

Council Meeting

Agenda

22 September 2021 at 6:30pm

Virtual Meeting





The City of Ballarat acknowledges the Traditional Custodians of the land we live and work on, the Wadawurrung and Dja Dja Wurrung People, and recognises their continuing connection to the land and waterways. We pay our respects to their Elders past, present and emerging and extend this to all Aboriginal and Torres Strait Islander People.

This meeting is being broadcast live on the internet and the recording of this meeting will be published on council's website www.ballarat.vic.gov.au in the days following the meeting.

Although every effort has been made to protect the privacy of the public, members of the public participating in this meeting may be filmed. By participating once the meeting commences, members of the public give their consent to being recorded, and for the recording of them to be made publicly available and used by council.

Information about broadcasting and publishing recordings of council meetings is available in council's Live Broadcasting and Recording of Council Meetings Procedure which is available on the council's website.

PUBLIC SUBMISSIONS

1. Due to COVID-19 restrictions around public gatherings the following has been put in place.
2. Public representations may be made on any items listed on the agenda in a Council Meeting apart from those listed in the confidential section.
3. Submissions must also be submitted in writing to governance@ballarat.vic.gov.au by no later than 4.30pm on the day of Council meeting; and limited to no more than 200 words that will be read out by the Chief Executive Officer or nominated delegate at the meeting prior to the matter being considered by Council.
4. If you would like to make your submission personally at the Virtual Council Meeting, please contact governance@ballarat.vic.gov.au to arrange this.

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The next Meeting of the Ballarat City Council will be held on Wednesday 27 October 2021.

1. OPENING DECLARATION

Councillors: *"We, the Councillors of the City of Ballarat, declare that we will carry out our duties in the best interests of the community, and through collective leadership will maintain the highest standards of good governance."*

Mayor: *"I respectfully acknowledge the Wadawurrung and Dja Dja Wurrung People, the traditional custodians of the land, and I would like to welcome members of the public in the gallery."*

2. APOLOGIES FOR ABSENCE

3. DISCLOSURE OF INTEREST

4. MATTERS ARISING FROM THE MINUTES

5. CONFIRMATION OF MINUTES

6. PUBLIC QUESTION TIME

Note – all public representations will be heard before each item on the agenda.

QUESTION TIME

1. Question time has been altered for the City of Ballarat's 22 September 2021 Council meeting due to the COVID-19 restrictions.
2. To ensure the public can still participate in question time, they are asked to now submit their questions in writing.
3. However, no person may submit more than two questions at the 22 September 2021 meeting.
4. The questions must be in English, must be 75 words or less and not include a preamble, other additional material, or multiple parts.
5. Questions must be submitted via email to governance@ballarat.vic.gov.au by no later than 4:30pm on the day of the Council meeting.
6. Question Time will be for a period of 30 minutes.
7. A question may be disallowed if the chair determines that it:
 - Relates to a matter outside of Councils responsibility;
 - Is defamatory, indecent, abusive, offensive, irrelevant, trivial or objectionable in
 - language or substance;
 - Deals with a subject matter already answered;
 - Is aimed at embarrassing a Councillor or a member of Council Staff;
 - Contains Confidential information; or
 - Security reasons.
8. A Councillor or the Chief Executive Officer or their delegate may require a question to be taken on notice. If a question is taken on notice, the answer to it must be incorporated in the minutes of Council and a written copy of the answer sent to the person who asked the question.
9. A Councillor or the Chief Executive Officer may advise Council that an answer should be given in a meeting closed to members of the public and explain the reason why.

7. CHIEF EXECUTIVE OFFICER REPORT

7.1. CHIEF EXECUTIVE OFFICER REPORT

Division: Executive Unit
Director: Evan King
Author/Position: Evan King – Chief Executive Officer

PURPOSE

1. The CEO's Operational Report highlights issues and outcomes affecting the organisation's performance as it delivers services and implements the Council's strategies and policy decisions.

BACKGROUND

2. The City of Ballarat Council is responsible for setting the municipality's strategic direction. The City of Ballarat CEO is the Council's sole employee and responsible for establishing the organisational structure and resource allocation to achieve the Council's objectives. This operational report provides greater detail about organisational activities and service delivery issues.

KEY MATTERS

Key achievements, projects and events delivered

3. Legal advice obtained over former Latrobe Street saleyards

Detailed legal advice obtained as part of future land use planning for the former Latrobe Street saleyards has provided clarity on the process and timeframes to allow alternative future site uses.

Legal restrictions mean the land currently cannot be used for anything other than a municipal saleyard, and these restrictions must be removed to enable alternative future uses. The City of Ballarat will continue to facilitate works to ready the site for use.

4. Public art database collated online

Over the past 12 months, the City of Ballarat Arts and Culture team has been working to develop a City of Ballarat public art collection database.

The collection is now available on the Victorian Collections website with more to be added as new temporary and permanent artworks are added to the database.

Each artwork has details such as artists/creators noted, materials, historical information, and location to help people find and view the city's more than 120 public art pieces.

5. Circular Ballarat boost

The City of Ballarat is calling for our local waste system to turn full circle. The Circular Ballarat Framework aims to reduce waste while creating raw materials from rubbish that can then be used in manufacturing, rather than a linear "take-make-waste" system.

European research shows circular economies can increase economic growth by between 0.8 and 1.4 per cent annually, translating to a possible annual Ballarat Gross Regional Product of \$57-\$100 million and an extra 380-680 jobs.

The Circular Ballarat framework is also boosted by three new initiatives aimed at helping businesses of all sizes through difficult COVID-19 times, including 1) the ASPIRE Program - an online marketplace for businesses to sell and buy waste, 2) the Circular Economy Ready, Set, Grow Business Growth Program - which helps businesses examine their operations through a circular lens, and 3) a Circular Ballarat: Detail Materials Flow Analysis and End Market Opportunities.

6. Spotlight on Sebastopol to transform key sites

Sebastopol's transformation has been accelerated with initial key site designs completed.

Buninyong MP Michaela Settle confirmed historic Yuille Park site improvements will be part of the \$1.2 million investment to upgrade connections to the Yarrowee Trail, funded as part of the \$5 million Spotlight on Sebastopol commitment.

The Yarrowee Trail Project covers three areas, including improving the amenity and visual connections to the Yarrowee Valley from Orion Street, upgrading Yuille Park and developing a welcoming gateway to the Yarrowee Trail head at Dowcra Street.

City of Ballarat has appointed Urban Initiatives to undertake the sites' detailed design works.

7. Grants programs open

The City of Ballarat's Community Impact Grants, Tourism Event Grant Program and Strategic Partnership Grants opened in August.

The three grant programs include:

- The Strategic Partnership Program, which supports businesses, groups and organisations to deliver high quality programs or events that deliver on Council's strategic objectives. These programs and events may be funded over several years. Funding available for the 2021/22 year is \$199,000 with applications available in August 2021 and February 2022, unless the full budget is allocated in August.
- The Community Impact Grant Program, which helps community groups and organisations to run projects, programs, events and other activities or to buy necessary equipment to promote community outcomes in environmental sustainability; healthy, connected and inclusive communities; and promote community-focused economic outcomes, innovation and resilience. There is \$300,000 available in 2021/22 and applicants can apply for funding between \$500 and \$20,000.
- The Tourism Events Grant Program is a monthly grant program open to for-profit organisations and businesses to address key Ballarat Events Strategy 2018-2028 priorities, which include encouraging increased tourism visitation, supporting Ballarat's liveability and amplifying Ballarat's brand as a tourism destination. Applicants can apply for funding between \$500 and \$20,000.

8. COVID-19 Community and Business Support Package

A \$1 million COVID-19 Community and Business Support Package will supplement existing funding available from federal and state governments, while seeking to also provide support to some of the small businesses and community groups not eligible for financial assistance through other funding programs.

A range of other City of Ballarat measures will also be introduced or extended to provide additional relief – including waivers of numerous fees and charges, as well as interest on outstanding rates.

Ongoing community consultation

9. Domestic Animal Management Plan

Under the *Domestic Animals Act 1994*, Council is required to prepare and implement a Domestic Animal Management Plan (DAMP) every four years.

Using community responses and Ballarat: Our Future engagement feedback, City of Ballarat has created a draft DAMP, the objective of which is to outline Council's plans for animal management.

The new plan's aims include:

- Design and construct a new sustainable regional animal shelter and enable community interaction programs at the shelter
- Increase community education and knowledge of responsible pet ownership principles
- Proactive enforce the Animal Welfare and Prevention of Cruelty to Animals Act, and compliance under the *Domestic Animals Act 1994*

10. Buninyong Botanic Gardens Masterplan

The City of Ballarat is developing a Buninyong Botanic Gardens and The Gong Masterplan. The community engagement focus is to understand what people value about the Buninyong Botanic Gardens and The Gong, how they currently use the space and what experiences they would like to have there in the future.

11. Tell us how you manage your waste

The City of Ballarat has asked for feedback on how residents use the Ballarat Transfer Station and, particularly, why residents don't use the Transfer Station. Feedback received will help the City of Ballarat make the Transfer Station easier to use for our community.

OFFICER RECOMMENDATION

12. That Council:

12.1 Receive and note the CEO's Operational Report.

ATTACHMENTS

1. Governance Review [7.1.1 - 1 page]

OFFICIAL

ALIGNMENT WITH COUNCIL VISION, COUNCIL PLAN, STRATEGIES AND POLICIES

1. The Chief Executive Officers report is line with Council's commitment to transparent decision making as expressed in the Council Plan.

COMMUNITY IMPACT

2. The report is part of Council's commitment to ensuring the community is informed about key projects and initiatives delivered and ongoing, and community consultation being undertaken by the City of Ballarat.

CLIMATE EMERGENCY AND ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

3. No climate emergency and environmental sustainability implications have arisen from the preparation of this report.

ECONOMIC SUSTAINABILITY IMPLICATIONS

4. No additional economic sustainability implications have arisen from the preparation of this report.

FINANCIAL IMPLICATIONS

5. No additional financial implications have arisen from the preparation of this report.

LEGAL AND RISK CONSIDERATIONS

6. It is considered there are no legal and risk considerations associated with this report.

HUMAN RIGHTS CONSIDERATIONS

7. It is considered that the report does not impact on any human rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

COMMUNITY CONSULTATION AND ENGAGEMENT

8. The Chief Executive Officer's Operational Report formal community engagement and consultation processes, both online and in person, which the City of Ballarat is currently undertaking in relation to its plans and operations.

CONFLICTS OF INTEREST THAT HAVE ARISEN IN PREPARATION OF THE REPORT

9. Council Officers affirm that no general or material interests need to be declared in relation to the matter of this report.

OFFICIAL

8. OFFICER REPORTS

8.1. CREATIVE CITY STRATEGY REPORT CARD

Division: Community Wellbeing
Director: Matthew Wilson
Author/Position: Tara Poole – Coordinator Creative City

PURPOSE

1. The purpose of the Creative City Strategy is to direct and support efforts to position Ballarat as a significant centre for creativity. It achieves this by stepping out how best to assist in the incubation, establishment and sustainability of Ballarat's creative individuals and the various creative sectors, ensuring we help unleash our collective full potential.
2. A detailed Report Card tracking the actions and outcomes of the Strategy for 2020 has now been finalised for Council to note. Based on the language and structure of the Strategy, the report card reflects the progress made by officers on the implementation of the Strategy.

BACKGROUND

3. At the Council meeting held 15 May 2019 Council adopted the Creative City Strategy and Masterplan with resolution R104/19. Both the Strategy and Masterplan were the result of two years of intense public engagement examining the central role that arts and culture plays in the wellbeing of the community as well as forming the basis to our unique city identity.
4. The multi award-winning Creative City Strategy and Masterplan is dedicated to embedding creative thought and action at the heart of city operations. It has no end date and represents the intention of Council to support design-led thinking, sustaining, and professionalising creative practices, and implementing the creation of a vibrant Creative Precinct.
5. The Creative City Strategy and Masterplan work in concert with the Prosperity Framework and with the community vision for the city we all want to have. The application of the Strategy and Masterplan detail the process of nurturing the spark of creative thinking to help deliver a healthier, wealthier, and happier city. The strategic thinking of the original document highlights:
 - a. The importance of maintaining and enhancing a creative core of businesses, organisations and individual artists, makers and creatives, while extending into new areas and audiences.
 - b. Attracting and retaining the brightest and best of the creative sectors.
 - c. Facilitating as many positive relationships as possible
 - d. Brokering linkages that assist the creative industry and individual.
 - e. Monitoring and tracking the social and cultural impact of our investment.
6. The implementation of the Creative City Strategy helps guide and drive city-wide co-design decision making, supports the emergence of new and underscores existing creative industries, and establishes Ballarat as the home of the sustainable practitioner and business.

7. The Creative City Strategy and Masterplan goals are ambitious and cut across multiple areas of Council – including informing the development of cultural tourism, advising on cultural infrastructure and city design, right through to growing economic stability of the creative sector.
8. The goals of the Creative City Strategy include:
 - a. Goal 1 – Ballarat is a creative city with entire community participation.
 - b. Goal 2 – Ballarat is a city where artists and creatives can sustain professional careers and can prosper.
 - c. Goal 3 – Ballarat has a strong domestic audience and consumer market for local creative product.
 - d. Goal 4 – Ballarat's cultural visitor economy and market is continually growing.
 - e. Goal 5 – Ballarat is a city with strong representation of a range of creative industries who leverage their competitive niches.
 - f. Goal 6 – Ballarat is a city where strong creative capabilities are used throughout industry and embedded within the community.
 - g. Goal 7 - Ballarat has a high-quality creative precinct which is vibrant, playful and tells the unique Ballarat story.

KEY MATTERS

9. The first year of application of the Creative City Strategy saw a necessary realignment of Council business units and resources, while also dealing with the immediate impacts of the COVID-19 pandemic and subsequent lockdowns. The work dealing with COVID-19 impacts resulted in the development of sector-specific programs, including *Be Kind Be Creative*, to support the creative industries as well as deliver valuable content to the wider community.
10. Specific standout achievements in the 2020 Report Card include:
 - a. The build of a new database to understand Ballarat's creative ecosystem more clearly, with more than 1,700 creative people identified at the end of 2020,
 - b. Establishment of a new monthly newsletter to provide up to date information for the creative sector, mailing out to over 750 active contacts at the close of 2020,
 - c. Confirming Ballarat's status as a UNESCO Creative City of Crafts & Folk Art and becoming a formative member of the Victorian Creative Cities Network,
 - d. The build and maintenance of a new website to provide a hub of information for creatives, artists, makers, and businesses, attracting over 26,000 visits in 2020,
 - e. Development of clearer processes for applying for City of Ballarat creative projects and activities with more than \$700,000 worth of contracts, gigs and opportunities provided throughout the 2020 calendar year,
 - f. Securing \$70,000 in grants for the development of the Creative Precinct,
 - g. Directly encouraging grant making to the creative sector with grants issued through the Council's Grant programs in 2020 and early 2021,
 - h. Establishing and maintaining educational, exhibition and performance pathways for Visual Artists and Musicians as priority groupings, including online and face-to-face training,
 - i. The securing of new free exhibition and activation spaces on Lydiard Street,
 - j. The COVID-19 immediate response program – *Be Kind Be Creative* - reached over 135,000 people within Ballarat and surrounds at a cost of less than \$1 per person and directly invested in supporting 63 creatives, artists and makers over a crucial period of risk.

11. The 2020 Creative City Report Card has been designed by First Nations emerging graphic designer, Franklin Moon.

OFFICER RECOMMENDATION

12. That Council:

- 12.1 Note the 2020 Report Card detailing the progress on the implementation of the Creative City Strategy.**
- 12.2 Acknowledge the progress and achievements of Council toward embedding creative thought and action at the heart of our city operations.**

ATTACHMENTS

1. Governance Review [8.1.1 - 2 pages]
2. Creative Report Card 2020 [8.1.2 - 44 pages]

OFFICIAL

ALIGNMENT WITH COUNCIL VISION, COUNCIL PLAN, STRATEGIES AND POLICIES

1. Aligns with the Council Plan 2017-21 aim of “Ballarat as a regional leader in innovation, research and creative industry projects”.
2. Aligns with the Creative City Strategy 2019 and Creative City Masterplan

COMMUNITY IMPACT

3. There is a widespread and positive community impact generated from the implementation of the Creative City Strategy. This is achieved from the support provided for individual creative practitioners through to businesses, institutions and organisations.

CLIMATE EMERGENCY AND ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

4. There are no climate emergency or environmental sustainability implications arising from this report.

ECONOMIC SUSTAINABILITY IMPLICATIONS

5. Economic sustainability for the creative sector is an inherent outcome required by the Creative City Strategy.
6. Outcomes in economic resilience resulting from implementation of the strategy have been included in the Creative City Report Card.

FINANCIAL IMPLICATIONS

7. There are no financial implications, funding for the ongoing work in the creative sector is within current budget allocations.

LEGAL AND RISK CONSIDERATIONS

8. There are no legal and risk considerations arising from this report.

HUMAN RIGHTS CONSIDERATIONS

9. It is considered that the report does not impact on any human rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

COMMUNITY CONSULTATION AND ENGAGEMENT

10. The Creative City Report Card represents the culmination of responses to community consultation and engagement. It is the detailing of outcomes against requested actions.

OFFICIAL

OFFICIAL

GENDER EQUALITY ACT 2020

11. There are no gender equality implications identified for the subject of this report.

CONFLICTS OF INTEREST THAT HAVE ARISEN IN PREPARATION OF THE REPORT

12. Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

OFFICIAL





Tammy Gilson, Traditional Custodian, Wadawurrung
Photograph by Bowie Wallace, 2020

Message from the Mayor

Ballarat is a creative city.

It's such a simple phrase.



But behind this straightforward statement is a deepening understanding of craft, art, making, innovation, production, and the reality that we are home to a burgeoning creative sector.

Behind this statement are plans and initiatives to support, encourage and guide.

Behind this statement are our commitments as a Council to establish and deliver the right conditions for a creative ecosystem to thrive.

This Report Card is the first year of operation of our *Creative City Strategy*.

And what a year it was.

Coinciding with a global pandemic and dramatic changes in the needs and requirements of the arts and cultural sector, our *Creative City Strategy* was put under scrutiny within six months of operation.

It more than rose to the challenge.

This comprehensive overview of Council's application of the *Creative City Strategy* throughout 2020 provides the first glimpse at what is possible under this bold and impressive thinking.

We look forward to 2021's report and beyond.

Mayor, Cr Daniel Moloney

"This Report Card is the first year of operation of our Creative City Strategy. And what a year it was."

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The City of Ballarat acknowledges the Traditional Custodians of the land we live and work on, the Wadawurrung and Dja Dja Wurrung People, and recognises their continuing connection to the land and waterways. We pay our respects to their Elders past, present and emerging and extend this to all Aboriginal and Torres Strait Islander People

INTRODUCTION AND BACKGROUND

A quick recap. The *Creative City Strategy* is dedicated to embedding creative thought and action at the heart of our city operations.

The implementation of the *Creative City Strategy* helps guide and drive decision making, supports the emergence of new and underscores existing creative industries, and establishes Ballarat as the home of the sustainable practitioner.

The *Creative City Strategy* is big picture thinking, with granular action – meaning real and everlasting change. The *Creative City Strategy* works in concert with the *Prosperity Framework* and our community vision of the city we all want to have.

The *Creative City Strategy* is the way we nurse the spark of creative thinking to help deliver a healthier, wealthier and happier city. The *Creative City Strategy* is a mix of economic support for the micro-enterprise, attraction and retention of mid and large sized creative businesses. And it offers dedicated focus on the practice of pure arts practitioners.

The strategic thinking of the original document highlights the importance of maintaining and enhancing a creative core of businesses, organisations and individual artists, makers and creatives, while extending into new areas and audiences.

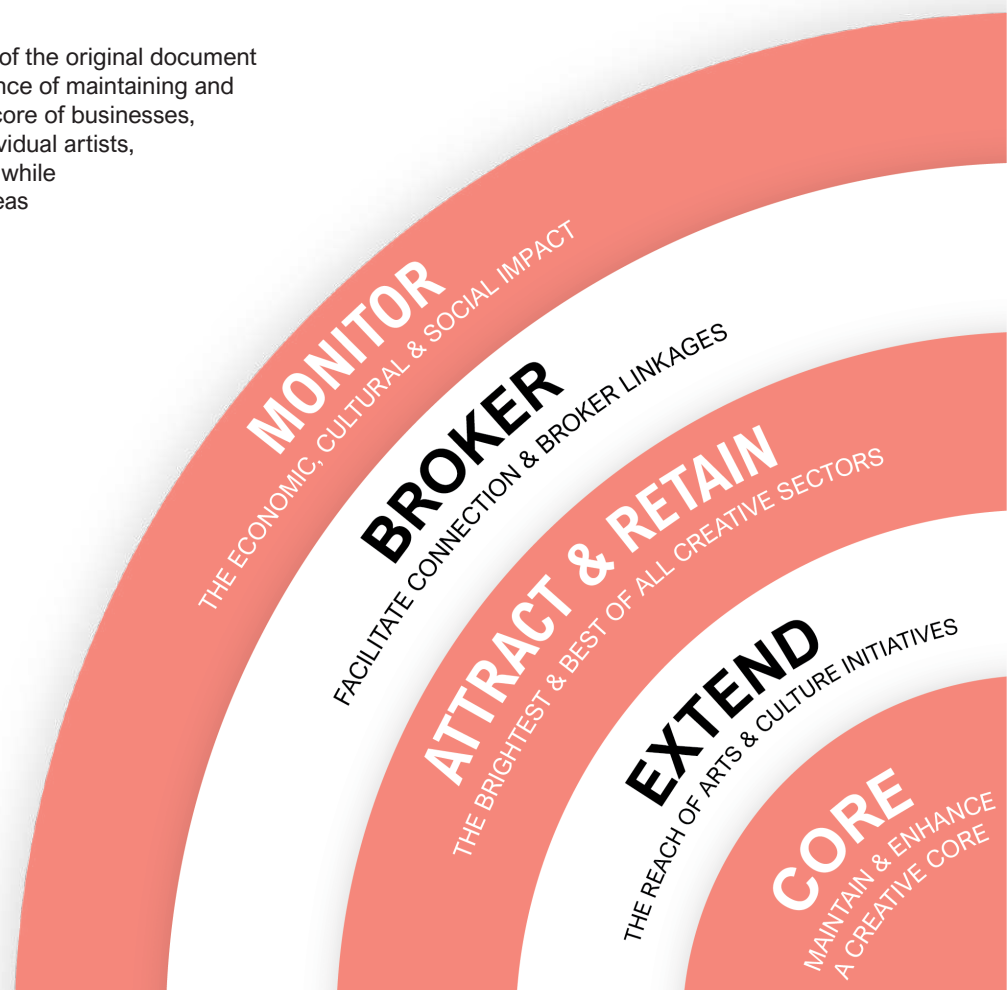
We seek to attract and retain the brightest and best of the creative sectors.

We strive to facilitate as many positive relationships as possible, and to broker linkages that assist the creative industry and individual. Finally, we want to monitor and track the social and cultural impact of our investment.

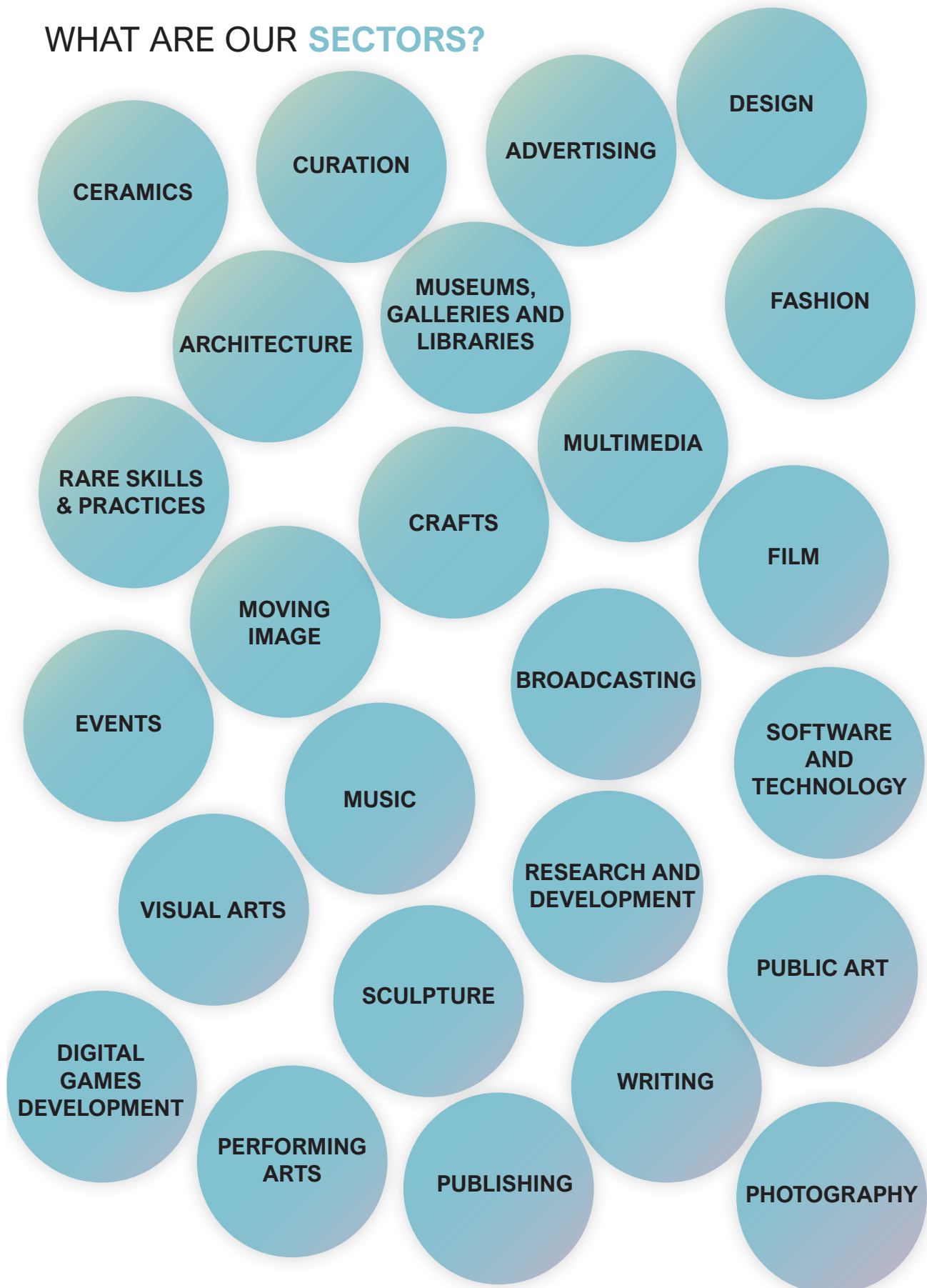
Importantly, the development of a *Creative City Strategy* delivers an accountability that cuts across the City of Ballarat. The transformation of the *Creative City Strategy* from wishlist to action resulted in the creation of a range of implementation plans that directly touches many sides of City of Ballarat operations.

This report card is the first in our series of tracking and assessment of our implementation plans to date and advises on the next steps from here.

The Model of Influence,
Creative City Strategy
2019



WHAT ARE OUR **SECTORS?**



EXECUTIVE SUMMARY

2020 was the year of getting things established.

The 2019 endorsement of the award-winning *Creative City Strategy and Masterplan* meant that an overhaul of the operation of arts and culture programming by the City of Ballarat was necessary.

The goals and targets established by the strategy did not have the required infrastructure to track and assess outcomes. It was a vital first step to create this infrastructure.

There was also a need to link creativity and design activities more closely into the operations of the City of Ballarat.

The main feature of the *Creative City Strategy* is to support the economic resilience of the arts and culture sectors; building this sector so that it thrives and in turn attracts other larger, affiliated and experienced organisations and individuals to the city.

We recognise that the healthy future of a city is in nurturing its creative thinkers, innovators and problem solvers.

The City of Ballarat continues to deliver events and festivals, operate venues and run creative programming, as well as implement community art and public art programs. but the application of the strategy sees the extension of design thinking into a myriad aspects of the City of Ballarat's operations.

Late 2019 also saw the City of Ballarat seek and secure the UNESCO Creative City designation as a Creative City of Crafts and Folk Art.

The securing of the designation was a statement of intent – meaning the City of Ballarat would be working to protect the sustainability of practitioners as well as walking in step with First Nations peoples.

To better report against the strategy's objectives, the first year of application of the strategy included:

- The build of a new database to understand Ballarat's creative ecosystem more clearly, with more than 1,200 contacts identified at the end of 2020
- The establishment of a new monthly newsletter to provide up to date information for the creative sector, mailing out to over 750 active contacts at the close of 2020
- The build and maintenance of a new website to provide a hub of information for creatives, artists, makers and businesses, attracting over 26,000 visits in 2020
- Setting up of a clearer set of processes for applying for City of Ballarat creative gigs and contracts with more than \$700,000 worth of jobs and roles offered throughout the year
- Directly encouraging grant making to the creative sector. Creative organisations have benefitted from an increase in grants issued through the City of Ballarat grant programs
- Establishing and maintaining educational, exhibition and performance pathways for visual artists and musicians as priority groupings, including online and face-to-face training
- The securing of new free exhibition and activation spaces on Lydiard Street, Ballarat Central
- The commencement of measurement of economic resilience of the arts and culture sector

The first year of the application of the *Creative City Strategy* was directly impacted by the global pandemic and resulting lockdowns.

The City of Ballarat responded by immediately developing a cultural response program to support the arts and culture sector.

This response program – *Be Kind Be Creative* - reached over 135,000 people within Ballarat and surrounds at a cost of less than \$1 per person and directly invested in supporting 63 creatives, artists and makers over a crucial period of risk.



Woman in a Red Dress
Picture by Petrice Allgood, 2021



Linda Franklin
Picture by Bowie Wallace, 2020

SECTION 1

THE REPORT CARD

What is the state of Ballarat's creative heart?

When the *Creative City Strategy* was signed and approved by Councillors in May 2019 this signalled a commitment to understanding the diverse ecosystem of the city's creative sector.

The strategy presents a proposed long-term vision for the city which included positioning Ballarat as one of Australia's leading creative cities. This is intended to be implemented through increasing creative participation, attracting and supporting creative talent and developing world-class creative sectors and precincts.

We commenced our work in late 2019 by looking to first set benchmarks for our creative sectors and getting to truly understand who makes up our creative ecosystem.

In 2020 the aim was to build the infrastructure of measurement and permit the creation of baseline numbers to track impact of initiatives.

However, COVID-19 and lockdowns then directly impacted the sector. The City of Ballarat pivoted to respond to the emerging crisis.

The listed goals and targets of the Creative City Strategy were returned to at the close of 2020, as work around COVID-19 normalised.

GOALS AND MEASURES OF SUCCESS

The following goals and measures of success were outlined at the end of 2019:



Goal 1 – Ballarat is a creative city with entire community participation

Ballarat has a cohesive community that sees a role for this strategy in promoting a culture of equity, participation and inclusion.

This goal recognised Ballarat's rich Indigenous culture and heritage, and its role in shaping the city. This highlights the need to take creative programming and capacity to underserved groups and community members.

Targets

More than 50 per cent of Ballarat households will actively take part in at least one nominated creative program each year by 2030.

Indigenous programming will be evident in at least 30 per cent of the City of Ballarat's creative and cultural events by 2030.

Goal 2 – Ballarat has a strong domestic audience and consumer market for local creative product

A strong domestic audience and consumer market for artistic and creative product generated locally is a necessary precondition to expanding Ballarat's cultural exports.

This goal corresponds to insights from the creative sector which revealed an over-reliance on external markets and highlighted a need to find a balance between nurturing local grassroots creativity with showcasing established touring work.

Target

Triple the aggregate number of Ballarat resident attendees at nominated events and institutions between 2018 and 2030.

Goal 3 – Ballarat is a city where artists and creatives can sustain professional careers and can prosper

A critical mass of artists and creatives is at the core of a healthy creative ecosystem and fundamental to the success of the strategy. This goal places artists and creatives at the centre and seeks to overcome the barriers identified to sustaining a professional creative career in Ballarat.

Target

Increase the number of professionally employed artists and allied creatives by a factor of five between 2019 and 2030.

Goal 4 – Ballarat's cultural visitor economy and market is continually growing

Establishing a distinct brand for Ballarat's creativity and flagship institutions is an opportunity for the City of Ballarat to showcase itself as a creative city and build a stronger visitor economy.

This goal aim to grow Ballarat's cultural visitor economy and market and will build on the strength of Ballarat's flagship institutions and events as well as Ballarat's tourism marketing campaigns.

Target

Triple the number of cultural tourism visitor nights and number of cultural tourist visitors to Ballarat between 2018 and 2030.

Goal 5 –

Ballarat is a city with strong representative of a range of creative industries who leverage their competitive niches

Ballarat currently has a solid cultural and creative industry presence.

However, to realise our vision for Ballarat's *Creative City Strategy* we need to boost the number of jobs in our creative industries.

Ballarat needs to identify niche creative industry sectors that can grow based on the unique advantages of the city and its excellent links to Melbourne.

Target

Achieve 3,000 jobs in Creative Industries (excluding arts and culture) by 2030.

Goal 6 -

Ballarat has a high-quality creative precinct which is vibrant, playful and tells the unique Ballarat story

Delivering a world class creative precinct at the heart of the Ballarat CBD will see the central city along Lydiard Street to the Federation University SMB campus in the south transform in coming years.

Achieving high quality outcomes for the public realm will provide tangible evidence of the success of Ballarat as a creative city.

The strategic directions and actions are set out in the *Creative City Masterplan*.

Target

Increase footfall in nominated locations in the creative precinct by a factor of 8 between 2018 and 2030.

Goal 7 –

Ballarat is a city where strong creative capabilities are used throughout industry and embedded within the community

The City of Ballarat is committed to building the creative skills and capabilities of local industry and the community in Ballarat to achieve the full STEAM vision.

This will contribute to a stronger local economy and a more self-sustaining community in the long term.

It will be essential to take full advantage of education assets, key employers with an interest in STEAM innovation and existing policy making around the promotion of innovation.

Target

Increase the proportion of STEAM qualified professionals in the Ballarat labour force from 14 per cent to 20 per cent by 2030.



Linda Franklin
Picture by Bowie Wallace, 2020

MEASURING THE SECTOR

Ballarat Town Hall
Picture by Jen Finlay, 2020



The Arts & Culture Unit within the City of Ballarat is responsible for the establishment and ongoing management of a sector specific database.

Established in 2019 the database reflects the current information held within the city and represents more than 1,200 individuals, organisations, and businesses.

While it is a good start to understanding the creative sectors within our city, we recognise it is not yet representative of all creatives in Ballarat.

One of our major objectives for 2021 and 2022 is to build the robustness of our data and interrogate the sectors further.

The following chart reflects the profile of our sector in December 2020.

The next steps of building on our knowledge includes the creation of a Creative Industry Sector Survey.

The Creative Industry Sector Survey will measure the industry's net worth and value to our economy.

The survey will consider measurables such as the proportion of income made by our creative sector through their creative industry actions. We know that many artists, makers, and others have many different income streams, many rely upon a gig economy and others have their creative outlet as a hobby.

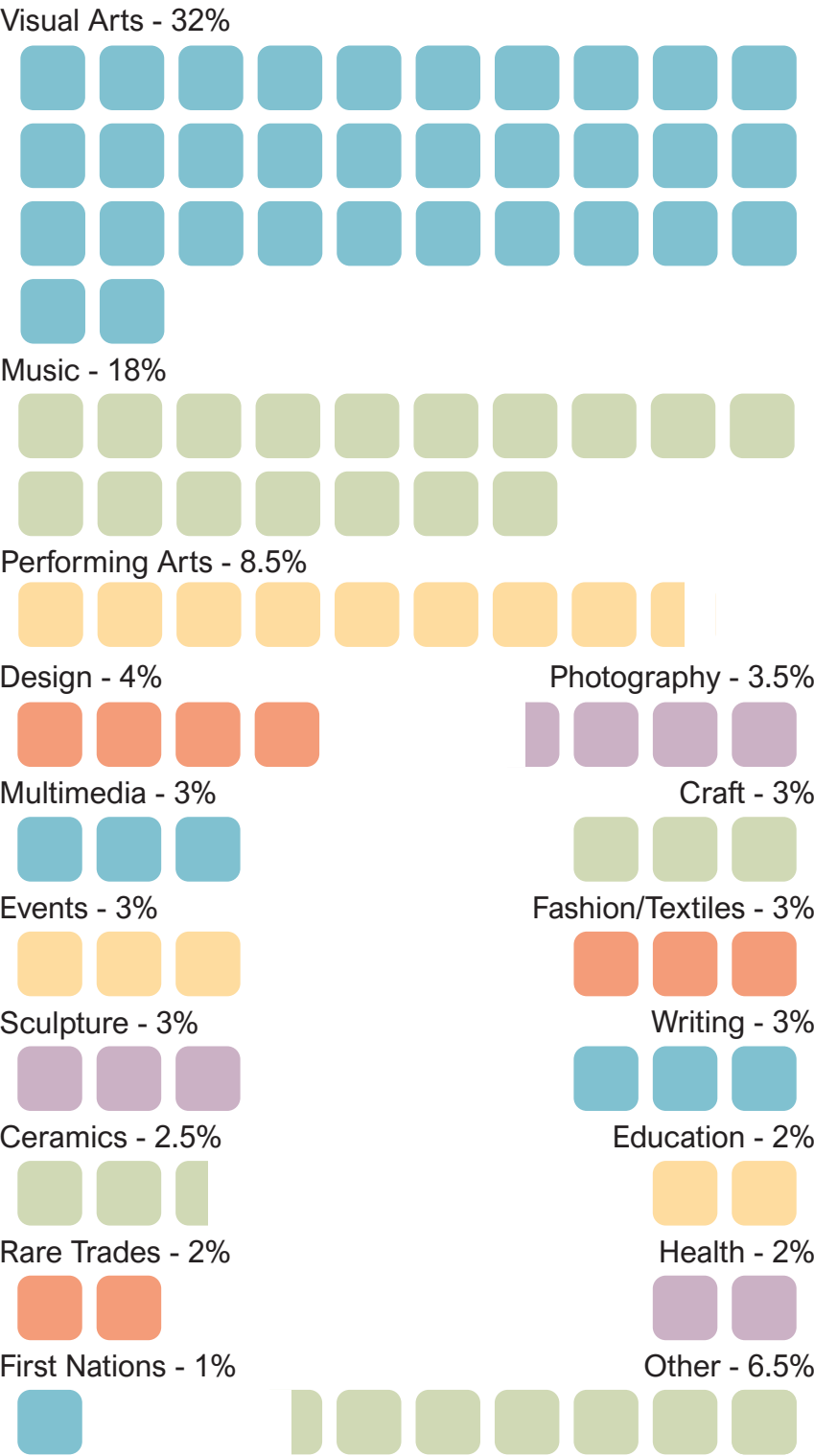
We want to track the micro, right through to the business successfully employing others through to the multinational business that chooses to make Ballarat its base.

