-	-	26,352	June 2016
Buildings	-	-	118,939	June 2016
Building improvements	-	7,676	-	June 2016
Total	-	7,676	432,506	

Valuation of Infrastructure

Valuation of Infrastructure assets has been determined in accordance with a valuation undertaken by the Council's Infrastructure Engineer and suitably qualified consultants engaged by Council.

The date of the current valuation is detailed in the following table. A combination of direct cost unit rate values and index based unit rate cost movements (Australian Bureau of Statistics data and Rawlinson's Construction Cost Guide) has been used in valuing Council's Infrastructure assets. Council revalues its infrastructure assets every year.

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

Note 21 Property, Infrastructure, Plant and Equipment (cont.)

Details of Council's Infrastructure and information about the fair value hierarchy as at 30 June 2017 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	490,984	July 2016
Bridges	-	-	27,167	July 2016
Footpaths and cycleways	-	-	48,082	July 2016
Drainage	-	-	248,989	July 2016
Recreational, leisure and community facilities	-	-	41,813	July 2016
Waste management	-	-	2,557	July 2016
Parks, open space and streetscapes	-	-	1,091	July 2016
Aerodromes	-	-	-	July 2016
Off-street car parks	-	-	6,468	July 2016
Other infrastructure	-	-	31,016	July 2016
Total	-	-	898,167	

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 \$600 and \$800 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$1,000 to \$1,500 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 30 years to 60 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 15 years to 80 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.

	2017 \$'000	2016 \$'000
Reconciliation of specialised land		
Land under roads	6,982	4,597
Total specialised land	6,982	4,597

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	2017	2016
	\$'000	\$'000
Note 22 Investment property		
Balance at beginning of financial year	6,547	7,591
Additions	-	88
Disposals	-	-
Fair value adjustments	-	(1,132)
Transfers *	(6,547)	-
Balance at end of financial year	-	6,547

* A transfer between Investment Properties and Land and Buildings was made during the financial year ending 30 June 2017 as the primary purpose for Council acquiring and holding these assets was not to generate long-term yields as defined in AASB 140 Investment Property and Note 1(m).

Valuation of Investment Property

Valuation of Investment Property as at 30 June 2016 was determined in accordance with an independent valuation by Opteon (Vic) Pty Ltd who has experience in the location and category of the properties valued. The valuation was at fair value, based on the current market value for the property.

Note 23 Intangible Assets

Landfill air space	194	-
Total Intangible assets	194	-

	Landfill Rehabilitation \$'000	Total \$'000
Gross carrying amount		
Balance at 1 July 2016	-	-
Additions from internal developments	304	304
Other additions	-	-
Transfers *	545	545
Balance at 1 July 2017	<u>849</u>	<u>849</u>
Accumulated amortisation and impairment		
Balance at 1 July 2016	-	-
Amortisation expense	(292)	(292)
Transfers *	(363)	(363)
Balance at 1 July 2017	<u>(655)</u>	<u>(655)</u>
Net book value at 30 June 2016	-	-
Net book value at 30 June 2017	<u>194</u>	<u>194</u>

* A transfer between Infrastructure - Waste management (Note 21) and Intangible assets was made during the financial year ending 30 June 2017 to recognise Landfill air space as an intangible asset.

2017 **2016**
\$'000 **\$'000**

Note 24 Trade and other payables

Trade payables	13,575	5,925
Wages payable	2,145	1,724
Accrued loan expense	156	174
Total Trade and other payables	15,876	7,823

Note 25 Trust funds and deposits

Majestix bookings	263	220
Resiting of houses	5	5
Contract retentions and securities	101	127
Subdivision holding fees	2,365	1,804
Botanic Gardens Community Fund	137	117
Fire services property levy	692	631
Other deposits and trusts	1,187	1,030
Total Trust funds and deposits	4,750	3,934

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

	Landfill restoration \$ '000	Employee \$ '000	Total \$ '000
2017			
Balance at beginning of the financial year	3,351	15,149	18,500
Additional provisions	304	5,520	5,824
Amounts used	(64)	(5,168)	(5,232)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	114	(54)	60
Balance at the end of the financial year	3,705	15,447	19,152
2016			
Balance at beginning of the financial year	1,220	14,154	15,374
Additional provisions	2,670	5,715	8,385
Amounts used	(226)	(4,869)	(5,095)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	(313)	149	(164)
Balance at the end of the financial year	3,351	15,149	18,500

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	2017	2016
	\$'000	\$'000
Note 26 Provisions (cont.)		
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	3,908	3,889
Long service leave	990	926
Other	226	206
	5,124	5,021
Current provisions expected to be wholly settled after 12 months		
Annual leave	1,544	1,435
Long service leave	7,082	6,936
	8,626	8,371
Total current provisions	13,750	13,392
Non-current		
Long service leave	1,697	1,757
Total non-current provisions	1,697	1,757
Aggregate carrying amount of employee provisions:		
Current	13,750	13,392
Non-current	1,697	1,757
Total aggregate carrying amount of employee provisions	15,447	15,149

The following assumptions were adopted in measuring the present value of employee benefits:

	2017	2016
Weighted average increase in employee costs	4.13%	5.02%
Weighted average discount rates	4.07%	4.16%
Weighted average settlement period	8 yrs	9 yrs

(b) Landfill restoration

Current	431	391
Non-current	3,274	2,960
	3,705	3,351

The following assumptions were adopted in measuring the present value of landfill restoration costs:

	2017	2016
Weighted average rehabilitation costs (per sqm)	\$ 43.76	\$ 43.78
Weighted average discount rates	1.45%	1.33%
Council's obligated restoration period from cell closure	30 yrs	30 yrs

	2017 \$'000	2016 \$'000
Note 27 Interest-bearing loans and borrowings		
Current		
Borrowings - secured	4,394	3,872
	4,394	3,872
Non-current		
Borrowings - secured	43,700	44,276
	43,700	44,276
Total Interest-bearing loans and borrowings	48,094	48,148
The maturity profile for Council's borrowings is:		
Not later than one year	4,394	3,872
Later than one year and not later than five years	15,292	12,586
Later than five years	28,408	31,690
Total Interest-bearing loans and borrowings	48,094	48,148

All borrowings of the City of Ballarat are secured against the "rate income" of Council.

