

Darebin City Council Performance Statement

For the Year Ended 30 June 2019



Darebin City Council
Sustainable Capacity Indicators
 For the Year Ended 30 June 2019

Results

Indicator/measure		2016	2017	2018	2019	Material Variations
Population						
C1	Expenses per head of municipal population [Total expenses / Municipal population]	\$930	\$967	\$1,013	\$1,035	No material variation from the previous year
C2	Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$4,032	\$3,934	\$4,552	\$4,499	No material variation from the previous year
C3	Population density per length of road [Municipal population / Kilometres of local roads]	296	305	311	318	No material variation from the previous year
Own-source revenue						
C4	Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$922	\$940	\$936	\$973	No material variation from the previous year
Recurrent grants						
C5	Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$94	\$117	\$104	\$98	No material variation from the previous year
C6	Relative socio-economic disadvantage [Index of Relative Socio-economic Disadvantage by decile]	5.0	5.0	7.0	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

“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 2019

Results

Service/indicator/measure		2016	2017	2018	2019	Material Variations
Aquatic Facilities						
Utilisation						
AF6	Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	5.6	5.4	5.3	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.
Animal Management						
Health & safety						
AM4	Animal management prosecutions [Number of successful animal management prosecutions]	3	8	3	2	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						
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	100.0%	92.1%	100.0%	100.0%	Council achieved a 100% result again in 2018-19, thereby demonstrating Council's commitment to addressing high-risk, non-compliant premises.
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]	66.9	65.0	66.7	70.8	
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	19.6%	N/A	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	18.5%	N/A	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

Darebin City Council

Service Performance Indicators

For the Year Ended 30 June 2019

Results

Service/indicator/measure		2016	2017	2018	2019	Material Variations
Libraries Participation						
LB4	Active library members [Number of active library members / Municipal population] x100	16.0%	15.0%	14.7%	15.6%	Increased promotion of the collection, the purchase of new higher performing digital collections, and increased investment in existing digital collections has seen an increase in active library members at a time of local population growth.
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	N/A	78.5%	81.4%	80.0%	The Maternal and Child Health service has practices in place to ensure all families are contacted and reminded to attend the Key Age and Stage visit. A recent data cleansing exercise may have contributed to the marginally lower percentage.
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	N/A	91.5%	90.9%	90.8%	All Aboriginal families are provided with a service that is flexible and culturally safe with the aim of supporting families to access and remain engaged with the Maternal and Child 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]	70.8	70.4	69.9	71.5	
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	60.3%	41.3%	46.1%	44.9%	

Darebin City Council

Service Performance Indicators

For the Year Ended 30 June 2019

Results

Service/indicator/measure		2016	2017	2018	2019	Material Variations
Waste Collection						
Waste diversion						
WC5	Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	47.4%	48.0%	49.1%	46.4%	The period of disruption in the contracted recycling service resulted in 1,014 tonnes of recyclable material going to landfill, which has resulted in a decrease in diversion. Without this disruption, diversion would have slightly increased to 50%.

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 2019

Dimension/indicator/measure		Results				Forecasts				Material Variations
		2016	2017	2018	2019	2019	2020	2021	2022	
Efficiency										
Revenue level										
E1	Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$1,448	\$1,487	\$1,519	\$1,553	\$1,570	\$1,577	\$1,584	\$1,591	No material variation from the previous year
Expenditure level										
E2	Expenses per property assessment [Total expenses / Number of property assessments]	\$2,087	\$2,175	\$2,290	\$2,344	\$2,420	\$2,387	\$2,407	\$2,469	Total expenditure increased by \$6.7 million 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	5.0%	9.6%	12.0%	14.2%	9.3%	9.3%	9.3%	9.3%	Terminations and resignation impacted by ongoing organisational reviews during 2018/19.
Working capital										
L1	Current assets compared to current liabilities [Current assets / Current liabilities] x100	226.8%	259.6%	242.0%	261.8%	188.6%	131.3%	62.4%	(7.6%)	Current liabilities impacted by holding less trade payables and deposits 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 2019/20 Victorian Grants Commission funding. Future years are impacted by the planned capital expenditure for the Multi-sport Stadium, Northcote Aquatic and Recreation Centre, and Reservoir Leisure Centre.
Unrestricted cash										
L2	Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	91.5%	116.8%	127.0%	130.7%	68.2%	16.4%	(30.2%)	(97.9%)	Delays in completing the planned capital works program and receipt of the 2019/20 Victorian Grants Commission funding has impacted unrestricted cash balances. Future years are impacted by the planned capital expenditure for the Multi-sport Stadium, Northcote Aquatic and Recreation Centre, and Reservoir Leisure Centre.

Darebin City Council
Financial Performance Indicators
 For the Year Ended 30 June 2019

Dimension/indicator/measure		Results				Forecasts				Material Variations
		2016	2017	2018	2019	2019	2020	2021	2022	
Obligations										
Asset renewal										
O1	Asset renewal compared to depreciation [Asset renewal expenses / Asset depreciation] x100	66.1%	79.0%	101.6%	83.4%	112.1%	113.3%	139.4%	147.8%	The previous year renewal expenditure was impacted by the resurfacing of the Darebin International Sports Centre synthetic surfaces.
Loans & borrowings										
O2	Loans and borrowings compared to rates [(Interest bearing loans and borrowings / Rate revenue] x100	0.00%	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	0.16%	0.00%	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	1.2%	1.2%	1.3%	1.2%	1.1%	1.1%	1.1%	1.0%	No material variation from the previous year
Operating Position										
Adjusted underlying result										
OP1	Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	8.0%	8.6%	6.2%	7.9%	2.8%	2.9%	3.2%	1.8%	Adjusted underlying surplus has increased by \$3.8 million from previous year.

Darebin City Council
Financial Performance Indicators
 For the Year Ended 30 June 2019

Dimension/indicator/measure		Results				Forecasts				Material Variations
		2016	2017	2018	2019	2019	2020	2021	2022	
Stability										
Rates concentration										
S1	Rates compared to adjusted underlying revenue [Rate revenue / Adjusted underlying revenue] x100	73.9%	72.3%	71.5%	69.6%	74.4%	76.4%	76.6%	76.7%	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	0.25%	0.26%	0.26%	0.21%	0.24%	0.24%	0.25%	0.26%	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 2019

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.

Darebin City Council
Certification of performance statement
For the Year Ended 30 June 2019

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

Melbourne
2 September 2019

In our opinion, the accompanying performance statement of the Darebin City Council for the year ended 30 June 2019 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

Lina Messina
Councillor

Sue Wilkinson
Chief Executive Officer

Melbourne
2 September 2019