Lake Wendouree
Picture by
Jen Finlay, 2020



ORGANISATIONS BY CREATIVE SECTOR

DECEMBER 2020



Data from the City of Ballarat Arts & Culture creative database - December 2020

AWARD WINNING THINKING

The *Creative City Strategy and Masterplan* was a different way of thinking developed through a system of co-design, placing the community at the heart of the decision making.



The strategy and complementary masterplan has since attracted acclaim from across Australia, winning the Planning Institute of Australia's Best Planning Ideas – Large Project in September 2020 and Economic Development Australia's Economic Development Strategic Thinking Award in October 2019.



Tomas Lineker
2020

SUPPORTING OUR COMMUNITY

The City of Ballarat's Community Impact Grants invested concerted time and energy into attracting increased numbers of applications from the creative community. As a result increased funding has been directly channelled into arts and culture initiatives designed and implemented by the Ballarat community. In addition, strategic partnerships are negotiated with flagship events such as the Ballarat International Foto Biennale.

ORGANISATION	PROJECT / EVENT
ROUND 1	
Ballarat Neighbourhood Centre	Re-connecting Through Art
Child & Family Services	Captain Moonlight Rides Again
Ballarat Lyric Theatre	We Will Rock You – Musical
ROUND 2	
Ballarat Arts Foundation	BAF Mentoring Program
Soldiers Hill Artist Collective	SHAC Exhibition and Curation Tools
With One Voice Choir	WOV Ballarat
ROUND 3	
Ballarat Arts Alive - Auspice for Let's Talk Peace Ballarat	Community Event
LaNCE TV	LaNCE TV in Concert



Lament, 2020
Photography by Charlotte Grimes

BECOMING A UNESCO CREATIVE CITY OF CRAFT & FOLK ART

Ballarat was designated a UNESCO Creative City of Crafts and Folk Art in 2019.

This important designation focuses our city's attention on the development of a resilient and sustainable creative sector, with a specific focus on the crafts of ceramics and textiles and folk art of First Nations.

This energy has helped us reveal and celebrate our 150-year-old Federation University, home to one of Australia's oldest art schools.

It has also focused the city's attention on retracing the steps of the First Nations peoples of the land on which Ballarat sits.

Working in close collaboration with representatives of Traditional Custodian communities, and all other Aboriginal and Torres Strait Islander groups who call Ballarat their home, we work to support the sharing, documentation and act as witness to the reinstatement of traditional crafts.

Additionally, our city is preparing for growth. We seek to capture the craft and skills of new people arriving.

1

Creating a new economic heartbeat

Craft and folk art have helped our city survive throughout time. We have a responsibility to harness these skills and create environments where we can support practitioners to become sustainable.

2

Celebrating, protecting and reinterpreting the rare and forgotten crafts

Heritage is critical for our city. Rare crafts, fine skills and artisanal experience are important to conserve, preserve and research.

3

A welcome platform for our newer community members

As a Creative City of Craft and Folk Art we seek to integrate and harness knowledge, growing new trades and sectors, sustaining and broadening skills.

4

Reinvigorating the skills of our indigenous communities

With a traceable heritage of more than 65,000 years, the skills and crafts of indigenous peoples of the Wadawarrung, the Dja Dja Warrung and others from the Kulin nation, have been severely interrupted. We are dedicated to supporting First Nations peoples in determining cultural ownership and reawakening craft forms.

In 2020 our achievements for the first year of our UNESCO Creative City activity included working with our colleagues in Bendigo (UNESCO Creative City of Gastronomy), Geelong (UNESCO Creative City of Design) and Melbourne (UNESCO Creative City of Literature) we established the Victorian Creative Cities Network.

The Creative Cities Network will be an important tool in promoting the creative sectors within Ballarat and assist in attracting new creatives to make Ballarat their base.

We commenced a working relationship with First Nations craftspeople and initiated listening to the skills and knowledge of current practitioners.

We worked with Deanne Gilson, prominent Wadawurrung woman and practising artist. We recorded her story concerning her practice and work and supplied this to the 9th China-Suzhou Craft & Design Cultural Expo, profiling Deanne's work on the world stage.

In 2019 Young Djab Wurrung Gunditjmara designer, Tarni Jarvis, was one of only 9 VCE students across Victoria invited to display her work in the annual Top Design exhibition held at Melbourne Museum in the category of Product Design and Technology.

Tarni's work - *Parramal Puna Punai*, or Little Emu Girl – was a garment that took over 100 hours to create from ethically and sustainably sourced materials and was inspired by artworks seen in the Koorie Heritage Trust and Koori fashion designers like Lyn-Al Young.

In 2020 the City of Ballarat produced a short video with Tarni explaining her work, profiling the complexity and detail. This was shared with the wider Ballarat community.



Ana Petidis, Open Studio
Photography by Bowie Wallace, 2020



Tarni Jarvis pictured with her work
Parramal Pun Panai, 2019

2020

CREATIVITY DURING CRISIS

COVID-19 reached Australian shores in March 2020 and the activities and plans for the *Creative City Strategy* faced a rapid set of changes.

The City of Ballarat knew that the impact of lockdown would hit the arts and culture sector first. This is a group who could ill-afford to manage the impacts. Additionally, the rest of the community would be needing information, connection and entertainment.

Within 48 hours of the announcement of the lockdowns, we developed a cultural response strategy. The resulting program - *Be Kind Be Creative* - was the City of Ballarat's cultural response to the first lockdowns experienced by the city between March – June 2020.

The City of Ballarat chose to invest in an economic stimulus for the micro-business and the creative practitioner as one of the first steps to take, rather than leaving it to last.

The *Be Kind Be Creative* program took a close look at the predicted needs of the wider Ballarat community as the crisis continued and ensured there were activities to respond to the anticipated changes in mood and morale.

The program blossomed into a collection of different projects, considering the need to include diverse creative practices – everything from videography, sound, visual arts, music and spoken word.

There were ten different programs of arts and cultural activity – from podcasts, to kid's TV programs, digital choirs, artist commissions, video productions and workshops amongst others.

All services purchased were from local suppliers, creatives and makers within Ballarat and surrounds.

Over 135,000 people were reached through the combined initiatives, at a cost of less than a \$1 per person.

More than 13% of the community who were reached by the program responded by drawing, downloading, listening, viewing, singing, crafting, and participating. Sixty-three different artists, creatives, producers, designers, musicians, and others were directly funded through the initiatives, all of them paid to produce creative content.

Over 100 different community groups, businesses and individuals provided input and support throughout the *Be Kind Be Creative* program.

Be TV – Children's TV Program

Six weeks of children's entertainment in a half-hour TV program, with a specific focus on the Ballarat region, Be TV provided a valuable way for kids to connect and carers to relax. It countered the loss of connection primary aged school children were having from their peers and their school environment.

The TV program was a welcome respite for parents and an important way for social connections to be strengthened across community. Plus, it was a chance to see different faces and hear different stories.

Be TV brought together complex parts of the Council, from library staff, animal refuge, youth, and early childhood.



Once Upon a Podcast – Capturing the Stories of a City in Lockdown

ONCE UPON A LOCKDOWN

STORIES OF A CITY IN ISOLATION

be kind
BE CREATIVE CITY OF
BALLARAT

Podcasts became hugely popular during COVID-19 lockdown, as everyone was looking for new forms of entertainment. *Once Upon a Podcast* devoted itself to unlocking stories from lesser known voices from across the Ballarat community, helping people to connect to each other and to document the historic moment of a city under lockdown.

Seven episodes of 20-minute collections of stories were released weekly on themes of hope, selflessness and resilience.

The entire series was produced locally by a production house who engaged the services of poets, musicians and artists of all kinds. The series was described by listeners at various times as “inspiring”, “world class” and “very real”.

Design a COVID-19 superhero

What does a COVID-19 superhero look like?

Contemporary artist and ceramicist Vipoo Srivlasa took inspiration from the dramas of our community and used them to create a collection of ideal superheroes as ceramic sculpture.

Through online submission we provided our community with the chance to give inspiration for a superhero vision. What special powers and personality traits would a superhero need to overcome COVID-19 and restore community calm?

The resulting ceramic pieces were exhibited in the Art Gallery of Ballarat in 2021.

COVID Superheroes
COVID Response
by Vipoo Srivlasa 2020



1300 Roar – turning angst into music

The second set of lockdowns revealed our community's sense of frustration. Taking this energy, we supported the commissioning of a piece of music which harnessed the power of voice and turned it into something new.

Through dialling a 1300 number, Ballarat residents could record their outrage into a message bank and their words would be morphed into music.

The resulting composition – written and performed by Rae Howell and Brannoc Whetter - was a stirring combination of found sound and melancholy.

ECONOMIC VIABILITY OF THE CREATIVE SECTOR DURING COVID-19

The City of Ballarat is committed to understanding the economic wellbeing of arts and culture practitioners and the *Be Kind Be Creative* initiative provided a valuable opportunity to assess the health and resilience of the sector, both prior to the pandemic as well as during.

A self-reporting survey was released to the community in 2020. This survey investigated the proportion of income artists, makers and others secured through their work in the creative industry under 'normal' circumstances.

The intent was to identify how many streams of income came from the creative sector, bearing in mind that many creatives have more than one job.

We wanted to also understand how Ballarat creatives had been financially impacted by lockdown and the COVID-19 crisis.

Fifty-nine artists, creatives and makers completed the survey from May to end June 2020.

The research revealed the following:

- 31% of respondents reported working full time in the creative sector, and 42% reported working part time, prior to the pandemic.
- Prior to the pandemic 37% of surveyed creatives reported receiving more than 2/3 of their income from the creative industries. During the pandemic and lockdown this fell to a staggering 10%.
- 71% of all creatives reported a drop in their income since the beginning of the pandemic.
- Just under a third of creatives reported that their income had remained the same or had increased during the pandemic.
- Drops in creative income are easy to mask, however, with many securing incomes through non-creative industries. 22% of those surveyed reported only working in the creative sector in their personal time.

This one-off research paved the way for the creation of an ongoing financial sustainability analysis of creative industries and practitioners which will commence in 2021.

A Creative Sector Industry Survey will be developed to deliver a set of indicators so we can measure the financial sustainability of the creative sector year-on-year.

The outcomes of both research pieces directly informs the delivery of arts and culture programs.

Qua Ran Tin E & Covid-19
By Mel Jane Wilson, Random Co-lab
Photographs Courtesy of Artist, 2020





Be Here Now, Music Events (Streamed Online)
Photograph by Alex Grose, 2020

SECTION 2

OUR CREATIVE CITY IMPLEMENTATION PLANS

The *Creative City Strategy* was signed off listing a range of responsibilities for all sides of the city to implement.

The wider community was encouraged to enact their responsibilities, as were local businesses and organisations and institutions.

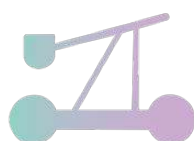
The City of Ballarat too had a list of obligations within the strategy it had identified as necessary to implement.

The following pages outline those obligations and report on the progress against each item. The goals we have identified are supported by comprehensive implementation plans, each with their own set of KPIs and planned outcomes.

PLATFORMS AND CATAPULTS

The implementation plans follow the *Creative City Strategy* platforms and catapults which provide a high-level framework for achieving our vision. These were translated into 22 actions we stated we would do to make it happen.

Platform 1: Creative Participation is Vibrant and Sustainable	
Catapult 1 Visible Creativity – Always Something Happening A1: Inspire with an annual program of stimulating, frequent and authentic creative events and offers within Ballarat A2: Take opportunities to use temporary and other structures and spaces as canvas for local creative expression	Catapult 2 Improving access, sustaining creative industry professionals A3: Provide income streams and pathways to support Ballarat's creative industry professionals A4: Facilitate the development of the broad range of skills required by creatives to sustain and grow their creative businesses
Catapult 3 Sustainable funding and investment A5: Deliver creative industry funding models which are sustainable and increase investment in the local creative sector A6: Encourage greater investment in the city by creative industry organisations and businesses, leading to increased jobs and funding for the local creative sector	Catapult 4 New audiences, participants and markets A7: Provide creative skill development opportunities for the public, especially those not usually engaged in traditional arts, culture, innovation or creativity A8: Involve more marginalised socio-economic groups, schools, sporting clubs and community groups in the arts and creative industries. A9: Reduce barriers for everyone to access inspiration around all segments of Science, Technology, Engineering, Arts and Maths (STEAM) A10: Properly understand audience segments and their aspirations



Platform 2: Creative Talent is Attracted and Supported

Catapult 5

Can-do Creativity

A11: Support a strong creative learning ethos in Ballarat which produces the skills and talent we need to realise the vision of the *Creative City Strategy*

Catapult 7

Unleash the thinkers, doers and influencers

A15: STEAM Up Ballarat – apply our creative capacity to discover breakthrough innovations for industries and community

Catapult 6

More places to create and share

A12: Continue to unlock underutilised real estate in Ballarat to support creative industries

A13: Facilitate opportunities for creative practitioners to assess technical expertise and equipment to continually inspire new skills and the development of their creative practice

A14: Develop more opportunities for creative co-working, mentorship / networking and professional development

Platform 3: Creative Industry and Precinct is World-Class

Catapult 8

Ground-breaking institutions and cultural offerings

A16: Demonstrate Ballarat's bold, innovative and creative spirit to our community and to our visitors through the world-class offerings of our major institutions and venues

Catapult 9

Love and embrace the cultural and heritage canvas

A17: Tell the distinctive Ballarat story of our people, culture and place, through our creative works and offerings to our local community and to our cultural visitor market

Catapult 10:

Creative precinct distinctiveness and creativity in the public domain

A18: Ballarat's *Creative Precinct Masterplan* is implemented and owned by everyone

A19: Ballarat's *Creative Precinct Masterplan* is a place to live, create, study and visit

A20: Ballarat's *Creative Precinct Masterplan* is a place that showcases and celebrates Ballarat's assets, stories and people

A21: Ballarat's *Creative Precinct Masterplan* is a place that supports playfulness, flexibility and experimentation

A22: Ballarat's *Creative Precinct Masterplan* is a place of people-friendly streets and comfortable spaces that celebrate Ballarat's seasons

PROGRAMMING AND OUR VENUES

PROGRAMMING	STATUS
THE COMMITMENT	THE 2020 REPORT CARD
<p>The Art Gallery of Ballarat is committed to curating and facilitating an annual program that involves local creatives and artists.</p> <p>Catapult 1: A1 Catapult 2: A3 Catapult 8: A16</p>	<p>The Art Gallery of Ballarat holds 12 Backspace exhibitions annually dedicated to community regional artists. The Art Gallery is an important part of the city's Community Art Pathway Program delivered by the Creative City team.</p> <p>Backspace exhibitions for 2020 with local artists included Geoff Bonney, Cake Industries, David Frazer, Ruby Pilven and Madeline Cruise, Mairin Briody, the Pitcha Makin Fellas, Ballarat Photography Group.</p>
<p>Eureka Centre is committed to developing and presenting an annual program of exhibitions and events that involves local creatives and artists.</p> <p>Catapult 1: A1 Catapult 2: A3 Catapult 8: A16 Catapult 9: A17</p>	<p>Lily Mae Martin's Overburden exhibition opened in the Eureka Centre on 3 February and was commissioned to run until 2 August 2020, closing early due to COVID-19 restrictions. A live streamed artist's talk (29 Mar) was presented during the closure and a catalogue was produced. The major work from the exhibition was acquired by the Art Gallery of Ballarat.</p> <p>Talking History is a program featuring writers, artists and researchers exploring history. The program was live in March (Alice Barnes) and resumed as a live streamed event with Fred Cahir (July), Beth Kicinski (September), Marg Dobson (October). The Peter Tobin Oration was presented by David Bannear (December).</p> <p>Eureka commemorative programming (5 Dec) of online content included a puppet and theatre performance by Rat City Players.</p>
<p>Her Majesty's Theatre and Civic Hall are committed to curating and facilitating an annual program that involves local creatives and artists</p> <p>Catapult 1: A1 Catapult 2: A3 Catapult 8: A16</p>	<p>Her Majesty's delivers a diverse programme of live performance annually with a significant local amateur theatre season. The theatre delivers seasons by BLOC and Lyric Theatre companies whilst supporting the delivery of some 12 local dance schools and the historic and extensive RSSS competitions.</p> <p>The venue is utilised by local groups for 6 months of the venue's calendar annually.</p> <p>The theatre is committed to further supporting the development of the theatre and live performance sector.</p>

PROGRAMMING	STATUS
THE COMMITMENT	THE 2020 REPORT CARD
<p>All venues facilitate information-sharing and knowledge exchange, through the hosting of relevant and appropriate conferences, workshops, podcasts and panels alongside planned performances and exhibitions.</p> <p>Catapult 1: A1 Catapult 2: A3 Catapult 8: A16</p>	<p>The Art Gallery runs comprehensive public programs for every exhibition. Specific exhibitions may have panel discussions and workshops.</p> <p>Her Majesty's provides masterclasses, workshops associated with productions, while further workshops associated with eisteddfods, primary and secondary school productions, dance classes occur regularly.</p> <p>Eureka Centre provides ongoing events, exhibitions and public talks and children's creative workshops which engage local practitioners.</p>
<p>All venues actively work to negotiate and secure world-class touring acts</p> <p>Catapult 1: A1 Catapult 8: A16</p>	<p>The Art Gallery is working with the Ballarat International Foto Biennale on their international exhibition for 2021. Other international works are on hold due to pandemic issues.</p> <p>Her Majesty's regularly works with international touring artists who form part of the annual programme.</p>
<p>All venues are involved in the design and implementation of audience identification, participation and satisfaction research.</p> <p>Catapult 4: A7 Catapult 4: A10</p>	<p>A collaborative research program into audience identification and participation has been commissioned.</p>
<p>Identify the world-class performers, makers and creatives from and within the Ballarat region – actively seek to promote their work within our institutions and events.</p> <p>Catapult 1: A1 Catapult 2: A3 & A4 Catapult 8: A16 Catapult 9: A17</p>	<p>The Art Gallery has identified local artists who have world-class reputations hosting a David Noonan exhibition in 2020. Wadawarrung woman Kait James (exhibition planned 2021) has been identified as a talent to watch and nurture.</p>



PROGRAMMING	STATUS
THE COMMITMENT	THE 2020 REPORT CARD
<p>Compilation of a shared calendar between all venues, outlining the proportion of local content and suppliers.</p> <p>Catapult 1: A1 Catapult 2: A3</p>	<p>The Art Gallery, Her Majesty's Theatre and Eureka Centre meet regularly as part of the Arts & Tourism group, mapping out activities over a three-year period.</p> <p>This is an open discussion concerning sharing of skills, plans, expertise and commitments</p>
<p>All venues create and maintain an educational program which introduces diverse communities to a variety of artforms.</p> <p>Catapult 4: A7 & A8 Catapult 5: A11</p>	<p>The Art Gallery runs a comprehensive education program, targeting various at-risk communities.</p> <p>Her Majesty's actively engages with all preschool, school age and tertiary level stakeholders. Where programming opportunities present that align to curriculum, further educational engagement is provided.</p> <p>Eureka Centre's Education Program included creative strategy drawn from the visual and performing arts.</p>
<p>All venues participate on a regional, state or national stage, ensuring Ballarat's creative voice is heard at the highest levels of government.</p> <p>Catapult 9: A17 Catapult 2: A6</p>	<p>The Art Gallery's Director Louise Tegart is the current president of Public Galleries Association of Victoria and on the board of the Foundation for Living Australian Artists.</p> <p>Gallery staff encouraged to take part in leading industry awards and advocacy roles.</p> <p>Her Majesty's Daniel Henderson is a member of the Victorian Association for Performing Arts Centres and a member of Performing Arts Centres Australia. Technical and box office staff are also members of affiliated VAPAC committees.</p> <p>Eureka Centre Manager Anthony Camm is a committee member of the Australian Museums and Art Galleries Association (Victoria).</p>



Cake Industries installation at the Art Gallery of Ballarat, 2019

BALLARAT'S FESTIVALS AND EVENTS

Ballarat is renowned for its calendar of events and festivals. The activities are a mainstay of the creative economy.

In 2020 we commenced work to ensure creatives were more closely aligned into the production of the City of Ballarat's events and festivals.




This included streamlining the EOI and RFQ processes, commissioning artists directly and including their works at the centre of festivities.

Fully Lit Isol-Aid Festival
Ballarat, 2020



FESTIVALS AND EVENTS	STATUS
THE COMMITMENT	THE 2020 REPORT CARD
<p>Major touring festivals and activities hosted by external organisations in the city are actively encouraged to pass on skills and/or offer opportunities to appropriate local creative practitioners.</p> <p>Catapult 1: A1 & A2 Catapult 2: A3 & A4 Catapult 3: A6</p>	<p>The number of external touring festivals and activities delivered in 2020 were significantly decreased due to the impact of COVID-19</p>
<p>Enhance major touring festivals and events by piggy-backing creative initiatives upon their activities</p> <p>Catapult 2: A3 Catapult 3: A6</p>	<p>Cross-department planning has meant that advance planning is easier, with major touring festivals and event activities identified earlier to permit improved complementary creative initiatives. Programs such as Fringe Benefits Music Festival were directly built to make the most of the Spilt Milk Music Festival, supporting venues and local performers.</p> <p>In 2020, the City of Ballarat worked closely with the Road Nationals Cycling Championship to integrate creative initiatives into the program of events by contracting Cake Industries to create an engaging installation present throughout the cycling event.</p>
<p>Actively identify and negotiate for appropriate and relevant touring exhibitions, shows and festivals to include Ballarat.</p> <p>Catapult 1: A1 Catapult 8: A16</p>	<p>The City of Ballarat was not in a strategic position to investigate and seek touring events in 2020 due to the impact of COVID-19.</p>

FESTIVALS AND EVENTS	STATUS
THE COMMITMENT	THE 2020 REPORT CARD
<p>Design and implement audience identification, participation and satisfaction research for each initiative implemented by the annual City of Ballarat events, arts and culture program.</p> <p>Catapult 4: A10</p>	<p>The City of Ballarat established a framework to help articulate the merits of each festival and event implemented through an annual program. This includes, where possible, economic assessment of the sustainable practice of sector members, audience reach, participation and satisfaction amongst others.</p> <p>Each event is measured by recording demographic information, audience data and economic impact. Since the beginning of 2020 changes have been made to post-event surveys to record satisfaction levels of creative programming.</p>
<p>Provide a service to the creative sector to assist in the navigation of City of Ballarat regulatory processes for creative activities and projects.</p> <p>Streamline the planning and application process.</p> <p>Catapult 1: A2 Catapult 4: A8 & 9 Catapult 3: A6</p>	<p>The City of Ballarat team has established a street art fact sheet to help streamline applications for the activation of temporary public art.</p> <p>The City of Ballarat conducted a series of workshops to assist to navigate the regulatory processes including risk management.</p>
<p>Improve the tracking of the creative sector.</p> <p>Catapult 2: A3 & A4 Catapult 4: A7, A8 & A10 Catapult 7: A15</p>	<p>The City of Ballarat has established the tracking of creatives with the establishment of a database that identifies and breaks down the skills and abilities of our creative sector.</p> <p>The creative sector is also being included in comprehensive assessments to help understand economic health.</p>
<p>Evaluate the creative, visitor and economic impact various creative industry organisations and festivals bring to the city.</p> <p>Catapult 2: A3 Catapult 3: A6</p>	<p>The City of Ballarat evaluate the impact events have on the city by examining changes in expenditure flows, based on electronic transactions made by locals and visitors.</p>

FESTIVALS AND EVENTS	STATUS
THE COMMITMENT	THE 2020 REPORT CARD
<p>Ensure all major events coordinated across the city, where there is City of Ballarat involvement, integrate the work of creative sectors and practising artists into their activities, for example into sporting events and initiatives.</p> <p>Catapult 2: A3 Catapult 3: A6 Catapult 4: A7 & A8</p>    <p>Begonia Festival Ballarat, 2020</p>	<p>The reworking of events throughout 2020 has seen the creation of an online clearing house of opportunities for creatives to apply for current work and gigs. This includes offering Expression of Interest and Requests for Quote for all City of Ballarat coordinated festivals and activities. This has dramatically increased the different creatives and local makers who have been engaged to participate.</p> <p>Additional work is needed into 2021/22 to embed creativity into sporting and other activities.</p> <p>The following major events directly engaged local creatives as suppliers, either through open request for quote or targeted approaches.</p> <p>Ballarat Begonia Festival – commissioning of artists for installations, activations and event curation and management.</p> <p>Ballarat Heritage Weekend – online production 2020</p> <p>Ballarat Virtual Winter Fest – Expressions of interest circulated to the creative sector for COVID-19 proofed events and activities. Commission and development of creative production. Support for tech industry and game development industries.</p> <p>2020 Spring promotion – COVID-19 lockdowns resulted in the creation of a reactive initiative for Spring.</p> <p>This drove an unexpected increase in funds and opportunities to the creative sector.</p> <p>Christmas 2020 – COVID-19 lockdowns and prevention mechanisms saw changes in the development of creative brief, and increased production work directed to the creative sector</p>
<p>Major event partners are required to 'leave a legacy' of knowledge to the city. Ensure that all major festivals and activities hosted by external organisations in the city pass on skills and/or offer opportunities to appropriate local creative practitioners. Document and track impact.</p> <p>Catapult 2: A4 Catapult 4: A7 Catapult 5: A11</p>	<p>Following on from the review of City of Ballarat events throughout 2020, there are resolutions to include creative requirements into each contract.</p> <p>In all conversations with event organisers the events unit advocates for external event organisers to use and prioritise local businesses and look for opportunities to engage creative industries.</p>



Begonia Festival
Ballarat, 2020

ARTS & CULTURE AS A SECTOR

The core of the implementation of the *Creative City Strategy* is to support creative micro-enterprises, sole practitioners and other artists, makers and creators. We use the *Creative City Strategy* to create healthy ecosystems where creative industry can flourish and grow. Additionally, the strategy obligated the City of Ballarat to working to attract mid-sized creative industries to town, providing a strong infrastructure for businesses, organisations, associations and others to establish themselves in our city.

ARTS & CULTURE SECTOR	STATUS
<p>Development of a centralised database focused on the creative industries and sectors. Establish a searchable resource database of works.</p> <p>Catapult 2: A3 & A4 Catapult 4: A8 & A9 Catapult 5: A11, A13 & A14</p>	<p>The City of Ballarat has created and maintains a comprehensive database tracking self-reported artists, makers and creatives.</p> <p>To date approximately 1700 are represented on the database with 900 being very active and involved.</p> <p>The creation of a searchable image and works database is also underway, providing clear information on the rights and copyright held on works. The City of Ballarat also provides regular data on the economic profile of the creative sector.</p> <p>Next steps include the creation of economic benchmarking to measure the size and health of the creative industries.</p>
<p>Coordinate strategic activities to attract mid-sized and larger creative sector private businesses to Ballarat.</p> <p>Catapult 4: A9 Catapult 7: A15</p>	<p>Preliminary work has commenced on profiling the needs of the digital game industry and creative technology sectors.</p>


Steph Wallace, Artist
Photograph by Her
Golden Point, 2020



ARTS & CULTURE SECTOR	STATUS
<p>Ensure all relevant arts and creative based EOIs are circulated to identified groups internally and externally</p> <p>Catapult 2: A3 Catapult 5: A13</p>	<p>The earliest commitment was to transparency of EOIs and RFQs.</p> <p>All relevant arts and creative based EOIs are now published externally on the Creative Ballarat website managed by the City of Ballarat. Over the calendar year of 2020, 31 different EOIs and RFQs were published online amounting to nearly \$700,000 worth of creative work directed to the sector.</p> <p>An improved selection and evaluation system was also implemented. Commitment was made to casting more widely for creative applicants and seeking to improve the diversity of applicant.</p>
<p>Support and promote initiatives to introduce the wider Ballarat community to STEAM programs and activities.</p> <p>Catapult 4: A9 Catapult 5: A11 Catapult 7: A15</p>	<p>The City of Ballarat has an ongoing commitment to support and promote STEAM.</p> <p>The City of Ballarat has coordinated the Get into Games Expo for high school students for over a decade, more recently showcasing Ballarat-based digital gaming studios to local and national industry leaders as part of the event.</p> <p>The City of Ballarat invested in hosting the first regional outreach of the internationally renowned Pausefest Festival in the city in 2019 and 2020 and has also organised eSports exhibitions for the community as part of the State Government's Digital Innovation Festival.</p> <p>In addition, the City of Ballarat is a member of both the Central Highlands Innovation and Entrepreneurship Group, and the Ballarat Tech School Committee – both committees seek to introduce entrepreneurship and STEAM learning to our community and students.</p>




Jem Olsen, Textile Artist
Photograph by Bowie Wallace, 2020

ARTS & CULTURE SECTOR	STATUS
<p>Host ongoing focus groups from across the sectors to continually test the temperature of the creative community. Identify at-risk communities and structure sector specific responses.</p> <p>Catapult 2: A4 Catapult 4: A7, A8, A9 & A10 Catapult 5: A14</p>	<p>The City of Ballarat has established bi-monthly coffee catch ups, offering a 'doctor is in' style of meeting where creatives, makers and others can bring their questions, concerns and challenges to Council.</p> <p>Additionally, the City of Ballarat has undertaken research into the financial resilience of the Ballarat creative sector, especially at the onset of lockdowns and restrictions throughout the pandemic (March – August 2020).</p> <p>This research has been helpful in identifying at-risk creative groups who require additional or tailored support programs. This is helping to shape our activity plans for 2021.</p> <p>Additionally, the City of Ballarat has undertaken to support the development of a social entrepreneurship network.</p>
<p>Provide a service to the creative sector to assist in the navigation of City of Ballarat regulatory processes for creative activities and projects. Streamline the planning and application process.</p> <p>Catapult 1: A1 & A2 Catapult 4: A9</p>	<p>The City of Ballarat provides a 'Business Concierge' service to any Ballarat-based citizens or business who are wanting to start or expand their business. A Council Officer provides support and advice on applicable processes such as planning, building or regulatory approvals required, as well as facilitate connections to industry groups, support services or others who may be able to assist.</p>
<p>Institute a creative sector benchmarking program, to assess and evaluate the sector's sustainability. Assess the impact that creative industry investment has upon Ballarat's wider national and global reputation.</p> <p>Catapult 2: A4 Catapult 4: A10 Catapult 7: A15</p>	<p>The City of Ballarat has established a whole of city marketing campaign (ballarat.com.au) based on robust market research which identified the city's creative offerings as a key driver for the visitor economy.</p> <p>The City of Ballarat has invested in the development of a Creative Sector Census. This census will benchmark the sustainability of the sector and commence tracking on a yearly basis.</p>
	<p>The City of Ballarat also continues to track the economic growth of the creative sector in the context of the entire city economy, to understand trends in economic contribution and jobs and to identify opportunities for future investment attraction.</p>

Rachel Grose, Silversmith
 Photograph by Bowie Wallace, 2020

ARTS & CULTURE SECTOR	STATUS
<p>Investigate the assessment of art infrastructure (including spaces and incubators) needs that bring together arts practitioners, creative industries and businesses to collaborate and cross-fertilise ideas and concepts.</p> <p>Catapult 6: A12 &13</p>	<p>As assessment has commenced regarding the arts infrastructure the city will need as it grows.</p> <p>Investigation has begun into the community's requirements for services currently provided by the City of Ballarat, including gallery and exhibition spaces, community art and workshop spaces, enterprise zones, incubation and shared workspaces and studios, as well as performing arts spaces and others, and recommendations for investment against a set of growth indices. This recommendation will result in comprehensive plans outlining the total cultural infrastructure requirements the city needs. Work to complete in 2021.</p>
<p>Work collaboratively with major not-for-profits, City of Ballarat run organisations and others to help attract external funding for events, festivals and programming.</p> <p>Work to attract and secure major world-class organisations, associations and bodies to use the city as a satellite, touring location, research centre or HQ.</p> <p>Catapult 6: A13 & A14</p>	<p>The City of Ballarat sought and was successful in securing UNESCO Creative City designation as a City of Crafts and Folk Arts.</p> <p>The City of Ballarat coordinated a group of premier ceramicists and practitioners, drafting a submission to host the 2025 Australian Ceramics Triennale 2025. This submission was ultimately unsuccessful but has resulted in the creation of a stronger ceramics network.</p> <p>A new contract of support for the Ballarat International Foto Biennale was signed.</p> <p>The City of Ballarat is a founding member of the new Victorian Creative Cities Network, linking together Geelong, Melbourne and Bendigo.</p> <p>New strategic relationships have been forged with Creative Victoria, Regional Arts Victoria, Visit Victoria, Craft Victoria, Australian Museum and Galleries Association, the Koorie Heritage Trust, Theatre Networks Australia and Music Victoria amongst others.</p>
<p>Facilitate get-to-know you and networking sessions between creative practitioners, industry representatives and wider businesses to kickstart conversations.</p> <p>Catapult 6: A14 Catapult 7: A15</p>	<p>The City of Ballarat invested in a series of meet ups and masterclasses throughout 2019 called Start Up Ballarat, bringing together groups including games developers, creative industry practitioners, social enterprises and successful start up founders to share their experiences and create new business networks in the city – some of which continued throughout 2020.</p>

ARTS & CULTURE SECTOR	STATUS
<p>Support existing initiatives that seek to place creative makers and industries into unused locations.</p> <p>Catapult 6: A12</p>	<p>The City of Ballarat is seeking to engage and work with the community organisation Ballarat Evolve, tailoring a response to the unused commercial and retail locations within Bakery Hill throughout the development. Temporary public art is being explored for application within Bakery Hill during the development.</p> <p>Investigation has begun into the community's requirements for services currently provided by Council, including gallery and exhibition spaces, community art and workshop spaces, enterprise zones, incubation and shared workspaces and studios, as well as performing arts spaces and others, and recommendations for investment against a set of growth indices.</p> <p>This recommendation will result in comprehensive plans outlining the total cultural infrastructure requirements.</p>
 <p>Public Art Installation, Gallery Annexe, 2020</p>	<p>Establish relationships with institutions, major businesses to help uncover the innovators and inventors.</p> <p>Catapult 7: A15</p> <p>The City of Ballarat has a range of formal and less formal arrangements in place with government bodies, tertiary and training institutions and other city business leadership groups to identify and assist in the development of investment opportunities for the city.</p> <p>It is through this work we are introduced to and support some incredible innovators in our city.</p>
<p>Directly implement arts business training programs for creatives and arts practitioners and assist in helping them develop sustainable business practices.</p> <p>Catapult 2: A3 Catapult 5: A11 Catapult 6: A13 & A14</p>	<p>The City of Ballarat has established a comprehensive training and workshop program which started in mid-2019. The face-to-face workshops covered a range of topics including financial controls and governance, marketing art and creating a sustainable business model.</p> <p>Throughout 2020 the training and resources moved to an online offering and was expanded to include the resources offered by associations and representative bodies.</p> <p>Face-to-face and streamed training programs are planned to commence again in 2021 and tailored to specific areas of need.</p>
<p>Actively seek out creative industry leaders to visit and share their skills and knowledge with Ballarat's own creative sectors. Promote cross industry knowledge.</p> <p>Catapult 2: A4 Catapult 4: A8 & A9</p>	<p>The City of Ballarat arts training and workshop program engages with experts within their field, industry and arts associations and calls on them to present their skills and knowledge to our networks of creatives.</p> <p>We have hosted representatives from Auspicious Arts, PauseFest, Craft Victoria and others.</p>

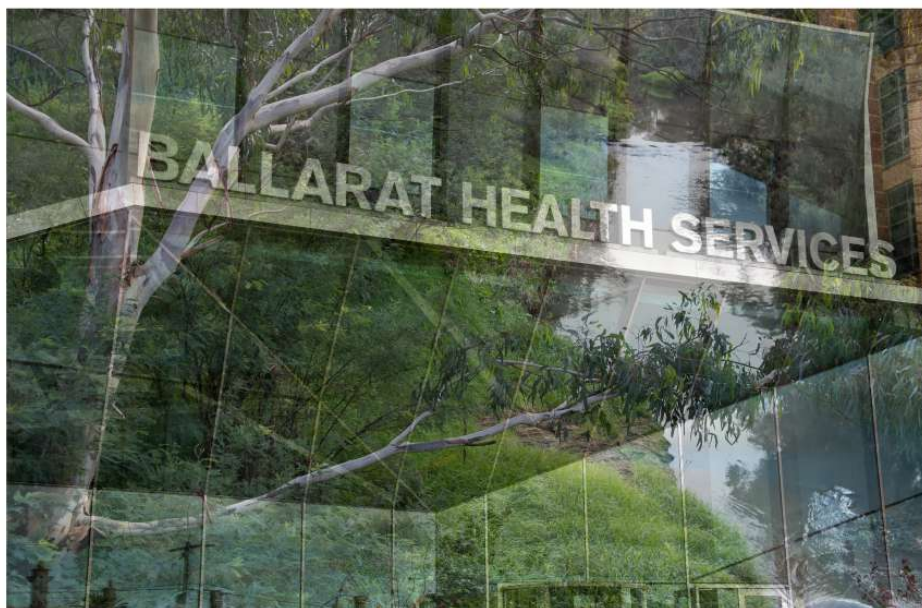
ARTS & CULTURE SECTOR	STATUS
<p>Facilitate get-to-know you and networking sessions between creative practitioners, industry representatives and wider businesses to kickstart conversations.</p> <p>Catapult 6: A14 Catapult 7: A15</p>	<p>The City of Ballarat invested in a series of meet ups and masterclasses throughout 2019 called Start Up Ballarat, bringing together groups including games developers, creative industry practitioners, social enterprises and successful start up founders to share their experiences and create new business networks in the city – some of which continued throughout 2020.</p>
ADDITIONAL ARTS & CULTURE ACTIONS IDENTIFIED FOR 2022/2023	
<p>Identify and approach funding and research bodies, such as CRCs, to introduce them to Ballarat based organisations and individuals.</p> <p>Catapult 6: A14 Catapult 7: A15</p>	<p>Negotiate the placement and structure of creative and artist-in-residency programs across the city, within private, not-for-profit and institutional environments.</p> <p>Catapult 1: A2</p>
<p>Identify and facilitate funding opportunities for creative skills training organisations. Establish or seek support from other bodies for training funds and scholarship programs for a diverse array of creative industries and arts practitioners.</p> <p>Catapult 2: A3 Catapult 3: A5 & A6</p>	<p>Seek and attract new creative businesses and industries to the city, through a focused investment attraction campaign. Identify relevant trades, creative and crafts organisations and provide attractive opportunities to support them to move or establish their operations in the city.</p> <p>Catapult 3: A6</p>
<p>Document and identify the STEAM Creative Industry practitioners and compile data. Profile the industry breakdowns. Identify and document the numbers of lodged patents and innovations created within Ballarat. Document the size and impact that STEAM based solutions, businesses and innovations bring to the city.</p> <p>Catapult 7: A15</p>	<p>Assist creative skills training organisations and individuals to reach additional audiences and provide networking and linking opportunities. Support the establishment of creative educational providers in the city. Work with non-traditional creative environments to engage with the creative sector to share knowledge and skills.</p> <p>Catapult 3: A6 Catapult 6: A13 & A14 Catapult 7: A15</p>
<p>Seek relevant funding, sponsorships and scholarships for our identified STEAM sectors and industries.</p> <p>Catapult 3: A5 & A6 Catapult 7: A15</p>	<p>Work to package up incentive programs for relevant and appropriate creative industries</p> <p>Catapult 3: A5</p>



MARKETING WHO WE ARE

Communicating who the city is and how we represent a truly creative city, attracting new creative individuals, organisations and others.