Note 28 Reserves

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$'000	\$'000	\$'000
(a) Asset revaluation reserve			
2017			
Land	231,975	-	231,975
Buildings	19,900	-	19,900
Heritage buildings	5,141	-	5,141
Artwork and heritage collections	58,015	-	58,015
Plant and equipment	1,937	-	1,937
Roads	168,154	(74,702)	93,452
Bridges	8,271	(389)	7,882
Footpaths	13,070	821	13,891
Drainage	66,779	(32,637)	34,142
Recreation, leisure and community assets	3,507	(3,507)	-
Parks and open spaces	-	-	-
Carparks	1,670	(1,670)	-
Other infrastructure	7,158	(1,341)	5,817
Total Asset revaluation reserves	585,577	(113,425)	472,152

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Note 28 Reserves (cont.)

	Balance at beginning of reporting period	Increment (decrement)	Balance at end of reporting period
	\$'000	\$'000	\$'000
(a) Asset revaluation reserve			
2016			
Land	237,963	(5,988)	231,975
Buildings	52,038	(32,138)	19,900
Heritage buildings	13,443	(8,302)	5,141
Artwork and heritage collections	76,876	(18,861)	58,015
Plant and equipment	1,937	-	1,937
Roads	178,131	(9,977)	168,154
Bridges	8,762	(491)	8,271
Footpaths	13,845	(775)	13,070
Drainage	70,741	(3,962)	66,779
Recreation, leisure and community assets	-	3,507	3,507
Parks and open spaces	-	-	-
Carparks	1,769	(99)	1,670
Other infrastructure	7,583	(425)	7,158
Total Asset revaluation reserves	663,088	(77,511)	585,577

	Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
	\$'000	\$'000	\$'000	\$'000
(b) Other reserves				
2017				
Asset realisation reserve	463	-	-	463
Plant and equipment	4,240	2,821	1,998	5,063
Balhausen organ	2	-	2	-
Subdividers contributions	26	801	739	88
Developer contributions	1,566	296	779	1,083
Total Other reserves	6,297	3,918	3,518	6,697

2016				
Asset realisation reserve	-	463	-	463
Ballarat Aquatic and Lifestyle Centre	650	-	650	-
Plant and equipment	3,253	987	-	4,240
Balhausen organ	6	-	4	2
Subdividers contributions	292	705	971	26
Developer contributions	1,095	471	-	1,566
Total Other reserves	5,296	2,626	1,625	6,297

	2017	2016
	\$'000	\$'000
Note 29 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Profit/(loss)	51,200	31,830
Depreciation/amortisation	31,806	31,549
(Profit)/loss on disposal of property, infrastructure, plant and equipment	(243)	(236)
Contributions - Non-monetary assets	(22,807)	(15,904)
Interest and other costs of finance	2,349	2,139
Fair value adjustments for investment property	-	1,132
Revaluation (income)/expense	27,042	(2,355)
Movement in GST payment	5,942	4,605
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(12,673)	(4,545)
(Increase)/decrease in other assets	8,242	1,592
Increase/(decrease) in trade and other payables	(8,812)	(2,081)
(Increase)/decrease in inventories	95	(8)
Increase/(decrease) in provisions	(25)	2,510
Net Cash provided by/(used in) operating activities	82,116	50,228
Note 30 Total cash available		
Cash and cash equivalents (Note 16)	28,836	22,806
Other financial assets - Term deposits (Note 17)	48,192	39,859
Total Cash available	77,028	62,665
Note 31 Financing arrangements		
Bank overdraft	1,000	1,000
Purchase card facility limit	5,100	5,100
Leasing facilities	2,206	5,351
Used facilities	2,256	5,417
Total Unused facilities	6,050	6,034

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Note 32 Commitments

Council has entered into the following commitments:

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2017					
Operating					
Facilities	3,403	382	613	-	4,398
Total Operating	3,403	382	613	-	4,398
Capital					
Buildings	3,502	-	-	-	3,502
Building improvements	773	-	-	-	773
Recreation, leisure and community	53	-	-	-	53
Roads	14,850	-	-	-	14,850
Total Capital	19,178	-	-	-	19,178
	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2016					
Operating					
Facilities	1,236	1,178	1,253	-	3,667
Council election	351	-	-	-	351
Total Operating	1,587	1,178	1,253	-	4,018
Capital					
Buildings	3,344	-	-	-	3,344
Building improvements	196	-	-	-	196
Recreation, leisure and community	227	-	-	-	227
Computers and telecommunications	149	-	-	-	149
Total Capital	3,916	-	-	-	3,916

2017
\$'000

2016
\$'000

Note 33 Operating leases

(a) Operating lease commitments

At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of equipment for use within Council's activities (these obligations are not recognised as liabilities):

Not later than one year	837	1,308
Later than one year and not later than five years	1,837	2,697
Later than five years	-	-
	2,674	4,005

Note 33 Operating leases (cont.)**(b) Operating lease receivables**

Council has entered into property leases consisting of surplus freehold office complexes and other land and buildings. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a Consumer Price Index based revision of the rental charge annually.

