

Darebin City Council Performance Statement

For the Year Ended 30 June 2018



Darebin City Council
Sustainable Capacity Indicators
 For the Year Ended 30 June 2018

Indicator/measure	Results					Forecasts			Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Population									
C1 Expenses per head of municipal population [Total expenses / Municipal population]	\$1,024	\$930	\$967	\$1,013					No material variation from the previous year
C2 Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$3,827	\$4,032	\$3,934	\$4,552					Infrastructure value has increased by \$111.8M. Increase is mainly due to the revaluation of property, plant and infrastructure undertaken during the year \$102.4M.
C3 Population density per length of road [Municipal population / Kilometres of local roads]	291	296	305	311					No material variation from the previous year
Own-source revenue									
C4 Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$879	\$922	\$940	\$936					No material variation from the previous year
Recurrent grants									
C5 Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$123	\$94	\$117	\$104					Recurrent grant funding decreased by \$1.6M from previous year. Previous year was impacted by advance payment of financial assistance grant \$2.3M.
Disadvantage									
C6 Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	5.0	5.0	5.0	7.0					The Commonwealth Government calculates an index of relative socio-economic disadvantage which outlines an overall measure of disadvantage across the municipality. Darebin has risen in the relative ranking indicating a general improvement in economic conditions between 2011-2016.

Definitions

"adjusted underlying revenue" means total income other than —

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

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

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

"population" means the resident population estimated by council

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

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

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

Darebin City Council
Service Performance Indicators
 For the Year Ended 30 June 2018

Service/Indicator/measure	Results					Forecasts			Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Aquatic Facilities Utilisation									
AF6 Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	6.3	5.6	5.4	5.3					Currently two leisure centres operate within the City of Darebin: Northcote Aquatic and Recreation Centre (NARC) which is managed externally by YMCA Victoria, and Reservoir Leisure Centre (RLC) which is managed in-house. Both facilities are considered aging assets with a Feasibility Study for NARC currently being completed to inform Council of the options moving forward for redevelopment. A feasibility study will occur in 2018-19 to identify options for upgrade and renewal at RLC.
Animal Management Health & safety									
AM4 Animal management prosecutions [Number of successful animal management prosecutions]	11	3	8	3					Increased public education with a particular focus on early morning and late evening park patrols has increased compliance. This has resulted in fewer offences being committed and therefore fewer matters proceeding to court.
Food Safety Health & safety									
FS4 Critical and major non-compliance notifications [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	98.0%	100.0%	92.1%	100.0%					Council achieved a 100% result for the reporting period which is an 8.5% improvement on the previous year. The improved result is an outcome of the indicator changing from a financial year to a calendar year reporting period that aligns with the requirements of the Department of Health and Human Services.
Governance Satisfaction									
G5 Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	67.8	66.9	65.0	66.7					

Darebin City Council
Service Performance Indicators
 For the Year Ended 30 June 2018

Service/indicator/measure		Results							Forecasts			Material Variations	
		2015	2016	2017	2018	2019	2020	2021	2022				
Home and Community Care													
Participation													
HC6	Participation in HACC service [Number of CALD people who receive a HACC service / Municipal target population for HACC services] x100	22.4%	19.6%	N/A	N/A								Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
HC7	Participation in HACC service by CALD people [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	21.1%	18.5%	N/A	N/A								Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs
Libraries													
Participation													
LB4	Active library members [Number of active library members / Municipal population] x100	16.2%	16.0%	15.0%	14.7%								The number of active library members has remained steady. Darebin Libraries experienced a significant increase in digital collection loans and access as well as event attendance demonstrating our community's appreciation for the changing and expanding focus of library services.
Maternal & Child Health													
Participation													
MC4	Participation in the MCH service [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	75.9%	N/A	78.5%	81.4%								Council has implemented a reminder system so that all families can be followed up and proactively contacted.
MC5	Participation in the MCH service by Aboriginal children [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	60.5%	N/A	91.5%	90.9%								Council has maintained a very high participation rate amongst Indigenous children by fostering relationships with the Victorian Aboriginal Child Care Agency and the Victorian Aboriginal Health Service.
Roads													
Satisfaction													
R5	Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	69.3	70.8	70.4	69.9								Community satisfaction has decreased very slightly from the previous year's score of 70.4.

Darebin City Council
Service Performance Indicators
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Service/Indicator/measure		Results					Forecasts		
		2015	2016	2017	2018	2019	2020	2021	2022
Statutory Planning									
Decision making									
SP4	Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application /Number of VCAT decisions in relation to planning applications] x100	45.3%	60.3%	41.3%	46.1%				
Waste Collection									
Waste diversion									
WC 5	Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	48.3%	47.4%	48.0%	49.1%				This is a great improvement on last year's diversion from landfill figure of 47.95%. There was a decrease of 1362 tonnes of garbage sent to landfill, a decrease of 600 tonnes of green waste and an increase of 466 tonnes of recyclables collected and processed. Food waste is a significant component of waste sent to landfill and a trial is underway for food waste to be diverted to green waste recycling.