MARKETING	STATUS
THE COMMITMENT	THE 2020 REPORT CARD
<p>Ensure that local creatives, artists, makers and producers are engaged to deliver services and content for marketing campaigns.</p> <p>Catapult 2: A3</p>	<p>Artists, creatives and makers were included in the development of all marketing campaigns across the city – from the marketing of specific venues to the marketing of the city as a whole.</p> <p>Tracking of these practitioners is yet to be implemented, and data will ultimately be used to measure the economic viability of the sector and practitioners.</p>
<p>Ensure the creative city is enshrined within the marketing and tourism outreach for the city</p> <p>Catapult 8: A16</p>	<p>2020 saw the reorganisation of the city's tourism offerings, refocused as a result of COVID-19. Strong steps were made to integrate creative practitioners, makers and artisans into the refreshed marketing tools.</p>
<p>Design and implement target market identification of the cultural tourist for city-wide marketing initiatives, and provide guidance to Events, Venues and Arts & Culture.</p> <p>Catapult 4: A10</p>	<p>Work commenced on outlining the target audience profiling.</p>




Natural Absorption I
Lynden Nicholls & Ros Pach 2020

COMMUNITY ART

Community art and culture is a crucial component of building a healthy creative ecosystem. The Community Art program is designed to introduce all levels of ability to the idea of creativity, supporting emerging and early-entry practitioners across a diverse array of mediums and genres. We seek to make creativity and art non-confrontational, easy to understand and even easier to access.

Art is seen as the language of all.

COMMUNITY ART	STATUS
THE COMMITMENT	THE 2020 REPORT CARD
<p>Consolidate all community art activities of the City of Ballarat</p> <p>Catapult 1: A1 Catapult 2: A3</p>  <p>SHAC Member Emergence Exhibition Ballarat, 2020</p>	<p>Community art programs were consolidated into pathways of support. Visual art and music pathways are now available. The pathways are designed to provide clear and simple instruction for community members seeking to be involved in the creative sector, providing guidance on accessing support and opportunities.</p> <p>All information about opportunities for the creative sector in Ballarat is centrally housed on the Creative Ballarat website. Over 26,000 people visited the website in 2020.</p> <p>The Live Music Strategy (due for completion in 2021) was embraced within the Creative City Strategy – directly resulting in a new live music program called Be_Hear/Now, and a strategic alliance established with Music Victoria.</p> <p>Be_Hear/Now linked emerging performers to established ones and provided strong platforms for performance. The online and live mix of activities reached more than 10,000 people in 2020 and had the support of State Government departments.</p>
<p>Creation of a centralised database of creative sector service providers; providing access to these both within the City of Ballarat and to others throughout the community.</p> <p>Catapult 5: A11 Catapult 2: A3 & A4 Catapult 4: A7 & A8</p>	<p>A full database of creative practitioners has been built, holding more than 1,700 contacts. Additional practitioners are added daily. These contacts are regularly invited to submit for open EOIs and RFQs through the newly established Creative Ballarat website.</p> <p>Successful and non-successful candidates are tracked to ensure that work is widely shared.</p>
<p>Align with relevant bodies and associations.</p> <p>Catapult 2: A4 Catapult 3: A6</p>	<p>Current memberships have been renewed and new ones established with Music Victoria, Craft Victoria, NAVA, Theatre Networks Australia, Arts Law Australia.</p>

COMMUNITY ART	STATUS
THE COMMITMENT	THE 2020 REPORT CARD
<p>Facilitate information-sharing and knowledge exchange, through the hosting of relevant and appropriate conferences, workshops, podcasts and panels.</p> <p>Catapult 1: A1 Catapult 2: A3 & A4 Catapult 4: A7 Catapult 5: A11 Catapult 7: A15</p>	<p>The City of Ballarat produces a monthly Arts & Culture newsletter to over 900 subscribers.</p> <p>Networking and catch up sessions are hosted monthly, moving to a virtual environment during the pandemic.</p> <p>A comprehensive training and workshop program established with the 2020 series of workshops moving from in-person to online.</p> <p>2020 saw the hosting of workshops and presentations in conjunction with Creative Victoria, including the release of influential cultural audience research by Morris Hargreaves and McIntyre; and commissioning of Craft Victoria to run marketing advice workshops especially for visual artists.</p>
<p>Establish and maintain a regular ongoing training program for creatives and practitioners.</p> <p>Provide regular and ongoing supply of resources, and ensure it is part of the arts and culture programming. Track performance of the program.</p> <p>Catapult 2: A4 Catapult 5: A11 Catapult 6: A14</p>	<p>Comprehensive training programs for the arts and culture sector are now underway. There are two levels of training.</p> <p>There is a constantly available ongoing set of resources on how creatives can become more sustainable, advice on tax and finance, as well as GST issues. The second level of training is designed to tailor to specific issues which are raised by the community – such as harnessing the right digital platform to promote your work, advocating for yourself in the music scene and managing your mental wellbeing in a gig economy.</p>
<p>Proactively identify creative practitioners, artists and creative industries in the wider city as they establish their businesses or move to the city.</p> <p>Catapult 2: A4 Catapult 4: A10 Catapult 9: A17</p>	<p>This project is ongoing as we establish new connections to creative practitioners and businesses.</p>
<p>Track and document the economic health and resilience of the creative sector.</p> <p>Catapult 2: A4 Catapult 3: A6 Catapult 4: A10 Catapult 5: A11</p>	<p>A Creative Sector Census is being activated for the 2020/2021 Financial Year. Designed to be an annual measure, it is intended this project will identify weaknesses in the creative sector network.</p>

COMMUNITY ART	STATUS
THE COMMITMENT	THE 2020 REPORT CARD
<p>Maintain clear pathway for creatives and artists to make and display their work. To examine the opportunities for new locations and opportunities for creatives to make and display their work.</p> <p>Catapult 1: A1 & A2 Catapult 2: A4 Catapult 6: A12</p>	<p>Community Art Pathways Program for visual arts and music has now been established. All details now housed on the Creative Ballarat website.</p> <p>Secured new free exhibition and performance space on Lydiard Street.</p> <p>Currently investigating additional ways for creatives to make and display their work.</p>
<p>Facilitate and assist local creatives in accessing streams of funding inside and outside the city. Help directly kickstart creative sectors, practitioners and organisations to achieve outcomes.</p> <p>Catapult 2: A3 Catapult 3: A5</p>	<p>Currently investigating a Ballarat specific fund for creatives to be administered by Regional Arts Victoria. Review of direction in 2021.</p> <p>Creative sector actively encouraged to submit their grant applications into the revamped Community Grants program.</p>
<p>Rewrite and implement a new Public Art Policy. Development of a temporary and ephemeral art program, complementing the Public Art Program.</p> <p>Catapult 1: A1 & A2 Catapult 9: A17 Catapult 10: A21</p>	<p>The Public Art Policy was reworked, with comprehensive redrafting of the structure.</p> <p>The program was issued for consultation with intent to submit to Council for approval in mid 2021.</p>
<p>Track temporary and ephemeral art through audit research of the city surrounds. Identify 'future heritage' artworks for conservation and management.</p> <p>Catapult 9: A17 Catapult 10: A21</p>	<p>The Public Art collection has had initial catalogue updates in 2020 with all artworks to be eventually catalogued and housed on the Victorian Collection Online Database.</p> <p>The next stage is to complete a significance ,condition, valuation and insurance status report in 2021/2022.</p>
<p>Establish and advocate for a model of fair rates practice in line with recommendations across all creative industries.</p> <p>Catapult 2: A4</p>	<p>The Art Gallery of Ballarat has established a model of fair rates in line with the National Association of Visual Artists recommendations.</p> <p>All Council EOIs and RFQs for the creative sector are advised to apply fair rates recommendations from expert bodies such as NAV, Music Victoria and MEAA.</p>

ADDITIONAL COMMUNITY ART ACTIONS IDENTIFIED FOR 2022/2023.

Negotiate and support funding applications from external bodies and institutions, assisting in match-funding arrangements where practicable.

Catapult 3: A5

Identify, support and promote the existing creative learning opportunities that Ballarat currently offers – both formal and informal.

Identify and celebrate the movers and shakers who are offering their services to share their skills, knowledge and experience.

Catapult 5: A11

Catapult 6: A14

Catapult 7: A15



Art Space
Ballarat, 2020



Charlotte Grimes
Exhibition 'The Ineffable'
Unicorn Lane, 2020



Federation University 2nd Year Visual Arts Students Unicorn Lane
2020

THE CREATIVE CITY MASTER PLAN

In 2020 the *Creative City Masterplan* was closely reviewed, taking into consideration the wide variety of programs and aspects that fall into the application of the *Masterplan*. A desktop program was initiated to evaluate the existing urban design guidelines, and an assessment undertaken to identify the steps necessary to develop a Design Charter for Ballarat. More work is planned in this area in 2021.

CREATIVE CITY PLAN	THE 2020 MASTERPLAN
Application of the <i>Creative City Masterplan</i>	Investigation of the process to develop a citywide Design Charter.
Catapult: 10	Development of proposed Public Realm palettes. Development of Urban Design Guidelines.

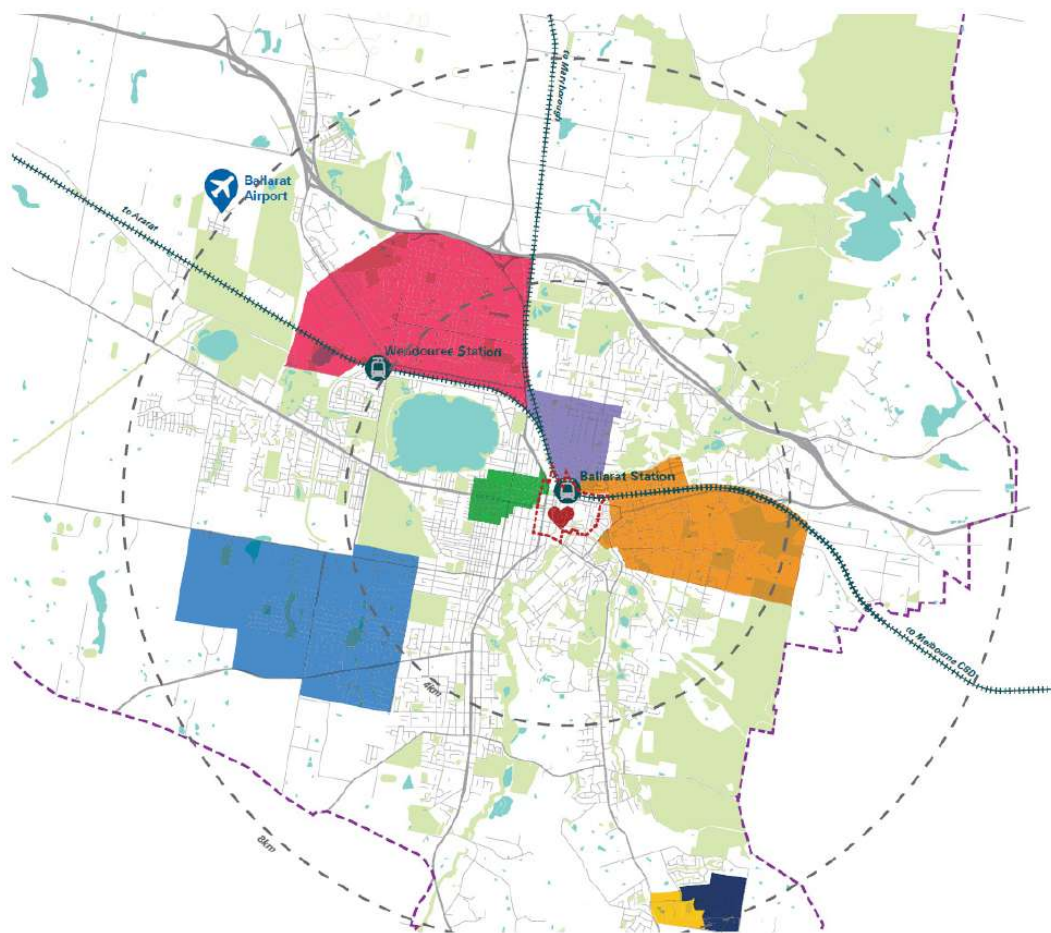


Figure 1.1
Ballarat's Creative
Precinct can be
seen as the heart of
Ballarat's broader
creative ecology

- Legend**
- ♥ Ballarat's Creative Precinct
 - Ballarat East
 - Health and Knowledge Precinct
 - Federation University Mt Helen Campus
 - Ballarat Technology Park
 - Soldiers Hill
 - Delacombe
 - Wendouree



*Sanitise Online Music Streaming Festival
Photograph by Alex Grose, 2020*



www.ballarat.vic.gov.au
City of Ballarat | PO Box 655, Ballarat VIC 3353



United Nations
Educational, Scientific and
Cultural Organization



UNESCO City of Crafts and Folk Art





Designated
UNESCO Creative City
in 2019

www.creativecityballarat.com.au
Nurturing the spark of creativity

Design By Franklin Moon

I'm a proud Aboriginal from the Winda Marra mob in
Western Victoria.

Get in touch if you would like my help on your graphic needs:

Franklin.V.Moon@gmail.com
Franklin Moon |    

8.2. CBD REDEVELOPMENT SITES - INVESTMENT PATHWAY

Division: Development and Growth
Director: Natalie Robertson
Author/Position: James Guy - Executive Manager Economic Growth

PURPOSE

1. To outline the scope and focus of Stage 2 implementation of the Bakery Hill and Bridge Mall Urban Renewal Plan, particularly the role City of Ballarat can play to accelerate private sector investment in the Ballarat CBD.
2. To seek endorsement to pursue a commercial pathway for the development of two key strategic sites within the Bakery Hill Precinct (the Precinct); 5 Peel Street South and 28-32 Peel Street North as catalyst sites for positive change.

BACKGROUND

Bakery Hill and Bridge Mall Urban Renewal Plan

3. The *Bakery Hill and Bridge Mall Urban Renewal Plan* (2019) sets a long-term (30 year) vision for the redevelopment of the core CBD area of Ballarat.
4. The Plan is the first step in an ongoing process of urban renewal – harnessing community and government leadership and action to progressively restore Bakery Hill to its role as a thriving economic heart and gateway to Ballarat; with a distinctive character and a connected community.
5. A number of actions and priority projects are identified which are required to guide change within the precinct over the short, medium and long term.
6. Targets are included for the area over the next 30 years to reach its potential, including:
 - an additional 600 new jobs
 - accommodate approximately 5,000 new residents
 - more diverse tenancy mix
 - 5% of new dwellings delivered as affordable housing
 - zero net-emissions and 100% renewable energy
 - new architectural buildings demonstrating architectural excellence
 - 1ha of greenspace across the precinct.
7. Greater residential densities and diversity across the Precinct, is encouraged by the Bakery Hill Urban Renewal Plan. A diverse residential offering would encourage a night-time economy by supporting tenancies for uses that generate activity outside of standard retail operating hours.

Stage 1 implementation works underway

8. In October 2019 Council resolved in part to “...Adopt the final Bakery Hill Urban Renewal Plan and commence immediate implementation, including early works

supported by the plan and relevant business support programs” (R274/19) following resolution in May 2019 to “...Provide in-principle support for a staged major capital works and investment package to open up the Bridge Street Mall to shared pedestrian and vehicular movement, provide an environmentally sensitive and attractive public realm and streetscape...” (R110/19).

9. These initial capital works comprise Stage 1 implementation of the Urban Renewal Plan and seek to put in place the fundamentals for long-term renewal, strategically improve functional and aesthetic aspects of the area, provide confidence to investors and improve the public realm onto which new developments can then interface themselves.
10. The scope of Stage 1 works include physical changes to the Bridge Mall, Little Bridge, Curtis and Grenville Streets and a range of business and landowner support opportunities including grants to restore and upgrade building facades and related features to provide an improved customer experience.

KEY MATTERS

Catalyst opportunities for private sector investment in the CBD as part of Stage 2

11. The renewal of the Ballarat CBD and achievement of the various long-term targets will only be achieved following a sustained period of strong investor interest and confidence which results in quality mixed use developments, with a particular focus on new opportunities for people to live and work in the area.
12. There are several key levers which Council is already pursuing or could consider to help facilitate this private development:
 - Invest in quality built spaces for people – underway in Stage 1 program to include places to sit, meet and enjoy. Concept for Law Courts Central Park being progressed for a major new parkland space in the CBD, considered essential as an offering for future inner city residents
 - Planning certainty and reform – underway via a new Municipality wide housing strategy and new Urban Design Framework for the CBD which is intended to give certainty to both community and land owners / developers regarding expectations and requirements for development applications in this complex environment; and resolve and streamline where possible statutory requirements that can inhibit development
 - Partnering with State Government regarding funding sources which could assist the viability and increase the levels of community benefit from development – including the minimum \$80m of funding for new houses allocated to Ballarat as part of the *Big Housing Build* program and \$14m of funding for CBD focussed multi-deck car parking
 - Partnership opportunities – underway with FedUni as part of a shared vision for Ballarat as a University Town; and
 - Leveraging Council owned property to act as a catalyst for development.

Leveraging Council owned property as another opportunity

13. There are currently only a small number of active redevelopment opportunities in the Ballarat CBD, with the inner-city redevelopment market in its early stages of maturity.

14. There are few recent examples of quality new constructions which bring inner city housing into the area, meet the highest standards of architectural excellence sought by the Urban Renewal Plan and which give the wider property market the confidence to invest heavily in these centrally located sites.
15. In 2020 Council engaged the services of Ernst and Young Pty Ltd to test and model the feasibility of a range of development scenarios on key Council owned sites within the Bakery Hill precinct. This investigation included interviews and workshops with the local development industry representatives and stakeholders.
16. The analysis identified there is an opportunity for City of Ballarat to consider how it could proactively act as a catalyst for kick starting or building confidence in an inner city mixed use / residential property market which is currently under-developed and could return significantly higher community benefit from its own land over time than the status quo.
17. Specifically, the analysis highlighted opportunities for Council owned sites at 5 Peel Street South, 28-32 Peel St North, and the supermarket precinct carpark between Little Bridge and Dana Streets.

Little Bridge Street supermarket carpark site as a potential for major redevelopment

18. This large carpark site is a major medium to longer term redevelopment opportunity.
19. The site was identified in the Bakery Hill Urban Renewal Plan (2019) for significant mixed use development, including multi-deck car parking, sleeved with development sites which overlook a major new urban parkland for the Ballarat CBD as shown.



Source: Bakery Hill and Bridge Mall Urban Renewal Plan (2019)

20. The concept for the parkland space is being referred to as the Law Courts Central Park and is currently in its early stages of being developed as a concept.
21. City of Ballarat has partnered with Regional Development Victoria to undertake a feasibility study for the multi-deck car parking component as part of the \$14m election commitment for 1000 free parking spaces in the Ballarat CBD.
22. This multi-deck parking feasibility and development of a parkland concept are already underway and the findings will be brought to Council for consideration once complete.

Opportunities for 5 Peel Street South and 28–32 Peel Street North

23. Two Council owned key strategic development sites have been identified within the Bakery Hill Precinct, both being at-grade public car parks at 5 Peel Street South and 28-32 Peel Street North.



Images: 28-32 Peel Street North – current use



Images: 5 Peel Street South – current use

24. It is considered development on one or both of these sites is considered feasible under current and projected market conditions, and could provide significant community benefit in accelerating the realisation of the objectives of the Bakery Hill Urban Renewal Plan and could act as catalyst or exemplar projects for further renewal.
25. A thorough and transparent commercial process would enable testing of the range of market opportunities available for these sites and quantify the benefits and whole of lifecycle implications for City of Ballarat and the community more broadly.
26. There are noted gaps in the current CBD market offering with regard to premium inner-city housing, affordable housing, exemplars for architectural design, construction and environmental efficiency and performance, student accommodation, hotels and premium office space – amongst many other opportunities that could be pursued on these sites and achieve a range of adopted Council policy outcomes and objectives.
27. This report recommends developing and pursuing a market-based process to seek joint venture or other development proposals for these Council owned parcels of land, with decisions on whether to proceed or not with development on the sites; how development could or should occur and when to be brought forward in future reports.
28. As this opportunity seeks maximum community benefit and leverage for private investment more broadly, opportunities for a range of ownership / partnership / management models will be considered. Opportunities where adjacent property owners are interested in delivery of 'super lot' or precinct-based renewal would be of significant interest, as would opportunities for next level environmental performance and architectural merit.

OFFICER RECOMMENDATION

29. That Council:

- 29.1 Note the measures being pursued as part of Stage 2 implementation of the *Bakery Hill and Bridge Mall Urban Renewal Plan* (2019), focused on enabling, supporting and acting as a catalyst to stimulate private investment in the Ballarat CBD.
- 29.2 Through a commercial process seek to leverage strategic land parcels for greater community benefit, specifically implementation of the vision and aspirations of the Bakery Hill and Bridge Mall Urban Renewal Plan and other community and investment priorities.
- 29.3. Instruct Council Officers to develop and pursue a commercial process which explores development opportunities and potential development partners for Council owned properties at 5 Peel Street South and 28-32 Peel Street North in the heart of the Ballarat CBD.
- 29.4. Note a separate report will be brought back to Council following an initial market testing phase which will clarify the specific opportunities available and consider at that time how best to proceed.

ATTACHMENTS

- 1. Governance Review [8.2.1 - 2 pages]

OFFICIAL

ALIGNMENT WITH COUNCIL VISION, COUNCIL PLAN, STRATEGIES AND POLICIES

1. Bakery Hill and Bridge Mall Urban Renewal Plan (2019)
2. CBD Strategy (2008 and 2014)
3. Creative City Strategy and Masterplan (2019)
4. Council Plan 2021-25
5. Today, Tomorrow, Together: the Ballarat Strategy (2040) (2015)

COMMUNITY IMPACT

6. It is expected redevelopment could have a significant positive impact on the community. The exact impacts will be dependent on if there is ultimately a decision to proceed with a proposal, and what that comprises.
7. The market-based process may highlight specific development that is focussed on community matters such as social and affordable housing, environmental performance or other issue which elevate the level of community impact above current levels.
8. The land is currently used for paid car parking and the level of impact from a change of use will depend on the proposed development for the site and whether the new development still incorporates public parking.

CLIMATE EMERGENCY AND ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

9. There are opportunities for development on these sites to achieve best practice standards for environmental, climate and sustainability focussed development in central Ballarat.

ECONOMIC SUSTAINABILITY IMPLICATIONS

10. The intent of these report recommendations is to identify for Council whether and how to leverage more investment, jobs and opportunity in the heart of the CBD - with a strong focus on supporting, encouraging and building confidence in private sector investment.

FINANCIAL IMPLICATIONS

11. This program could have major financial implications for City of Ballarat, depending on whether there ultimately is support to proceed with a development opportunity on Council owned land, the model of ownership, management and development pursued and the timeframes on which this occurs. Under various models there are various rates of return from an up-front profit for land sale through to a long-term payback through joint venture arrangements. The detailed financial plan for any future development will be developed as part of future stages of the program.

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12. Should the current paid parking be removed, this will result in a minor reduction in parking fees collected from that site, which would be expected to be far outweighed by other costs and revenue streams under a model of redevelopment.

LEGAL AND RISK CONSIDERATIONS

13. The proposed commercial pathway for these investment sites would be developed to ensure appropriate management of the legal related considerations and appropriate risk mitigation measures in place.

HUMAN RIGHTS CONSIDERATIONS

14. It is considered that the report does not impact on any human rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

COMMUNITY CONSULTATION AND ENGAGEMENT

15. This report seeks to commence a process for exploring redevelopment opportunities on key sites. There will be significant opportunity for consultation and engagement throughout the various stages of developing any particular opportunities.

GENDER EQUALITY ACT 2020

16. There are no gender equality implications identified for the subject of this report.

CONFLICTS OF INTEREST THAT HAVE ARISEN IN PREPARATION OF THE REPORT

17. Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

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8.3. TENDER NO 2021/22-030 BALLARAT REGIONAL LANDFILL OPERATIONAL SERVICE

Division: Infrastructure and Environment
Director: Bridget Wetherall
Author/Position: Nic Benyon – Acting Landfill Manager

PURPOSE

1. To award Contract 2021/22-030 – Operational Management of Ballarat Regional Landfill.
2. This Contract is for the provision of all necessary expertise, labour, plant, transport, vehicles, equipment, supervision, management, and materials necessary to satisfactorily undertake the Landfill Operations detailed in this Specification to achieve the prescribed objectives and deliver against the performance measures.

BACKGROUND

3. The Ballarat Regional Landfill (BRL), located at Smythesdale, operates under an Environment Protection Authority (EPA) operating Licence.
4. BRL accepts waste from several sources. These include the CoB (City of Ballarat) kerbside waste, Gillies St transfer station waste, other Council's kerbside waste, and large commercial business waste.
5. The Council is responsible for managing the BRL including the following landfill activities: Landfill Operations, Cell development, Cell capping. These landfill activities are delivered under the banner of the City of Ballarat through a combination of council staff, consultants, and contractors.
6. The Council requires the BRL to be operated in a safe, compliant and customer focused manner. The BRL is intended to support local, regional and business communities.
7. The Council is seeking a suitably qualified Landfill Operator to undertake the Landfill Operations at the BRL. The Council seeks a Landfill Operator that provides value for money, delivers the performance objectives, and fosters a culture of continuous improvement.
8. The Landfill Operator must carry out the Landfill Operations in a way that maximises the value of airspace and is safe and environmentally and financially responsible. Competent operation of the weighbridge and tipping face is also an essential part of providing the service to our customers.
9. The Contract Specification sets out the responsibilities of the Landfill Manager (Council) and the Landfill Operator (the Contractor) and provides performance requirements for the Contractor's responsibilities.
10. The contract contains KPIs to ensure the Landfill Operator meets the specification requirements. These KPIs include:
 - Licence and Environmental Compliance
 - Occupational Health and Safety

- Financial Compliance
- Weighbridge and Access
- Cell Operations
- Daily Cover and Litter Management
- Customer Service

KEY MATTERS

11. Four (4) submissions were received.
12. This contract is for an initial 3 years and 8 months with two, one year extension options.
13. The tendered price is within existing operating budgets and is consistent with Council's long-term financial plan.

OFFICER RECOMMENDATION

14. That Council:

- 14.1. **Resolves to enter into Contract 2021/22-030 for the Operational Management of Ballarat Regional Landfill with Cleanaway Pty Ltd for the tendered price of:**
 - a. **\$1,387,519 (ex GST) for the initial 8-month period (Nov 2021 to June 2022), and**
 - b. **a Tonnage rate of \$29.73 per tonne (ex GST) for the remaining three years (1 July 2022 to 30 June 2025), annually adjusted for CPI, totalling \$7,135,200.**
- 14.2. **Note the provision of two one-year extension options, at Council's sole discretion.**
- 14.3. **Delegate to the Chief Executive Officer the authority to execute the associated contract on behalf of Council.**

ATTACHMENTS

1. Governance Review [8.3.1 - 2 pages]

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ALIGNMENT WITH COUNCIL VISION, COUNCIL PLAN, STRATEGIES AND POLICIES

1. The operation of Ballarat Regional Landfill aligns with Council's vision, plan, and policies.

COMMUNITY IMPACT

2. The continued operation of the Ballarat Regional Landfill will ensure the local community continue to have access to Kerbside waste collection and disposal and commercial entities can continue to operate waste collection services.

CLIMATE EMERGENCY AND ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

3. The proximity of the Ballarat Regional Landfill to local businesses allows them to sustainably manage waste. This is rather than travelling to Melbourne to dispose of waste.

ECONOMIC SUSTAINABILITY IMPLICATIONS

4. The successful tenderer will be responsible for maintaining five (5) full time roles over the period of the contract.
5. The contract has been designed to ensure the successful contractor meets specific targets to deliver sustainable economic benefits to the community.

FINANCIAL IMPLICATIONS

6. The continued operation of the Ballarat Regional Landfill is in line with Council's current budget.
7. Continuation of the service ensures the City of Ballarat can continue to deliver the waste services provided to the community.

LEGAL AND RISK CONSIDERATIONS

8. The contract has been designed to ensure compliance with the EPA (Environmental Protection Authority) landfill management requirements.
9. Cleanaway have a long history of Landfill management. This history has involved regular interaction with the EPA, resulting in a thorough understanding of the risk involved in Landfill management.

HUMAN RIGHTS CONSIDERATIONS

10. It is considered that the report does not impact on any human rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

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COMMUNITY CONSULTATION AND ENGAGEMENT

11. Community consultation will be undertaken at the next Community meeting to be held on the 10 September 2021.

GENDER EQUALITY ACT 2020

12. There are no gender equality implications identified for the subject of this report.

CONFLICTS OF INTEREST THAT HAVE ARISEN IN PREPARATION OF THE REPORT

13. Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

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8.4. FIREWORKS EVENT OPTIONS

Division: Community Wellbeing
Director: Matthew Wilson
Author/Position: Jeff Johnson – Executive Manager Events and the Arts

PURPOSE

1. Provide a recommendation for the format and scheduling of the annual fireworks display, incorporating the results from the community survey conducted through Council's My Say public consultation platform.

BACKGROUND

2. At the 2 December 2020 Council meeting, Council resolved to:

Support the recommendation of KEAG to substitute fireworks with a significant cultural event on 26 January/Australia Day and reschedule the fireworks to another public event:

- *Survival Day Dawn ceremony.*
- *Citizenship ceremonies.*
- *Establish a community event for 26 January/Australia Day as part of the Summer event calendar that is an Intercultural celebration promoting understanding, respect and reconciliation featuring live music and performances. Entertainment to profile Indigenous culture.*
- *Food trucks and food stalls to be in attendance at the event.*
- *Move the fireworks / fireworks funding to another significant day such as New Year's Eve or another suitable public event such as the Begonia Festival.*

*Moved: Cr Belinda Coates
Seconded: Cr Mark Harris*

CARRIED
(R270/20)

3. Following Resolution R270/20, Officers provided a recommendation for the scheduling of fireworks at the 27 January 2021 Council meeting with the following outcome:

The item be deferred to a future Council Meeting to allow for more consultation.

*Moved: Cr Tracey Hargreaves
Seconded: Cr Amy Johnson*

CARRIED
(R15/21)

4. In response to Resolution R15/21, Officers posted an online community survey via Council's MySay platform to gather public feedback. The survey primarily asked for a preferred format, Fireworks or a Sound and Light Show, and for the preferred scheduling of the event, in whichever format. The survey has now closed and attracted 977 responses, which is considered a significant number.

5. Response to the preferred format:

- **64.8% preferred a Fireworks based event,**
- **20.5% preferred a Sound and Light-based event,**
- **14.7% preferred no show at all.**

To assist the community to make an informed decision on the preferred format, the following factors were made available:

- The approximate cost for the current fireworks display is \$38,000,
- The approximate cost for a comparable sound and light show is \$200,000 - \$250,000.

(These budget estimates are based on a one-off show of approximately 15 – 20 minutes in duration.)

6. Response to the preferred scheduling:

- 15.1% preferred the Christmas period
- **45.4% preferred the Summer period**
- **26.1% preferred during the Ballarat Begonia Festival**
- 5.8% preferred during the Ballarat Harmony Fest
- 7.5% preferred no show at all.

To assist the community to make an informed decision on the preferred scheduling, it was explained that the above scheduling options were selected as they occur during the warmer and drier months of the year and so are ideal for crowd comfort and for fireworks.

7. Additional factors for Council's consideration relevant to the scheduling, location, and format of the event:

- For fire safety, fireworks are best located over a body of water, Pyrotechnicians have advised not to set off explosives with embers over a built-up area such as the Ballarat CBD,
- Fireworks are toxic free and leave no harmful residue in Lake Wendouree,
- From Officer observation there appears little distress to the local birdlife and there has been no evidence of bird fatalities or impact to the population following fireworks,
- Fireworks perform poorly in rain and poor weather (low cloud etc) therefore this narrows the optimal months of the year,
- If the event moves to a sound and light show format, for crowd comfort and adequate sight lines, it would be recommended to schedule it during the warmer/drier months and to locate it around Lake Wendouree.

KEY MATTERS

8. In reviewing the public survey results, it appears a clear preference from the community to retain the fireworks event in its current format. Following on from this, Officers have evaluated scheduling options focused primarily on the top two survey preferences of scheduling in Summer and during Begonia Festival.
9. In consideration of scheduling, there are several weekends that involve Council managed events that the fireworks could be aligned with. It is considered an important and practical consideration to align fireworks with a Council managed event to ensure the consistency of timing and location, as well as overall longevity of the partnered event. Additionally, aligning two activities would create a greater reason to visit Ballarat and to attend the expanded event.

10. In assessing scheduling opportunities within summer, Council's Summer Sunday's events program would be feasible to align with. Doing so would be in response to the 45.4% who nominated a preference to schedule the fireworks in the Summer period.
11. The option of aligning the fireworks to the opening weekend of the Summer Sunday's program would act as a launch to the series of events. However, given Summer Sundays only runs for three hours on a weekly basis, the benefits of the fireworks as a tourism driver would be limited.
12. The RoadNats cycling event was also considered as an option for Summer, however the Sunday night of the event presents no additional benefit than that of Summer Sundays. Saturday evening of RoadNats is not recommended as the activities on this night are predominantly focused in Buninyong. By doing so, the event aims to provide night-time economic benefit to support the loss of day time trade due to the extensive road closures. The Buninyong focus also aims to maintain the events energy and excitement centred around the township.
13. New Year's Eve was not provided as an option on the MySay survey. New Year's Eve provides a significant economic boost to Ballarat's hospitality sector and scheduling fireworks at this time will draw crowds away from the CBD and hospitality businesses. There is also potential for anti-social behaviour, fueled by alcohol, should the fireworks be scheduled at this time. This issue has been an ongoing challenge for the fireworks when scheduled on 26 January and officers believe New Year's will increase this risk.
14. In consideration of the second preference from the MySay survey to schedule fireworks with the Begonia Festival, a greater number of benefits possibly not considered by the community have been identified. By combining the fireworks with a major event with consecutive days of activity, there could be significant outcomes for both the community and the visitor economy. Based on achieving these dual outcomes the Begonia Festival has been identified as the best opportunity by officers. 26.1% of respondents to the survey nominated Begonia Festival as their preferred option.

The advantages to scheduling fireworks within the Begonia Festival program include:

- With the current Begonia Festival program delivered predominantly during the day, the inclusion of the fireworks will provide a spectacular night-time activity creating greater incentive for overnight visitation and increase the economic yield for our local economy,
 - The Begonia Festival could add value to the fireworks with its larger event budget and subsequent marketing reach,
 - The Begonia Festival is a multi-day event providing a strong appeal for tourists to visit Ballarat, watch the fireworks, and spend the next day in Ballarat at the Begonia Festival,
 - The opening weekend of Begonia Festival is typically within two weeks of Summer and so the advantage of hosting the fireworks during these warmer months, with reduced total fire ban risk, would still be achieved,
 - Given the relatively short duration of the fireworks, scheduling it within the program of an existing larger event, will allow for greater leverage and financial and operational efficiencies to attract and service a larger audience.
15. In consideration of the above, officers favour aligning the fireworks to the Begonia Festival event and recommend that Council endorse that option.

OFFICER RECOMMENDATION

16. That Council:

- 16.1 Continue providing the fireworks in its current format, to be scheduled during the annual Ballarat Begonia Festival.**

ATTACHMENTS

1. Governance Review [8.4.1 - 2 pages]
2. Fireworks Survey Report 2021 [8.4.2 - 6 pages]

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ALIGNMENT WITH COUNCIL VISION, COUNCIL PLAN, STRATEGIES AND POLICIES

1. Conducting the annual fireworks display is supported by the Ballarat Events Strategy 2018 – 2028.

COMMUNITY IMPACT

2. The annual fireworks display has been held in Ballarat for the last 28 years and has been well attended by up to 30,000 people. Until 2018 the event was coordinated by 3BA and has typically attracted strong support from the community for the event to continue.

CLIMATE EMERGENCY AND ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

3. There are no climate or environmental sustainability implications arising from this report.
4. Fireworks used are toxic free and leave no harmful residue in Lake Wendouree.
5. From Officer observation there appears little distress to the local birdlife and there has been no evidence of bird fatalities or impact to the population following fireworks.

ECONOMIC SUSTAINABILITY IMPLICATIONS

6. The recommendation to schedule the fireworks event within the Begonia Festival programming could produce a greater economic return from the event that otherwise would not be produced. This is achieved through the potential increase in tourist visitation that this combined event could achieve.

FINANCIAL IMPLICATIONS

7. Based on the continuation of the current fireworks format and a continuation of current budget levels, there are no financial implications. Council assumed management of the fireworks following 3BA's decision in 2018 to cease coordinating the event. From this time Council has approved a budget commitment for its Events unit to deliver the event.
8. There will be a financial implication should Council resolve to transition the fireworks to a Sound and Light show. An additional \$220,000 (approximately) will be required from the 2021/22 budget and for ensuing years.

LEGAL AND RISK CONSIDERATIONS

9. There are no legal or risk implications arising from this report

HUMAN RIGHTS CONSIDERATIONS

10. It is considered that the report does not impact on any human rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

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COMMUNITY CONSULTATION AND ENGAGEMENT

11. Community consultation was sought via an online survey based on Council's My Say public consultation platform. The survey was well publicised and attracted 977 responses, which is considered a very large response rate.

GENDER EQUALITY ACT 2020

12. There are no gender equality implications identified for the subject of this report.

CONFLICTS OF INTEREST THAT HAVE ARISEN IN PREPARATION OF THE REPORT

13. Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

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Family entertainment - fireworks or sound and light show?

SURVEY RESPONSE REPORT

12 July 2021 - 29 July 2021

PROJECT NAME:

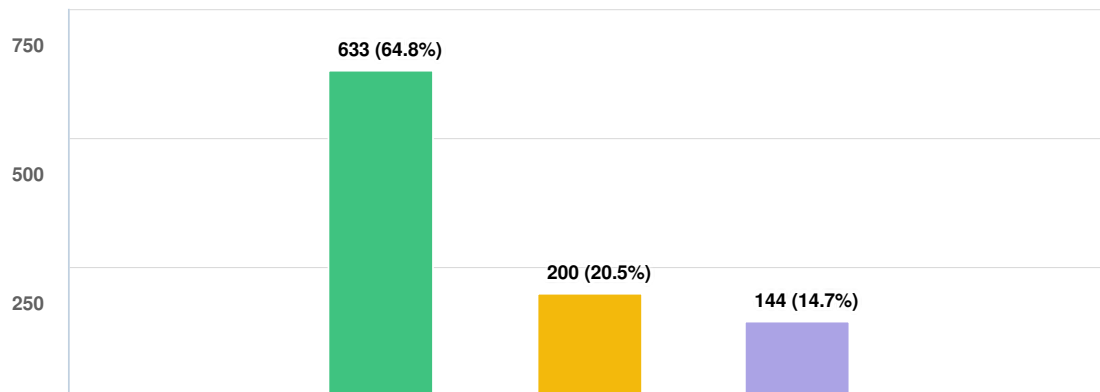
Family entertainment - fireworks or sound and light show?