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

Not later than one year	1,509	1,073
Later than one year and not later than five years	6,038	4,292
Later than five years	7,547	5,365
	15,094	10,730

Note: The prior year comparative figures have been restated to reflect the inclusion of operating leases that had been inadvertently omitted from prior year disclosures. The restatement allows for better comparison to prior years.

Note 34 Superannuation

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

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2017, 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 2016, 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 102.0%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns 7.00% pa
 Salary inflation 4.25% pa
 Price inflation (CPI) 2.50% pa.

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Note 34 Superannuation (cont.)

Vision Super has advised that the estimated VBI at 30 June 2017 was 103.1%. The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 2017 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 2016 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 2017, this rate was 9.5% of members' salaries (9.5% in 2015/16). 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.

2016 Interim actuarial investigation surplus amounts

The Fund's interim actuarial investigation as at 30 June 2016 identified the following in the defined benefit category of which Council is a contributing employer:

A VBI surplus of \$40.3 million; and

A total service liability surplus of \$156 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 2016. 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 2016 VBI during August 2016.

2017 Full triennial actuarial investigation

A full actuarial investigation is being conducted for the Fund's position as at 30 June 2017. It is anticipated that this actuarial investigation will be completed in December 2017.

Future superannuation contributions

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2018 is \$534,000.

Note 35 Contingent liabilities and contingent assets

Contingent liabilities

Defined benefit superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined in Note 34. 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.

Financial guarantees

On the 22 July 1996, Council entered into a Guarantee with the Australian and New Zealand Banking Group Limited and Basketball Stadiums Victoria Co-Operative Limited for a bank loan to finance Ballarat Netball Stadium (Arch Sports Centre). The Guarantee is limited to the current level of borrowings of \$400,000 and cannot be exercised for any further borrowings without Council's written consent. A contingent liability therefore exists for this amount.

Contingent assets

Developer contributions

In accordance with AASB 137, Council is required to recognise an asset for which it is probable that a future economic benefit will eventuate and the amount of this asset can be reliably measured. At balance date there are no estimates available for developer contributions of infrastructure assets to be received in respect of subdivisions currently under development. As a guide Council has recognised over the past two years developer contributions of \$22.698 million (2016/17) and \$15.904 million (2015/16). Additional developer contributed assets of \$13.620 million from 2015/16 and \$8.466 million from 2014/15 have also been recognised for the first time in 2017 (refer Note 1(x)).

Note 36 Financial instruments

(a) Objectives and policies

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 Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Our interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes us 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 rate.

(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 may apply 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.

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Note 36 Financial instruments (cont.)

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

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

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

(d) Liquidity risk

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

Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed in the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 35 and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 27.

(e) Fair value

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

(f) 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.

(g) 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 + 0.50% and -0.50% in market interest rates (AUD) from year-end rates of 1.50%.

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

Note 37 Related party transactions**(i) Related Parties**

Parent Entity
Ballarat City Council

Subsidiaries and Associates
Nil

(ii) Key Management Personnel

Details of persons holding the position of Councillor or other members of Key Management Personnel at any time during the year are:

Councillors	1/07/2016 to 30/06/2017	2017 No.
	Amy Johnson	
	Belinda Coates	
	Ben Taylor (from 7/11/2016)	
	Daniel Moloney (from 7/11/2016)	
	Des Hudson (Mayor to 21/10/2016)	
	Glen Crompton (to 22/10/2016)	
	Grant Tillet (from 7/11/2016)	
	Jim Rinaldi	
	John Philips (to 22/10/2016)	
	Mark Harris (from 7/11/2016)	
	Peter Innes (to 22/10/2016)	
	Samantha McIntosh (Mayor from 8/11/2016)	
	Vicki Coltman (to 22/10/2016)	
Total Number of Councillors		13
Other Key Management Personnel		
	Justine Linley (Chief Executive Officer)	
	Terry Demeo (Director Infrastructure and Environment)	
	Neville Ivey (Director Community Development)	
	Glenn Kallio (Director Business Services)	
	Angelique Lush (Director Development and Planning)	
	Cameron Duthie (Policy & Projects Strategist)	
	Cameron Gray (Director Policy & Innovation)	
Total Other Key Management Personnel		7
Total Key management personnel		20

(iii) Remuneration of Key Management Personnel

**2017
\$,000**

Total remuneration of key management personnel was as follows:

Short-term benefits	1,687
Post employment benefits	106
Long-term benefits	12
Termination benefits	-
Total Remuneration of key management personnel	1,805

ANNUAL FINANCIAL REPORT

Note 37 Related party transactions (cont.)

(iv) Transactions with related parties

No material transactions to or from related parties of Council have been disclosed or uncovered through review of Council's transactions for the financial year ending 30 June 2017.

(v) Outstanding balances with related parties

No material transactions with outstanding balances to or from related parties of Council have been disclosed or uncovered through review of Council's transactions for the financial year ending 30 June 2017.

(vi) Loans to/from related parties

No loans to or from related parties of Council have been disclosed or uncovered through review of Council's transactions for the financial year ending 30 June 2017.

(vii) Commitments to/from related parties

No material commitments to or from related parties of Council have been disclosed or uncovered through review of Council's transactions for the financial year ending 30 June 2017.