Definitions

- "Aboriginal child" means a child who is an Aboriginal person
- "Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006
- "active library member" means a member of a library who has borrowed a book from the library
- "annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act
- "CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English
- "class 1 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act
- "class 2 food premises" means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act
- "Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth
- "critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
- "food premises" has the same meaning as in the *Food Act 1984*
- "local road" means a sealed or unsealed road for which the council is the responsible road authority under the *Road Management Act 2004*
- "major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken
- "MCH" means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age
- "population" means the resident population estimated by council
- "target population" has the same meaning as in the Agreement entered into for the purposes of the Home and Community Care Act 1985 of the Commonwealth
- "WorkSafe reportable aquatic facility safety incident" means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

Darebin City Council
Financial Performance Indicators
For the Year Ended 30 June 2018

		Results						Forecasts			Material Variations
Dimension/indicator/measure		2015	2016	2017	2018	2019	2020	2021	2022		
Efficiency											
Revenue level											
E1	Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,381	\$1,448	\$1,487	\$1,519	\$1,572	\$1,607	\$1,643	\$1,680	No material variation from the previous year	
Expenditure level											
E2	Expenses per property assessment [Total expenses / Number of property assessments]	\$2,290	\$2,087	\$2,175	\$2,290	\$2,360	\$2,423	\$2,486	\$2,551	Total expenditure increased by \$10.7M from previous year.	
Workforce turnover											
E3	Resignations and terminations compared to average staff [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	9.8%	5.0%	9.6%	12.0%	9.3%	9.3%	9.3%	9.3%	Terminations and resignation impacted by organisational review undertaken in early 2018.	
Liquidity											
Working capital											
L1	Current assets compared to current liabilities [Current assets / Current liabilities] x100	159.5%	226.8%	259.6%	242.0%	193.1%	173.3%	97.5%	98.0%	Current liabilities impacted by holding greater trade payables than previous year. Current assets impacted by increased cash and cash equivalents arising mainly from delays in completing the planned capital works program and receipt of 50% of the 2018/19 Victorian Grants Commission funding.	
Unrestricted cash											
L2	Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	61.6%	91.5%	116.8%	127.0%	127.1%	100.2%	23.4%	24.1%	Delays in completing the planned capital works program and receipt of the 2018/19 Victorian Grants Commission funding has impacted on unrestricted cash balances.	

Darebin City Council
Financial Performance Indicators
For the Year Ended 30 June 2018

Dimension/indicator/measure	Results					Forecasts					Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022			
Obligations											
Asset renewal											
O1 Asset renewal compared to depreciation [Asset renewal expenses / Asset depreciation] x100	60.3%	66.1%	79.0%	101.6%	104.4%	137.2%	156.1%	144.6%	More spending has been incurred on asset renewal projects than in the previous year. The previous year indicator was impacted by delays in completing the 2016/17 capital works program particularly renewal type projects.		
Loans & borrowings											
O2 Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	0.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	No material variation from the previous year		
O3 Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	0.14%	0.16%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	No material variation from the previous year		
Indebtedness											
O4 Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	1.1%	1.2%	1.2%	1.3%	1.1%	1.1%	1.1%	1.0%	No material variation from the previous year		
Operating Position											
Adjusted underlying result											
OP 1 Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit) / Adjusted underlying revenue] x100	(1.9%)	8.0%	8.6%	6.2%	4.0%	5.8%	6.6%	7.4%	Adjusted underlying surplus has decreased by \$3.6M from previous year. Result impacted by increase in total expenditure.		

Darebin City Council
Financial Performance Indicators
 For the Year Ended 30 June 2018

Stability	Dimension/indicator/measure	Results						Forecasts			Material Variations
		2015	2016	2017	2018	2019	2020	2021	2022		
Rates concentration											
S1	[Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	71.4%	73.9%	72.3%	71.5%	73.8%	72.7%	72.5%	72.2%	No material variation from the previous year	
Rates effort											
S2	[Rates compared to property values [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.27%	0.25%	0.26%	0.26%	0.22%	0.22%	0.23%	0.24%	No material variation from the previous year	

Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

"current assets" has the same meaning as in the AAS

"current liabilities" has the same meaning as in the AAS

"non-current assets" means all assets other than current assets

"non-current liabilities" means all liabilities other than current liabilities

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

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

"population" means the resident population estimated by council

"rate revenue" means revenue from general rates, municipal charges, service rates and service charges

"recurrent grant" means a grant other than a non-recurrent grant

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

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

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

Darebin City Council

Other Information

For the Year Ended 30 June 2018

Note 1 Basis of Preparation

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

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

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

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 22 June 2017 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Darebin City Council
Certification of performance statement
For the Year Ended 30 June 2018

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* .

Allan Cochrane CPA
Principal Accounting Officer

Melbourne
3 September 2018

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

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

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

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

Kim Le Cerf
Councillor

Susanne Rennie
Councillor

Sue Wilkinson
Chief Executive Officer

Melbourne
3 September 2018