Family entertainment - fireworks or sound and light show? : Survey Report for 12 July 2021 to 29 July 2021



SURVEY QUESTIONS

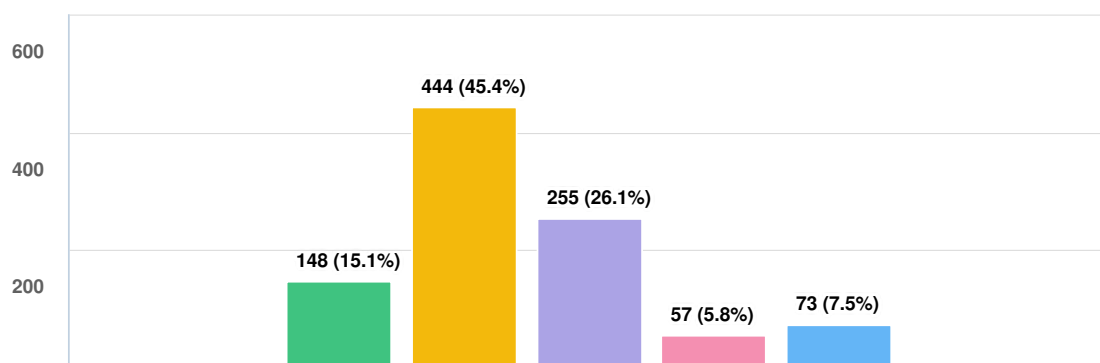
Family entertainment - fireworks or sound and light show? : Survey Report for 12 July 2021 to 29 July 2021

Q1 Which would you prefer out of fireworks or a sound and light show?**Question options**

● Fireworks ● Sound and light show ● Would prefer no show

Mandatory Question (977 response(s))

Question type: Checkbox Question

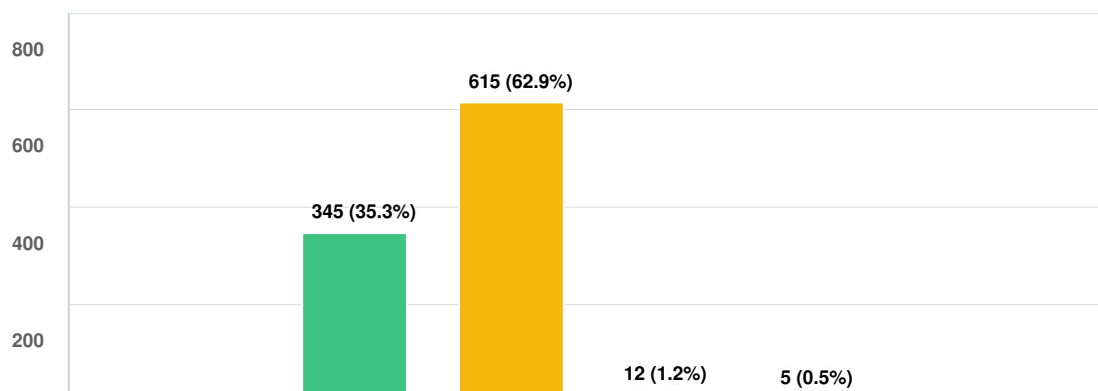
Q2 At which event would you prefer the fireworks or sound and light show to occur?**Question options**

● Christmas period event ● Summer events (January or February) ● Ballarat Begonia Festival ● Harmony Fest
● Prefer no show

Mandatory Question (977 response(s))

Question type: Checkbox Question

Family entertainment - fireworks or sound and light show? : Survey Report for 12 July 2021 to 29 July 2021

Q3 What is your gender?**Question options**

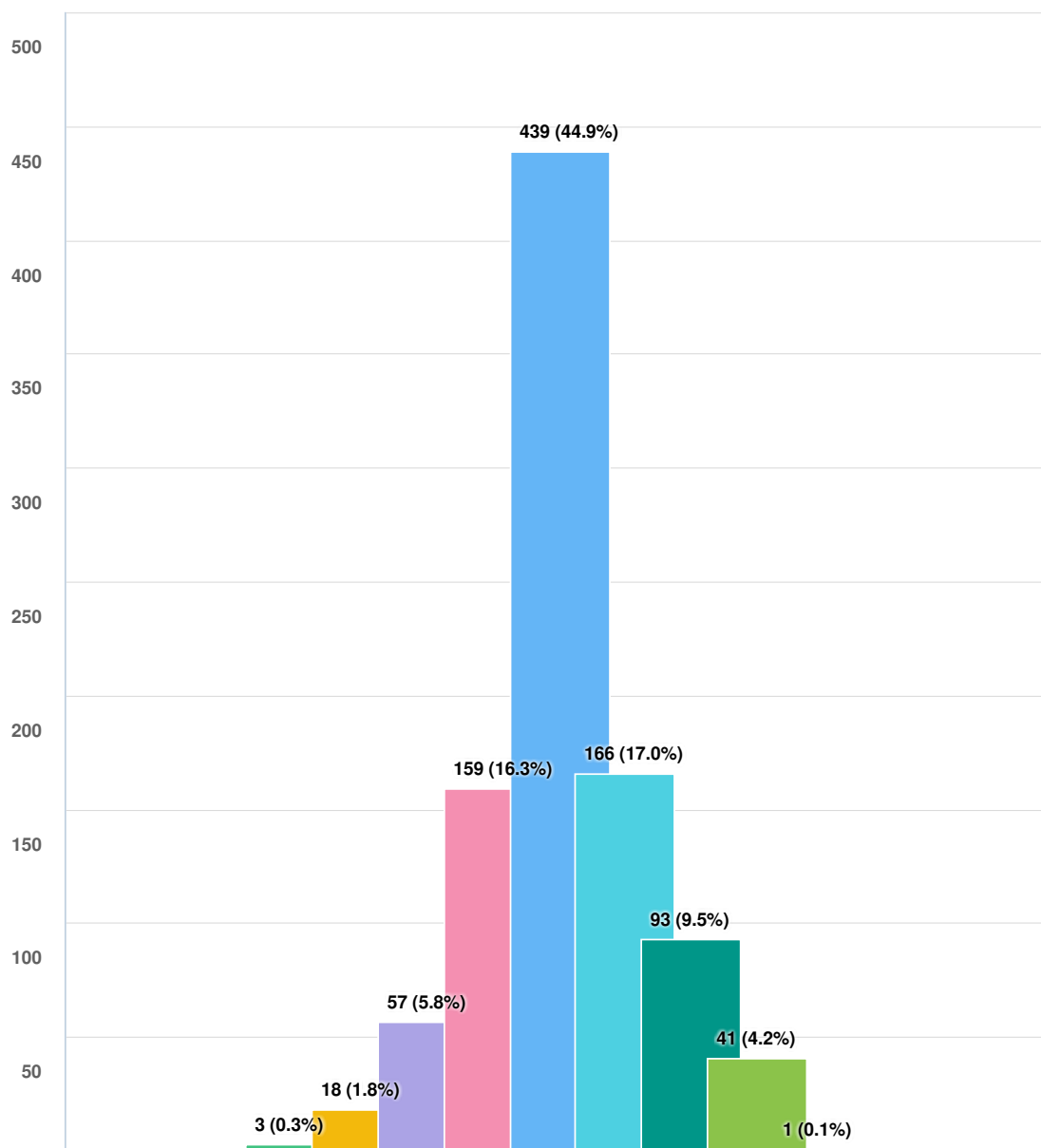
Male Female Non-binary Self-described (please specify)

Mandatory Question (977 response(s))

Question type: Checkbox Question

Family entertainment - fireworks or sound and light show? : Survey Report for 12 July 2021 to 29 July 2021

Q4 What is your age?



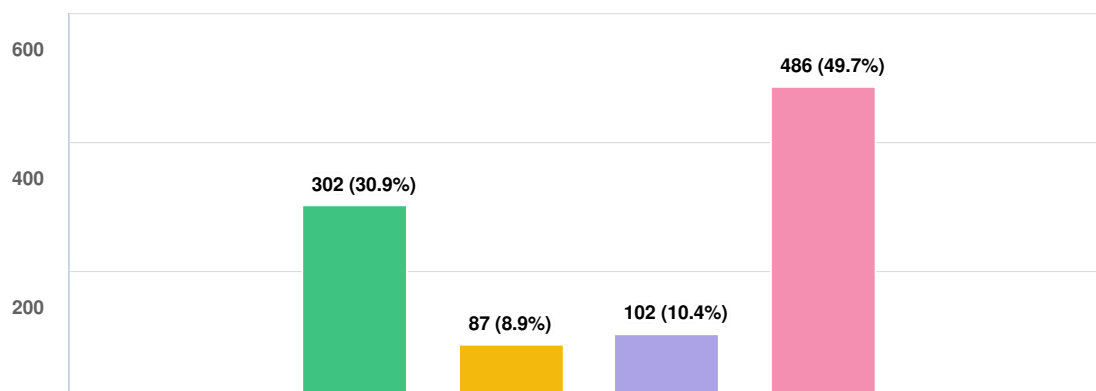
Question options

5-11 years 12-17 years 18-24 years 25-34 years 35-49 years 50-59 years 60-69 years
70-84 years 85+ years

Mandatory Question (977 response(s))

Question type: Checkbox Question

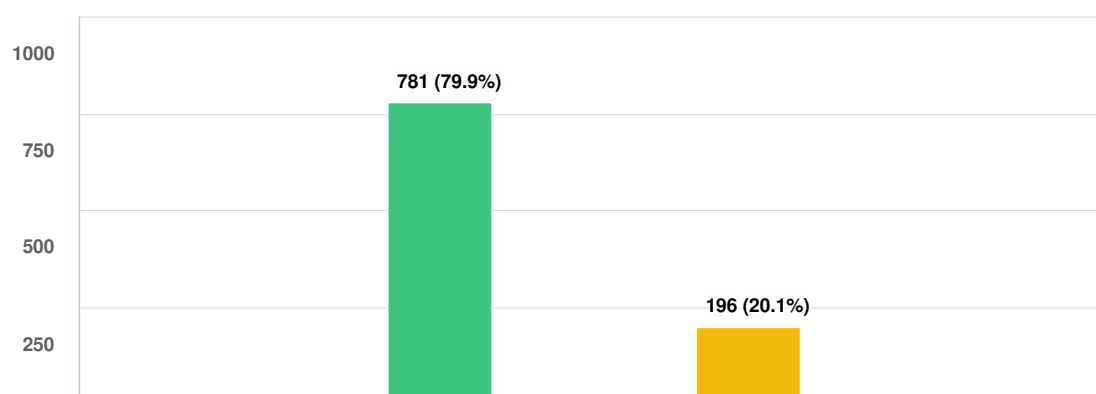
Family entertainment - fireworks or sound and light show? : Survey Report for 12 July 2021 to 29 July 2021

Q5 Do you have children under the age of 18?**Question options**

☒ Yes, all aged under 12 years of age ☐ Yes, all aged 12-17 years of age ☐ Yes, mixed ages up to and including 17 ☐ No

Mandatory Question (977 response(s))

Question type: Checkbox Question

Q6 Have you attended fireworks displays in Ballarat before?**Question options**

☒ Yes ☐ No

Mandatory Question (977 response(s))

Question type: Checkbox Question

8.5. GRANTS ANNUAL REPORT

Division: Community Wellbeing
Director: Matthew Wilson
Author/Position: Pete Appleton – Executive Manager Engaged Communities

PURPOSE

1. To provide a report to Council on the outcomes of the City of Ballarat's three (3) grant programs in 2020/2021.

BACKGROUND

2. An internal audit of Council's grant programs was undertaken in April 2020 recommending that all grant programs be administered using the SmartyGrants platform, that acquittal processes are more consistently documented, and that Council receive a report of funding disbursed and outcomes of grants.
3. In response to the audit recommendations:
 - All three (3) grant programs have been administered via SmartyGrants in 2020/2021.
 - Administration and acquittal processes, particularly for the Strategic Partnerships Program, have been more clearly defined.
 - This report provides an overview of funding disbursed and outcomes of the grant programs.

KEY MATTERS

4. In 2020/2021 a total of 79 grants to the value of \$1,251,494 were awarded across three (3) grant programs.
 - The Strategic Partnerships Program
 - Community Impact Grant Program
 - The Tourism Events Grant Program

Strategic Partnership Program

5. The Strategic Partnership Program provides funding to organisations or businesses to run projects that meet strategic objectives of the Council Plan, Health and Wellbeing Plan and other plans and strategies endorsed by Council.
6. There were 15 Strategic Partnerships in place in 2020/2021. One (1) new partnership was developed during the year while another came to its conclusion. A sum of \$894,500 was paid out to 13 organisations in 2020/2021. Scheduled payments to the value of \$25,000 to two (2) organisations were not made due to COVID impacting the recipients' activities
7. Strategic Partnership Agreements could be categorised in to five (5) groups. Some agreements fit in to more than one category:
 - events (n=7)
 - infrastructure and asset management (n=4)

- participation in sport (n=4)
 - business and commerce (n=1)
 - education and development (n=1)
8. In terms of expenditure by category (Figure 1), the 'events' category was funded significantly more than any other category, accounting for approximately 40 per cent of funds disbursed in 2020/2021. The 'participation in sport' and 'infrastructure and asset management' categories each accounted for approximately 22 per cent of payments made. Twelve (12) per cent of monies paid supported 'business and commerce' while four per cent supported 'education and development'.
9. A full list of funding recipients for 2020/2021 and the agreed funded activities can be found in the attached report.

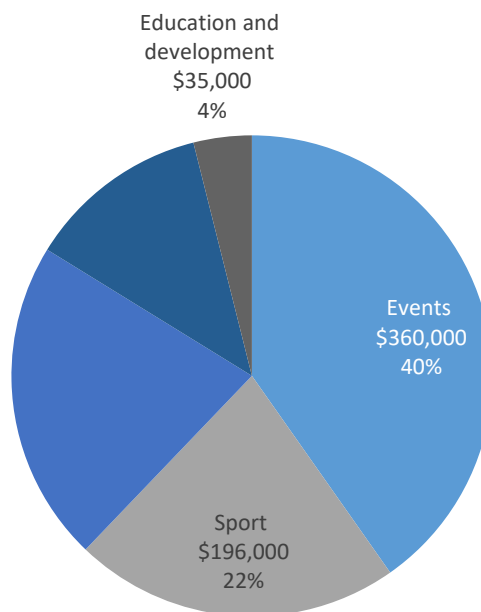


Figure 1: Strategic Partnership Program - spend by category of agreement

Community Impact Grant Program

10. The Community Impact Grant Program seeks to build capacity and strengthen local communities through grants. Priority areas in 2020/2021 included:
- strengthening community participation
 - encouraging connected communities
 - promoting healthy lifestyles
 - building resilient communities
11. Ninety (90) applications to the Community Impact Grant program were received over three (3) rounds in 2020/2021. Of those, 56 were funded for an approval rate of 62 per cent. An amount of \$253,494 was allocated from a budget of \$300,000.
12. Projects funded in 2020/2021 could be allocated to one of seven categories:
- equipment (n=27)
 - facility improvements (n=9)
 - events (n=7)

- wellbeing (n=5)
- creation of art (n=3)
- community strengthening (n=3)
- training (n=2)

13. In terms of expenditure by category of grant (Figure 2), 'facility improvement' projects were allocated 31 per cent of total expenditure. 'Equipment' requests accounted for 26 per cent of expenditure, followed by 'wellbeing' projects, 'events' and 'art creation' projects that were allocated 13 per cent, 11 per cent and nine (9) per cent of disbursed funds, respectively. 'Community strengthening' projects were allocated eight (8) per cent of expenditure while training-related activities accounted for just two per cent of allocated funds.

14. A full list of funding recipients for 2020/2021 and the agreed funded activities can be found in the attached report.

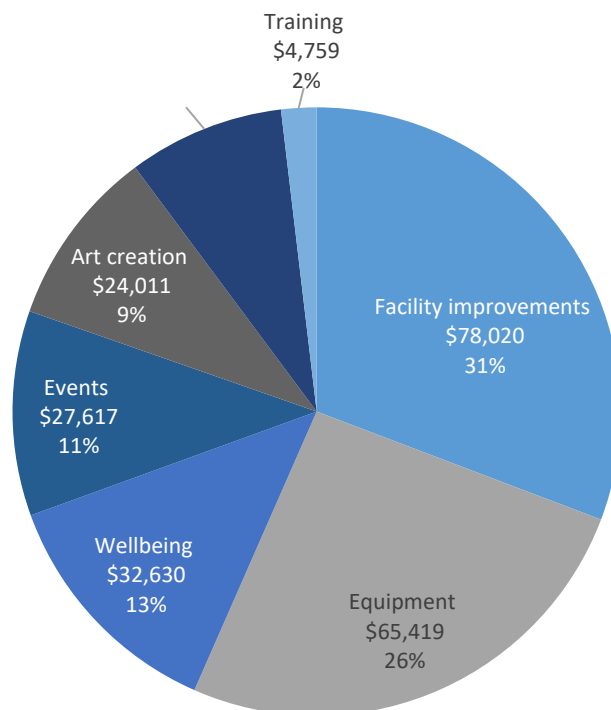


Figure 2: Community Impact Grant Program - spend by category of grant

Tourism Events Grant Program

15. The Tourism Events Grant Program aims to support and attract events that:

- increase tourism visitation
- support Ballarat's liveability and build community pride
- contribute to building the city's perception, improving Ballarat's competitive strengths and unique qualities

16. Thirteen applications to the Tourism Events Grant Program were received in 2020/2021. Ten events were funded and \$103,500 was allocated from a budget of \$155,000.

17. Projects funded in 2020/2021 could be allocated to one of four categories:

- sport (n=4)
- food and drink (n=2)
- music (n=2)
- lifestyle (n=2)

18. The 'sport' category received the greatest proportion of allocated funds in 2020/2021 at 41 per cent of expenditure (Figure 3). 'Music' projects were allocated a quarter of disbursed funds while 'food and drink' projects received 20 per cent. Projects falling in to the 'lifestyle' category were funded 14 per cent of the allocated monies.

19. A full list of funding recipients for 2020/2021 and the agreed funded activities can be found in the attached report.

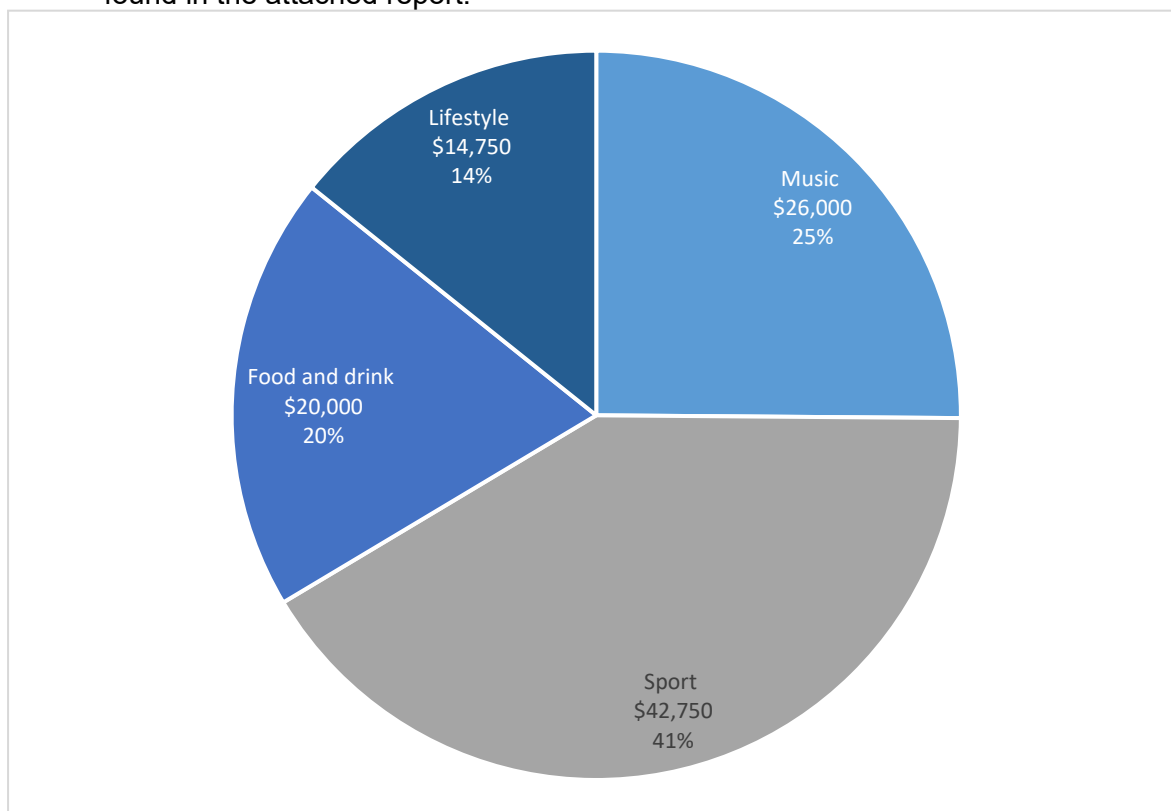


Figure 3: Tourism Events Grant Program - spend by category of grant

Summary

20. The City of Ballarat grant programs have delivered outcomes on both Council's strategic objectives and for the community by:

- The delivery of large-scale events that have promoted visitation to the city
- Effective use of funds to manage infrastructure and assets
- Provision of support to the local small business community
- Promotion of physical activity and participation in sport
- The support of a strong network of community organisations that promote a strong and resilient community, and support for their delivery of activities to diverse community members in a range of interest areas.

21. COVID has impacted on the delivery of funded programs and on the uptake of the grant programs in 2020/2021. Council has been flexible to enable variations to funding agreements to postpone projects or alter the delivery of projects to comply with COVID restrictions.

OFFICER RECOMMENDATION

22. That Council:

22.1 Note the Report outlining the delivery and outcomes of Council's grant programs in 2020/2021.

ATTACHMENTS

1. Governance Review [**8.5.1** - 2 pages]
2. Grant programs Year in review 2020 2021 [**8.5.2** - 17 pages]

OFFICIAL

ALIGNMENT WITH COUNCIL VISION, COUNCIL PLAN, STRATEGIES AND POLICIES

1. Council Plan alignment:
 - a. Liveability goal – improve our community's quality of life
2. Grant programs align with Council's Grant Policy.

COMMUNITY IMPACT

3. The City of Ballarat's grant programs to support community groups, organisations and businesses seeking funding for programs, events, products and services that bring a range of benefits to Ballarat.
4. The City of Ballarat grant programs have delivered outcomes on both Council's strategic objectives and for the community in 2020/2021 by:
 - a. the delivery of large-scale events that have promoted visitation to the city
 - b. effective use of funds to manage infrastructure and assets
 - c. provision of support to the local small business community
 - d. promotion of physical activity and participation in sport
 - e. the support of a strong network of community organisations that promote a strong and resilient community, and support for their delivery of activities to diverse community members in a range of interest areas.

CLIMATE EMERGENCY AND ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

5. Nil implications.

ECONOMIC SUSTAINABILITY IMPLICATIONS

6. Grant programs are not designed to provide ongoing funding and recommend that funded parties make the appropriate arrangements for the projects to be financially sustainable.

FINANCIAL IMPLICATIONS

7. Each grant program operates within allocated annual budgets.

LEGAL AND RISK CONSIDERATIONS

8. Financial and legal considerations include the use of funding agreements and acquittal processes to ensure compliant financial management.
9. An audit of Council's grant programs was undertaken in 2020 and processes have been changed and continued to be strengthened to align with audit recommendations.

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HUMAN RIGHTS CONSIDERATIONS

10. It is considered that the report does not impact on any human rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

COMMUNITY CONSULTATION AND ENGAGEMENT

11. No consultation or engagement undertaken.

GENDER EQUALITY ACT 2020

12. There are no gender equality implications identified for the subject of this report.

CONFLICTS OF INTEREST THAT HAVE ARISEN IN PREPARATION OF THE REPORT

13. Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

OFFICIAL

OFFICIAL: Sensitive



CITY OF BALLARAT GRANT PROGRAMS

YEAR IN REVIEW 2020/2021

OFFICIAL: Sensitive

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OFFICIAL: Sensitive

Executive Summary

In 2020/2021 the City of Ballarat offered three grant programs: The Strategic Partnerships Program; the Community Impact Grant Program and; the Tourism Events Program. Seventy-nine (79) grants were awarded to the value of \$1,251,494.

Strategic Partnership Program

There were 15 Strategic Partnerships in place in 2020/2021. One new partnership was developed during the year while another came to its conclusion. A sum of \$894,500 was paid out to 13 organisations in 2020/2021. Scheduled payments to the value of \$25,000 to two organisations were not made due to COVID impacting the recipients' activities. A full list of funding recipients and their activities can be found in [Appendix A](#).

The Strategic Partnership Program agreements in place for the 2020/2021 year could be categorised as providing support for:

- infrastructure and asset management
- events
- business and commerce
- education and development

Community Impact Grant Program

Ninety applications to the Community Impact Grant program were received over three rounds in 2020/2021. Of those, 56 were funded for an approval rate of 62 per cent. An amount of \$253,494 was allocated from a budget of \$300,000.

A full list of funding recipients and their activities can be found in [Appendix B](#).

Projects funded in 2020/2021 could be allocated to one of seven categories:

- equipment
- facility improvements
- events
- creation of art
- community strengthening
- wellbeing
- training

Tourism Events Grant Program

Thirteen applications were received in 2020/2021. Ten events were funded and \$103,500 was allocated from a budget of \$155,000.

Projects funded in 2020/2021 could be allocated to one of four categories:

- music
- sport
- food/drink
- lifestyle

Outcomes

The City of Ballarat grant programs have delivered outcomes on both Council's strategic objectives and for the community. COVID has impacted on the delivery of funded programs and on the uptake

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of the grant programs in 2020/2021. Council has been flexible to enable variations to funding agreements to postpone projects or alter the delivery of projects to comply with COVID restrictions.

With a commitment to continuous improvement, the Grants Policy is currently reviewed annually alongside funding guidelines for each program. In 2021, an updated Grants Policy was adopted by Council. This Policy has introduced several changes to strengthen the management of grant programs and improve strategic and community outcomes.

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Introduction

In 2020/2021 the City of Ballarat offered three grant programs: The Strategic Partnerships Program; the Community Impact Grant Program and; the Tourism Events Grant Program. Each Program had a specific purpose as outlined below:

Table 1: Description of grant programs

Community Impact Grant Program	Tourism Events Grant Program	Strategic Partnerships Program
A broad ranging program that supported not-for-profit community groups to deliver projects, programs and events that provided benefit to the community.	A Program to support tourism events and activities that advance and encourage increased visitation, participation and yield.	A large grant program that had capacity to accommodate funding in excess of \$20,000 and allowed for multi-year funding.
The Program funded activities that promote community participation and connection, healthy lifestyles and community resilience.	The Program supported events and activities that marketed the municipality as a tourism destination of choice.	Operated as a non-competitive process to fund organisations or businesses to deliver Council-identified initiatives aligning with the Council Plan, Health and Wellbeing Plan, the Council Grants Policy and other relevant plans and strategies that have been endorsed by Council.
Grants of up to \$20,000 were available.	Grants of up to \$20,000 were available.	

In 2020/2021 there were three rounds of the Community Impact Grant and Tourism Events Grant Programs. There would usually be four rounds of each Program, but local government elections were held in October 2020 requiring a 33-day caretaker period. This limited the time available to run the second round of the Programs at their usual time prior to Christmas. The Strategic Partnership Grant Program was a non-competitive process open for applications year-round.

The COVID-19 pandemic (COVID) has also impacted the grant programs. Many organisations were not able to meet, plan or deliver their normal activities. Several planned projects were postponed, and the uncertainty of potential lockdowns has impacted future planning of events and projects. The effect of this uncertainty has led to a decline in applications.

Improving the management of grants

An internal audit of Council's grant programs was conducted in April 2020. Following the release of the audit findings, there were several changes made to the grant programs at the City of Ballarat in 2020 including:

- the use of Smarty Grants software to manage all grant programs
- improvements to the application, monitoring and acquittal processes for the Strategic Partnerships Program
- the development of a new Grants Policy to outline management of grant programs.

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Strategic Partnerships Grants

There were 15 Strategic Partnerships in place in 2020/2021. One new partnership was developed during the year while another came to its conclusion. A sum of \$894,500 was paid out to 13 organisations in 2020/2021. Scheduled payments to the value of \$25,000 to two organisations were not made due to COVID impacting the recipients' activities.

The Strategic Partnership Program agreements in place for the 2020/2021 year could be categorised as providing support for:

- infrastructure and asset management
- sport
- events
- business and commerce
- education and development (see Figure 1).

Some agreements fit in to more than one category.

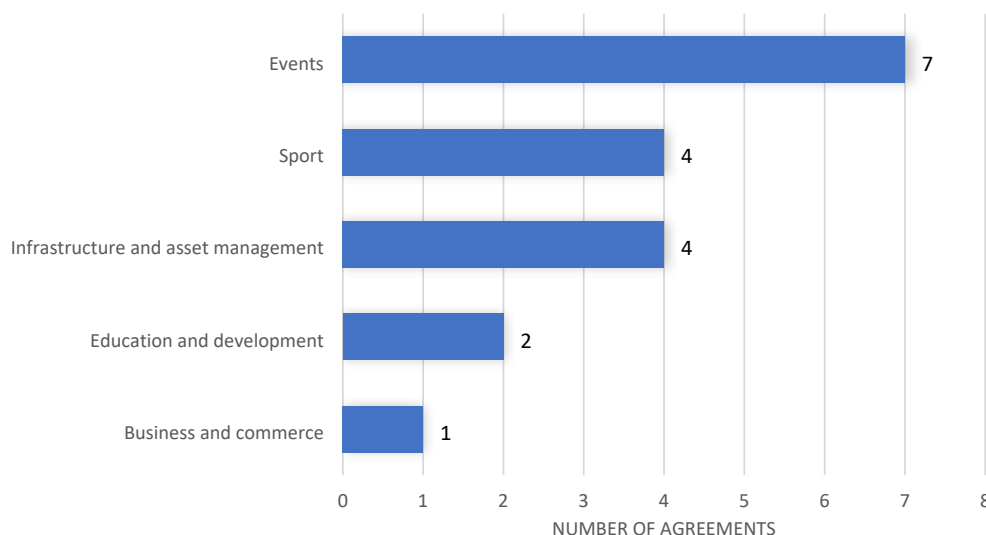


Figure 1: Number of Strategic Partnership Agreements in each category (some Agreements fit in to more than one category)

In terms of expenditure by category (Figure 2), the events category was funded significantly more than any other category, accounting for 40 per cent of expenditure. Events currently supported by the Strategic Partnership Program are generally large-scale events that attract visitors from other regions to Ballarat such as the Winter Wonderlights, International Foto Biennale, rowing regattas, the Royal South Street Eisteddfod and the Ballarat Cup.

The 'participation in sport' and 'infrastructure and asset management' categories each accounted for 22 per cent of funds disbursed in 2020/2021. Agreements in place support participation in cricket, basketball and rowing. These agreements generally focus on increasing community participation in the relevant sports. The 'infrastructure and asset management' category involves the development and management of community infrastructure and assets including planning of the

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new showgrounds; management of cricket wickets across the municipality; better use of the Ballarat Mechanics Institute building and; management of historical collections at Sovereign Hill.

The 'business and commerce' category involves a range of activities designed to promote and support the local business community in Ballarat and accounted for 12 per cent of expenditure. Four per cent of expenditure was allocated to projects in the 'education and development' category. There are two funding agreements in place that support people into education pathways and further develop personal and professional leadership skills.

A full list of funding recipients for 2020/2021 and the agreed funded activities can be found in [Appendix A](#).

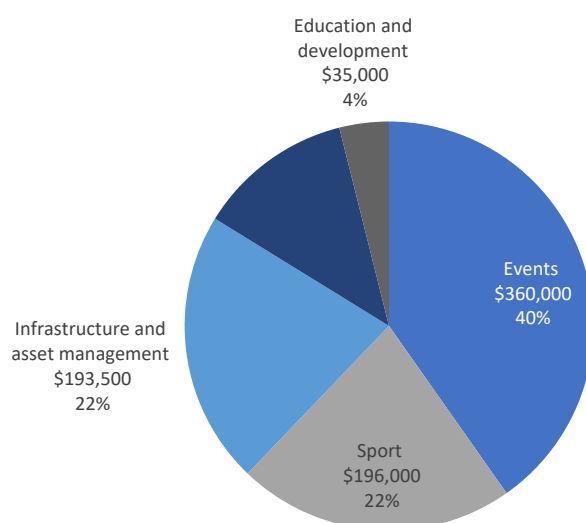


Figure 2: Strategic Partnership Program spend per category in 2020/2021

The Strategic Partnerships Program has operated as a non-competitive process that is not widely known or accessible to organisations that are not closely involved with Council. There were no guidelines to direct investment and no general strategic direction for the funding Program. Agreements range in length from two years to ten years. At present, the Program is predominantly used to support events that promote visitation to Ballarat, participation in sport and infrastructure and asset management.

Council's updated Grants Policy will see some changes in the administration of the Strategic Partnerships Program in the coming year. The Program will be advertised publicly as part of the City of Ballarat's grant offerings. Applications will be accepted during August and February only and will be assessed using standard criteria before recommendations for funding are made to Council. Funding terms cannot exceed four years. These changes will result in a more robust Program with better oversight of funding options and their strategic alignment with Council's objectives.

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Community Impact Grants

The Community Impact Grant Program objectives in 2020/2021 were to promote outcomes in strengthening community participation, encouraging connected communities, promoting healthy lifestyles and building resilient communities.

Ninety applications to the Community Impact Grant program were received over three rounds in 2020/2021. Of those, 56 were funded for an approval rate of 62 per cent. An amount of \$253,494 was allocated from a budget of \$300,000. There were fewer applications received this year, but more projects were funded than in the previous year. In 2019/2020, 76 applications were received, and 49 projects were funded for an approval rate of 65 per cent.

Projects funded in 2020/2021 could be allocated to one of seven categories:

- equipment
- facility improvements
- events
- creation of art
- community strengthening
- wellbeing
- training

Figure 3 shows that requests for funding to purchase equipment comprised almost half of all applications (n=27). A range of equipment was requested including laptops, kitchen equipment, camping equipment, defibrillators, sporting equipment and uniforms.

Facility improvements were the second-largest category of funding, accounting for 16 per cent (n=9) of applications. Projects in this category included the replacement of windows, kitchen upgrades and the installation of dust extraction fans, water tanks and entry ramps.

Seven projects were funded under the 'events' category. These were generally small, local events. Five wellbeing-focused projects were funded in 2020/2021 including mentoring and parenting programs. Three arts projects were funded including the development of murals, a musical theatre show and a projector art installation.

Community strengthening projects are designed to increase community participation, respond to local aspirations and needs, and build skills and capacity in the community. There were three projects funded in this category in 2020/2021 including a tool library, community newsletters and a series of events centred around multicultural food experiences. Two projects delivered training to local organisations.

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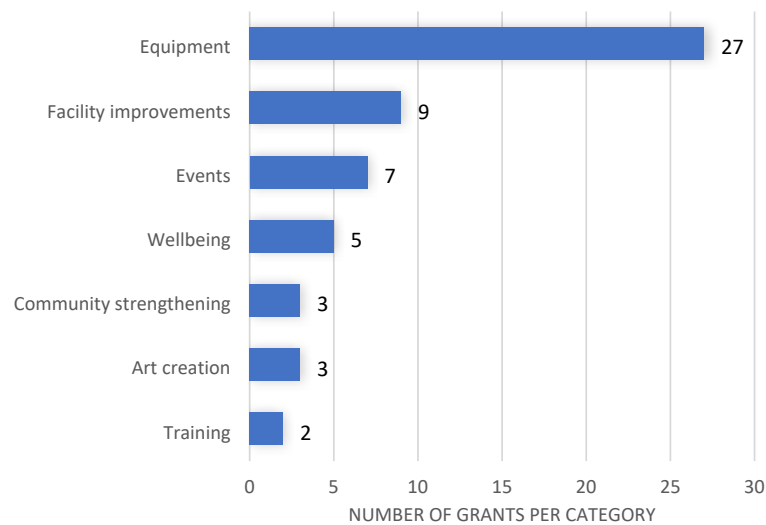


Figure 3: Number of grants per category 2020/2021

Table 2: Average funding allocated per category

Despite there being far fewer projects in the 'facility improvement' category than in the 'equipment' category, the spend in the former category was larger (Figure 4) as the average allocation for a facility improvement project was \$8,669 compared to \$2,423 for 'equipment' requests (Table 2). Arts projects received the second-largest average allocation of \$8,004 per

Category	Average funding allocated
Facility improvements	\$8,669
Art creation	\$8004
Community strengthening	\$7013
Wellbeing	\$6526
Events	\$3945
Equipment	\$2423
Training	\$2380

project. Community strengthening projects and wellbeing-focused projects received the next largest average allocations, followed by events, equipment and training.

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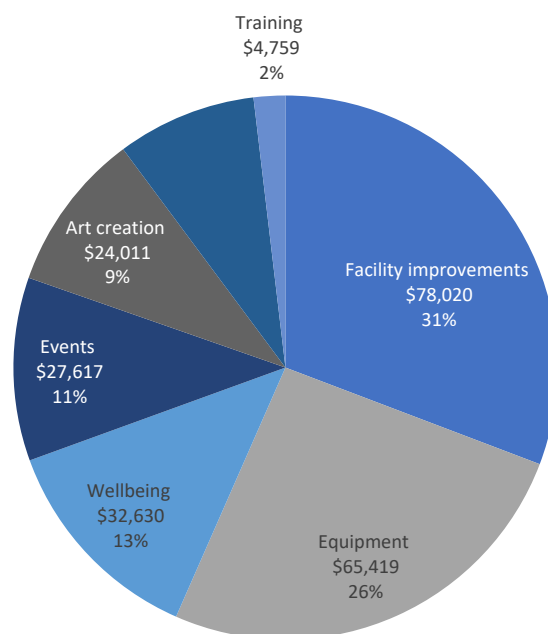


Figure 4: Community Infrastructure Grant Program spend per category 2020/2021

The Community Impact Grant program supported 53 local community groups and organisations in 2020/2021. The development and support of a strong network of community organisations is vital for a strong and resilient community. Simply by supporting these organisations, Council delivers outcomes in terms of community strength and capacity building. The projects and activities that are funded then provide a further layer of community benefit. Funding recipients are listed in [Appendix B](#). There are many different types of organisations that have received funding in 2020/2021 representing a wide range of target groups including people of differing ages, socioeconomic status, genders, cultural backgrounds and interests. The organisations deliver activities, events, programs and projects that promote community participation in a range of interest areas, encourage connections between organisations and between individuals, promote physical and mental health and build the networks and skills that make a community resilient to hardships.