** AASB 124: Related Party Disclosures has only been introduced into the Local Government sector for the year commencing 1 July 2016. As such, prior year disclosures for comparison is not provided.*

Note 38 Senior officer remuneration

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

- a) has senior management responsibilities; and
- b) whose total annual remuneration exceeds \$142,000

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

Income Range:	2017 No.	2016 No.
<\$142,000	3	4
\$140,000 - \$149,999	2	1
\$150,000 - \$159,999	5	3
\$160,000 - \$169,999	4	1
\$170,000 - \$179,999	1	2
\$180,000 - \$189,999	4	3
\$200,000 - \$209,999	-	1
\$210,000 - \$219,999	-	1
\$220,000 - \$229,999	-	1
\$250,000 - \$259,999	-	1
	19	18
	\$,000	\$,000
Total Remuneration for the reporting year for Senior Officers included above. amounted to	3,018	3,137

Note 39 Found assets

During the annual revaluation process, Council identified further assets owned that were not reflected in the Fixed Asset Register. Advancements in technologies, including GIS mapping, utilised by Council allow for greater recognition and management of Council assets. In 2017 assets to the value of \$871,098 were found that were not reflected in the Asset Register.

	2017	2016
	\$'000	\$'000
Found assets		
Land and Buildings		
Land under roads	144	-
Infrastructure		
Roads	326	3,277
Bridges	25	19
Footpaths and cycleways	144	449
Drainage	178	2,114
Recreational, leisure and community	9	-
Parks open spaces and streetscapes	-	-
Other infrastructure	47	10
Total Found assets	873	5,869

Note 40 Events occurring after balance date

No matters have occurred after balance date that require disclosures in the Financial Report.

Certification of the Financial Report

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



Glenn Kallio CPA
Principal Accounting Officer

Date : 13th September, 2017
Ballarat

In our opinion the accompanying financial statements present fairly the financial transactions of the City of Ballarat for the year ended 30 June 2017 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 on 13th September, 2017 to certify the financial statements in their final form.

Mark Harris
Councillor




Date : 13th September, 2017
Ballarat

Grant Tillett
Councillor



Date : 13th September, 2017
Ballarat

Justine Linley
Chief Executive Officer



Date : 13th September, 2017
Ballarat



Independent Auditor's Report

To the Councillors of Ballarat City Council

Opinion	<p>I have audited the financial report of Ballarat City Council (the council) which comprises the:</p> <ul style="list-style-type: none"> • balance sheet as at 30 June 2017 • comprehensive income statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • statement of capital works for the year then ended • notes to the financial statements, including a summary of significant accounting policies • certification of the financial report. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2017 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. My responsibilities under the Act are further described in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Australia. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, and using the going concern basis of accounting unless it is inappropriate to do so.</p>

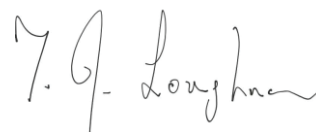
Auditor's responsibilities for the audit of the financial report

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

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

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

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



Tim Loughnan

as delegate for the Auditor-General of Victoria

6. FINANCIAL REPORT

Annual Performance Statement Report

For the year ended 30 June 2017

CITY OF BALLARAT PERFORMANCE STATEMENT 2017

BALLARAT A GREAT PLACE TO LIVE

Ballarat is one of Australia's largest inland cities and the third largest city in Victoria. Money flowed into Ballarat with the discovery of gold in the mid-19th Century. Today the city is renowned for its beautiful parks, broad tree-lined streetscapes, cultivated European gardens, and heritage architecture of national significance and international interest. The iconic Sturt Street is a stunning tree-lined boulevard adorned with notable statues, and Lydiard Street presents a perfectly preserved heritage streetscape.

The City of Ballarat municipality covers an area of 740 square kilometres and includes the outlying townships of Buninyong, Miners Rest, Learmonth, Lucas and Cardigan Village. It is part of an area of land under the traditional custodianship of the Wadawurrung and Dja Dja Wurrung people and is bound by the surrounding Municipalities of Hepburn Shire to the north, Moorabool Shire to the east, Pyrenees Shire to the west and Golden Plains Shire to the south.

Ballarat recorded a population of 103,964 people in 2017 (source: ABS 2017). Due to being located centrally in Western Victoria, Ballarat services a large regional population. Ballarat offers premium job opportunities, world-class education (including three universities), affordable housing, exciting restaurants and retail options, accessible community and health services, a vibrant arts scene and a great lifestyle.

The following performance data is prepared to represent a balanced approach to reporting performance across the areas of service, finance, governance and sustainable capacity for the organisation.



ANNUAL PERFORMANCE STATEMENT REPORT

AUDITED PERFORMANCE INDICATORS				
Sustainable Capacity Indicators	Results 2015	Results 2016	Results 2017	Comments
Population				
C1 Expenses per head of municipal population <i>[Total expenses / Municipal population]</i>	\$1,397.31	\$1,491.74	\$1,730.25	The main reason for the increase in expenses in the 2017FY is due to a targeted analysis on unit rates on Sport & Recreation facilities which has resulted in a considerable write down of values in these asset categories.
Population				
C2 Infrastructure per head of municipal population <i>[Value of infrastructure / Municipal population]</i>	\$12,660.42	\$12,427.15	\$11,352.67	
Population				
C3 Population density per length of road <i>[Municipal population / Kilometres of local roads]</i>	72.25	72.86	73.80	
Own-source revenue				
C4 Own-source revenue per head of municipal population <i>[Own-source revenue / Municipal population]</i>	\$1,275.81	\$1,310.86	\$1,332.67	
Recurrent grants				
C5 Recurrent grants per head of municipal population <i>[Recurrent grants / Municipal population]</i>	\$314.53	\$221.46	\$346.05	In both the 2014-15FY & 2016-17FY, the city of Ballarat received 50% of the following Financial year in advance from the Victorian Grants Commission
Disadvantage				
C6 Relative Socio-Economic Disadvantage <i>[Index of Relative Socio-Economic Disadvantage by decile]</i>	4.00	4.00	4.00	

