

Annual Report 2019/20

Yarra City Council
For Council adoption – October 2020



Acknowledgment of Country

Yarra City Council acknowledges the Wurundjeri Woi Wurrung people as the Traditional Owners and true sovereigns of the land now known as Yarra. We also acknowledge the significant contributions made by other Aboriginal and Torres Strait Islander people to life in Yarra. We pay our respects to Elders from all nations and to their Elders past, present and future.

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Introduction

Welcome to the 2019/20 Annual Report

Yarra City Council's Annual Report 2019/20 covers year three of its 2017-21 Council Plan (incorporating the Health and Wellbeing Plan). This report has been prepared for submission to the Victorian Minister for Local Government by 30 November 2020.

In this report, information is provided on:

- progress made on the seven objectives in the Council Plan 2017-21
- services and projects delivered through Council's 2019/20 Budget
- some achievements and challenges for the year, including coronavirus (COVID-19)
- Council's finances, performance and governance
- the year ahead.

Significant achievements in 2019/20

Just like every other council across Australia, Yarra City Council was hit hard by the impact of COVID-19 from March 2020 (see page 11 for more information). In spite of this, 2019/20 also saw years of hard work culminating in the completion of a number of significant projects.

- Yarra's first Climate Emergency Plan was adopted by Council on 2 June 2020. Yarra became just the second council in Australia to produce such an ambitious plan, receiving considerable acclaim and continuing its leadership in the local government sector.
- Council continued its commitment to fighting the war against waste by endorsing the introduction of a four-bin waste and recycling service across Yarra. This will support the development of a circular economy and further reduce the amount of waste going to landfill. The rollout will begin with the introduction of a glass-only recycling bin from November 2020.
- A five-year project to rewrite the Yarra Planning Scheme reached its final stages, with Council writing to the Minister for Planning to request the documents be publicly exhibited. The planning scheme sets out how land can be used, developed and protected in Yarra. The project began in 2015 and involved a deliberative engagement process with Yarra's community.
- In October 2019, Council, in partnership with VicRoads and the Transport Accident Commission (TAC), delivered the final section of protected bike lanes along Wellington Street in Collingwood to create safer conditions for bike riders.

Copies of the Annual Report

You can obtain copies of this Annual Report in many ways.

Digital version

A digital version of this report can be downloaded from yarracity.vic.gov.au/annualreport

Printed and large print copies

Printed and large print copies of this report are available on request by calling 9205 5555 or emailing info@yarracity.vic.gov.au.

About Yarra

Yarra's community

The City of Yarra has a fast-growing population with a distinct demographic make-up. Half our population is aged between 25 and 49 years, with the average age being 33.

More than one quarter of households in Yarra live at the lowest end of the socioeconomic scale, with many experiencing severe hardship and social disadvantage. This is in stark contrast to the nearly 15% of households earning more than \$3,500 a week.

Yarra's current population of 101,495 (2019 ABS) is expected to exceed 130,000 by 2031. Our number of residents has grown by almost 3,000 from the previous year's figure of 98,521 (2018 ABS).

Nearly one-fifth of our community was born in a non-English speaking country, and just under a quarter speak a language other than English at home. The top languages spoken at home, other than English, are Vietnamese, Greek and Mandarin.

Yarra has fewer families and more share houses than greater Melbourne, and one-third of our residents live alone.

Our community is well known for being champions of social justice, leaders in climate action, custodians of our unique culture and heritage, and advocates for our vibrant creative industries.

Yarra's economic lifeblood lies in our thriving retail, hospitality and entertainment industries. In 2020, the coronavirus (COVID-19) pandemic severely disrupted many of these businesses, with the full economic impacts of various government restrictions yet to be realised.

The community by numbers

- Nearly 33% of Yarra's community is aged between 25 and 36
- Yarra's estimated population of 101,495 (2019) is expected to exceed 130,000 by 2031
- About 10% of people live in public housing
- 58% of workers are in managerial and professional occupations
- More than one in five residents aged 15 years and older performed voluntary work in the year leading up to the last census
- 50% of households are renting
- 37% of our community live in apartments, and 22% in terraces, semi-detached houses or townhouses
- About one in five households don't own a car
- Nearly 50% of all journeys residents make to and from work use sustainable or active transport.

The city

Yarra is a popular destination to live, work and visit. We have abundant natural beauty and heritage, sustainable transport options, retail and entertainment precincts, and exciting arts and cultural attractions.

Yarra's neighbourhoods are distinct, each offering something a little different for people to enjoy.

Some of Melbourne's best shopping and dining strips are in Yarra. These include Fitzroy's Brunswick and Gertrude streets, Collingwood's Smith Street, and Richmond's Swan and Victoria streets and Bridge Road.