There are opportunities for improvement in the coming year. These include:

- updating of funding priorities to align with the incoming Community Vision, Council Plan and Health and Wellbeing Plan
- requirement for applicants to consider how their projects can be more inclusive of people who are more likely to experience exclusion and/or discrimination
- wider promotion of the grant program to encourage more applications, particularly from those who have not applied for funding in the past

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Tourism Events Grants

Thirteen applications were received in 2020/2021. Ten events were funded and \$103,500 was allocated from a budget of \$155,000 (Table 3).

Table 3: Events funded in 2020/2021

Event	Funding
Athletics Victoria Country Championships 2021	\$ 6,250
Ballarat Beer Festival 2021	\$ 10,000
Ballarat Gift 2021	\$ 9,000
Ballarat Lifestyle Show 2021	\$ 9,750
Netball Victoria Ballarat Battle 2021	\$ 20,000
Red Hot Summer Tour 2022	\$ 16,000
Ballarat Funk n Fest 2022	\$ 10,000
Australian Indoor Bias Bowls Championships	\$ 7,500
Learmonth Cider Festival	\$ 10,000
Ballarat Spring Show	\$ 5,000

Of the ten events funded, four were sporting events, two were food and drink events, two were music events and two were lifestyle events. When considering average funding allocated per category, music events were allocated the greatest average funding, followed by sporting events and food and drink events (Table 4). Lifestyle events were funded an average of \$7,375.

Table 4: Average funding allocated by category

Category	Average funding allocated
Music	\$13,000
Sport	\$10,688
Food/drink	\$10,000
Lifestyle	\$7,375

This does not directly correlate with the overall spend per category. Figure 5 shows that 'sport' events were allocated 41 per cent of funds disbursed, followed by 'music', 'food and drink' and 'lifestyle' events which were allocated 25 per cent, 20 per cent and 14 per cent of allocated funds, respectively.

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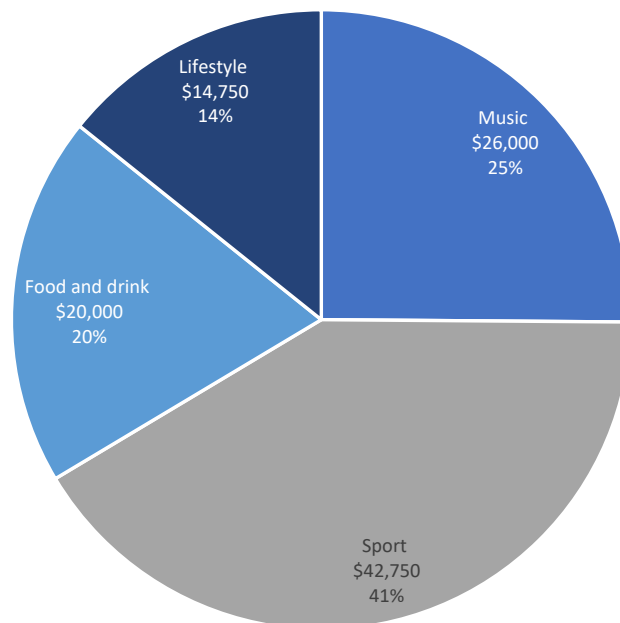


Figure 5: Tourism Event Grant Program - spend by category of grant

The Tourism Event Grant Program is underpinned by the aims and objectives of the Council Plan and the Events Strategy 2018 -2028 and aims to:

- activate key infrastructure and/or event precincts
- build Ballarat's competitive positioning as an event city
- increase the economic contribution from the visitor market
- promote employment opportunities

The Tourism Events Grant Program is delivering upon the existing Ballarat Event Strategy. The grant Program is based on scoring criteria relating to key pillars providing a scale for potential funding. The grant Program operated over three rounds in 2020/2021.

With the revision of the Ballarat Events Strategy, the Tourism Events Grants Program requires revision to ensure it can be an effective lever to deliver on strategic objectives. From July 2021, the Program will accept applications year-round with monthly assessment of applications. Tourism Events Grant applications and Community Impact Grant applications were previously assessed by the same committee. A new Tourism Events Grants Program Delegated Committee has been created comprised of Councillors and Council Officers who can provide technical advice to the voting members (Councillors) regarding the economic benefit of proposals.

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Discussion

The City of Ballarat grant programs have delivered outcomes on both Council's strategic objectives and for the community by:

- the delivery of large-scale events that have promoted visitation to the city
- effective use of funds to manage infrastructure and assets
- provision of support to the local small business community
- promotion of physical activity and participation in sport
- the support of a strong network of community organisations that promote a strong and resilient community, and support for their delivery of activities to diverse community members in a range of interest areas.

COVID has impacted on the delivery of funded programs and on the uptake of the grant programs in 2020/2021. Council has been flexible to enable variations to funding agreements to postpone projects or alter the delivery of projects to comply with COVID restrictions.

With a commitment to continuous improvement, the Grants Policy is currently reviewed annually alongside funding guidelines for each program. In 2021, an updated Grants Policy was adopted by Council. This Policy has introduced several changes to strengthen the management of grant programs and improve strategic and community outcomes. Changes to the Policy include:

- Allocated application windows for the Strategic Partnerships Program
- Updated assessment criteria and process for Strategic Partnership Program
- Limit on duration of Strategic Partnership Program agreements to four years
- Creation of Tourism Events Grants Allocation Delegated Committee to ensure the necessary expertise is available to assess economic benefit of funding proposals
- Applications for the Tourism Event Grant Program will be open year-round (until budget is expended) and assessments will be undertaken monthly. This will result in the program being more responsive to applicants
- Split payments of 50 per cent upfront and 50 per cent on acquittal will now only apply to Community Impact Grants of more than \$10,000 rather than \$5,000 to ensure that smaller groups have adequate cash flow to deliver their activities

Funding guidelines and application forms have also been updated for the 2021/2022 year to ensure that they provide the best information for potential applicants, garner relevant information for assessment and reporting, and reflect changes outlined in the Grants Policy. Application forms also collect information from applicants about their experience in submitting their applications to aid improvement to the application process.

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Appendix A – Strategic Partnerships Program: Funded activities 2020/2021

Organisation	Category	Funding provided 2020/2021
Ballarat Agricultural & Pastoral Society (BAPS)	Infrastructure and asset management	\$100,000
Rowing Victoria	Events / Sports participation	\$40,000
Royal South Street Society (RSSS)	Events	\$60,000
Catholic Care - Clemente Partnership	Education and development	\$15,000
Ballarat International Foto Biennale	Events	\$200,000
Basketball Ballarat	Sports participation	\$126,000
Ballarat Cricket Association (BCA)	Infrastructure and asset management / Sports participation	\$100,000
Leadership Ballarat	Education and development	\$20,000
Sovereign Hill Museums Association	Events / Infrastructure and asset management	\$80,000
Commerce Ballarat	Business and commerce	\$110,000
Rock Ballarat	Events	\$15,000
Ballarat Mechanic's Institute	Infrastructure and asset management	\$3,500
Ballarat Turf Club (BTC)	Events	\$25,000
Carols by Candlelight	Events	Deferred due to COVID-19 Cancellation of event
Ballarat Sports Foundation	Sports Participation	No payment due to impact of COVID on activities

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Appendix B - Community Impact Grant Program: Funded activities 2020/2021

Applicant	Project/Event	Category	Allocation Amount
Round 1 Allocations			
Ballarat Southern Warriors	Facility Improvement	Facility improvement	\$ 2,000
Ballarat Woodworkers Guild	Tool Upgrade Program	Equipment	\$ 1,974
Probus Club of Ballarat Gardens	Purchase of a Laptop	Equipment	\$ 1,500
Ballarat Western Croquet Club	Hammertime	Equipment	\$ 1,300
Ballarat Petanque Club	Equipment & Refurbishment of Playing Arena	Facility improvement	\$ 8,340
Ballarat Foundation	Engaging Volunteers in Ballarat during & post COVID-19	Equipment	\$ 3,055
Ballarat Tool Library	Seed Funding for Ballarat Tool Library	Community strengthening	\$ 6,238
Ballarat African Association	Additional Soccer Kits for BAA Soccer Team	Equipment	\$ 3,077
Food is Free	Green Space Water Tank Installation	Facility improvement	\$ 3,900
Ballarat North Bowling Club	Installation of a Disabled Ramp	Facility improvement	\$ 11,294
Ballarat Neighbourhood Centre	Re-connecting through Art	Art	\$ 13,164
Ballarat Community Garden	Gas Cooker & Workbench	Equipment	\$ 4,250
Child & Family Services (CAFS)	Captain Moonlight Rides Again	Art	\$ 3,147
Ballarat East Community Men's Shed	Replacement of Dust Extraction System	Facility improvement	\$ 13,410
Ballarat Lyric Theatre	We Will Rock You – musical	Art	\$ 7,700
Ballarat East Neighbourhood House	Connecting Ballarat East through Community News Publications	Community strengthening	\$ 9,999
Salvation Army Property Trust – Homelessness Ballarat	LARF (Life Skills, Activities, Relationships & Fun) Mentoring	Wellbeing	\$ 6,055
A Pot of Courage	A Taste of our Homelands	Community strengthening	\$ 4,801
Ballarat Regional Multicultural Council	Welcome Centre Community Facilities Property	Facility improvement	\$ 9,091
Round 2 Allocations			
1st Wendouree Scout Group	Equipment Upgrade	Equipment	\$ 1,819
The Hidden Orchard	Upgrade Project	Equipment	\$ 1,756

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5th Ballarat Scout Group	Equipment Upgrade	Equipment	\$ 1,782
Victoria Bowling Club	Club IT Project	Equipment	\$ 1,980
Ballarat Woodworkers Guild	Tool Upgrade Mark II	Equipment	\$ 1,439
Bobcats Hockey Club	Junior Equipment Upgrade	Equipment	\$ 2,000
Carmel Welsh Presbyterian Church	Purchase of a Defibrillator	Equipment	\$ 1,800
Napoleons Sebastopol Cricket Club	Cricket Equipment Library	Equipment	\$ 1,995
Golden City Paddle Steamer Museum	First Aid Training	Training	\$ 1,350
Ballarat West Probus Club	Purchase of a Defibrillator	Equipment	\$ 1,995
The Type 1 Foundation	Ballarat Carers Event	Event	\$ 1,819
Learmonth & District Historical Association	Storage & Display Upgrade	Equipment	\$ 1,113
Ballarat Arts Foundation	BAF Mentoring Program	Wellbeing	\$ 6,000
Ballarat Wildlife Rescue & Carers Collective	Wildlife Rescue Transport & Training Day	Training	\$ 3,409
Rotary Club of Ballarat South	Facility Upgrade	Facility improvement	\$ 11,085
Soldiers Hill Artist Collective	SHAC Exhibition & Curation Tools	Equipment	\$ 2,495
Interclub Drop-In Centre	Creating Connectedness	Equipment	\$ 4,038
With Once Voice Choir Ballarat	WOV Ballarat	Equipment	\$ 2,570
Ballarat Tramway Museum	Tramway Celebration Day: A Festival of Vintage Transport	Event	\$ 9,069
Eureka Mums	Time to Grow	Equipment	\$ 5,057
Ballarat Amateur Canoe Club	Strengthening Community Participation (Mixed Ability Paddling)	Equipment	\$ 8,256
Round 3 Allocations			
Australian Breastfeed Association - Ballarat Group	Equipment Acquisition	Equipment	\$ 1,998
Ballarat Interfaith Network	Forum Event	Wellbeing	\$ 1,999
St John Ambulance Australia (Victoria) Inc	Lap top Upgrade	Equipment	\$ 1,480
Victorian Masters Squash Association	VMSA 40th Anniversary	Event	\$ 2,000
Brown Hill & District Senior Citizens Club (BHSC)	BHSC Excursions	Event	\$ 2,000
Ballarat Arts Alive (Auspice for Let's Talk Peace Ballarat)	Community Event	Event	\$ 669
Sebastopol Men's Shed (A)	Dust Extraction Project	Equipment	\$ 1,398
Sebastopol Men's Shed (B)	SMS Uniform Project	Equipment	\$ 1,860

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Sebastopol Men's Shed (C)	Kitchen Equipment Project	Equipment	\$ 1,032
Ballarat & District Gem Club	Ballarat Gem Show	Event	\$ 2,915
Brown Hill Cricket Club	Outdoor Alfresco Blinds	Facility improvement	\$ 9,818
Ballarat Blue Light Inc	Blue Edge Program	Wellbeing	\$ 9,230
Ballarat Malayalee Association	ABCD (Parenting Help for Australian based culturally diverse parents)	Wellbeing	\$ 9,346
LaNCE TV	LaNCE TV in Concert	Event	\$ 9,145
Coghills Creek Progress Association	Replacement of Heritage Windows	Facility improvement	\$ 9,082
Ballaarat Astronomical Society	Inclusion & Improve Working Environment Project	Equipment	\$ 2,400

8.6. IN PRINCIPLE FINANCIAL REPORT AND PERFORMANCE STATEMENTS FOR YEAR ENDED 30 JUNE 2021

Division: Corporate Services
Director: John Hausler
Author/Position: Jason Clissold – Executive Manager Financial Services

PURPOSE

1. To present the Annual Financial Report and Annual Performance Statement for the year ended 30 June 2021 (the Statements) to Council, for 'in principle' approval.
2. For Council to then authorise certification and submission of the Statements to the Victorian Auditor General's Office (VAGO).

BACKGROUND

3. As per the transition provisions of the *Local Government Act 2020*, these will be the final statements prepared under the *Local Government Act 1989* (the Act).
4. In accordance with the Act, Council is required to approve the Annual Financial Report and Annual Performance Statement in principle before submitting them with the Victorian Auditor-General's Office.
5. The Victorian Auditor General is required to submit their audit report to the Minister by 30 September 2021.
6. The Annual Financial Report provides information on current and prior year balances and information as required by accounting standards, the *Local Government Act 1989* and Local Government (Planning and Reporting) Regulations 2014.
7. The Annual Performance Statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures as developed by the Victorian Government under the Local Government Performance Reporting Framework.

KEY MATTERS

8. The attached Victorian Auditor-General's Closing Report does not raise any concerns over the audit and indicates that an unmodified audit opinion is expected to be issued for both statements.
9. Once certified the statements will be formally lodged with the Victorian Auditor-General's Office (VAGO), who will then issue a formal Audit Opinion on each, allowing the Annual Report to be finalised and submitted to the Minister for Local Government by 30 September 2021.
10. The Audit and Risk Committee considered the Annual Financial Report and Annual Performance Statement at its meeting held on 13 September 2021. The Committee provided the following opinion regarding the Annual Financial Report and the Performance Statements:

- That in our opinion the accompanying statements have been prepared in accordance with the *Local Government Act 2020*, the *Local Government (Planning and Reporting) Regulations 2020*, Australian Accounting Standards and other mandatory professional reporting requirements.
 - That in our opinion the accompanying statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, Australian Accounting Standards and other mandatory professional reporting requirements.
11. The Audit and Risk Committee recommended Council record its approval 'in principle' to the Annual Financial Statements and Performance Statement (the statements), for the year ended 30 June 2021, subject to any non-material changes from the Auditor General, which the Committee have requested be presented to the next Audit and Risk Committee meeting.
12. There were no significant changes to the statements recommended by the Audit and Risk Committee at their meeting. Some suggested minor grammatical and presentation changes have been considered and updated where appropriate.

OFFICER RECOMMENDATION

13. That Council:

- 13.1 Approve the 2020/21 Annual Financial Report and Performance Statement in principle.**
- 13.2 Authorise the Chief Executive Officer to implement any non-material changes to the statements as recommended by the Auditor-General.**
- 13.3 Authorise the Mayor, Cr Moloney and Deputy Mayor, Cr Johnson to certify the 2020/21 Annual Financial Report and Performance Statement on behalf of Council, once any amendments or changes requested by the Victorian Auditor General have been made.**

ATTACHMENTS

1. Governance Review [8.6.1 - 2 pages]
2. In Principle Annual Financial Report for year ended 30 June 2021 [8.6.2 - 65 pages]
3. In Principle Performance Statement for year ended 30 June 2021 [8.6.3 - 8 pages]
4. Draft 2020 21 Closing Report Ballarat City Council [8.6.4 - 21 pages]

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ALIGNMENT WITH COUNCIL VISION, COUNCIL PLAN, STRATEGIES AND POLICIES

1. The Annual Financial Report and Performance Statement are key documents in reporting Council's accountability to the Council Vision, Council Plan and other strategic documents.

COMMUNITY IMPACT

2. The Annual Financial Report and Performance Statement are key reporting and compliance documents whose primary purpose is to inform the community of Council's performance.

CLIMATE EMERGENCY AND ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

3. There are no emergency and environmental sustainability implications.

ECONOMIC SUSTAINABILITY IMPLICATIONS

4. There are no economic sustainability implications.

FINANCIAL IMPLICATIONS

5. The Annual Financial Report and Performance Statement are statements of fact that provide a summary of Council's performance for 2020/21 and financial position as at 30 June 2021.

LEGAL AND RISK CONSIDERATIONS

6. The Annual Financial Report and Performance Statement have been prepared in accordance with the *Local Government Act*, the Local Government (Planning and Reporting) Regulations, Australian Accounting Standards and other mandatory professional reporting requirements.

HUMAN RIGHTS CONSIDERATIONS

7. It is considered that the report does not impact on any human rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

COMMUNITY CONSULTATION AND ENGAGEMENT

8. The Annual Financial Report and Performance Statement will

GENDER EQUALITY ACT 2020

9. There are no gender equality implications identified for the subject of this report.

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CONFLICTS OF INTEREST THAT HAVE ARISEN IN PREPARATION OF THE REPORT

10. Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

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DRAFT

Ballarat City Council

ANNUAL FINANCIAL REPORT
for the year ended 30 June 2021



Ballarat City Council

2020/2021 Financial Report

Annual Financial Report

for the year ended 30 June 2021

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Ballarat City Council

2020/2021 Financial Report

Annual Financial Report

for the year ended 30 June 2021

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Ballarat City Council

2020/2021 Financial Report

Annual Financial Report
for the year ended 30 June 2021**Certification of the Financial Statements**

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

Jason Clissold

Principal Accounting Officer

22 September 2021

Ballarat

In our opinion the accompanying financial statements present fairly the financial transactions of Ballarat City Council for the year ended 30 June 2021 and the financial position of the Council as at that date.

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

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

Cr Daniel Moloney

Mayor

22 September 2021

Ballarat

Cr Amy Johnson

Deputy Mayor

22 September 2021

Ballarat

Evan King

Chief Executive Officer

22 September 2021

Ballarat

Ballarat City Council

2020/2021 Financial Report

Annual Financial Report
for the year ended 30 June 2021

Victorian Auditor-General's Office Report

Insert VAGO Report here

DRAFT

Ballarat City Council

2020/2021 Financial Report

Annual Financial Report
for the year ended 30 June 2021

Victorian Auditor-General's Office Report (continued)

Insert VAGO Report here

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Ballarat City Council

2020/2021 Financial Report

Comprehensive Income Statement

for the year ended 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
Income			
Rates and charges	3.1	126,721	123,049
Statutory fees and fines	3.2	6,815	6,980
User fees	3.3	16,303	19,117
Grants - operating	3.4	25,519	26,005
Grants - capital	3.4	15,119	6,995
Contributions - monetary	3.5	9,171	14,737
Contributions - non monetary	3.5	75,544	39,982
Other income	3.7	2,245	6,940
Total income		277,437	243,805
Expenses			
Employee costs	4.1	66,782	66,623
Materials and services	4.2	68,933	62,849
Depreciation	4.3	40,213	39,928
Amortisation - Intangible assets	4.4	588	588
Amortisation - Right of use assets	4.5	1,415	1,219
Bad and doubtful debts	4.6	563	567
Borrowing costs	4.7	1,776	1,860
Finance Costs - Leases	4.8	81	84
Net loss on disposal of property, infrastructure, plant and equipment	3.6	120	2,681
Other expenses	4.9	(220)	2,615
Total expenses		180,251	179,014
Surplus/(deficit) for the year		97,186	64,791
Other comprehensive income:			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	6.1	73,579	109,785
Total items which will not be reclassified subsequently to the operating result		73,579	109,785
Total other comprehensive income for the year		73,579	109,785
Total comprehensive result		170,765	174,576

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

Ballarat City Council

2020/2021 Financial Report

Balance Sheet

as at 30 June 2021

	Notes	2021 \$ '000	2020 \$ '000
Assets			
Current assets			
Cash and cash equivalents	5.1	5,604	40,502
Trade and other receivables	5.1	14,069	12,602
Other financial assets	5.1	138,024	81,302
Inventories	5.2	456	349
Other assets	5.2	1,307	1,187
Total current assets		159,460	135,942
Non-current assets			
Property, infrastructure, plant and equipment	6.1	2,022,698	1,854,506
Intangible assets	5.2	158	746
Right-of-use assets	5.8	1,678	2,834
Total non-current assets		2,024,534	1,858,086
Total assets		2,183,994	1,994,028
Liabilities			
Current liabilities			
Trade and other payables	5.3	12,571	8,198
Trust funds and deposits	5.3	14,138	10,688
Unearned income	5.3	26,078	10,891
Provisions	5.5	15,735	15,560
Interest-bearing liabilities	5.4	4,481	5,206
Lease liabilities	5.8(b)	457	1,302
Total current liabilities		73,460	51,845
Non-current liabilities			
Provisions	5.5	10,603	11,729
Interest-bearing liabilities	5.4	35,739	40,220
Lease liabilities	5.8(b)	1,153	1,591
Total non-current liabilities		47,495	53,540
Total liabilities		120,955	105,385
Net assets		2,063,039	1,888,643
Equity			
Accumulated surplus		1,295,969	1,203,539
Reserves	9.1	767,070	685,104
Total Equity		2,063,039	1,888,643

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

Ballarat City Council

2020/2021 Financial Report

Statement of Changes in Equity
for the year ended 30 June 2021

	Notes	Total \$ '000	Accumulated Surplus \$ '000	Revaluation Reserves \$ '000	Other Reserves \$ '000
2021					
Balance at beginning of the financial year		1,888,643	1,203,539	674,489	10,615
Found assets	11.1	3,631	3,631	—	—
Adjusted opening balance		1,892,274	1,207,170	674,489	10,615
Surplus/(deficit) for the year		97,186	97,186	—	—
Other comprehensive income					
- Net asset revaluation increment/(decrement)	6.1	73,579	—	73,579	—
Other comprehensive income		73,579	—	73,579	—
Total comprehensive income		170,765	97,186	73,579	—
Transfer to / (from) other reserves	9.1	—	(8,387)	—	8,387
Balance at end of the financial year		2,063,039	1,295,969	748,068	19,002
2020					
Balance at beginning of the financial year		1,718,140	1,140,620	564,704	12,816
Found assets	11.1	2,487	2,487	—	—
Impact of change in accounting policy - AASB 15					
Revenue from Contracts with Customers		(982)	(982)	—	—
Impact of change in accounting policy - AASB					
1058 Income of Not-for-Profit Entities		(5,578)	(5,578)	—	—
Adjusted opening balance		1,714,067	1,136,547	564,704	12,816
Surplus/(deficit) for the year		64,791	64,791	—	—
Other comprehensive income					
- Net asset revaluation increment/(decrement)	6.1	109,785	—	109,785	—
Other comprehensive income		109,785	—	109,785	—
Total comprehensive income		174,576	64,791	109,785	—
Transfer to / (from) other reserves	9.1	—	2,201	—	(2,201)
Balance at end of the financial year		1,888,643	1,203,539	674,489	10,615

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

Ballarat City Council

2020/2021 Financial Report

Statement of Cash Flows

for the year ended 30 June 2021

		2021	2020
		Inflows/ (Outflows)	Inflows/ (Outflows)
		\$ '000	\$ '000
	Notes		
Cash flows from operating activities			
Rates and charges		127,436	120,625
Statutory fees and fines		6,815	4,636
User fees		18,203	23,311
Grants - operating		24,311	26,396
Grants - capital		30,491	12,678
Contributions - monetary		9,171	15,118
Interest received		700	1,591
Trust funds and deposits taken		41,790	7,115
Other receipts		1,132	3,924
Net GST refund/payment		8,770	8,373
Employee costs		(66,560)	(68,263)
Materials and services		(74,846)	(71,540)
Short-term, low value and variable lease payments		(207)	(762)
Trust funds and deposits repaid		(38,340)	(1,974)
Other payments		(2,666)	(2,799)
Net cash provided by/(used in) operating activities	9.2	86,200	78,429
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.1	(57,093)	(49,686)
Proceeds from sale of property, infrastructure, plant and equipment		1,322	2,825
Payments for investments		(404,266)	(272,115)
Proceeds from sale of investments		347,544	276,567
Net cash provided by/(used in) investing activities		(112,493)	(42,409)
Cash flows from financing activities			
Finance costs		(1,776)	(1,860)
Proceeds from borrowings		—	10,000
Repayment of borrowings		(5,206)	(4,201)
Interest paid - lease liability		(81)	(84)
Repayment of lease liabilities		(1,542)	(1,792)
Net cash flow provided by/(used in) financing activities		(8,605)	2,063
Net Increase (decrease) in cash and cash equivalents		(34,898)	38,083
Cash and cash equivalents at the beginning of the financial year	5.1	40,502	2,419
Cash and cash equivalents at the end of the financial year		5,604	40,502
Financing arrangements	5.6	6,050	6,948
Restrictions on cash assets	5.1	14,138	10,688

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

Ballarat City Council

2020/2021 Financial Report

Statement of Capital Works

for the year ended 30 June 2021

	2021 \$ '000	2020 \$ '000
Property		
Land	835	3,677
Land improvements	448	154
Total land	1,283	3,831
Buildings	—	617
Heritage buildings	1,743	1,224
Building improvements	16,496	6,398
Total buildings	18,239	8,239
Total property	19,522	12,070
Plant and equipment		
Plant, machinery and equipment	3,733	3,711
Fixtures, fittings and furniture	65	847
Computers and telecommunications	907	1,047
Library books	365	331
Artworks	136	169
Total plant and equipment	5,206	6,105
Infrastructure		
Roads	15,570	17,226
Bridges	2,803	371
Footpaths and cycleways	1,476	1,473
Drainage	822	824
Recreational, leisure and community facilities	4,867	2,980
Waste management	3,404	363
Parks, open space and streetscapes	612	2,200
Off street car parks	189	524
Other infrastructure	2,642	5,862
Total infrastructure	32,385	31,823
Total capital works expenditure	57,113	49,998
Represented by:		
New asset expenditure	19,008	18,694
Asset renewal expenditure	35,598	26,314
Asset expansion expenditure	—	—
Asset upgrade expenditure	2,507	4,990
Total capital works expenditure	57,113	49,998

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

Ballarat City Council

2020/2021 Financial Report

Annual Financial Report

for the year ended 30 June 2021

Overview

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 - Victorian Auditor-General's Office

Internal Auditor - Pitcher Partners

Bankers - National Australia Bank

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

Statement of compliance

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

Significant accounting policies

(a) Basis of accounting

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

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

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

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.1)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.1).
- the determination of employee provisions (refer to Note 5.5.).
- the determination of landfill provisions (refer to Note 5.5.)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.8)
- other areas requiring judgements

Ballarat City Council

2020/2021 Financial Report

Annual Financial Report
for the year ended 30 June 2021**Overview (continued)**

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.

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.

Rounding

Amounts in the Financial Report have been rounded to the nearest thousand dollars unless otherwise stated. Some figures in the financial statement may not equate due to rounding.

(b) Impact of Covid-19

On the 30th of January 2020, COVID-19 was declared a global pandemic by the World Health Organisation (WHO).

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic and a state of disaster was subsequently declared on 2 August 2020.

Since then, various measures have been taken by all three levels of government in Australia to reduce the spread of COVID-19.

In response to decreased public demand and directives from other levels of government during the COVID-19 outbreak, Council was required to temporarily close the following facilities at various points throughout the year:

- Art Gallery of Ballarat
- Ballarat Aquatic and Lifestyle Centre
- Ballarat Library
- Ballarat Regional Soccer Facility
- Eureka Aquatic Centre
- Her Majesty's Theatre
- Eureka Centre
- Sebastopol Library
- Wendouree Library

Some of the significant financial impacts on Council during the 2020/21 financial year include:

- Additional revenue – grant funding received for Be Kind (\$15k), Victoria Together (\$15k), and Outdoor Dining (\$500k).
- Revenue reductions – reductions in revenue from user fees for recreation and aquatic facilities (estimated 500k), Her Majesty's Theatre (estimated \$200k), Art Gallery Ballarat (estimated \$400k) and the Eureka Centre (estimated \$100k).
- Revenue foregone – parking meter revenue (free parking implemented for several months), less enforcement of infringements, local laws permits fees waived, interest waived on late payments (impact estimated at \$250k).
- Additional costs – additional cleaning and PPE supplies (\$98k), IT equipment to enable remote working (\$70k), and pandemic leave for some staff.
- Asset valuations – significant estimation uncertainty in land and buildings valuations due to volatility in property market within the municipality.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The *Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of the greater of 10 percent and \$1,000,000 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.

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

	Budget 2021 \$ '000	Actual 2021 \$ '000	Variance 2021 \$ '000	Variance 2021 %	Ref
1.1 Income and expenditure					
Income					
Rates and charges	124,865	126,721	1,856	1%	
Statutory fees and fines	4,059	6,815	2,756	68%	1
User fees	18,333	16,303	(2,030)	(11)%	2
Grants - operating	22,493	25,519	3,026	13%	3
Grants - capital	2,200	15,119	12,919	587%	4
Contributions - monetary	13,435	9,171	(4,264)	(32)%	5
Contributions - non monetary	31,396	75,544	44,148	141%	6
Other income	3,078	2,245	(833)	(27)%	7
Total income	219,859	277,437	57,578	26%	
Expenses					
Employee costs	67,872	66,782	1,090	2%	
Materials and services	67,147	68,933	(1,786)	(3)%	
Depreciation	39,867	40,213	(346)	(1)%	
Amortisation - intangible assets	—	588	(588)	∞	
Amortisation - right of use assets	—	1,415	(1,415)	∞	8
Bad and doubtful debts	918	563	355	39%	9
Borrowing costs	3,117	1,776	1,341	43%	10
Finance costs - leases	—	81	(81)	∞	8
Net loss on disposal of property, infrastructure, plant and equipment	—	120	(120)	∞	
Other expenses	2,592	(220)	2,812	108%	11
Total expenses	181,513	180,251	1,262	1%	
Surplus/(deficit) for the year	38,346	97,186	58,840	153%	

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Performance against budget (continued)

(i) Explanation of material variations

Variance Explanation

Ref

1. Some realignment of fees between Statutory fees and User fees has occurred during the year which is not reflected in the budget (impact of realignment would be an increase in budget of \$1.1m). In addition, the budget was conservative due to the unknown impact of COVID-19, and while income from infringements was down on budget, this is offset by increases in some statutory fees such as subdivision supervision and plan checking fees and asset protection permits.
2. In addition to the impact of the realignment with statutory fees, the major driver of the lower than budgeted income from user fees is due to many council venues being closed or running at limited capacity due to government restrictions to halt the spread of COVID-19, this included Ballarat Aquatic and Lifestyle Centre (\$656k), Eureka Centre (\$106k) and Art Gallery Ballarat (\$62k).
3. Additional funding in excess of budget was received for Kinders (\$500k) and Child Care Assistance (\$1m) as well as aged care services (\$1m), along with several smaller unexpected grants that became available throughout the year.
4. Capital grants are unpredictable and depend on what grant programs are on offer during the year, as such only the Roads to Recovery grant was budgeted for. Larger grants received during the year include \$1.439m in Blackspot funding, \$1m for Franklin Bridge replacement, \$2.955 for Mars Facilities upgrade, \$2.036m for Wendouree Community Recreation Precinct, and \$1.668m for Ballarat Sports and Events Centre.
5. Monetary contributions from DCP is slightly down on prior years, however the timing of stages is difficult to predict. The budget was significantly higher than previous years.
6. Increase in non-monetary contributions is due to the increase in subdividers contributions, which are difficult to predict. The level of subdivision activity was not as impacted by COVID-19 as anticipated, for example a total of 36 subdivisions were titled during 2020/21 financial year compared to an average of 22 for the three preceding financial years.
7. Interest rates declined during the year and therefore had an impact on the earning capacity of Council's investments.
8. The impact of the new accounting standard relating to accounting for leases introduced in 2019/20 financial year was not known at the time of preparing the 2020/21 budget, therefore the amortisation of any Right of Use assets and Finance costs for Leases was not budgeted for.
9. The methodology for calculating the provision for doubtful debts changed with the introduction of AASB 9 and resulted in a lower provision.
10. The 2020/21 budget factored in additional borrowings to deal with the uncertainty of COVID-19, however these funds were not required and the additional borrowings were not taken up.
11. The movement in the landfill provision was a reduction rather than an increase as budgeted. This was primarily due to the impact of discounting for future cashflows and lower aftercare costs relating to monitoring and analytical reports.

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Performance against budget (continued)

	Budget 2021 \$ '000	Actual 2021 \$ '000	Variance 2021 \$ '000	Variance 2021 %	Ref
1.2 Capital works					
Property					
Land	—	835	835	∞	1
Land improvements	—	448	448	∞	2
Total land	—	1,283	1,283	∞	
Buildings	—	—	—	∞	
Heritage buildings	—	1,743	1,743	∞	3
Building improvements	4,950	16,496	11,546	233%	4
Total buildings	4,950	18,239	13,289	268%	
Total property	4,950	19,522	14,572	294%	
Plant and equipment					
Plant, machinery and equipment	3,090	3,733	643	21%	
Fixtures, fittings and furniture	—	65	65	∞	
Computers and telecommunications	2,857	907	(1,950)	(68)%	5
Library books	394	365	(29)	(7)%	
Artworks	—	136	136	∞	
Total plant and equipment	6,341	5,206	(1,135)	(18)%	
Infrastructure					
Roads	13,885	15,570	1,685	12%	6
Bridges	223	2,803	2,580	1,157%	7
Footpaths and cycleways	955	1,476	521	55%	
Drainage	861	822	(39)	(5)%	
Recreational, leisure and community facilities	7,022	4,867	(2,155)	(31)%	8
Waste management	2,240	3,404	1,164	52%	9
Parks, open space and streetscapes	969	612	(357)	(37)%	
Off street car parks	—	189	189	∞	
Other infrastructure	12,365	2,642	(9,723)	(79)%	10
Total infrastructure	38,520	32,385	(6,135)	(16)%	
Total capital works expenditure	49,811	57,113	7,302	15%	
Represented by:					
New asset expenditure	7,376	19,008	11,632	158%	
Asset renewal expenditure	25,730	35,598	9,868	38%	
Asset expansion expenditure	1,812	—	(1,812)	(100)%	
Asset upgrade expenditure	14,893	2,507	(12,386)	(83)%	
Total capital works expenditure	49,811	57,113	7,302	15%	

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 1. Performance against budget (continued)

(i) Explanation of material variations

Variance Ref	Explanation
1.	The purchase of land was budgeted for in 2020 however completed in 2021 financial year.
2.	The land improvements were incorporated into the budget for Recreation projects, however on completion were allocated to the specific asset category.
3.	The budget for Heritage building works is incorporated into the general building improvements category, and allocated more specifically on completion.
4.	Building improvements includes \$2.3m in projects budgeted for under the Recreation category, as well as expenditure on a number of projects budgeted for in the prior year but delivered in 2021 financial year, such as works on the Fernery (\$1.055m), Royal Park Soccer Change Rooms (\$1.905m), Upgrades to Mars Stadium entrance and toilet facilities (\$1.909m) and works on Ballarat Sports & Events Centre (\$1.670m).
5.	System development projects budgeted for are still in the early planning stages and have not yet incurred capital expenditure (\$2m). In addition, some expenditure budgeted as capital was expensed due to a change in interpretation of the standard in relation to cloud computing.
6.	Roads expenditure includes projects completed during the year that were budgeted in the prior financial year (\$1m) as well as some additional works due to increased funding.
7.	Budget for some projects was initially classified within the Roads category, and allocated more specifically on completion, and includes expenditure on projects initially budgeted in prior years but completed in 2020/21.
8.	Projects budgeted as Recreation (\$2.3m) have been categorised as Building Improvements.
9.	Construction of a new cell is a multi-year project and there are some timing variances with the allocation of the budget.
10.	Budgeted expenditure included \$6m for Council projects related to DCPs of which \$299k was expended during the year, as well as \$4m for Bakery Hill which is expected to be expended during 2021/22 financial year.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Analysis of Council results by program

2.1 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

Corporate Services (previously Business Services)

The Corporate Services department provides corporate management, support and governance to the organisation, ensuring that the business complies with and meets all its statutory obligations required by a local government authority. It services the organisation with fleet management, information and technology support, financial and revenue services, as well as customer services.

Community Wellbeing (previously Community Development)

The Community Wellbeing department provides a broad range of community services and support programs that enhance the quality of life for Ballarat residents. These services relate to home and personal care in aged care, maternal and child health, and people with special needs. It also builds our communities through community engagement, youth services, cultural diversity, and our learning and community hubs and by managing Her Majesty's Theatre, the Art Gallery of Ballarat, the Eureka Centre and facilitating a broad range of community events.

Development and Growth (previously Development and Planning)

Development and Growth is responsible for managing the strategies for positive future developments within the municipality that builds the long term economic prosperity of the city. It also manages the provision of recreational facilities, and regulatory services such as local laws, animal shelter and environmental health.

Infrastructure and Environment

Infrastructure and Environment are responsible for designing and maintaining the network of Council assets. They do this by providing the planning, development and delivery of community infrastructure including our buildings, roads, drainage, recreational and open spaces, parks and gardens, and water ways. It also provides our municipality with regulatory and waste management services, with an environmentally conscious and sustainable underpinning.

Office of the Chief Executive Officer

The Office of the Chief Executive Officer has the overall responsibility for managing Council as an organisation. They develop and manage delivery of the long term strategic plans of Council. The Office of the CEO also incorporates governance and risk, as well as human resources management and organisational development.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 2. Analysis of Council results by program (continued)

2.2 Summary of revenues, expenses, assets and capital expenses by program

Functions/activities *	Income \$ '000	Expenses \$ '000	Surplus / (Deficit) \$ '000	Grants included in income \$ '000	Total assets \$ '000
2021					
Business Services	—	—	—	—	—
Community Development	—	—	—	—	—
Development and Planning	—	—	—	—	—
Innovation and Organisational Improvement	—	—	—	—	—
Infrastructure and Environment	22,887	54,093	(31,206)	13,480	—
Office of the Chief Executive Officer	65	7,917	(7,852)	—	—
Corporate Services	140,779	55,945	84,834	13,135	2,183,994
Community Wellbeing	16,175	35,515	(19,340)	11,776	—
Development and Growth	97,531	26,781	70,750	2,247	—
Total functions and activities	277,437	180,251	97,186	40,638	2,183,994
2020					
Business Services	141,125	57,489	83,636	14,241	1,994,028
Community Development	20,265	31,054	(10,789)	12,119	—
Development and Planning	7,681	15,831	(8,150)	1,293	—
Innovation and Organisational Improvement	371	8,241	(7,870)	197	—
Infrastructure and Environment	74,287	65,283	9,004	5,150	—
Office of the Chief Executive Officer	76	1,116	(1,040)	—	—
Corporate Services	—	—	—	—	—
Community Wellbeing	—	—	—	—	—
Development and Growth	—	—	—	—	—
Total functions and activities	243,805	179,014	64,791	33,000	1,994,028

(*) At the beginning of the 2020/21 financial year, Council underwent a change in structure from a five Directorate model to a four Directorate model. Within the four new directorates there was also a realignment of the business functions within each Directorate. The prior year comparatives are reported under the previous structure while the current year is reported under the new structure.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Funding for the delivery of our services

	2021	2020
	\$ '000	\$ '000

3.1 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 2020/21 was \$23,334 million (2019/20: \$21,341 million). The 2020/21 rate in the dollar was 0.3739 cents (2019/20 0.3922 cents).