AUDITED PERFORMANCE INDICATORS				
Service Performance Indicators	Results 2015	Results 2016	Results 2017	Comments
Aquatic Facilities Utilisation				
AF6 Utilisation of aquatic facilities <i>[Number of visits to aquatic facilities / Municipal population]</i>	6.25	6.65	6.22	In September 2015, the management of the BALC transferred from the YMCA to the City of Ballarat. There is only limited information supplied to the City of Ballarat, in regards to attendance figures for the first three months of the 2016 financial year. This has led to a more accurate calculation of visitors to the aquatic centre since then. For the 2017FY the attendance figures were also down to discontinuation of some programs in the indoor aquatic facility. In addition, Eureka, Buninyong & Black Hill pools have transitioned to the LINKS system which has allowed us to calculate more accurate data on visits. This also brings the data system in line with the Indoor aquatic facility.
Animal Management Health and safety				
AM4 Animal management prosecutions <i>[Number of successful animal management prosecutions]</i>	9.00	8.00	7.00	In the 2017FY, there has been a few cases that have been taken to court in the 2017FY, however the final hearing and decision won't be held until the 2018FY therefore being removed from this indicator.
Food Safety Health and safety				
FS4 Critical and major non-compliance outcome notification <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</i>	81.41%	95.88%	100.00%	From 1 July 2016, 'Critical and major non-compliance outcome notifications' will be reported by calendar year. Previously this indicator was reported by financial year. This has been implemented to better align reporting with the Department of Health and Human Services. This may result in some variances year on year.

AUDITED PERFORMANCE INDICATORS				
Service Performance Indicators	Results 2015	Results 2016	Results 2017	Comments
<p>Governance Satisfaction</p> <p>G5 Satisfaction with council decisions</p> <p><i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i></p>	47.00	51.00	56.50	An increase in satisfaction could potentially be related to final decisions being made on long standing items which have drawn some negativity such as the Civic Hall & Ballarat Saleyards. In addition, there was a changeover of some councillors which could have had potential to increase the community's satisfaction.
<p>Home and Community Care (HACC) Participation</p> <p>HC6 Participation in HACC service</p> <p><i>[Number of people that received a HACC service / Municipal target population for HACC services] x100</i></p>	20.44%	18.83%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
<p>Home and Community Care (HACC) Participation</p> <p>HC7 Participation in HACC service by CALD people</p> <p><i>[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100</i></p>	12.36%	11.45%	Reporting Ceased 1 July 2016	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
<p>Libraries Participation</p> <p>LB4 Active library members</p> <p><i>[Number of active library members / Municipal population] x100</i></p>	17.52%	13.66%	12.92%	In the 2017FY, there was a decrease in members, which is in line with state-wide trends. From the 2016FY, the SIRSI Dynix system has upgraded its analytics system which has provided greater accuracy on the data in regards to active members. The older platform listed all members that have had any activity in the financial year. Whereas, from the 2016FY it allows us to narrow the list down to members who have borrowed a book in each financial year. We have then accessed the E-book providers and included them as they were not included in the 2015FY figure.
<p>Maternal and Child Health (MCH) Participation</p> <p>MC4 Participation in the MCH service</p> <p><i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i></p>	77.73%	77.41%	78.30%	In the 2017FY, the City of Ballarat has transitioned to a new state-wide Child Development Information System (CDIS). The new system is experiencing a number of issues and as such Council is unable to verify the accuracy of the data. Council is currently working with the Municipal Association of Victoria to verify this data and rectify these issues.

ANNUAL PERFORMANCE STATEMENT REPORT

AUDITED PERFORMANCE INDICATORS				
Service Performance Indicators	Results 2015	Results 2016	Results 2017	Comments
<p>Maternal and Child Health (MCH) Participation</p> <p>MC5 Participation in the MCH service by Aboriginal children</p> <p><i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i></p>	50.50%	60.96%	54.88%	<p>In the 2017FY, the City of Ballarat has transitioned to a new state-wide Child Development Information System (CDIS). The new system is experiencing a number of issues and as such Council is unable to verify the accuracy of the data. Council is currently working with the Municipal Association of Victoria to verify this data and rectify these issues.</p> <p>In addition, There continues to be a decrease in the participation of Aboriginal children in the MCH service. The Local aboriginal co-operative runs a similar MCH service. They can access both services or choose either one of these services. We still by law receive every birth notification however, we have a lower intake of the MCH program due to some people choosing the local aboriginal co-operative MCH program.</p>
<p>Roads Satisfaction</p> <p>R5 Satisfaction with sealed local roads</p> <p><i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i></p>	56.00	58.90	54.70	<p>Due to the wet start of the 2017FY, it has created more potholes and therefore we have seen more greater deterioration of our roads leading to a decrease in satisfaction of the standard of our roads.</p>
<p>Statutory Planning Decision making</p> <p>SP4 Council planning decisions upheld at VCAT</p> <p><i>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i></p>	44.44%	57.14%	100.00%	<p>In the 2016FY, there were two decisions which Council overturned the officer's recommendations. VCAT then overturned the council decision and supported the original officer's recommendation. Whereas, in the 2017FY VCAT, Council and officer recommendations have all agreed on each decision.</p>
<p>Waste Collection Waste diversion</p> <p>WC5 Kerbside collection waste diverted from landfill</p> <p><i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i></p>	35.10%	32.43%	48.96%	<p>From the 2017FY, we have introduced our own green waste service, this has increased the amount of tonnages being diverted from landfill, due to green waste not been included in the prior financial year's figures.</p>

FINANCIAL PERFORMANCE INDICATORS - EFFICIENCY								
Efficiency	Results 2015	Results 2016	Results 2017	Forecasts				Comments
				2018	2019	2020	2021	
Revenue level								
E1 Average residential rate per residential property assessment <i>[Residential rate revenue / Number of residential property assessments]</i>	\$1,398.30	\$1,457.64	\$1,592.20	\$1,596.38	\$1,611.02	\$1,626.48	\$1,642.75	
Expenditure level								
E2 Expenses per property assessment <i>[Total expenses / Number of property assessments]</i>	\$2,919.29	\$3,012.49	\$3,505.42	\$3,065.08	\$3,097.80	\$3,126.71	\$3,107.14	The main reason for the increase in expenses in the 2017FY is due to a targeted analysis on unit rates on Sport & Recreation facilities which has resulted in a considerable write down of values in these asset categories.
Workforce turnover								
E3 Resignations and terminations compared to average staff <i>[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100</i>	8.36%	11.41%	13.11%	6.11%	6.04%	6.10%	6.03%	The increase is a result of more retirements occurring as we have an ageing workforce. We have also had the closure of Kohinoor, changes to BALC Creche which between them resulted in 9 redundancies. There were also some minor restructures resulting in redundancies with the implementation of the new structure in August 2016.

FINANCIAL PERFORMANCE INDICATORS - LIQUIDITY								
Liquidity	Results 2015	Results 2016	Results 2017	Forecasts				Comments
				2018	2019	2020	2021	
Working capital								
L1 Current assets compared to current liabilities <i>[Current assets / Current liabilities] x100</i>	201.08%	264.33%	263.93%	124.06%	103.58%	102.37%	102.83%	
Unrestricted cash								
L2 Unrestricted cash compared to current liabilities <i>[Unrestricted cash / Current liabilities] x100</i>	24.14%	-66.29%	-41.72%	56.87%	34.60%	32.90%	32.88%	The reason for the indicator being in a negative is due to the fact that we cannot include cash held in term deposits that are held for longer than 90 days in the cash and cash equivalent section as per the financial statement's definition.

FINANCIAL PERFORMANCE INDICATORS - OBLIGATIONS								
Obligations	Results 2015	Results 2016	Results 2017	Forecasts				Comments
				2018	2019	2020	2021	
Asset renewal								
O1 Asset renewal compared to depreciation <i>[Asset renewal expense / Asset depreciation] x100</i>	48.80%	101.98%	82.88%	86.12%	69.52%	68.26%	67.02%	In the 2017FY, the City of Ballarat has spent more on facilities upgrades rather than facilities renewal.
Loans and borrowings								
O2 Loans and borrowings compared to rates <i>[Interest bearing loans and borrowings / Rate revenue] x100</i>	36.55%	49.20%	45.86%	48.63%	47.87%	51.37%	53.75%	
Loans and borrowings								
O3 Loans and borrowings repayments compared to rates <i>[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</i>	7.27%	10.49%	5.98%	5.68%	5.89%	5.85%	6.55%	In the 2017FY our repayments are down as per our repayment schedules.
Indebtedness								
O4 Non-current liabilities compared to own source revenue <i>[Non-current liabilities / Own source revenue] x100</i>	22.01%	37.09%	35.13%	38.70%	38.17%	40.59%	42.16%	

FINANCIAL PERFORMANCE INDICATORS - OPERATING POSITION								
Operating Position	Results 2015	Results 2016	Results 2017	Forecasts				Comments
				2018	2019	2020	2021	
Adjusted underlying result								
OP1 Adjusted underlying surplus (or deficit) <i>[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100</i>	13.58%	4.02%	-1.67%	2.29%	0.94%	1.11%	1.12%	In the 2017FY, we have a considerable increase in capital grants and non monetary contributions due to projects such as Eureka Stadium and Ballarat West.

FINANCIAL PERFORMANCE INDICATORS - STABILITY								
Stability	Results 2015	Results 2016	Results 2017	Forecasts				Comments
				2018	2019	2020	2021	
Rates concentration								
S1 Rates compared to adjusted underlying revenue <i>[Rate revenue / Adjusted underlying revenue] x100</i>	55.93%	61.99%	59.27%	65.73%	66.99%	67.33%	67.67%	
Rates effort								
S2 Rates compared to property values <i>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</i>	0.56%	0.59%	0.59%	0.61%	0.59%	0.61%	0.59%	

ANNUAL PERFORMANCE STATEMENT REPORT

KEY TERMS	
TERMINOLOGY	DEFINITION
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
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
Annual report	means an annual report prepared by a Council under sections 131, 132 and 133 of the Local Government Act 1989.
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
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.
Current assets	has the same meaning as in the Australian Accounting Standards
Current liabilities	has the same meaning as in the Australian Accounting Standards
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
Infrastructure	means non-current property (excluding land), plant and equipment.
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.
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
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.
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 Australian Accounting Standards, 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
SEIFA	means the Socio-Economic Indexes for Areas published from time to time by the Australian Bureau of Statistics on its internet website.
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
Unrestricted cash	means all cash and cash equivalents other than restricted cash.
WorkSafe reportable aquatic facility safety incident	means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the Occupational Health and Safety Act 2004.