General rates	106,580	103,253
Waste management charge	20,005	19,463
Special rates and charges	148	148
Interest on rates and charges	(12)	121
Revenue in lieu of rates	–	64
Total rates and charges	126,721	123,049

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2021, and the valuation will be first applied in the rating year commencing 1 July 2021.

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

3.2 Statutory fees and fines

Infringements and costs	1,613	2,182
Town planning fees and certificates	1,206	1,211
Subdivision supervision and certification fees	1,382	1,550
Land information certificates	176	137
Dog and cat registrations and fines	934	1,055
Health licences and fees	591	677
Local law permits	913	167
Sale of valuations	–	1
Total statutory fees and fines	6,815	6,980

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.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Funding for the delivery of our services (continued)

	2021 \$ '000	2020 \$ '000
3.3 User fees		
Aged services fees	331	414
Child care centres and kindergartens	867	901
Parking	1,354	1,537
Art Gallery of Ballarat	178	653
Ballarat Aquatic and Lifestyle Centre	2,034	3,447
Family day care	136	120
Her Majesty's Theatre	171	381
Landfill operations	6,198	5,815
Library services	945	1,114
Animal Shelter	271	268
Meals on wheels	521	396
Recreation income	276	598
Transfer station	834	702
Building Fees & Permits	1,166	814
Eureka Centre	36	216
Other	985	1,741
Total user fees	16,303	19,117

User fees are recognised as revenue at a point in time, or over time, when (or as) the performance obligation is satisfied. Recognition is based on the underlying contractual terms.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements
for the year ended 30 June 2021

Note 3. Funding for the delivery of our services (continued)

	2021 \$ '000	2020 \$ '000
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3.4 Funding from other levels of government

Grants were received in respect of the following:

Summary of grants

Commonwealth funded grants	23,856	22,350
State funded grants	16,782	10,650
Total grants received	40,638	33,000

(a) Operating Grants

Recurrent - Commonwealth Government

Financial Assistance Grants	12,941	14,166
Aged care	4,063	4,003
Child and family day care	2,898	2,460
Other	–	181

Recurrent - State Government

Aged care	487	1,072
School crossing supervisors	411	401
Libraries	696	679
Maternal and child health	862	1,203
Community safety	73	70
Arts	253	274
Child and family day care	1,686	618
Other	424	707

Total recurrent operating grants	24,794	25,834
-----------------------------------------	---------------	---------------

Non-recurrent - Commonwealth Government

Recreation	19	–
Other	7	–

Non-recurrent - State Government

Arts	37	9
Community Safety	68	–
Child and Family Day Care	148	–
Land Use Planning	101	–
Other	345	162

Total non-recurrent operating grants	725	171
---------------------------------------------	------------	------------

Total operating grants	25,519	26,005
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(b) Capital Grants

Recurrent - Commonwealth Government

Roads	3,655	1,395
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Recurrent - State Government

Roads	–	562
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Total recurrent capital grants	3,655	1,957
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Non-recurrent - Commonwealth Government

Recreation	255	145
Other	18	–

Non-recurrent - State Government

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Funding for the delivery of our services (continued)

	2021 \$ '000	2020 \$ '000
Buildings	2,114	500
Recreation	6,451	1,719
Roads	2,179	2,058
Smart cities	80	158
Other	367	458
Total non-recurrent capital grants	11,464	5,038
Total capital grants	15,119	6,995

(c) Unspent grants received on condition that they be spent in a specific manner:

Operating

Balance at start of year	17,751	8,502
Adjustment due to changes in Australian Accounting Standards	—	2,179
Received during the financial year and remained unspent at balance date	—	11,769
Received in prior years and spent during the financial year	(17,751)	(4,699)
Balance at year end	—	17,751

Grant income is recognised at the point in time when the council satisfies its performance obligations as specified in the underlying agreement.

In 2021, there were no unspent amounts relating to grants recognised as revenue during the year. All unspent grants had outstanding performance obligations and were therefore recognised as a liability under AASB 1058.

3.5 Contributions

Monetary contributions

Monetary	9,171	14,737
Total monetary contributions	9,171	14,737

Non-monetary contributions

Non-monetary	75,544	39,982
Total non-monetary contributions	75,544	39,982
Total contributions	84,715	54,719

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

Land ^	3,482	2,329
Roads #	24,593	14,711
Artworks	534	193
Drainage #	38,000	17,192
Footpaths #	4,915	3,238
Land under roads ^	3,738	2,227
Recreation, leisure and community #	282	92
Total non-monetary contributions	75,544	39,982

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

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements
for the year ended 30 June 2021**Note 3. Funding for the delivery of our services (continued)**

-
- (#) Council recognised non-monetary contributions of a number of infrastructure assets totalling \$6.341million (2019/20 \$4.890million) that had been transferred to Council relating to previous reporting periods. Council recognises there has been an understatement in prior year totals, but has made the assessment that due to the value being immaterial this does not warrant adjusting prior year comparative figures and current year opening balances (refer also Note 6.1).
- (*) Land and Land Under Roads values have been adjusted for Fair Value Adjustments \$0.047m (2019/20 \$0.531m) applied in connection to assets contributed through the Ballarat West Developer Contribution Plan (DCP). Land assets are contributed at agreed values under the DCP, and fair value adjustments are applied to the assets to reflect a fair market value of the assets to Council. Adjustments are made in the same year that ownership of the asset is transferred to Council. (Refer Note 6.1)

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 3. Funding for the delivery of our services (continued)

	2021 \$ '000	2020 \$ '000
3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment		
Property, infrastructure, plant and equipment		
Proceeds of sale	1,322	2,566
Written down value of assets disposed	(1,442)	(5,247)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(120)	(2,681)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(120)	(2,681)

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

3.7 Other income

Interest	700	1,591
Property rentals	1,135	1,448
Reimbursements	379	1,431
Asset revaluation increment offset ^	—	1,578
Other ^	31	892
Total other income	2,245	6,940

Interest is recognised as it is earned.

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

(*) The 2020 Asset revaluation increment offset represents a recoupment of an asset revaluation reserve deficit from prior financial years. (Refer Note 6.1 and Note 9.1).

(^*) Other income in 2019/20 is inclusive of the unwinding of a provision for overpaid Commonwealth grant funding connected to services no longer provided by Council. Council reached an agreement with the funding body to repay \$0.116m out of Council's provision of \$1.000m.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 4. The cost of delivering services

	2021	2020
	\$ '000	\$ '000

4.1 Employee costs

(a) Employee costs

Wages and salaries	56,988	55,672
WorkCover	700	1,455
Casual staff	2,761	3,097
Superannuation	5,431	5,330
Fringe benefits tax	71	193
Other overheads and related costs	831	876
Total employee costs	66,782	66,623

(b) Superannuation

Council made contributions to the following funds:

Defined benefit fund

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	416	444
	416	444

Employer contributions payable at reporting date

Accumulation funds

Employer contributions to Local Authorities Superannuation Fund (Vision Super)	2,628	2,767
Employer contributions - other funds	2,376	2,124
	5,004	4,891

Employer contributions payable at reporting date

Refer to Note 9.3. for further information relating to Council's superannuation obligations.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 4. The cost of delivering services (continued)

	2021 \$ '000	2020 \$ '000
4.2 Materials and services		
Building maintenance	2,154	2,041
General maintenance	7,017	4,253
Utilities	7,697	7,271
Office administration	8,627	5,508
Information technology	2,622	2,468
Insurance	1,752	1,542
Consultants	664	538
Contract payments		
- Active ageing	1,301	1,501
- Communications and marketing	266	1,200
- Development and planning	1,637	989
- Economic partnerships	868	1,343
- Engaged communities	820	831
- Environmental services	12,610	11,475
- Events and the arts	2,375	1,764
- Family and children's services	786	1,270
- Governance and corporate services	444	—
- Information services	550	679
- Parks and gardens	6,023	6,756
- Property and facilities management	1,314	2,220
- Recreation	578	—
- Regulatory services	262	820
- Road maintenance	1,731	2,714
Repayment of grant funds ^(*)	4,256	—
Other	2,579	5,666
Total materials and services	68,933	62,849

(*) Repayment of grant funding received in June 2019 from Department of Jobs, Precincts and Regions for the Central Highlands Regional Transformation Program following withdrawal from the project.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 4. The cost of delivering services (continued)

	2021 \$ '000	2020 \$ '000
4.3 Depreciation		
Property		
Land improvements	27	24
Heritage buildings	1,176	1,148
Buildings - non specialised	3,830	3,800
Building improvements	297	168
Total depreciation - property	5,330	5,140
Plant and equipment		
Plant machinery and equipment	2,872	2,814
Fixtures fittings and furniture	184	199
Computers and telecomms	1,308	1,196
Library books	403	407
Total depreciation - plant and equipment	4,767	4,616
Infrastructure		
Roads	17,515	17,556
Bridges	773	764
Footpaths and cycleways	2,289	2,273
Drainage	3,785	3,834
Recreational, leisure and community	2,938	3,009
Waste management	591	591
Parks open spaces and streetscapes	56	7
Off street car parks	186	184
Other infrastructure	1,983	1,954
Total depreciation - infrastructure	30,116	30,172
Total depreciation	40,213	39,928

Refer to note 5.2(c), 5.8 and 6.1 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Amortisation - Intangible assets

Landfill	588	588
Total Amortisation - Intangible assets	588	588

4.5 Amortisation - Right of use assets

Property	651	454
Plant & equipment	764	765
Total Amortisation - Right of use assets	1,415	1,219

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 4. The cost of delivering services (continued)

	2021 \$ '000	2020 \$ '000
4.6 Bad and doubtful debts		
Parking fine debtors	419	304
Other debtors	51	145
Animal control	93	118
Total bad and doubtful debts	563	567
Movement in provisions for doubtful debts		
Balance at the beginning of the year	(1,997)	(1,756)
New provisions recognised during the year	(225)	(567)
Amounts already provided for and written off as uncollectible	52	326
Balance at end of year	(2,170)	(1,997)

Provision for doubtful debt is recognised based on an expected credit loss model.

This model considers both historic and forward looking information in determining the level of impairment. Bad debts are written off when identified.

4.7 Borrowing costs

Interest - Borrowings	1,776	1,860
Total borrowing costs	1,776	1,860

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.

4.8 Finance Costs - Leases

Interest - Lease Liabilities	81	84
Total finance costs	81	84

Finance costs - Lease liabilities

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 4. The cost of delivering services (continued)

	2021 \$ '000	2020 \$ '000
4.9 Other expenses		
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	101	95
Auditors' remuneration - Internal	163	126
Councillors' allowances	373	382
Operating leases	12	424
Asset revaluation decrement expense *	—	78
Landfill rehabilitation provision #	(1,369)	1,495
Election Expenses	490	—
Other	10	15
Total other expenses	(220)	2,615

(#) The landfill rehabilitation provision has decreased due primarily due to the compounding effect of lower aftercare costs such as monitoring and analytical reports. This is based on more recent costings informing the calculation.

(*) The 2020 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: Waste \$0.078m (2018/19: Recreation, leisure and community \$0.325m (Refer Note 9.1).

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position

	Notes	2021 \$ '000	2020 \$ '000
5.1 Financial assets			
(a) Cash and cash equivalents			
Current			
Cash on hand		12	12
Cash at bank		5,592	31,501
Term deposits		–	8,989
Total current cash and cash equivalents		5,604	40,502
(b) Other financial assets			
Current			
Term deposits		138,022	81,300
Shares in other companies		2	2
Total current other financial assets		138,024	81,302
Total current financial assets		143,628	121,804
External restrictions			
Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:			
Trust funds and deposits	5.3	14,138	10,688
Total restricted funds		14,138	10,688
Total unrestricted cash and cash equivalents		(8,534)	29,814

While it is noted that the total unrestricted cash and cash equivalents indicator shows a deficit as at 30 June 2021, Council has additional cash reserves held as term deposits disclosed in Other financial assets. As at 30 June 2021, Council had additional cash held in term deposits with maturities between 90 and 365 days totalling \$138.022m (2019/20: \$81.300m). Council has sufficient funds to meet obligations concerning its externally restricted holdings.

Intended allocations

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

Cash held to fund carried forward capital works	60,393	54,658
Reserve funds	19,002	10,615
Total funds subject to intended allocations	79,395	65,273

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

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

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
(c) Trade & Other Receivables		
Current		
<i>Statutory receivables</i>		
Rates debtors	5,677	6,392
Infringement debtors - Parking	3,691	3,597
Infringement debtors - Other	1,762	1,654
<i>Non-statutory receivables</i>		
Loans and advances to community organisations	—	1
Government grants	1,908	37
Other debtors	3,201	2,917
<i>Provisions for doubtful debts</i>		
Provision for doubtful debts - other debtors	(359)	(374)
Provision for doubtful debts - parking infringements	(971)	(843)
Provision for doubtful debts - other infringements	(840)	(779)
Total current trade and other receivables	14,069	12,602
Total trade and other receivables	14,069	12,602

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

(d) Ageing of receivables

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

Current (not yet due)	4,694	1,769
Past due by up to 30 days	115	733
Past due between 31 and 180 days	56	315
Past due between 181 and 365 days	66	69
Past due by more than 1 year	178	69
Total trade and other receivables	5,109	2,955

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$1.972m (2020: \$2.817m) were impaired. The amount of the provision raised against these debtors was \$359,000 (2020: \$1.099m). 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)	152	—
Past due by up to 30 days	41	83
Past due between 31 and 180 days	17	258

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements
for the year ended 30 June 2021**Note 5. Our financial position (continued)**

	2021	2020
	\$ '000	\$ '000
Past due between 181 and 365 days	40	95
Past due by more than 1 year	109	663
Total trade and other receivables	359	1,099

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
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5.2 Non-financial assets

(a) Inventories

Current

Inventories held for distribution	301	211
Inventories held for sale	155	138
Total current inventories	456	349

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

(b) Other assets

Current

Prepayments	1,220	940
Accrued income	87	247
Total current other assets	1,307	1,187

(c) Intangible assets

Landfill air space	158	746
Total intangible assets	158	746

	Landfill Air Space \$ '000	Total \$ '000
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Gross Carrying Amount

Balance at 1 July 2020	1,763	1,763
Additions from internal developments	—	—
Other additions	—	—
Balance at 1 July 2021	1,763	1,763

Accumulated amortisation and impairment

Balance at 1 July 2020	1,017	1,017
Amortisation expense	588	588
Balance at 1 July 2021	1,605	1,605

Net book value at 30 June 2020	746	746
Net book value at 30 June 2021	158	158

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

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
5.3 Payables		
(a) Trade and other payables		
Current		
Trade payables	10,996	5,195
Accrued loan expenses	109	130
Wages payable	1,466	2,873
Total current trade and other payables	12,571	8,198
(b) Trust funds and deposits		
Current		
Fire services property levy	1,738	1,950
Majestix deposits and trust funds	828	408
Art Gallery deposits and trust funds	169	198
Contract retentions and securities	64	56
Subdivision holding fees	6,930	3,605
Eureka Centre trust fund	38	38
Other deposits and trusts	4,371	4,433
Total current trust funds and deposits	14,138	10,688
(c) Unearned income		
Current		
Grants received in advance:		
Grants received in advance - operating	1,935	1,271
Grants received in advance - capital	23,916	9,547
Total grants received in advance	25,851	10,818
User fees received in advance:		
Other	227	73
Total user fees received in advance	227	73
Total unearned income	26,078	10,891

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

Purpose and nature of items

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 & Holding Fees - 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.

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
5.4 Interest-bearing liabilities		
Current		
Borrowings - secured	4,481	5,206
	<u>4,481</u>	<u>5,206</u>
Non-current		
Borrowings - secured	35,739	40,220
	<u>35,739</u>	<u>40,220</u>
Total	<u>40,220</u>	<u>45,426</u>

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

a) The maturity profile for Council's borrowings is:

Not later than one year	4,481	5,206
Later than one year and not later than five years	33,427	13,491
Later than five years	2,312	26,729
	<u>40,220</u>	<u>45,426</u>

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

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

	Employee provisions \$ '000	Landfill restoration \$ '000	Other \$ '000	Total \$ '000
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5.5 Provisions

2021

Balance at the beginning of the financial year	16,922	10,366	—	27,288
Additional provisions	5,901	383	—	6,284
Amounts used	(5,356)	—	—	(5,356)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(125)	(1,753)	—	(1,878)
Balance at the end of the financial year	<u>17,342</u>	<u>8,996</u>	<u>—</u>	<u>26,338</u>

2020

Balance at the beginning of the financial year	15,896	8,895	1,000	25,791
Additional provisions	6,637	—	—	6,637
Amounts used	(5,551)	(56)	(1,000)	(6,607)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(60)	1,527	—	1,467
Balance at the end of the financial year	<u>16,922</u>	<u>10,366</u>	<u>—</u>	<u>27,288</u>

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	4,253	4,083
Long service leave	1,154	1,110
Other	100	261
	5,507	5,454
Current provisions expected to be wholly settled after 12 months		
Annual leave	1,690	1,532
Long service leave	8,458	8,437
	10,148	9,969
Total current employee provisions	15,655	15,423
Non-Current		
Long service leave	1,687	1,501
Total Non-Current Employee Provisions	1,687	1,501
Aggregate Carrying Amount of Employee Provisions:		
Current	15,655	15,423
Non-current	1,687	1,501
Total Aggregate Carrying Amount of Employee Provisions	17,342	16,924

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

Wages and salaries and annual leave

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

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

Long service leave

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

Current liability - unconditional LSL is disclosed as a current liability even when 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.

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. Non-current LSL liability is measured at present value.

Key assumptions:

Weighted average increase in employee costs	2.95%	5.14%
Weighted average discount rates	1.49%	3.25%
Weighted average settlement period - years	7	7

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for the year ended 30 June 2021

Note 5. Our financial position (continued)

	2021 \$ '000	2020 \$ '000
(b) Landfill restoration		
Current		
Current	80	137
Total current	80	137
Non-current		
Non-current	8,916	10,228
Total non-current	8,916	10,228

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 present value of the expected cost of works to be undertaken. The expected cost of works has been estimated based on current understanding of work required to reinstate the site to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

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

Key assumptions:

Weighted average discount rates	1.33%	1.32%
Weighted average rehabilitation costs (per sqm) - \$	42.00	41.00
Council's obligated restoration period from cell closure - years	30	30

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2021.

Bank overdraft	1,000	1,000
Credit card facilities	5,000	5,100
Leasing facilities	50	848
Total Facilities	6,050	6,948
Used facilities	93	1,165
Used facilities	93	1,165
Unused facilities	5,957	5,783

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

	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
--	-------------------------------------	------------------------------------------------------------------	-------------------------------------------------------------------	----------------------------------	------------------

5.7 Commitments

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

2021

Operating

Waste Operations	—	—	—	—	—
Administration and consultancy	244	25	54	—	323
Cleaning Services	264	15	—	—	279
Total	508	40	54	—	602

Capital

Bridges	—	—	—	—	—
Buildings	625	—	—	—	625
Building improvements	—	—	—	—	—
Plant and Equipment	—	—	—	—	—
Recreation, leisure and community	5,814	—	—	—	5,814
Roads	905	—	—	—	905
Landfill	1,714	—	—	—	1,714
Total	9,058	—	—	—	9,058

2020

Operating

Waste Operations	412	—	—	—	412
Administration and consultancy	45	20	—	—	65
Cleaning Services	1,347	1,011	928	—	3,286
Total	1,804	1,031	928	—	3,763

Capital

Bridges	2,653	—	—	—	2,653
Buildings	612	—	—	—	612
Building improvements	358	—	—	—	358
Plant and Equipment	374	—	—	—	374
Recreation, leisure and community	1,320	—	—	—	1,320
Roads	1,850	—	—	—	1,850
Landfill	—	—	—	—	—
Total	7,167	—	—	—	7,167

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 5. Our financial position (continued)

5.8 Leases

At inception of a contract, all entities would assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Council has elected to apply the temporary option available under AASB 16 Leases which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

Ballarat City Council

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Notes to the Financial Statements
for the year ended 30 June 2021

Note 5. Our financial position (continued)

(a) Right-of-Use Assets

	Property \$ '000	Plant & Equipment \$ '000	Total \$ '000
2021			
Balance at 1 July	2,022	812	2,834
Additions	259	–	259
Amortisation charge	(651)	(765)	(1,416)
Cessations	–	–	–
Balance at 30 June	1,630	48	1,678
2020			
Balance at 1 July	1,004	1,577	2,581
Additions	2,104	–	2,104
Amortisation charge	(454)	(765)	(1,219)
Cessations	(632)	–	(632)
Balance at 30 June	2,022	812	2,834

	2021 \$ '000	2020 \$ '000
--	-----------------	-----------------

(b) Lease Liabilities

Maturity analysis - contractual undiscounted cash flows		
Less than one year	512	1,411
One to five years	1,222	1,718
Total undiscounted lease liabilities as at 30 June:	1,734	3,129
Lease liabilities included in the Balance Sheet at 30 June:		
Current	457	1,302
Non-current	1,153	1,591
Total lease liabilities	1,610	2,893

Short-term and low value leases

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Expenses relating to:

Short-term leases	84	301
Leases of low value assets	106	152
Total	190	453

Variable lease payments (not included in measurement of lease liabilities) 17 309

Non-cancellable lease commitments - Short-term and low-value leases

Commitments for minimum lease payments for short-term and low-value leases are payable as follows:

Within one year	21	13
Later than one year but not later than five years	64	–
Total lease commitments	85	13

Ballarat City Council

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage

6.1 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment	At Fair Value 30 June 2020 \$ '000	Additions \$ '000	Contributions \$ '000	Revaluation \$ '000	Depreciation \$ '000	Disposal \$ '000	Write-off \$ '000	Transfers \$ '000	Found Assets \$ '000	At Fair Value 30 June 2021 \$ '000
Property	513,498	6,480	7,220	94,407	(5,330)	(44)	–	2,564	–	618,795
Plant and equipment	117,033	5,147	534	–	(4,767)	(1,160)	–	414	–	117,201
Infrastructure	1,216,833	23,404	67,790	(20,828)	(30,116)	(238)	–	2,533	3,632	1,263,010
Work in progress	7,142	22,082	–	–	–	–	(21)	(5,511)	–	23,692
Total	1,854,506	57,113	75,544	73,579	(40,213)	(1,442)	(21)	–	3,632	2,022,698

Summary of Work in Progress	Opening WIP \$ '000	Additions \$ '000	Write-off \$ '000	Transfers \$ '000	Closing WIP \$ '000
Property	3,614	13,043	(21)	(2,397)	14,239
Plant and equipment	428	59	–	(428)	59
Infrastructure	3,100	8,980	–	(2,686)	9,394
Total	7,142	22,082	(21)	(5,511)	23,692

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

	Land specialised \$ '000	Land non specialised \$ '000	Land improve-ments \$ '000	Total land and land improve-ments \$ '000	Heritage buildings \$ '000	Buildings non specialised \$ '000	Building improve-ments \$ '000	Total buildings \$ '000	Work in progress \$ '000	Total property \$ '000
Property										
At fair value 1 July 2020	13,169	296,421	3,088	312,678	46,235	151,719	11,896	209,850	3,614	526,142
Accumulated depreciation at 1 July 2020	—	—	(24)	(24)	(1,917)	(6,869)	(220)	(9,006)	—	(9,030)
Carrying value - 1 July 2020	13,169	296,421	3,064	312,654	44,318	144,850	11,676	200,844	3,614	517,112
Movements in fair value										
Additions	—	835	405	1,240	539	—	4,701	5,240	13,043	19,523
Contributions	3,738	3,482	—	7,220	—	—	—	—	—	7,220
Revaluation	—	71,659	—	71,659	5,019	16,405	1,324	22,748	—	94,407
Disposal	—	(44)	—	(44)	—	—	—	—	—	(44)
Write-off	—	—	—	—	—	—	—	—	(21)	(21)
Transfers	—	—	—	—	—	13,220	(10,656)	2,564	(2,397)	167
Total movements in fair value	3,738	75,932	405	80,075	5,558	29,625	(4,631)	30,552	10,625	121,252
Movements in accumulated depreciation										
Depreciation and amortisation	—	—	(27)	(27)	(1,176)	(3,533)	(594)	(5,303)	—	(5,330)
Transfers	—	—	—	—	—	(517)	517	—	—	—
Total movements in accumulated depreciation	—	—	(27)	(27)	(1,176)	(4,050)	(77)	(5,303)	—	(5,330)
At fair value 30 June 2021	16,906	372,353	3,493	392,752	51,793	181,344	7,265	240,402	14,239	647,393
Accumulated depreciation at 30 June 2021	—	—	(51)	(51)	(3,092)	(11,216)	—	(14,308)	—	(14,359)
Carrying value - 30 June 2021	16,906	372,353	3,442	392,701	48,701	170,128	7,265	226,094	14,239	633,034

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Ballarat City Council

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

	Plant machinery and equipment \$ '000	Fixtures fittings and furniture \$ '000	Computers and telecomms \$ '000	Library books \$ '000	Art works and heritage collections \$ '000	Total \$ '000	Work in progress \$ '000	Total plant and equipment \$ '000
Plant and Equipment								
At fair value 1 July 2020	31,274	3,379	14,063	8,059	95,368	152,143	428	152,571
Accumulated depreciation at 1 July 2020	(16,968)	(1,839)	(10,524)	(5,779)	—	(35,110)	—	(35,110)
Carrying value - 1 July 2020	14,306	1,540	3,539	2,280	95,368	117,033	428	117,461
Movements in fair value								
Additions	3,733	65	848	365	136	5,147	59	5,206
Contributions	—	—	—	—	534	534	—	534
Disposal	(1,958)	(2)	(1,370)	—	—	(3,330)	—	(3,330)
Transfers	415	—	—	—	—	415	(428)	(13)
Total movements in fair value	2,190	63	(522)	365	670	2,766	(369)	2,397
Movements in accumulated depreciation								
Depreciation and amortisation	(2,872)	(184)	(1,308)	(403)	—	(4,767)	—	(4,767)
Accumulated depreciation of disposals	1,693	2	474	—	—	2,169	—	2,169
Total movements in accumulated depreciation	(1,179)	(182)	(834)	(403)	—	(2,598)	—	(2,598)
At fair value 30 June 2021	33,464	3,442	13,541	8,424	96,038	154,909	59	154,968
Accumulated depreciation at 30 June 2021	(18,147)	(2,021)	(11,358)	(6,182)	—	(37,708)	—	(37,708)
Carrying value - 30 June 2021	15,317	1,421	2,183	2,242	96,038	117,201	59	117,260

Ballarat City Council

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage

	Roads \$ '000	Bridges \$ '000	Footpaths and cycleways \$ '000	Drainage \$ '000	Recrea- tional, leisure and commu- nity \$ '000	Waste manage- ment \$ '000	Parks open spaces and streets- capes \$ '000	Off street car parks \$ '000	Other infra- structure \$ '000	Total \$ '000	Work in progress \$ '000	Total infra- structure \$ '000
Infrastructure												
At fair value 1 July 2020	662,059	49,437	83,657	353,155	43,612	3,548	4,219	8,519	39,269	1,247,475	3,100	1,250,575
Accumulated depreciation at 1 July 2020	(17,556)	(764)	(2,273)	(3,834)	(2,888)	(1,182)	(7)	(184)	(1,954)	(30,642)	–	(30,642)
Carrying value - 1 July 2020	644,503	48,673	81,384	349,321	40,724	2,366	4,212	8,335	37,315	1,216,833	3,100	1,219,933
Movements in fair value												
Additions	14,533	2,803	1,476	791	1,444	–	544	189	1,624	23,404	8,980	32,384
Contributions	24,593	–	4,915	38,000	282	–	–	–	–	67,790	–	67,790
Revaluation	1,395	1,220	(5,490)	(41,297)	(2,168)	–	–	(743)	(3,111)	(50,194)	–	(50,194)
Disposal	–	–	–	–	(434)	–	–	–	–	(434)	–	(434)
Transfers	–	272	–	–	643	–	82	–	1,537	2,534	(2,686)	(152)
Found assets	2,870	–	67	648	11	–	–	–	36	3,632	–	3,632
Total movements in fair value	43,391	4,295	968	(1,858)	(222)	–	626	(554)	86	46,732	6,294	53,026
Movements in accumulated depreciation												
Depreciation and amortisation	(17,515)	(773)	(2,289)	(3,785)	(2,938)	(591)	(56)	(186)	(1,983)	(30,116)	–	(30,116)
Accumulated depreciation of disposals	–	–	–	–	196	–	–	–	–	196	–	196
Revaluation	17,556	764	2,273	3,834	2,801	–	–	184	1,954	29,366	–	29,366
Total movements in accumulated depreciation	41	(9)	(16)	49	59	(591)	(56)	(2)	(29)	(554)	–	(554)
At fair value 30 June 2021	705,450	53,732	84,625	351,297	43,390	3,548	4,845	7,965	39,355	1,294,207	9,394	1,303,601
Accumulated depreciation at 30 June 2021	(17,515)	(773)	(2,289)	(3,785)	(2,829)	(1,774)	(63)	(186)	(1,983)	(31,197)	–	(31,197)
Carrying value - 30 June 2021	687,935	52,959	82,336	347,512	40,561	1,774	4,782	7,779	37,372	1,263,010	9,394	1,272,404

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2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

Acquisition

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

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

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

Asset recognition thresholds and depreciation periods

	Depreciation Period years	Threshold Limit \$
Land and land improvements		
Land		5,000
Land improvements	40 years	5,000
Buildings		
Buildings	40 - 125 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
Right of use assets	1 - 10 years	10,000

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, consistent with AASB 1051.

Depreciation and amortisation

Buildings, land improvements, plant and equipment, infrastructure, and other assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

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.

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

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.

Valuation of land and buildings

Valuation of land and buildings was undertaken in 2018 by a qualified independent valuer. 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.

An indexed based revaluation was conducted in the current year by independent valuer Opteon (Vic). This valuation was based on land and property valuation increases observed by Opteon since the last formal revaluation in 2018. This exercise suggested value increases of between 11.16% and 29.99% across its different property categories for the period, and values were indexed accordingly. Council notes that due to COVID-19 there is significant uncertainty within the market. A full revaluation of these assets will be conducted in 2021/22.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2021 are as follows:

	Level 1 2021 \$ '000	Level 2 2021 \$ '000	Level 3 2021 \$ '000	Date of valuation
Land	—	—	372,353	30/06/18
Specialised land	—	—	16,906	30/06/18
Land improvements	—	—	3,442	30/06/18
Heritage buildings	—	—	48,701	30/06/18
Buildings	—	—	170,128	30/06/18
Building improvements	—	7,265	—	30/06/18
Total	—	7,265	611,530	

Valuation of Infrastructure

An indexed based revaluation of Heritage assets, public furniture and recreation assets was conducted in the current year, this valuation was based on the ABS Building Construction index. In addition, unit rates have been updated for other asset classes not subject to revaluation.

Drainage and bridges have been revalued by external consultants Pitt and Sherry.

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 6. Assets we manage (continued)

The date of the current valuation is detailed in the following table.

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

	Level 1 2021 \$ '000	Level 2 2021 \$ '000	Level 3 2021 \$ '000	Date of valuation
Roads	—	—	687,935	01/07/19
Bridges	—	—	52,959	31/03/21
Footpaths and cycleways	—	—	82,336	01/07/19
Drainage	—	—	347,512	31/03/21
Recreational, leisure & community facilities	—	—	40,561	01/07/19
Waste management	—	—	1,774	01/07/19
Parks, open space & streetscapes	—	—	4,782	01/07/19
Off street car parks	—	—	7,779	01/07/19
Other Infrastructure	—	—	37,372	01/07/19
Total	—	—	1,263,010	

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique.

Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$0.16 and \$929 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement cost is calculated on a square metre basis and ranges from \$100 to \$5,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary up 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 1 year to 192 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Reconciliation of specialised land

	2021 \$ '000	2020 \$ '000
Land under roads	16,906	13,169
Total specialised land	16,906	13,169

Ballarat City Council

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Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. People and relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity
Ballarat City Council

Subsidiaries and Associates
Nil

(b) Key Management Personnel

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

Councillors Daniel Moloney (Mayor from 11/11/2020)
Ben Taylor (Mayor to 24/10/2020)
Amy Johnson
Belinda Coates
Des Hudson
Grant Tillett (to 24/10/2020)
Jim Rinaldi (to 24/10/2020)
Mark Harris
Peter Eddy (from 11/11/2020)
Samantha McIntosh
Tracey Hargreaves (from 11/11/2020)

	2021 No.	2020 No.
Total Number of Councillors	11	9
Other Key Management Personnel		
Evan King Chief Executive Officer	15/2/2021 - 30/6/2021	
Janet Dore Interim Chief Executive Officer	1/7/2020 - 14/2/2021	
Angelique Lush Director Development and Planning	1/7/2020 - 31/7/2020	
Cameron Gray Director Policy and Innovation	1/7/2020 - 31/7/2020	
Glenn Kallio Director Business Services	1/07/2020	
Neville Ivey Director Community Development	1/7/2020 - 4/9/2020	
Terry Demeo Director Infrastructure and Environment	1/07/2020	
Sean Portelli Director Corporate Services	1/7/2020 - 1/4/2021	
Bridget Wetherall Director Infrastructure and Environment	19/10/2020 - 30/6/2021	
Matt Wilson Director Community Wellbeing	19/10/2020 - 30/6/2021	
Natalie Robertson Director Development and Growth	6/8/2020 - 30/6/2021	
Darren Sadler Acting Director Infrastructure and Environment	1/7/2020 - 16/10/2020	
James Guy Acting Director Development and Growth	3/8/2020 - 5/8/2020	
Peter Appleton Acting Director Community Wellbeing	7/9/2020 - 16/10/2020	
Stephen Bigarelli Acting Director Corporate Services	1/4/2021 - 30/6/2021	
Total Other Key Management Personnel	15	17
Total Number of Key Management Personnel	26	26

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. People and relationships (continued)

	2021 \$ '000	2020 \$ '000
(c) Remuneration of Key Management Personnel		
Total remuneration of key management personnel was as follows:		
Short-term benefits	1,705	1,816
Long-term benefits	22	12
Post employment benefits	132	182
Termination benefits	1,413	279
Total	3,272	2,289

	2021 No.	2020 No.
The numbers of key management personnel whose total remuneration from Council and any related entities, fall within the following bands:		
<\$30,000	5	1
\$30,000 - \$39,999	5	7
\$40,000 - \$49,999	2	—
\$50,000 - \$59,999	1	1
\$80,000 - \$89,999	1	1
\$90,000 - \$99,999	1	—
\$120,000 - \$129,999	2	—
\$150,000 - \$159,999	1	—
\$160,000 - \$169,999	1	—
\$190,000 - \$199,999	1	—
\$220,000 - \$229,999	1	—
\$230,000 - \$239,999	—	1
\$250,000 - \$259,999	—	3
\$260,000 - \$269,999	2	1
\$340,000 - \$349,999	1	—
\$400,000 - \$409,999	1	—
\$440,000 - \$449,999	1	—
\$630,000 - \$639,999	—	1
	26	16

(*) In 2020, remuneration of Senior Officers acting in KMP positions was reported under Senior Officer remuneration. In 2021, this was apportioned for the period acting as a KMP.

(d) Senior Officer Remuneration

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

- a) has management responsibilities and reports directly to the Chief Executive; or
- b) whose total annual remuneration exceeds \$151,000

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

	2021 No.	2020 No.
Income Range:		
<\$150,000	6	—

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for the year ended 30 June 2021

Note 7. People and relationships (continued)

	2021 No.	2020 No.
\$150,000 - \$159,999	5	10
\$160,000 - \$169,999	2	2
\$170,000 - \$179,999	7	4
\$180,000 - \$189,999	3	4
\$190,000 - \$199,999	2	1
\$200,000 - \$209,999	1	—
\$210,000 - \$219,999	1	2
\$360,000 - \$369,999	1	—
	28	23

	2021 \$ '000	2020 \$ '000
Total Remuneration for the reporting year for Senior Officers included above amounted to: ^	4,602	3,911

(^) Remuneration includes ordinary pay, termination payments, superannuation and leave.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 7. People and relationships (continued)

	2021 \$ '000	2020 \$ '000
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7.2 Related party disclosure

(a) Transactions with related parties

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

Remuneration	53	32
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Remuneration is inclusive of payments of salaries and wages made to related parties of Senior Officers acting in Key Management Personnel positions. These related party payments are only recognised when paid during official periods of responsibility. Salaries and wages are paid in accordance with Councils adopted employment terms and conditions.

(b) 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 2021

(c) 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 2021.

(d) 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 2021.

Ballarat City Council

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for the year ended 30 June 2021

Note 8. Managing uncertainties

	2021	2020
	\$ '000	\$ '000

8.1 Contingent assets and liabilities

(a) Contingent assets

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, estimated at 1.01% for the purposes of this disclosure.

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

Not later than one year	926	1,524
Later than one year and not later than five years	2,436	6,095
Later than five years	8,835	9,142
	<u>12,197</u>	<u>16,761</u>

(b) Contingent liabilities

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

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 below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Future superannuation contributions

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 are \$405,000.

Legal matters

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

Combustible building cladding

Prior to 2011, Council endorsed a wide range of building permits across the municipality that may have contained combustible cladding. Due to the potential risks linked to these materials, Council may be exposed to future legal action in connection to the permits it endorsed. Council have identified a small number of buildings that fall within the scope of the Statewide Building Audit, and have advised the VBA as appropriate. A full review of all Council issued permits prior to 2011 has not been completed, so the extent of any future liability to Council is currently unknown.

Liability Mutual Insurance

Council was a participant of the MAV Liability Mutual Insurance (LMI) Scheme. The LMI scheme provided public liability and professional indemnity insurance cover. The LMI scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant, to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

(c) Guarantees for loans to other entities

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.

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period. Council assesses the impact of these new standards. As at 30 June 2021 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2022 that are expected to impact Council.

8.3 Financial instruments

(a) Objectives and policies

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

(b) Market risk

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

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes Council to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

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

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

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

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

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council has exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

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

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

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

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when Council provides a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

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

(d) Liquidity risk

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

To help reduce these risks Council:

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

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the balance sheet and the amounts related to financial guarantees disclosed in Note 8.1(c), and is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 5.4.