OTHER INFORMATION

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 the results forecast by the Council's Strategic Resource Plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the Performance Statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the Performance Statement are those adopted by council in its strategic resource plan on 28 June 2017 and which forms part of the Council plan. The Strategic Resource Plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The Strategic Resource Plan can be obtained by contacting Council.

Certification of 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.



Glenn Kallio
Principal Accounting Officer
Dated: 13th September 2017

In our opinion, the accompanying Performance Statement of the *City of Ballarat* for the year ended 30 June 2017 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.

Mark Harris
Councillor

Dated: 13th September 2017



Grant Tillett
Councillor

Dated: 13th September 2017



Justine Linley
Chief Executive Officer

Dated: 13th September 2017





Independent Auditor's Report

To the Councillors of Ballarat City Council

Opinion

I have audited the accompanying performance statement of Ballarat City Council (the council) which comprises the:

- description of municipality for the year ended 30 June 2017
- sustainable capacity indicators for the year ended 30 June 2017
- service performance indicators for the year ended 30 June 2017
- financial performance indicators for the year ended 30 June 2017
- other information and
- the certification of the performance statement.

In my opinion, the performance statement of Ballarat City Council in respect of the year ended 30 June 2017 presents fairly, in all material respects, in accordance with the performance reporting requirements of Part 6 of the *Local Government Act 1989*.

Basis for Opinion

I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Standards on Assurance Engagements. My responsibilities under the Act are further described in the *Auditor's responsibilities for the audit of the performance statement* section of my report.

My independence is established by the *Constitution Act 1975*. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* (the Code) that are relevant to my audit of the performance statement in Australia and have also fulfilled our other ethical responsibilities in accordance with the Code.

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

Councillors' responsibilities for the performance statement

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

Auditor's responsibilities for the audit of the performance statement

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

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

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

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



Tim Loughnan

as delegate for the Auditor-General of Victoria

7. APPENDICES

Appendix 1

ADVISORY AND NON-ADVISORY COMMITTEES, GROUPS AND ORGANISATIONS

ADVISORY COMMITTEES

Committee	Councillors	Officers
Ascot Hall Committee	1	1
Ballarat Airport/Aerodrome Advisory Committee	3	3
Ballarat Aquatic and Lifestyle Centre Committee	2	1
Ballarat Heritage Advisory Committee	1	3
Ballarat Live Music Strategy Advisory Committee	1	
Ballarat Livestock Selling Centre Advisory Committee	2	1
Ballarat Municipal Observatory Advisory Committee	2	1
Ballarat Regional Soccer Facility Advisory Committee	2	1
Ballarat West Structure Plan Advisory Committee	1	5
Brown Hill Hall Committee	1	1
Buninyong Community Hall Committee	3	1
Burrumbeet Soldiers Memorial Hall Committee	1	1
Cardigan Village Community Centre Advisory Committee	2	1
Child Friendly Ballarat Advisory Committee	1	1
Community Safety Advisory Committee	2	1
Disability Advisory Committee	1	1
Eureka Commemorative Advisory Committee	1	1
Intercultural Advisory Committee	1	1
Koorie Engagement Action Group Advisory Committee	1	1
Lake Learmonth Advisory Committee	1	1
Lake Wendouree and Gardens Advisory Committee	3	2
Miners Rest Hall Advisory Committee	1	1
Mt Buninyong Reserve Advisory Committee	1	1
Positive Ageing Advisory Committee	1	1
Public Art Advisory Committee	3	1
Rail Freight Alliance Advisory Committee		1
Road Safety Advisory Committee	1	1
Sebastopol RSL Hall Advisory Committee	1	1
Water Resources Committee	1	1
Western Highway Action Committee	2	1

NON-ADVISORY COMMITTEES

Committee	Councillors	Officers
Active Transport Working Group	3	1
Eureka Precinct Stakeholder Advisory Group	3	1

GROUPS AND ORGANISATIONS

Committee	Councillors	Officers
Arch of Victory/Avenue of Honour Advisory Committee	2	1
Art Gallery of Ballarat Board	1	1
Australian Local Government Women's Association	2	
Ballarat ICT		1
Ballarat Regional Tourism Board	1	1
Castlemaine (Mine) Environmental Advisory Committee	1	1
Central Highlands Mayors and CEOs Forum	1	1
Central Victorian Greenhouse Alliance	1	1
Commerce Ballarat	1	1
Committee for Ballarat	1	1
Grampians Central West Waste and Resource Recovery Group	1	2
Local Learning Education Network	1	1
Municipal Association of Victoria (MAV)	1	1
MAV Rural South Central Region Group	1	1
MAV Arts and Culture Committee		1
MAV Multicultural Committee		1
Museum of Australian Democracy at Eureka (M.A.D.E.)	1	1
Regional Cities Group	1	1
Regional Motor Sports Facility Group	1	1
Responsible Gambling Committee	1	1
Victorian Local Governance Association (VLGA)	2	1
Clean Ballarat Committee	3	

COMMITTEES ESTABLISHED UNDER OTHER ACTS

Committee	Councillors	Officers
Ballarat West Town Common	All (as Trustees)	1
Coghills Creek / Glendaruel Cemetery	All (as Trustees)	1
Learmonth Cemetery	All (as Trustees)	1
Municipal Emergency Management Planning Committee	1	1
Municipal Fire Management Planning Committee	1	2