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

(e) Sensitivity disclosure analysis

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

- A parallel shift of + 0.25% and - 0.25% in market interest rates (AUD) from year-end rates of 0.27-0.39%.

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.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

8.4 Fair value measurement

Fair Value Hierarchy

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

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

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

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

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above. In addition, Council determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Revaluation

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

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use of an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 1 to 5 years. The valuation is performed either by experienced council officers or independent experts.

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

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.

Impairment of assets

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

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 8. Managing uncertainties (continued)

8.5 Events occurring after balance date

COVID-19

The uncertainty of the COVID-19 pandemic continues to affect the City of Ballarat, as well as all of Australia after 30 June, 2021. Council had commenced activities associated with facility reactivation across parts of its business that had been temporarily shut down after easing of Stage 3 level restrictions imposed upon our community by the State Government.

Continuing outbreaks, most prevalent in metropolitan areas of Victoria, have resulted in the periodic reinstatement of Stage 3 and 4 level restrictions in Victoria, along with border closures between Victoria and other States.

When in place, restrictions have forced the temporary closure of many Council facilities and Council continues to provide support to its community by way of:

- Relief and restructure of payment terms to ratepayers upon application.
- Relief to lessees for commercial rent obligations upon application.
- Temporary reduction in creditor terms and weekly payments to suppliers.
- Suspension of membership charges to its facilities during periods of shut down.

Council continues to monitor the financial and non-financial impacts of the COVID-19 pandemic on its business, however, due to the significant ongoing uncertainties, it is difficult to estimate the full future economic impact. Council expects to see an ongoing impact on its:

- User fees and charges
- Outstanding debtor balances and collection rates
- Fixed asset valuations in subsequent financial reports
- Patronage and visitor numbers across its community facilities
- Ability to deliver selections of its programs, services and projects

The health, safety and wellbeing of Council staff and the community remain its number one priority. Council continues to work closely with the State and Federal Government departments, and other Health experts, to help protect our community at this time. To ensure the safety of our community, Council continue with:

- Ongoing activation of our Response and Recovery Taskforce
- Workforce remaining in remote work environments and limited customer facing activities
- Changes and increases in required Personal Protective Equipment for our staff
- Changes to the delivery of our services and programs to best protect and serve our community

All known measurable effects of the restrictions during 2020/21 are reflected in the 30 June 2021 balances, and due to significant uncertainty regarding future impact, Council sees no cause to restate any reportable figures in the 2021 financial statements.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements
for the year ended 30 June 2021

Note 9. Other matters

	Balance at beginning of reporting period \$ '000	Increment (decrement) \$ '000	Share of incr. (decr) on revaluation of the asset class by an associate \$ '000	Balance at end of reporting period \$ '000
9.1 Reserves				
(a) Asset revaluation reserves				
2021				
Property				
Land - non specialised	237,973	71,659	—	309,632
Heritage buildings	9,501	5,019	—	14,520
Buildings	14,273	17,729	—	32,002
	261,747	94,407	—	356,154
Plant and equipment				
Plant machinery and equipment	1,937	—	—	1,937
Art works and heritage collections	58,015	—	—	58,015
	59,952	—	—	59,952
Infrastructure				
Roads	182,668	18,951	—	201,619
Bridges	30,147	1,984	—	32,131
Footpaths and cycleways	39,548	(3,217)	—	36,331
Drainage	90,690	(37,463)	—	53,227
Recreational, leisure and community facilities	—	633	—	633
Offstreet car parks	1,327	(559)	—	768
Other infrastructure	8,410	(1,157)	—	7,253
	352,790	(20,828)	—	331,962
Total asset revaluation reserves	674,489	73,579	—	748,068

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements
for the year ended 30 June 2021

Note 9. Other matters (continued)

	Balance at beginning of reporting period \$ '000	Increment (decrement) \$ '000	Share of incr. (decr) on revaluation of the asset class by an associate \$ '000	Balance at end of reporting period \$ '000
2020				
Property				
Land - non specialised	237,973	—	—	237,973
Heritage buildings	9,501	—	—	9,501
Buildings	14,273	—	—	14,273
	<u>261,747</u>	<u>—</u>	<u>—</u>	<u>261,747</u>
Plant and equipment				
Plant machinery and equipment	1,937	—	—	1,937
Art works and heritage collections	58,015	—	—	58,015
	<u>59,952</u>	<u>—</u>	<u>—</u>	<u>59,952</u>
Infrastructure				
Roads	112,408	70,260	—	182,668
Bridges	21,601	8,546	—	30,147
Footpaths and cycleways	20,890	18,658	—	39,548
Drainage	81,345	9,345	—	90,690
Offstreet car parks	453	874	—	1,327
Other infrastructure	6,308	2,102	—	8,410
	<u>243,005</u>	<u>109,785</u>	<u>—</u>	<u>352,790</u>
Total asset revaluation reserves	<u>564,704</u>	<u>109,785</u>	<u>—</u>	<u>674,489</u>

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

	Balance at beginning of reporting period \$ '000	Transfer from Accumulated Surplus \$ '000	Transfer to Accumulated Surplus \$ '000	Balance at end of reporting period \$ '000
(b) Other reserves				
2021				
Asset realisation reserve	3,380	800	(835)	3,345
Subdividers contributions	1,960	1,083	—	3,043
Developer contributions	5,275	7,637	(298)	12,614
Total restricted reserves	<u>10,615</u>	<u>9,520</u>	<u>(1,133)</u>	<u>19,002</u>
Total Other reserves	<u>10,615</u>	<u>9,520</u>	<u>(1,133)</u>	<u>19,002</u>

2020				
Asset realisation reserve	1,149	2,231	—	3,380
Plant and equipment	7,651	—	(7,651)	—
Subdividers contributions	829	1,131	—	1,960
Developer contributions	3,187	9,176	(7,088)	5,275

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Other matters (continued)

	Balance at beginning of reporting period \$ '000	Transfer from Accumulated Surplus \$ '000	Transfer to Accumulated Surplus \$ '000	Balance at end of reporting period \$ '000
Total restricted reserves	12,816	12,538	(14,739)	10,615
Total Other reserves	12,816	12,538	(14,739)	10,615

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Other matters (continued)

	2021 \$ '000	2020 \$ '000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	97,186	64,791
Depreciation/amortisation	42,216	41,735
Profit/(loss) on disposal of property, infrastructure, plant and equipment	120	2,681
Contributions - Non-monetary assets	(75,544)	(39,982)
Amounts disclosed in financing activities	1,857	1,944
Revaluation decrements of IPP&E direct to P&L	—	(1,500)
Movement in GST payment	—	4,258
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	(1,467)	(381)
(Increase)/decrease in inventories	(107)	69
(Increase)/decrease in prepayments	(280)	—
Increase/(decrease) in accrued income	160	—
Increase/(decrease) in other assets	—	50
Increase/(decrease) in trade and other payables	4,373	1,197
Increase/(decrease) in provisions	(951)	(764)
(Decrease)/increase in other liabilities	3,450	—
Increase/(decrease) in Unearned income	15,187	4,331
Net cash provided by/(used in) operating activities	86,200	78,429

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 9. Other matters (continued)

9.3 Superannuation

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

Accumulation

Council makes both employer and employee contributions to The Fund's accumulation category, Vision MySuper/Vision Super Saver, on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2021, this was 9.5% as required under Superannuation Guarantee (SG) legislation).

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under 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 Employee Benefits.

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.

A triennial actuarial review for the Defined Benefit category as at 30 June 2020 was conducted and completed by the due date of 31 December 2020. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 104.6%. The financial assumptions used to calculate the VBI were:

Net investment returns 5.6% pa
Salary information 2.5% pa for two years and 2.75% pa thereafter
Price inflation (CPI) 2.0% pa.

As at 30 June 2021, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category.

Vision Super has advised that the estimated VBI at 30 June 2021 was 109.7%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2020 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 2020 triennial 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 2021, this rate was 9.5% of members' salaries (9.5% in 2019/2020). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

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%.

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for the year ended 30 June 2021

Note 9. Other matters (continued)

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.

The 2020 triennial actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigations identified the following for the Defined Benefit category of which Council is a contributing employer:

	2020 (Triennial) \$m	2019 (Interim) \$m
- A VBI Surplus	100.0	151.3
- A total service liability surplus	200.0	233.4
- A discounted accrued benefits surplus	217.8	256.7

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 2020.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2020.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2020.

Council was notified of the 30 June 2021 VBI during August 2021 (2020: August 2020).

The 2021 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2021 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2021.

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2021 are detailed below:

Scheme	Type of scheme	Rate	2021 \$ '000	2020 \$ '000
Vision Super	Defined Benefit	9.5%	416	444
Vision Super	Accumulation	9.5%	2,628	2,767
Other funds	Accumulation	9.5%	2,376	2,124

There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 is \$405,000.

Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 10. Changes in accounting policies

10.1 Changes in accounting policies due to adoption of new accounting standards – not retrospective

i) Impact of adoption of new accounting standards

AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) (applies 2020/21 for LG Sector)

Council has adopted AASB 1059 Service Concession Arrangements: Grantors from 1 July 2020.

AASB 1059 addresses the accounting for a service concession arrangement by a grantor that is a public sector entity by prescribing the accounting for the arrangement from the grantor's perspective. It requires the grantor to:

- recognise a service concession asset constructed, developed or acquired from a third party by the operator, including an upgrade to an existing asset of the grantor, when the grantor controls the asset;
- reclassify an existing asset (including recognising previously unrecognised identifiable intangible assets and land under roads) as a service concession asset when it meets the criteria for recognition as a service
- initially measure a service concession asset constructed, developed or acquired by the operator or reclassified by the grantor at current replacement cost in accordance with the cost approach to fair value in *AASB 13 Fair Value Measurement*. Subsequent to the initial recognition or reclassification of the asset, the service concession asset is accounted for in accordance with *AASB 116 Property, Plant and Equipment* or *AASB 138 Intangible Assets*, as appropriate, except as specified AASB 1059;
- recognise a corresponding liability measured initially at the fair value (current replacement cost) of the service concession asset, adjusted for any other consideration between the grantor and the operator; and
- disclose sufficient information to enable users of financial statements to understand the nature, amount, timing and uncertainty of assets, liabilities, revenue and cash flows arising from service concession arrangements.

Based on the Council's current assessment, there is expected to be no impact on the transactions and balances recognised in the financial statements as the Council is not a grantor in a service concession arrangement.

AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material (applies 2020/21 for LG Sector)

Council has adopted AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material, from 1 July 2020.

The Standard principally amends *AASB 101 Presentation of Financial Statements* and *AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors*. The amendments refine the definition of material in AASB 101. The amendments clarify the definition of material and its application by improving the wording and aligning the definition across AASB Standards and other publications. The impacts on the local government sector are expected to be minimal.

AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework (applies 2020/21 for LG Sector)

Council has adopted AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework from 1 July 2020.

This Standard sets out amendments to Australian Accounting Standards, Interpretations and other pronouncements to reflect the issuance of the Conceptual Framework for Financial Reporting (Conceptual Framework) by the AASB. The impacts on the local government sector are expected to be minimal.

Note 11. Errors and changes in accounting estimates

11.1 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 2021 assets to the value of \$3.631m were found (2020 - \$2.487m) that were not reflected in the Asset Register.

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Ballarat City Council

2020/2021 Financial Report

Notes to the Financial Statements

for the year ended 30 June 2021

Note 11. Errors and changes in accounting estimates (continued)

	2021 \$ '000	2020 \$ '000
Found assets		
Infrastructure		
Roads	2,869	1,129
Footpaths and cycleways	67	153
Drainage	648	78
Recreational, leisure and community	11	994
Other infrastructure	36	133
Total assets	3,631	2,487

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City of Ballarat

Annual Performance Statement Report For the Year Ended 30 June 2021

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CITY OF BALLARAT PERFORMANCE STATEMENT 2021

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 has an estimated population of 111,361 people in 2021 (source: ABS Census, 2021). 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.



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AUDITED PERFORMANCE INDICATORS					
Sustainable Capacity Indicators	Results 2018	Results 2019	Results 2020	Results 2021	Comments
Population					
C1 Expenses per head of municipal population <i>[Total expenses / Municipal population]</i>	\$1,517.21	\$1,628.95	\$1,634.76	\$1,618.62	
Population					
C2 Infrastructure per head of municipal population <i>[Value of infrastructure / Municipal population]</i>	\$11,977.55	\$15,801.75	\$16,935.35	\$14,637.05	This indicator has reduced from previous years as Land assets had incorrectly been included previously. In the 2019FY the correct calculation would make it \$12,965.13 and the 2020FY the correct calculation \$14,080.20.
Population					
C3 Population density per length of road <i>[Municipal population / Kilometres of local roads]</i>	74.37	74.77	75.21	75.74	
Own-source revenue					
C4 Own-source revenue per head of municipal population <i>[Own-source revenue / Municipal population]</i>	\$1,368.15	\$1,418.61	\$1,425.38	\$1,365.68	The 2021 decline in own source revenue per population ratio is due in part to Councils facilities being closed due to COVID-19.
Recurrent grants					
C5 Recurrent grants per head of municipal population <i>[Recurrent grants / Municipal population]</i>	\$272.96	\$236.27	\$253.79	\$255.47	
Disadvantage					
C6 Relative Socio-Economic Disadvantage <i>[Index of Relative Socio-Economic Disadvantage by decile]</i>	4.00	4.00	4.00	4.00	
Workforce turnover					
C7 Percentage of staff turnover <i>[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100</i>	12.32%	11.91%	11.69%	14.35%	The higher level of staff turnover in 2021FY has been driven by organisational restructures during the year.

AUDITED PERFORMANCE INDICATORS					
Service Performance Indicators	Results 2018	Results 2019	Results 2020	Results 2021	Comments
Aquatic Facilities Utilisation					
AF6 Utilisation of aquatic facilities <i>[Number of visits to aquatic facilities / Municipal population]</i>	5.68	6.06	4.42	1.87	Due to the COVID-19 pandemic and the Victorian Government Restrictions that have been enforced we have seen our aquatic facilities be heavily impacted with 117 days closed and 91 days with limited services which is 57.5% of the financial year.
Animal Management Health and safety					
AM7 Animal management prosecutions <i>[Number of successful animal management prosecutions / Number of animal management prosecutions] x 100</i>	New in 2020	New in 2020	100.00%	100.00%	Ballarat City Council undertook 7 animal management prosecutions during the year, all of which were successful.
Food Safety Health and safety					
FS4 Critical and major non-compliance outcome notifications <i>[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100</i>	95.45%	96.55%	94.25%	97.65%	The non-compliances that aren't followed up are due to the event or market vendors that do not reside in the Ballarat City Council. Overall, Councils level of outcome notifications has slightly increased in the 2021FY.

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AUDITED PERFORMANCE INDICATORS					
Service Performance Indicators	Results 2018	Results 2019	Results 2020	Results 2021	Comments
Governance Satisfaction G5 Satisfaction with council decisions <i>[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]</i>	55.00	55.70	61.10	58.00	At the end of FY 19/20 Council was the subject of an integrity body report that was critical in relation to the perception of how decisions were being made. This is one factor that could have contributed to a lower score in the 2020/21 FY, noting there are a significant number of Council decisions made each year on a wide range of matters.
Libraries Participation LB4 Active library borrowers in municipality <i>[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100</i>	12.43%	12.75%	12.19%	11.25%	The COVID 19 pandemic forced closures for a number of months with our libraries which resulted in a minor decrease in active library members. However, through some innovative projects and initiatives we were able to minimise the decrease through initiatives such as Click and Collect services, Book Tailoring, additional promotion of online resources and collections (E-books) etc.
Maternal and Child Health (MCH) Participation MC4 Participation in the MCH service <i>[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100</i>	73.37%	72.48%	71.63%	71.83%	

AUDITED PERFORMANCE INDICATORS					
Service Performance Indicators	Results 2018	Results 2019	Results 2020	Results 2021	Comments
Maternal and Child Health (MCH) Participation MC5 Participation in the MCH service by Aboriginal children <i>[Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100</i>	55.43%	64.52%	71.56%	72.10%	The lower percentage in Aboriginal children participation in the funded MCH service is due to the local Aboriginal co-operative running a similar service. A client can access both services or choose either one of these services. We have a lower intake of indigenous newborns to the MCH program due to some families choosing the Aboriginal co-operative child health program. Ballarat City Council has seen an increase in participation over the last four years due to a focus on indigenous partnership work, cultural safety of facilities and health service provisions, professional development with nurse teams, support from Council's Aboriginal Liaison Officer and MCH representation within indigenous networks.
Roads Satisfaction R5 Satisfaction with sealed local roads <i>[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]</i>	59.00	58.70	55.30	52.00	Over the last 2 years there has been above average rainfalls leading to deterioration in roads quicker than prior years and in turn delaying jobs that were scheduled when its too wet to be able to complete the required jobs. This has resulted in an increase of requests especially in the second year which would lead to the decreased satisfaction.
Statutory Planning Decision making SP4 Council planning decisions upheld at VCAT <i>[Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100</i>	63.64%	71.43%	75.00%	100.00%	In the 2021FY, there were zero applications (out of six) overturned by VCAT, three out of 12 in 2020FY, two out of seven in 2019FY and four out of 11 in 2018FY. This shows how a small change in numbers can have a large effect on this indicator.
Waste Collection Waste diversion WC5 Kerbside collection waste diverted from landfill <i>[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100</i>	47.14%	48.65%	43.07%	41.56%	Ballarat's recycling system changed in 2020FY, with glass being no longer part of the kerbside collection recyclables but instead collected at community collection points. This has reduced the volume of material in kerbside recycling bins. The landfill diversion percentage would be 43.6% in 2021FY when including Ballarat's separate non-kerbside glass collection service.

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FINANCIAL PERFORMANCE INDICATORS - EFFICIENCY									
Efficiency	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Comments
					2022	2023	2024	2025	
Expenditure level									
E2 Expenses per property assessment <i>[Total expenses / Number of property assessments]</i>	\$3,073.17	\$3,237.54	\$3,254.80	\$3,162.30	\$3,444.52	\$3,545.69	\$3,513.03	\$3,526.02	The 2021 decline in expenses per property assessments reflects a larger increase in the number of property assessments than the growth in expenses.
Revenue level									
E4 Average rate per property assessment <i>[General rates and Municipal charges / Number of property assessments]</i>	New in 2020	New in 2020	\$ 1,877.33	\$ 1,869.82	\$ 1,907.57	\$ 1,953.19	\$ 1,965.59	\$ 1,978.25	

FINANCIAL PERFORMANCE INDICATORS - LIQUIDITY									
Liquidity	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Comments
					2022	2023	2024	2025	
Working capital									
L1 Current assets compared to current liabilities <i>[Current assets / Current liabilities] x100</i>	275.63%	288.83%	262.21%	217.31%	144.49%	108.81%	123.83%	95.37%	The declining ratio from the 2019FY reflects usage of cash and cash equivalents to invest in infrastructure projects.
Unrestricted cash									
L2 Unrestricted cash compared to current liabilities <i>[Unrestricted cash / Current liabilities] x100</i>	-142.37%	-149.65%	-68.39%	-93.93%	31.83%	-6.52%	5.17%	22.14%	This indicator reflects usage of cash and cash equivalents to invest in infrastructure projects. The indicator excludes cash held in term deposits (amounts invested for longer than 90 days), which if included would improve the ratio. It is projected to be within the recommended range by the final year of the forecast.

FINANCIAL PERFORMANCE INDICATORS - OBLIGATIONS									
Obligations	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Comments
					2022	2023	2024	2025	
Loans and borrowings									
O2 Loans and borrowings compared to rates <i>[Interest bearing loans and borrowings / Rate revenue] x100</i>	39.70%	33.93%	36.96%	31.78%	26.69%	22.58%	19.78%	18.37%	The trend reflects that borrowings decrease slightly as borrowings do not increase over the forecast period.
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>	6.00%	5.20%	4.93%	5.52%	4.51%	4.55%	3.26%	1.94%	The trend reflects that borrowing repayments decrease slightly as borrowings do not increase over the forecast period.
Indebtedness									
O4 Non-current liabilities compared to own source revenue <i>[Non-current liabilities / Own source revenue] x100</i>	31.18%	30.11%	34.30%	31.28%	27.10%	24.08%	22.74%	8.63%	The ratio remains at similar levels until 2025FY when a major loan becomes a current liability prior to its repayment.
Asset renewal and upgrade									
O5 Asset renewal and upgrade compared to depreciation <i>[Asset renewal and asset upgrade expense / Asset depreciation] x100</i>	New in 2020	New in 2020	78.40%	94.76%	191.18%	156.22%	108.69%	89.21%	The 2022FY and 2023FY include large capital works programs, reflecting a strong focus on asset renewal, which result is higher ratio for the those two financial years.

FINANCIAL PERFORMANCE INDICATORS - OPERATING POSITION									
Operating Position	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Comments
					2022	2023	2024	2025	
Adjusted underlying result									
OP1 Adjusted underlying surplus (or deficit) <i>[Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100</i>	9.37%	9.68%	2.74%	5.23%	3.29%	2.83%	1.42%	4.10%	Council continues to generate small positive underlying results.

FINANCIAL PERFORMANCE INDICATORS - STABILITY									
Stability	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Comments
					2022	2023	2024	2025	
Rates concentration									
S1 Rates compared to adjusted underlying revenue <i>[Rate revenue / Adjusted underlying revenue] x100</i>	62.42%	60.34%	66.78%	66.55%	64.81%	64.98%	67.30%	65.97%	
Rates effort									
S2 Rates compared to property values <i>[Rate revenue / Capital improved value of rateable properties in the municipality] x100</i>	0.61%	0.59%	0.56%	0.53%	0.52%	0.51%	0.50%	0.48%	A key contributing factor to the decline in the rate effort ratio in 2021 is the decision to hold the average level of rates at 0% growth in the 2020/21 financial year.

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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 2020
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
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
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
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
Unrestricted cash	means all cash and cash equivalents other than restricted cash

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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 the Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the Local Government Act 2020).

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 four year budget. 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 four year budget on 23 June 2021 and which forms part of the Council Plan. The four year budget document 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 four year budget 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 (as per the transitional provisions of the Local Government Act 2020).

Jason Clissold

Principal Accounting Officer

Dated: 22nd September 2021

In our opinion, the accompanying Performance Statement of the *City of Ballarat* for the year ended 30 June 2021 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 (as per the transitional provisions of the Local Government Act 2020).

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.

Daniel Moloney

Mayor

Dated: 22nd September 2021

Amy Johnson

Deputy Mayor

Dated: 22nd September 2021

Evan King

Chief Executive Officer

Dated: 22nd September 2021

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Closing Report

2020-2021 Financial Report and Performance Statement of Ballarat City Council

Presented to the Audit and Risk Committee on 13 September 2021

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Background

I enclose for your information the closing report for the year ended 30 June 2021. The closing report provides a summary of results of our audit. This report will be discussed at the Audit and Risk Committee meeting on 13 September 2021.

Acknowledgement

I also take this opportunity to thank your executive team and staff for the time they made available to us during our audit.

Yours sincerely

<<Signature>>

Sanchu Chummar

Acting Sector Director, Local Government

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Introduction

Purpose of the closing report

- Our closing report summarises the results of our audit and communicates significant findings from the final audit phase.
- Please read this document in conjunction with our Audit Strategy Memorandum presented on 3 March 2021.

Scope and purpose of the audit

- The *Audit Act 1994* requires the Auditor-General to form an opinion on your financial report and performance statement provide a copy of the audit report to you.
- Copies of the report are also provided to the Minister of Local Government, and where applicable (i.e. when modified or when the Auditor-General directs) to the Assistant Treasurer.

The Auditor-General

The Auditor-General is:

- an independent officer of the Victorian Parliament
- appointed under legislation to examine, on behalf of parliament and taxpayers, the management of resources within the public sector
- not subject to the control or direction of either parliament or the government.



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Audit completion status

We have substantially completed our audit of the financial report and performance statement. We performed our audit in accordance with the *Audit Act 1994* and the terms of our engagement letter. We can provide reasonable assurance that the financial report and performance statement is presented fairly, in all material respects under the *Local Government Act 1989* (as per the transitional provisions of the *Local Government Act 2020*).

Expected audit opinion

Based on our audit, we expect to conclude that the financial report and performance statement presents fairly.
We expect to issue unmodified audit opinions.

Outstanding audit matters

We can conclude and issue our audit opinions when we finalise our audit process. Outstanding audit matters include:

- review of depreciation expense
- review of right of use and lease liability disclosures
- a final review of the financial report and performance statement
- a review of the signed management representation letter
- completion of the review of subsequent events.

Appendix A provides a detailed list of all outstanding audit matters.

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Areas of audit focus

Our audit focused on the financial report balances / disclosures / areas that we rated as higher risk for material misstatement in your financial report and performance statement.

Our procedures enabled us to conclude, with reasonable assurance, whether the risks resulted in a material misstatement. The outcome of our procedures is summarised in this section.

Risk of material misstatement	Our audit response	Results of our key procedures
<p>1. Valuation of property, infrastructure plant and equipment</p> <p>Property, infrastructure, plant and equipment represents a significant part of the Council's total assets (\$2 billion as at 30 June 2021), with the majority of these assets carried at fair value.</p> <p>Determining the fair value of these assets is a highly complex process that relies on numerous assumptions underpinning the valuation methodology, the engagement of valuation experts and the use of management's judgement.</p> <p>Land and buildings were subject to an indexation assessment whilst infrastructure was revalued in 2020–21.</p> <p>The financial report may include a material misstatement if the valuation is not performed in line with a suitable methodology, by unqualified experts or is based on inappropriate assumptions and judgements.</p> <p>Valuations may be inaccurate due to the judgement and complexities associated with applying <i>AASB 13 Fair Value Measurement</i>. Disclosures may be incorrect or insufficient.</p>	<p>We:</p> <ul style="list-style-type: none"> reviewed the nature and extent of management's oversight and review of the fair value measurement by valuation experts reviewed the valuer's report to evaluate the appropriateness of the methodology adopted, assumptions and estimates used and the overall reasonableness of the valuation assessed the valuer's competence, skills and experience to conduct an appropriate valuation reviewed any indexation calculations prepared by the independent valuer reviewed management's impairment assessments reviewed the journals posted by management to support the figures within the financial statements. 	<p>Satisfactory</p> <p>We are satisfied that the value of non-current physical assets as at 30 June 2021 is in compliance with requirements of <i>AASB 116 Property, Plant and Equipment</i>. We are satisfied that disclosures are in compliance with the requirements of <i>AASB 13 Fair Value Measurement</i>.</p> <p>We will provide an update on prior year findings in our final management letter to be issued at a later date.</p>

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2. Impact of COVID-19 on financial report

All levels of Governments including local government are taking significant measures in response to the global pandemic caused by COVID-19. There is ongoing uncertainty with rapid and evolving responses to this pandemic including change the way entities operate and, in some cases, closing operations, facilities and services to prioritise the health and safety of communities.

During times of significant uncertainty:

- staff morale, wellbeing and decision making may be affected
- key resources may be limited or redeployed to areas of critical need, and
- internal controls may not operate as intended.

Expected financial report impacts includes:

- COVID 19 impact on account balances that involve significant management accounting estimates, judgements and assumptions
- Accounting and presentation of rates revenue adjustments (e.g. % waiver on levied rates)
- accounting for grant income expected to be received during 2020–21 by the sector in response to COVID-19
- any rental relief provided to tenants in response to COVID-19 to comply with requirements of AASB 16 Leases
- challenges associated with asset revaluation process due to COVID-19 restrictions
- any additional provisioning requirements
- specific financial report disclosures and presentation highlighting the impact of COVID-19.

We:

- reviewed the impact of COVID-19 on your financial reporting (e.g. changes to revenue streams, demand on specific services, impacts on your workforce and associated cost implications, valuation of assets, additional provisioning requirements and cash flows)
- assessed the impact of COVID-19 on your control environment (due to work from home arrangements, changes to financial delegations' limits etc.)
- audited the specific disclosures highlighting the impact of COVID-19 and ensure compliance with model LG financial report template for 2020-21
- scheduled the best timing for audit work to accommodate any additional pressure your organisation may be under in response to the pandemic.

Satisfactory

We assessed that COVID-19 did not have a material impact on the Ballarat City Council control environment.

COVID-19 disclosures in the financial report and performance statement are adequate.

Audits were conducted remotely throughout the 2020-21 audit cycle with no significant issues encountered.

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3. Changes to Those Charged with Governance ('TCWG') due to Local Government Council elections during 2020–21

Changes in key personnel / Those charged with Governance can have cascade effect throughout the organisation in terms of strategic direction, organisational and governance structure and changes to the internal control environment. Accordingly, there is an increased risk that:

- undetected errors will occur
- quality assurance is foregone
- key controls may not operate as intended leading to material misstatement in the financial report.

We:

- made enquiries of management on impact of any changes
- reviewed minutes and management reports for large or unusual transactions
- monitored and assessed any subsequent events for disclosure requirements
- issued a new engagement / arrangement letter to confirm the terms of engagement
- monitored developments regarding the strategic direction, organisational structure and assess the impact of changes on the internal control environment
- gained an understanding of the qualifications and experience of key personnel and assess capability from a corporate governance perspective
- considered impact of changes on internal controls, as applicable, to determine whether they have operated effectively across the period
- reviewed the KMP remuneration disclosures within the financial report to determine accuracy of details regarding start or end date and level of remuneration disclosed.

Satisfactory

Our audit assurance procedures in respect to changes to TCWG did not identify any significant issues.

4. Developer contributed assets

Council recognised \$75.5 million in developer contributed assets in its 2020–21 financial report. Significant judgement is required to determine the valuation and timing of recognition.

We:

- reviewed the Council's process for capturing and disclosing developer contributed assets
- substantiated developer contributions and considered the completeness and accuracy of revenue
- performed testing over a sample of developer contributions to ensure accounting treatment is appropriate.

Satisfactory

We found 2 errors regarding developer contributions being recognised in the incorrect financial year. Given materiality, management did not adjust these items. Refer to **Appendix C**.

We are satisfied that the value of developer contributed assets are not materially misstated.

We will provide an update on prior year findings in our final management letter to be issued at a later date.

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5. Accounting for the landfill provision

The landfill restoration provision is a complex calculation that requires management or expert judgement on the following:

- useful life of the landfill
- Environmental Protection Authority Victoria landfill restoration requirement costs
- Inflation and discount factors, to bring the value to present value

This increases the risk of potential misstatement of the landfill restoration provision.

We:

- reviewed the landfill provision calculation model
- reviewed inflation, discount and other management estimates utilised in the landfill provision model
- ensured the provision incorporates all requirements as at 30 June per the Environmental Protection Authority Victoria.

Satisfactory

Our audit assurance procedures addressing the risks relating to the landfill provision concluded that the balance disclosed in the financial statements as at 30 June 2021 is not materially misstated.

We will provide an update on prior year findings in our final management letter to be issued at a later date.

6. Data loss

Council experienced some data loss in its IT environment. Management advised that the data loss was limited to historical tendering information.

There is a risk that back up and business continuity protocols are inadequate.

We:

- engaged our Systems Assurance (SA) team to review back up settings and business continuity protocols
- analysed underlying transactions to ensure datasets were complete
- investigated anomalies and performed additional substantive procedures as required.

Satisfactory

Based on the work performed by our Systems Assurance (SA) team in respect to data loss, we did not identify any significant issues.

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7. The performance statement may not be prepared in accordance with applicable legislative requirements

There is a potential risk that:

- systems in place at Council may not accurately capture the data required to support service performance outcomes
- incomplete and/or inaccurate data due to inadequate systems may result in material misstatement of the performance statement
- a lack of quality assurance over the preparation of performance statement may also result in significant errors or omissions.

We:

- reviewed the systems in place to capture the financial and non-financial data
- determined the reliability and completeness of the available records for compiling that indicator
- checked the calculations of reported figures
- assessed the reasonableness of explanations included in the report of significant variations
- confirmed that the performance statement complies with legislative requirements
- assessed the impact of any changes to systems, processes and internal controls due to COVID 19 (e.g. review process changes due to WfH arrangements)
- reviewed additional disclosure requirements to present impact of COVID 19 in the performance statement.

Satisfactory

We are satisfied that the performance statement for Council presents fairly, in all material respects for the year ended 30 June 2021.

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Audit findings—financial report

Materiality assessment

Misstatements are considered material if they individually or collectively could influence economic decisions of users of the financial statements. Users could be influenced by either the amount (quantity) or the nature (quality) of the matter.

We have updated the materiality levels indicated in our audit strategy memorandum.

Final overall materiality for the financial report has been set at \$101 million.

Final specific materiality for particular statements, account balances or disclosures has been set at \$9 million.

In our view:

- total uncorrected errors above this amount for particular statements, account balances or disclosures would mislead the users of the financial report.
 - risk that there may be material error the financial report increases with the level of accumulated uncorrected error below this threshold.
-

Adjusted audit differences

We found material differences in the disclosures supporting the financial report, which management adjusted.

Appendix B presents the adjusted audit differences.

Unadjusted immaterial differences

The effect of unadjusted differences on the financial report is that the net result is overstated by \$7.2 million, and net assets are overstated by \$0.7 million.

Appendix C presents the unadjusted immaterial differences.

Control environment

The Australian Auditing Standards require us to write to those charged with governance about any significant deficiencies we identified during the audit.

As part of our audit process, we consider, but do not assess or provide an opinion on, the effectiveness of your internal control framework. If we identify any significant weaknesses in internal control during our audit, we communicate them to you in our management letters.

Appendix D contains a list of the findings that we intend to include in our final management letter.

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Audit findings—performance statement

Materiality assessment

Misstatements are considered material if they individually or collectively could influence economic decisions of users of the performance statement. Users could be influenced by either the amount (quantity) or the nature (quality) of the matter.

We set materiality for each indicator reported in a performance statement after we consider the qualitative and quantitative factors that influence each indicator. We cannot set an overall materiality level for the performance statement due to its nature.

Adjusted differences

We identified no audit differences in the performance statement.

Unadjusted immaterial differences

We identified no unadjusted immaterial differences in the performance statement.

Control environment

The Australian Auditing Standards require us to write to those charged with governance about any significant deficiencies we identified during the audit.

As part of our audit process, we consider, but do not assess or provide an opinion on, the effectiveness of your internal control framework. If we identify any significant weaknesses in internal control during our audit, we communicate them to you in our management letters.

Appendix D contains a list of the findings that we intend to include in our final management letter.

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Other audit findings

Fraud, irregularities or regulatory non-compliance

When performing our risk assessments and conducting our audit procedures, we consider the risk of material misstatement in the financial report and performance statement that may be due to fraud. We are not responsible for preventing or detecting fraud.
Our audit procedures did not identify any specific financial report and performance statement areas of fraud risk or regulatory non-compliance.

Waste, probity & financial prudence

Our procedures are not specifically designed to detect matters of waste, probity and financial prudence but we may detect these matters.
Our audit procedures did not identify any material issues concerning waste, probity or lack of financial prudence.

Accounting policies

Your entity's material accounting policies, material transactions and/or events that occurred during the financial year are in accordance with the Australian accounting standards.

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Reports to Parliament

Results of the 2020-21 Audits: Local Government

Ballarat City Council will be included in the *Results of the 2020-21 Audits: Local Government*. We aim to table this report by the end of November 2021. The report will analyse the financial performance, position and sustainability risks of the sector. The report also informs Parliament about the strengths and weaknesses in the control environments of entities within the sector and make recommendations for improvement as appropriate.

We will release an interactive dashboard to accompany the Parliamentary report. This will enable users to visualise:

- sector results over the last six years
- trends and composition analyses for specific entities
- compare results between entities over time.

We may make comment on Ballarat City Council in the body of this report. If this is the case, we will provide you with relevant extracts of the report for your response.

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VAGO links and resources



VAGO's website

VAGO's role

Annual work plan

Strategic plan

Our reports

Audits in progress

Privacy policy

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APPENDIX A

Outstanding audit matters

The following items are outstanding at the date of this report and need to be resolved before we can issue our audit reports.

Item	Action required	Responsibility
Depreciation	Audit is reviewing supporting documentation for calculations	Audit
Right of use assets and associated lease liabilities	Audit is reviewing right of use assets and associated lease liabilities disclosures	Audit
Subsequent events update	Provide details of significant transactions and events up to date of signing. Audit will assess for any impact on the financial report	Management and audit
Financial report and performance statement certification	To be signed on adoption of the accounts by the Council	Management
Management representation letter	To be signed on same date as the certification of the financial report and performance statement	Management

After we issue our audit report, we are required to undertake the following procedures. We will report any issues we find to your accountable officer for appropriate remedial action.

Item	Our procedure
Annual report	<p>We will review your annual report to confirm that it includes the correct version of the signed financial report, performance statement and auditor's report. We will also check that all information in the annual report is materially consistent with the financial report.</p> <p>We request your provision of an electronic copy of the printers' proof of the annual report.</p>
Website publication of annual report	<p>We will review your annual report on your website to confirm that it includes the correct versions of the signed financial report performance report and auditor's report.</p> <p>We request your notification to us of your publication of your annual report on your website.</p>

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APPENDIX B

Adjusted audit differences

Adjusted differences of disclosures in your financial report and indicators in your performance statement

Financial report disclosure / performance statement indicator	Adjustment	Basis for the adjustment
Operating lease receivable commitments	Decrease commitment balance by \$5,153,462	Adjustment processed to remove items included in the operating lease receivable commitments for which no contractual obligation existed as at 30 June 2021.
Operating lease receivable commitments	Increase commitment balance by \$1,084,751	Adjustment processed to incorporate future CPI adjustments on contractual commitments as at 30 June 2021.
Operating and capital commitments	Decrease commitment balance by \$1,580,289	Adjustment processed to remove items included in the operating and capital commitments for which no contractual obligation existed as at 30 June 2021.
Grants received in advance – Operating	Decrease by \$21,981,000	Adjustment to correctly recognise unearned capital grants which were initially recorded as unearned operating grants.
Grants received in advance – Capital	Increase by \$21,981,000	

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APPENDIX C

Unadjusted audit differences

Unadjusted dollar differences

Financial report component(s)	Adjusted \$	Basis for the difference and the reason/s for not adjusting
Depreciation expense Property, Infrastructure, Plant & Equipment	Dr 968,561 Cr 968,561	Adjustment reflects the estimated understatement of depreciation expense due to management not back dating the capitalisation date of buildings, infrastructure, fixtures fittings & furniture and library books assets to when they were in use during the 2020–21 financial year.
Non-monetary contributions revenue Retained earnings	Dr 6,341,864 Cr 6,341,864	Adjustment to recognise contributed assets relating to prior financial years through opening equity.
Property, Infrastructure, Plant & Equipment Non-monetary contributions revenue	Dr 269,163 Cr 269,163	Adjustment to recognise contributed assets relating to the current financial year that have not been recognised.
Expenditure Retained earnings	Dr 193,351 Cr 193,351	Net adjustment to recognise EPA levy expense relating to 2019–20 and 2020–21, which was incorrectly recorded in 2020–21.

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APPENDIX D

Final management letter

The following table summarises the findings to date from the final phase of our audit. We will include them in our final management letter.

Finding	Rating	Key Recommendations
<p>2021.1 Vendor masterfile changes report</p> <p>The Vendor Masterfile Changes Report has not been reviewed since July 2020.</p> <p>We note that the current Dynamics report is too detailed to be reviewed effectively and there have been limited resources to oversee this process.</p> <p>This increases the risk that inappropriate or unauthorised changes to vendors may be undetected.</p>	Moderate	<p>We recommend that management:</p> <ul style="list-style-type: none"> ensure that there is a timely review of the vendor masterfile changes report explore if an alternative report can be generated to improve the review process.
<p>2021.2 Accounting treatment of asset additions</p> <p>Management capitalise and depreciate all buildings, infrastructure plant & equipment and library book assets at the end of the reporting period, rather than when the asset is completed and available for use by Council. As a result, there is a lag in the timing of capitalisation which may result in an understatement in the depreciation expense. This increases the risk of error within the financial report.</p>	Low	<p>We recommend that management:</p> <ul style="list-style-type: none"> ensure capital works hand-over forms are completed and appropriately documented for all projects recognised all capitalised buildings, infrastructure, plant & equipment and library book assets in a timely manner and to the correct reporting period.
<p>2021.3 Key account reconciliations</p> <p>Management could not provide evidence to verify independent review of the following key account reconciliations:</p> <ul style="list-style-type: none"> Bank reconciliation for March 2021 Rates debtors and trade creditor reconciliations for March 2021 and April 2021 Fixed asset reconciliation for May 2021 	Low	<p>We recommend that management:</p> <ul style="list-style-type: none"> ensure reconciliations are independently reviewed evidence should be maintained to substantiate that an independent review has been performed.

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APPENDIX E

Management representation letter

As part of gathering audit evidence, we obtain formal management representations about your entity's financial report and performance statement. We look at the completeness, preparation, and presentation of the information in the report and statement.

We do not rely solely on the management representations, except when they are the only evidence reasonably available.

A draft version of the management representation letter is provided as a separate attachment.

When forming our audit opinion, we did not rely solely on management representations.

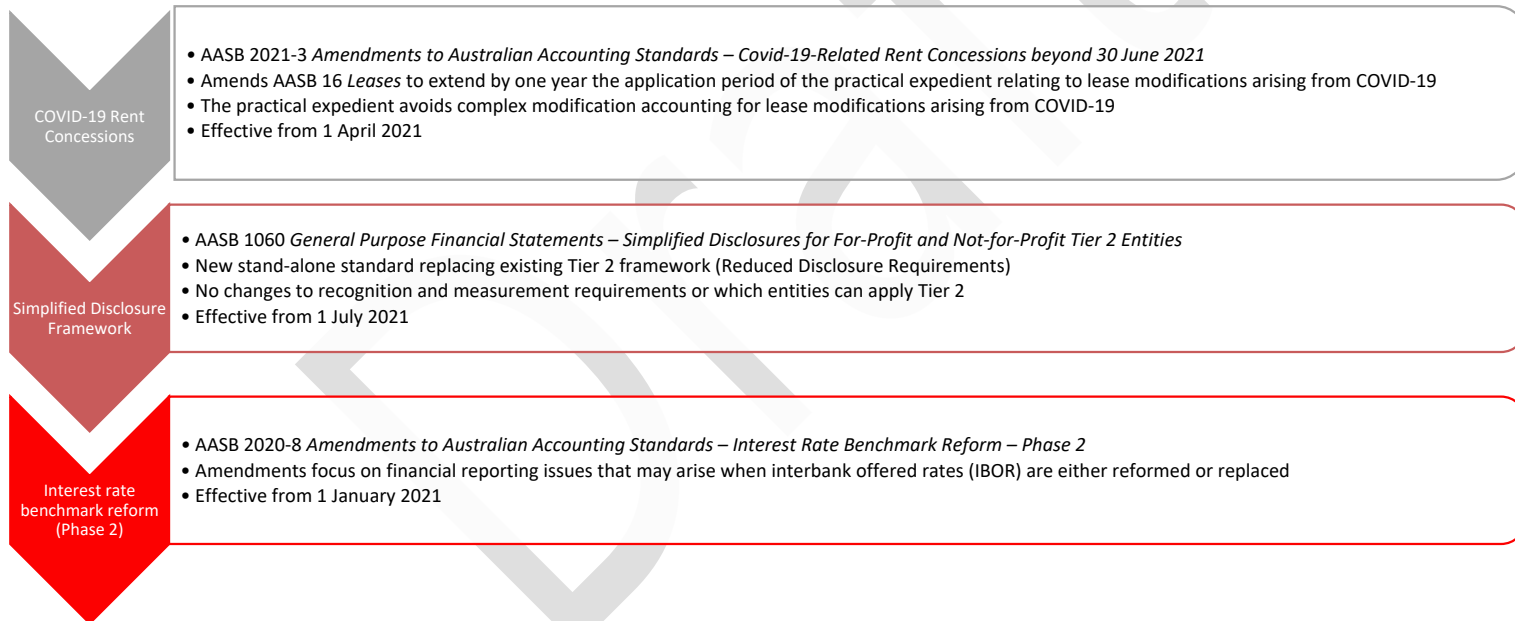
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APPENDIX F

New Accounting Standards

Changes to accounting standards that will come into effect in the public sector during 2021–22 are provided below. Whilst of less significance than prior period, agencies should assess their impact and as appropriate, plan for these changes.



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8.7. RECOMMENDED BUDGET CARRYOVERS 2020/21

Division: Corporate Services
Director: John Hausler
Author/Position: Jason Clissold – Executive Manager Financial Services

PURPOSE

1. This report sets out those items that are required to be carried forward to the 2021/22 Budget from the previous financial year due to grants being received in advance, additional unbudgeted grants received and unfinished projects as at 30 June 2021.
2. In addition, it identifies the \$1.309 million required for Council's 2021/22 Business and Community Support Program that will be funded from under expenditure in 2020/21.
3. This report incorporates two lists of carried forward requests – Capital Works net carryovers (Attachment A) and Operating net carryovers (Attachment B). It should be noted that these lists provide the recommended net adjustment for each project i.e. some projects require the budgeted revenue and expenditure to be adjusted to reflect the timing issues associated with the receipt, payment and accounting requirements of funds.

BACKGROUND

4. Each year following the completion of Council's annual financial statements, a process is commenced whereby the organisation is requested to provide information relating to:
 - Grants received during the 2020/21 financial year that relate to the 2021/22 financial year. The State and Federal Governments often prepay grants for various projects to be delivered by Council in the following year.
 - Under the Accounting Standard, AAS 1058 some of the income received in advance, may need to be recognised as income in 2021/22 financial year.
 - Projects that continue to be works in progress as at 30 June 2021 and require funding to be carried forward to 2021/22 to complete those works. Several projects listed in the 2020/21 capital program were scheduled to take more than one financial year to be completed. As such, it is requested that the outstanding funds for those projects are carried forward to enable the full completion of the projects.

KEY MATTERS

5. The condition associated with any requests for money to be carried over from the previous financial year and the current financial year is the organisation must have a surplus of funds from the 2020/21 year before a carryover will be approved.
6. **Capital Works – Net Carryovers (Refer Attachment A)**
The 2021/22 adopted budget included \$38.201 m of estimated carryovers. On completion of the 2020/21 financial year, it was determined that an additional \$2.045m of expenditure was required to be carried forward into 2021/22 for projects not yet completed.

Estimated Carryovers Included in the 2021/22 Budget from 2020/21	\$38.201 M*
Adjustment of Estimated Carryovers	\$2.045 M
Total Carryover 2020/21 to 2021/22 and 2022/23	\$40.246 M*

* Includes \$4.615m for Community and Industry Resources & Recycling Centre in 2022/23.

During the 2020/21 Financial Year \$18.525 m was received in grant funding for projects to be delivered in the 2021/22 Financial Year.

2021/22 Budget Capital Works	\$130.936 M
Adjustment of Estimated Carryovers	\$2.045 M
Unbudgeted Grants Received	\$18.525 M
Total Adjusted 2021/22 Capital Works Budget	\$151.506 M

The net carryover amount of \$25.960 m also includes \$5.391 m of accounting adjustments to capital grant revenue. These accounting adjustments are required to revise the budgeted 2021/22 amount of capital grant revenue, as the grant revenue was actually received earlier than planned - that is in the 2020/21 financial year.

7. Operating Projects – Net Carryovers (Refer Attachment B)

The net carryover relating to operational projects totals - \$1.806m. As with the capital works carryovers, this figure includes adjustments to both revenue and expenditure of operating projects.

8. Other Operating Adjustments to 2021/22 budget

In addition to the capital and operating carryover amounts the following items are recommended to be adjusted in the 2021/22 budget to reflect the 2020/21 results and subsequent decisions by Council.

- Revenue to be reduced by \$6.714 million due to receiving approximately 50% of the 2021/22 Federal Assistance Grants in 2020/21.
- Funding of \$1.309 million for the Business and Community Support Package which is to be funded from under expenditure in 2020/21.

Overall if the recommended carryover requests and adjustments outlined above are approved there will be a \$7.6m improvement in Councils unrestricted cash level compared to budget. This increase in the amount of unrestricted cash available has an underlying effect of improving the liquidity ratios that were projected in the 2021/22 Budget – working capital and unrestricted cash.

OFFICER RECOMMENDATION

9. That Council

9.1 Approve the addition of \$2.045 million as a Capital adjustment to the 2021/22 Budget to fund carryover (existing capital projects and activities commenced in the 2020/21 financial year), and \$18.525 million in new revenue funded capital projects in line with the attached listing of projects.

9.2 Approve the addition of \$1.806 million as an Operating Carryover to the 2021/22 Budget to fund existing programs and activities commenced in the 2020/21 financial year, in line with the attached listing of projects.

- 9.3 Approve the proposed accounting adjustments relating to carryovers and the early receipt of 2021/22 Federal Assistance Grants and inclusion of the Council approved Business and Community Support Package in the 2021/22 Operating budget.**

ATTACHMENTS

1. Governance Review [**8.7.1** - 2 pages]
2. Att A - Recommended 20-21 Capital Carryover [**8.7.2** - 4 pages]
3. Att B - Recommended 20-21 Operating Carryover [**8.7.3** - 2 pages]

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ALIGNMENT WITH COUNCIL VISION, COUNCIL PLAN, STRATEGIES AND POLICIES

1. This report supports Goal 6 of the Council Plan '*A council that provides leadership and advocates for its community*'. Specifically, within the Annual Plan, it contributes to the achievement of action 6.6 and 6.7
 - 6.6 - Ensure accountability with public resources
 - 6.7 - Ensure good governance and leadership

COMMUNITY IMPACT

2. This report details how programs and/or projects that were budgeted for, but unable to be finalised, in the 2020/21 financial year will be funded and delivered to the community.

CLIMATE EMERGENCY AND ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

3. No climate emergency or environmental sustainability implications are relevant to the subject of this report.

ECONOMIC SUSTAINABILITY IMPLICATIONS

4. No economic sustainability implications are relevant to the subject of this report.

FINANCIAL IMPLICATIONS

5. There are no material financial implications as a result of this report.
6. The details contained in this report primarily relate to the timing of revenue and expenditure recognition and have no negative impact on Council's long term financial sustainability.

LEGAL AND RISK CONSIDERATIONS

7. No legal or risk implications are relevant to the subject of this report

HUMAN RIGHTS CONSIDERATIONS

8. It is considered that the report does not impact on any human rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

COMMUNITY CONSULTATION AND ENGAGEMENT

9. The content of this report has principally been generated from the 2020/21 adopted budget of Council, which was subject to a community engagement process.

GENDER EQUALITY ACT 2020

10. There are no gender equality implications identified for the subject of this report.

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CONFLICTS OF INTEREST THAT HAVE ARISEN IN PREPARATION OF THE REPORT

11. Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

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CITY OF BALLARAT
RECOMMENDED CARRYOVERS 2020/21 - CAPITAL

Area	Justification	Carryover Amount
Arts & Culture	Public Art carryover capital - Unexpended Capital Budget	\$ 84,987.61
Dev Contributions	Project still being completed - DCP Construction - Tait St upgrade - Caused by a delay in the design process - Unexpended Capital Budget	\$ 380,498.69
Dev Contributions	Project still being completed - DCP Construction - Lucas District Park that will need to be paid this financial year - Unexpended Capital Budget	\$ 500,000.00
Dev Contributions	Project still being completed - DCP Construction - MR Power Park - Delay in finalising contamination studies - Unexpended Capital Budget	\$ 18,030.00
Engaged Communities	Arts and Culture Infrastructure Audit and Art Gallery redevelopment business case - Capital project committed to but not completed. Tender awarded in June 21 with limited works completed in 20/21 FY.	\$ 150,000.00
Engaged Communities	Community Infrastructure Budget allocated but not spent - Unexpended Capital Budget (1)	-\$ 275,000.00
Engaged Communities	Royal Park Community Garden - Capital project committed to but not completed. Design completed but capital works need to be done. Community commitment has been made - Unexpended Capital Budget	\$ 8,500.00
Engaged Communities	Green Infrastructure – solar installation at Sebastopol Library - Capital project committed to but not completed. Due for completion before end of July 21. Hold ups related to availability of contractors and products. - Unexpended Capital Budget	\$ 25,000.00
Engaged Communities	Green Infrastructure – solar installation at Wendouree Children’s Centre - Capital project committed to but not completed. Due for completion before end of July 21. Hold ups related to availability of contractors and products. - Unexpended Capital Budget	\$ 24,500.00
Engaged Communities	Sebastopol South Kindergarten – landscaping works -Capital project committed to but not completed. Delivery delayed due to contractor availability/weather restrictions.	\$ 67,000.00
Engaged Communities	Exceptional Assistance Grant - Emergency Management - unspent grant funding	\$ 83,155.01
Events	Unspent Events Christmas capital - Christmas Tree Fencing not being delivered until mid-July 2021	\$ 3,650.00
Events	Unspent Events Capital but its for COB and Visit Ballarat branded Mesh Banner signage not delivered until mid-July 2021	\$ 8,785.00
Facilities Maintenance	Ballarat Airport Hut 44 & 45 renewal - works in progress. These projects represent rectification of significant issues within the existing buildings.	\$ 490,280.42

Notes

(1) The negative amount reflects that the amount carried forward in the approved 2021/22 Budget was in excess of the final net required carryover, resulting in a saving.

CITY OF BALLARAT
RECOMMENDED CARRYOVERS 2020/21 - CAPITAL

Area	Justification	Carryover Amount
Facilities Maintenance	North Ballarat Sports Club roof and plant renewal - works in progress. These projects represent rectification of significant issues within the existing buildings.	\$ 350,200.30
Fleet	Fleet Items ordered but still not delivered - Delayed due to COVID.	\$ 600,000.00
Infrastructure	Roads at the Airport Mitchell Park - Unexpended Capital Budget	\$ 49,543.00
Infrastructure	Doveton St / Norman Street Roads - Unexpended Capital Budget	\$ 178,708.59
Infrastructure	Gillies Road Stage 4 - This carryover is due to the contractor having delays. Some final works still need to be completed - Unexpended Capital Budget	\$ 429,705.71
Infrastructure	LED street lighting project (1)	-\$ 29,534.00
Libraries	Opening day collection (Library Books) purchases for the Ballarat Library refurbishment - Unexpended Capital Budget	\$ 84,343.39
Major Projects	Civic Hall unspent capital works	\$ 1,065,760.21
Major Projects	Unspent capital Budget - HMT Conservation Works (1)	-\$ 55,095.88
Major Projects	Works In Progress capital programs - Sebastopol Library canopies project	\$ 36,580.00
Major Projects	CBD Parking - Capital Grant funding not spent	\$ 400,995.08
Major Projects	Unexpended Grant funding (capital) - Lake Wendouree Lake Lighting	\$ 421,171.67
Major Projects	Capital works unspent - Bakery Hill project	\$ 412,392.03
Major Projects	Central Library - Unspent Capital Funding	\$ 349,711.82
Major Projects	Wendouree Community Rec Reserve - Unexpended Grant funding - Capital Projects that we are committed to and aren't complete	\$ 3,939,126.97
Major Projects	Mars Stadium Stage 2 - Unexpended Grant funding - Capital Projects that we are committed to and aren't complete (1)	-\$ 411,403.98
Major Projects	Unspent grant funding HMT stage 3	\$ 2,524,082.50
Major Projects	Unspent capital grant funding which ends May 2022 Ballarat Sports and Event Centre Stage 2	\$ 832,127.11
Major Projects	Warrenheip Street Buninyong - unexpended Grant Funding	\$ 286,258.07
Major Projects	Alfredton Rec Reserve - Unexpended Grant funding - Capital Projects that we are committed to and aren't complete	\$ 1,180,110.01
Major Projects	Unspent grant funding - Outdoor Dining State Gov	\$ 124,240.88
Major Projects	Unexpended Grant funding - Regional Development Victoria (RDV) - Sebastopol Urban Forest Portion	\$ 450,500.00

Notes

(1) The negative amount reflects that the amount carried forward in the approved 2021/22 Budget was in excess of the final net required carryover, resulting in a saving.

CITY OF BALLARAT
RECOMMENDED CARRYOVERS 2020/21 - CAPITAL

Area	Justification	Carryover Amount
Major Projects	Unexpended Grant funding - Regional Development Victoria - Yarrowee masterplan portion	\$ 998,635.08
Major Projects	RDV Carparks (6 associated project tasks)	\$ 1,845,000.00
Parks & Gardens	Unspent capital funds -Roundabout Landscaping for Health Precinct. Contractor engaged for staged works but project not completed within 20/21 FY.	\$ 22,453.72
Parks & Gardens	Unspent capital funds -Gillies Street Fencing along South Gardens and further works in Health Precinct. Design and specification not completed within 20/21 FY.	\$ 50,000.00
Parks & Gardens	Unspent capital funds -Sturt Street Irrigation, Expression of interest sought through quotes, further work required on specifications and then additional quotes required.	\$ 50,000.00
Parks & Gardens	Unspent capital funds -Rose Bed Landscape works for Victoria Street, Contractor engaged for staged works but but project not completed within 20/21 FY.	\$ 18,830.00
Parks & Gardens	Unspent capital funds -Victoria Street Irrigation Design and Installation and Grass Surface Works Staged project to continue to irrigate entire length of city entrance. Unable to have project design and specifications finished for quoting purposes.	\$ 60,000.00
Parks & Gardens	Fernery Outdoor Landscaping - unexpended grant funding	\$ 150,000.00
Parks & Gardens	Unexpended Grant Funding - Sunnyside Mill Project	\$ 200,000.00
Regulatory Services	Parking Meter Replacement Program - Unexpended Capital Budget	\$ 166,573.05
Regulatory Services	School Crossing Supervisor Shelter unspent capital funds	\$ 1,200.29
Regulatory Services	James Reserve Dog Park - Project delivery has been delayed due to requirement for a Cultural Heritage Management Plan - Unspent Grant Funding	\$ 16,723.73
Roads	Bicycle Strategy Project – Carryover as part of the new Sturt Street Bicycle Path from Dawson Street to Grenville Street.	\$ 74,350.12
Roads	Gent Street / Dyte Parade – Tender awarded, construction started 19 June 2021 - Unexpended Capital Budget	\$ 494.37
Roads	Tress Street/Elm Road – Road to be constructed - Unexpended Capital Budget (1) -	\$ 4,359.00
Roads	Asphalt Program, Various Locations – Initial 21/22 Budget carryover program request replaced with specific project requests (1)	-\$ 1,877,003.00
Roads	Local Area Traffic Management – Improved intersections - Unexpended Capital Budget	\$ 80,000.00
Roads	Langstaffe Drive Stage 1 – Tender awarded, works to start October 2021 when the weather improves - Unexpended Capital Budget	\$ 83,878.62

Notes

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CITY OF BALLARAT
RECOMMENDED CARRYOVERS 2020/21 - CAPITAL

Area	Justification	Carryover Amount
Roads	Peel Street (Asphalt) - Waiting for Central Highland Water to complete new sewer line - Unexpended Capital Budget	\$ 246,563.96
Roads	Wendouree Parade (Pedestrian Crossing) – Working with Loreto College on pedestrian crossing between lake and school - Unexpended Capital Budget	\$ 215,536.00
Roads	Crocker Street - Working with residents with design, tender to then be advertised followed by construction - Unexpended Capital Budget	\$ 857,545.18
Roads	Finch's Road (Planning/Survey) – Future planning and survey/design for construction - Unexpended Capital Budget	\$ 94,642.08
Roads	Gillies Street – Unexpended Capital Grant Funding	\$ 1,150,477.00
Roads	Langstaffe Drive Stage 1 - Tender awarded, works to start October 2021 when the weather improves - Unexpended Capital Grant Funding	\$ 1,379,146.02
Roads	Eastwood Street Carpark - Unexpended Capital Grant Funding	\$ 799,762.00
Sport & Active Living/Major Projects	Works in Progress capital programs - Alfredton BMX Track.	\$ 52,300.00
Sport & Active Living/Major Projects	Works In Progress capital programs - Ballarat Regional Tennis - Unexpended Capital Grant Funding	\$ 1,939,838.80
Sport & Active Living/Major Projects	Works In Progress capital programs - City Oval Change Rooms	\$ 35,659.75
Sport & Active Living/Major Projects	Works In Progress capital programs - Marty Busch BMX Starting Gates	\$ 5,100.00
Sport & Active Living/Major Projects	Works In Progress capital programs - North Ballarat Netball - Unexpended Capital Grant Funding	\$ 1,175,586.59
Sport & Active Living/Major Projects	Works In Progress capital programs - VRI CC Delacombe Cricket - Unexpended Capital Grant Funding	\$ 90,000.00
Sport & Active Living/Major Projects	Works In Progress capital programs - Alfredton Netball Change Rooms	\$ 82,724.73
Sport & Active Living/Major Projects	Works In Progress capital programs - Learmonth Change Rooms Refurbishment (1)	-\$ 61,106.93
Sport & Active Living/Major Projects	Works In Progress capital programs - Marty Busch Change Rooms	\$ 5,756.77
Sport & Active Living/Major Projects	Works In Progress capital programs - Pleasant St Change Rooms Redevelopment	\$ 227,294.95
Sport & Active Living/Major Projects	Works In Progress capital programs - Royal Park (Buninyong)	\$ 16,260.95
Sport & Active Living/Major Projects	Works In Progress capital programs - Trekardo Park Change Rooms Refurbishment	\$ 166,918.25
Sport & Active Living/Major Projects	Vic Park - Capital Projects that we are committed to and weren't completed at the end of the 20/21 FY.	\$ 754,675.79
		\$ 25,960,369.08

Notes

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CITY OF BALLARAT
RECOMMENDED CARRYOVERS 2020/21 - OPERATING

Area	Justification	Carryover Amount ²
Ageing Well	Regional Assessment Services - Unspent Grant Funding	\$ 726,637.47
Art Gallery of Ballarat	Art Gallery of Ballarat - Education Grant Carryover	\$ 24,316.86
Arts & Culture	Arts Incubator – unexpended grant monies	\$ 40,513.73
Arts & Culture	UNESCO Arts & Culture – unexpended grant monies (1)	-\$ 27,283.68
Catalyst Projects	Latrobe Street Saleyards - Unspent Grant Funding	\$ 125,181.30
Engaged Communities	Community Impact Grant Program 2020/2021 unpaid but committed amounts	\$ 71,743.00
Engaged Communities	Municipal Emergency Response Plan - Grant funding paid in advance	\$ 60,000.00
Engaged Communities	Graffiti Prevention - Unexpended Grant Funding	\$ 7,723.20
Engaged Communities	Gender Based Violence - Unexpended Grant Funding	\$ 2,421.68
Engaged Communities	Community Activation & Social Isolation - unspent grant funding	\$ 49,443.83
Engaged Communities	VicHealth Local Gov Partnership Grant - Unexpended grant funding.	\$ 21,761.95
Engaged Communities	Stop Think Theft - Unexpended grant funding	\$ 1,650.00
Eureka Centre	Education Strategic Partnership Program - Unexpended Grant Funding (1)	-\$ 4,692.10
Events	Winterfest Festival - Committed amounts not paid prior to 30/6/2021 as event crosses Financial Years	\$ 155,967.78
Events	Tourism Event Grants awarded but didn't go ahead due to COVID (postponed/rescheduled to 21/22FY)	\$ 50,750.00
Family & Children's Services	Best Start - unspent grant funding (1)	-\$ 2,823.82
Family & Children's Services	Supported Playgroups - unspent grant funding (1)	-\$ 40,425.93
Family & Children's Services	Enhanced Maternal Child Health (MCH) Clinical Supervision - Unexpended Grant Funding	\$ 6,330.62
Family & Children's Services	Sleep & Settling MCH - unexpended grant funding - Information Groups Portion	\$ 113,818.35
Family & Children's Services	Sleep & Settling MCH - unexpended grant funding - Outreach Consultation Portion	\$ 143,746.45
Family & Children's Services	Language Program at Wendouree Childcare - unspent grant funding & early payment for 21/22FY	\$ 23,690.88
Family & Children's Services	Enhanced MCH - unexpended Grant Funding (1)	-\$ 379,129.51
Family & Children's Services	Central Kindergarten Registration - unspent grant funding	\$ 68,695.90
Family & Children's Services	Community Child Care Fund, Family Day Care - unspent grant funding	\$ 12,699.15
Family & Children's Services	School Readiness Funding - unspent grant funding Girrabanya (1)	-\$ 3,661.71
Family & Children's Services	School Readiness Funding - unspent grant funding Wendouree (1)	-\$ 10,969.00
Family & Children's Services	Indigenous funding - unspent grant funding - Girrabanya	\$ 1,812.00
Family & Children's Services	3 Year Old Kinder - unspent grant funding	\$ 15,043.08
Family & Children's Services	Indigenous funding - unspent contributions from Eureka Community Kindergarten Association - Wendouree	\$ 1,002.94
Heritage	World Heritage Bid - City of Ballarat co-contributions	\$ 3,382.90
Heritage	World Heritage Bid - City of Greater Bendigo co-contributions (1)	-\$ 873.80
Heritage	World Heritage Bid - Other Local Government Association's co-contributions (1)	-\$ 2,927.58
Learning & Community Hubs	Premiers Reading Challenge - Unexpended Grant Funding	\$ 47,307.00
Learning & Community Hubs	Libraries After Dark - Unspent Funding	\$ 22,074.35
Marketing	Victoria Together - Unexpended grant Funding	\$ 15,000.00

Notes

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CITY OF BALLARAT
RECOMMENDED CARRYOVERS 2020/21 - OPERATING

Area	Justification	Carryover Amount2
Multicultural development	Intercultural Employment Pathway unexpended grant funding	\$ 5,286.25
Parks & Gardens	Unexpended Contributions from Ballarat Botanics Foundation to fund Apprenticeship	\$ 4,165.56
Regulatory Services	Women in Building Surveying - Unexpended Grant Funding	\$ 50,462.00
Regulatory Services	Business Concierge Funding – Unexpended Grant Funding	\$ 120,000.00
Sport & Active Living	Unexpended Grant Funding - Walk to School Program	\$ 16,747.78
Sport & Active Living	Brown Hill Reserve feasibility - Unexpended Grant Funding	\$ 50,000.00
Sport & Active Living	21/22 Marty Busch Masterplan - Unexpended Grant Funding	\$ 35,000.00
Sport & Active Living	Regional Hockey - Unexpended Grant Funding	\$ 26,400.00
Sport & Active Living	Water Hub - Unexpended Grant Funding	\$ 9,000.00
Strategic Planning	DELWP grant for flood amendment– Required as progressing Planning scheme amendment for Flooding in 21/22 – coverage of panel costs including tech reports - Unexpended Grant Funding	\$ 12,458.48
Visitor Economy	Unexpended Contributions from Victorian Goldfields Tourism to go towards Tourism Plan	\$ 127,475.00
Youth Services	Unspent grant funding - Engage Um Program	\$ 8,634.50
		\$ 1,805,556.86

Notes

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8.8. ANNUAL COMMUNITY ENGAGEMENT REPORT

Division: Community Wellbeing
Director: Matthew Wilson
Author/Position: Kate McCluskey - Co-ordinator Community Participation

PURPOSE

1. To provide a report to Council on community engagement activities undertaken in 2020/2021

BACKGROUND

2. The Victorian Auditor-General's Office (VAGO) report into Public Participation and Community Engagement was published in 2017 and recommended that Council should consider an annual review which reports on community engagement activities over the previous 12 months. This report provides a review of the period 1 July 2020 to 30 June 2021.
3. New provisions for community engagement are included in the Local Government Act 2020 and came into effect on March 1 2021. Mandated provisions outlined include:
 - a. That Council adopt and maintain a community engagement policy.
 - b. That the community engagement policy be developed in consultation with the municipal community and include deliberative engagement practices to develop the Community Vision, Council Plan, Financial Plan and Asset Plan.
4. Council's Community Engagement Policy was adopted by Council on February 24, 2021 (R30/21).

KEY MATTERS

Community satisfaction

5. The most recent 'Know Your Council' data for individual local government areas comes from the 2019/2020 survey. The 'Know Your Council' annual survey scores community satisfaction with the consultation and engagement efforts of the Council. The City of Ballarat scored 63/100, a slight increase from the previous year 2018-2019 (59/100) and a continuation of an increasing trend over the past 5 years (Figure 1).¹ This level compares very favourably with the average of other similar councils (53/100) and the average of all other councils (56/100).

¹ Data sourced from www.knowyourcouncil.vic.gov.au



Figure 4: Community satisfaction with community consultation and engagement - 2021 Community Satisfaction Survey

Engagement overview

6. In 2020/2021, there were 93 engagement campaigns undertaken by the City of Ballarat.
7. Over the last year, there were 93 community engagement and consultation campaigns undertaken across Council (Figure 2), many using multiple methods to engage the audience. The Departments conducting the greatest number of campaigns were Economic Growth (particularly Strategic Planning) and Engaged Communities.

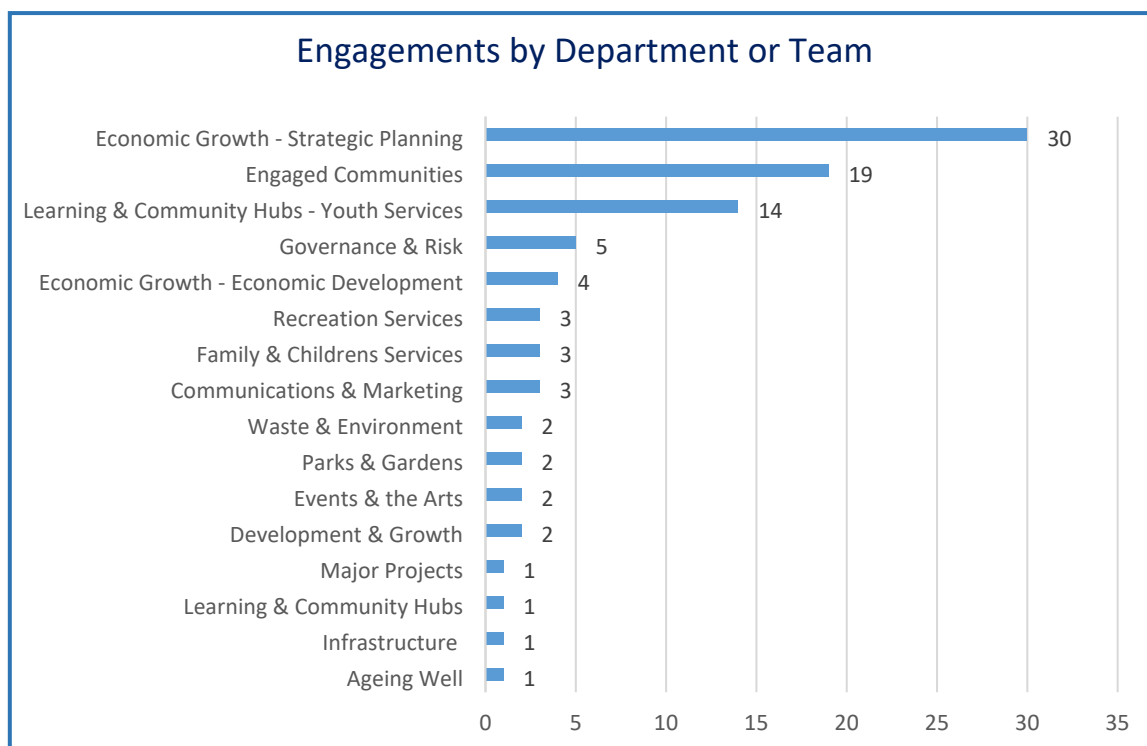


Figure 5: Number of engagement campaigns by Department.

Online engagement

8. With the COVID-19 pandemic restricting opportunities for face-to-face engagement, online platforms have become vital in the last year, and are among the most efficient tools to engage the community.
9. Council's mySay site has become the main platform for engagement with the community, offering a multitude of engagement options including surveys, interactive maps for place-based projects, expected timelines, videos and storage of downloadable documents.
10. From 1 July 2020 to 30 June 2021 there were 33,300 visits to the site, with 67 projects accessible from this platform. This is an increase of 66% on last year, when there were 20,100 visits to the site, and just over 50 projects.
11. Many projects contain both online and other engagement processes. Over the last 12 months, more than 60 per cent of visitors have visited at least one project page to read project information (aware). More than half of those sought further information by watching videos and reading documents (informed). Approximately 21 per cent of those took part in surveys or activities to provide their feedback (engaged).
12. These figures demonstrate that the number of survey responses doesn't fully represent the reach of a project's engagement. The mySay platform plays a significant role in informing our community about Council projects and activities alongside providing opportunity for those motivated to share their opinion.
13. All projects listed on mySay are included in the attached report. The top five projects are shown in Table 1.

Table 1: Top five online engagement campaigns

Project title	Aware (visited at least one page for the project and includes "Informed" and "Engaged" figures)	Informed (downloaded a document, watched a video, visited multiple pages, and includes "Engaged" figures)	Engaged (participated in survey or activity)
Ballarat: Our Future (Stage 1)	2,628	1,305	529 (surveys only)
Lake Lighting Trials over Summer	1,853	1,274	201
Ballarat Housing Strategy	1,589	776	144
Alfredton BMX Track	1,024	457	282
Bridge Mall Precinct – Design Development	983	673	142

Other engagement methods

14. While online engagement spreads the potential net of participants far and wide, many community members prefer other methods of engagement including the opportunity to meet face-to-face with Council representatives or to provide feedback in non-written form. These types of engagement traditionally reach fewer community members than online processes but offer the opportunity for more detailed and considered feedback and involvement.

15. Shown in Table 2 are the top engagement campaigns that included face-to-face or other non-written forms of engagement. A more comprehensive list of mixed method engagement process can be found in the attached report.

Table 2: Most successful engagement campaigns that included face-to-face and non-written methods

Project	Method/s used e.g., Face-to-face, survey etc.	Number of participants or attendees	Number of people engaged (provided input)
Ballarat: Our Future	Short survey, long survey, community-led conversations, written submissions, Facebook comments, listening posts, point allocation for spending priorities	1,981	1,981
Business Concierge	Interactions with businesses by phone, email, and face to face	243	243
Kids Designing Healthy Spaces and Events	Artistic or written competition entries by primary students	121	121
Outdoor Dining	Phone calls (cold calling) accompanied by a marketing campaign, face to face meetings	52	73

Wendouree West Recreation Reserve Skate Clinic Pop Up	In person, face to face consultation and survey	105	51
Health and Wellbeing Plan	Survey cards and online form	50	50
Children's Consultation during Children's Week	Hard copy templates (in addition to MySay), engagement through schools	43	43
Alfredton BMX Track Consultations	In person, face to face consultation and online survey	29	29

Elements of successful engagement campaigns

16. When reviewing the engagement campaigns over the 2020/2021 year, those that elicited the greatest active engagement were:

- Ballarat: Our Future
- Alfredton BMX Track
- Business Concierge
- Lake Lighting Trials

17. Analysis of the most successful online and face-to-face engagement campaigns showed that they shared the following characteristics:

- Were well planned with adequate time to prepare
- Had a clear understanding of their target group and what methods should be used to engage them
- Had clear parameters around what could and could not be influenced
- Were appropriately resourced, communicated and promoted
- Utilised multiple tools and methods to obtain data

Continuous improvement

18. Over the next 12 months, there will be a focus on improving and strengthening engagement practice across the organisation. Key steps in the process include:

- Strategic leadership: Over the coming year, the Community Participation team will work to add a strategic element to the organisation's engagement practice by developing an annual schedule and register of engagement.
- Training and capacity building: Specialised training will be provided to relevant staff to continue to build capacity within the organisation.
- Resource development: Resources will be reviewed and developed to ensure consistency of quality and practice in the planning, delivery and evaluation of community engagement throughout the organisation.

OFFICER RECOMMENDATION

19. That Council:

19.1 Note the City of Ballarat Annual Engagement Report 2020/21 in accordance with Section 3.4 of Council's Community Engagement Policy.

- 19.2 Acknowledge the community engagement activity and achievements of Council toward increasing public participation in decision-making during this reporting period.**

ATTACHMENTS

1. Governance Review [8.8.1 - 2 pages]
2. Engagement Report 2020 2021 [8.8.2 - 18 pages]

OFFICIAL

ALIGNMENT WITH COUNCIL VISION, COUNCIL PLAN, STRATEGIES AND POLICIES

1. Council Plan alignment – Goal four – Accountability. This goal refers specifically to community engagement as a core component of transparent governance and decision-making.
2. Community Engagement Policy alignment – this report aligns with the responsibilities outlined in the Community Engagement Policy.

COMMUNITY IMPACT

3. Community engagement is a core component of strong communities and key to good governance and the building of community trust. There were more than 33,000 visits to Council's mySay engagement platform and more than 90 projects open to community feedback during 2020/2021.

CLIMATE EMERGENCY AND ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

4. Nil

ECONOMIC SUSTAINABILITY IMPLICATIONS

5. Nil

FINANCIAL IMPLICATIONS

6. The cost of the mySay engagement platform and most engagement processes form part of the recurrent budget.
7. The development of a more strategic approach to engagement planning will ensure that financial implications of campaigns are considered early in the planning process.

LEGAL AND RISK CONSIDERATIONS

8. Council's Engagement Framework, Community Engagement Policy and engagement undertaken in 2020/2021 meet the requirements of the Local Government Act 2020.

HUMAN RIGHTS CONSIDERATIONS

9. It is considered that the report does not impact on any human rights identified in the *Charter of Human Rights and Responsibilities Act 2006*.

COMMUNITY CONSULTATION AND ENGAGEMENT

10. No community engagement has been undertaken in the development of this report.

OFFICIAL

OFFICIAL

GENDER EQUALITY ACT 2020

11. There are no gender equality implications identified for the subject of this report.

CONFLICTS OF INTEREST THAT HAVE ARISEN IN PREPARATION OF THE REPORT

12. Council officers affirm that no general or material conflicts need to be declared in relation to the matter of this report.

OFFICIAL