Appendix 2

GLOSSARY

Term	Definition
Act	<i>The Local Government Act 1989</i>
Annual Report	A report of the Council's operations of the previous financial year and contains a report of operations, audited financial statements and an audited performance statement
Appropriateness	Indicators or measures that provide users with sufficient information to assess the extent to which an entity has achieved a pre-determined target, goal or outcome
Assets	Property owned by the city
Australian Accounting Standards	The accounting standards published by the Australian Accounting Standards Board
Best Value	The review of all services provided by Council to ensure they meet the quality and cost standards and the needs of the community. LGA s208A – s208G
Budget	A plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the Council Plan
BWEZ	Ballarat West Employment Zone
CALD	Culturally and Linguistically Diverse
Capital Projects	Projects that result in the creation or improvement of an asset.
CBD	Central Business District
CHSP	Commonwealth Home Support Program
Councillors	Elected representatives of Council who serve a four-year term
Council Funding Priorities	Council's key long-term projects for the municipality, many of which require funding to be secured from state and federal government and/or the private sector
Council Plan	A plan setting out the medium-term strategic objectives, strategies, strategic indicators and resources reflecting vision and aspirations of the community for the next four years
DHHS	Department of Health and Human Services
EFT	Full-time Equivalent Employment – 1 EFT is equivalent to one person working 38 hours per week
Financial Performance Indicators	A prescribed set of indicators and measures that assess the effectiveness of financial management in a Council covering operating position, liquidity, obligations, stability and efficiency
Financial Statements	The financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and statement of capital works, included in the annual report
Governance	Administration of the city's compliance with the LGA
GovHub	A new government office to be located at the redeveloped Civic Hall site
HACC	Home and Community Care
Indicator	What will be measured to assess performance
Infrastructure	Long-term assets / structures that provide services to the community
Initiatives	Actions that are one-off in nature and/or lead to improvements in service
Internal Audit	An independent appraisal function that examines and evaluates the City of Ballarat's financial, management and internal control systems
Local Laws	Those laws under the jurisdiction of the Council and enforced by city staff and/or Victoria Police
M.A.D.E	Museum of Australian Democracy at Eureka
Measure	How an indicator will be measured and takes the form of a computation, typically including a numerator and denominator
NDIS	National Disability Insurance Scheme
Non-Capital Projects	A discretionary project that does not result in the creation of an asset
Ordinary Council Meeting	Regular scheduled Council Meetings held twice a month
Outcome	A result of actions focused on objectives
Performance Indicator	Indicators used to monitor the performance of the city in achieving its objectives in the 2013-2017 Council Plan
Performance Statement	A statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the Annual Report
Portfolio	A specific area of responsibility allocated to each Councillor
Planning and Accountability Framework	The key statutory planning and reporting documents that are required to be prepared by Councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act
Principle Accounting Officer	The person designated by a Council to be responsible for the financial management of the Council
Regulations	<i>The Local Government (Planning and Reporting) Regulations 2014</i>
Relevance	Indicators or measures that have a logical and consistent relationship to an entity's objectives and are linked to the outcomes to be achieved
Report of Operations	A report containing a description of the operations of the Council during the financial year and included in the Annual Report
Services	Assistance, support, advice and other actions undertaken by a Council for the benefit of the local community
Service Outcome indicators	The prescribed service performance indicators to be included in the performance statement which measure whether the stated service objective has been achieved
Service Performance Indicators	A prescribed set of indicators measuring the effectiveness and efficiency of Council services covering appropriateness, quality, cost and service outcomes
Special Council Meeting	Those Council Meetings held for special purposes and in addition to the twice monthly ordinary Council Meetings
Strategic Directions	The four key areas that Council will focus on over a four-year period, as outlined in City Plan 2013-17
Strategic Resource Plan	A plan of the financial and non-financial resources for at least the next four years required to achieve the strategic objectives in the Council Plan
Strategies	High level actions directed at achieving the strategic objective in the Council Plan
Sustainable Capacity Indicators	A prescribed set of indicators measuring whether Councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management
Victorian Local Government Indicators	Results from the community Satisfaction survey conducted by the State Government
2013-2014 Annual Business Plan	The business plan the city will pursue over a 12-month period to achieve the objectives and strategies in the Council Plan



COUNCIL'S COMMITMENT TO GOOD GOVERNANCE

Under the *Local Government Act 1989*, elected Councils are constituted to provide leadership for the good governance of the municipal district and the local community.

The City of Ballarat Councillors are committed to working together to make decisions that are in the best interest of residents and the municipality and to discharge responsibilities to the best of their skill and judgment. They are committed to always acting with transparency and the highest level of integrity in all matters of governance to ensure that Council operates effectively, efficiently, impartially and with compassion. They adopt good governance principles by making decisions based on proper processes and systems by encouraging the community to participate in decision-making on issues that affect them and by making sure Council officers carry out decisions appropriately.

Customer Service

T: 03 5320 5500

Monday - Friday

8.15am - 5pm

E: ballcity@ballarat.vic.gov.au

Town Hall Office

Corner Sturt and Armstrong Streets
Ballarat Central

The Phoenix Building

25 Armstrong Street South
Ballarat Central

Post

City of Ballarat
PO Box 655 Ballarat
Victoria 3353

WE ARE NRS-FRIENDLY

If you have a hearing or speech impairment you can contact us through the National Relay Service (www.relayservice.com.au):

- » TTY users phone 133 677 then ask for 03 5320 5500
- » Speak and Listen users phone 1300 555 727 then ask for 03 5320 5500
- » Internet relay users connect to the NRS www.iprelay.com.au/call/index.aspx then ask for 03 5320 5500
- » ReadSpeaker text-to-speech service is available on our website