Yarra is rich in beautiful parks and open spaces. We're home to the ecologically-significant Yarra River corridor, famous Dights Falls, Yarra Bend Park, Alphington Park, Fitzroy's Edinburgh Gardens and Clifton Hill's Darling Gardens.

Our employment precincts provide jobs for about 85,000 people in hospitality, professional services, the industrial sector and creative industries. These are mostly located in Cremorne, Richmond and Collingwood. The effects of COVID-19 saw this figure drop to an estimated 72,400 in May 2020.

We have strong housing development, particularly in Richmond and Cremorne. In Alphington, 2,500 new homes are currently being built to accommodate 5,000 new residents at the site of the former Alphington Paper Mill.

Council is committed to ensuring new developments can provide a balanced mix of housing types (including affordable housing), community infrastructure and good amenity.

Heritage overlays protect about 28,000 of Yarra's 35,000 properties, particularly in Melbourne's founding suburbs of Collingwood, Abbotsford, Richmond and Fitzroy.

Fitzroy is also of particular significance to our Aboriginal community, as a long-time meeting place and location of many of Victoria's first dedicated community services for Aboriginal people, including the Victorian Aboriginal Health Service.

We embrace and celebrate our diversity. Richmond and Richmond North are home to many Vietnamese businesses and community organisations. Over the past 70 years, refugees and migrants from Italy, Greece, China, East Timor and East Africa have made Yarra their new home.

Yarra by numbers

- Five libraries
- 10 neighbourhood houses
- 263 hectares of open space and parkland
- 53 art galleries, about 70 live music venues and three community radio stations
- 96% of the local economy consists of small-to-medium businesses
- Prior to COVID-19, there were 85,000 people employed in Yarra. In May 2020, the number of people employed in Yarra dropped by an estimated 14% to 72,400
- Yarra's Gross Regional Product (GRP) is estimated at \$12 billion (about 10% of inner metropolitan Melbourne's GRP).

Grants to the community

More than \$3 million of grants were provided in 2019/20 through the following programs:

- Annual Grants
- Celebrate Yarra
- Community Partnerships Grants
- COVID-19 Quick Response Grants
- Creative Yarra and Engage Yarra
- Investing in Community
- Richmond and Collingwood Youth Program Grants
- Room to Create Grant Programs
- Small Project Grants
- Town Hall Subsidy Grant.

Map of Yarra

- 1 Nicholls Ward
- 2 Langridge Ward
- 3 Melba Ward



Yarra's year in review

Highlights, challenges and looking ahead

1 – A healthy Yarra	2 – An inclusive Yarra	3 – A sustainable Yarra	4 – A liveable Yarra	5 – A prosperous Yarra	6 – A connected Yarra	7 – A leading Yarra
Highlights of the year						
<ul style="list-style-type: none"> Twenty-eight potential new open spaces were identified through Council's draft Open Space Strategy, which was adopted in September 2020. An online Wellness Locker was launched during COVID-19 featuring workout plans, healthy eating tips and guides for the community. An online Community Kindness Directory was established to connect people and services during COVID-19 and beyond. A major upgrade of the Malcolm Graham Pavilion at the Kevin Bartlett Reserve in Burnley will encourage female participation in sport and provide sporting clubs with more capacity to train and grow. 	<ul style="list-style-type: none"> Adoption of the Yana Ngargna Plan 2020-23 solidified Council's commitment to developing continuing connections with Wurundjeri Woi Wurrung and Aboriginal and Torres Strait Islander people, communities and organisations in Yarra. About 700 people attended the Smith Street Dreaming Festival in July 2019 to celebrate Koorie history. Council's first Volunteer Strategy acknowledges the hard work and dedication of Yarra's volunteers and sets out a vision to promote, encourage, support and celebrate volunteering in Yarra. A review of Council's Library Policy included the abolishment of late fees for overdue items at all five libraries. 	<ul style="list-style-type: none"> The Climate Emergency Plan was adopted in June 2020. This bold plan will put a climate change lens on all Council operations, focus on sustainable transport and buildings and support community climate action. Council supported the transformation of bocce courts in Hardy Gallagher Reserve into a community garden. Council committed to the introduction of a four-bin waste and recycling service, starting with the introduction of a new glass-only bin, to support the development of a circular economy and further reduce the amount of waste going to landfill. 	<ul style="list-style-type: none"> Council received its highest rating ever for services in the Annual Community Satisfaction Survey, particularly libraries, waste collections and leisure gyms, achieving an overall 7.98 out of 10 across 27 services. Adoption of a Social and Affordable Housing Strategy reinforces Council's commitment to safe, secure and affordable housing for all. Actions include ongoing advocacy, partnerships, direct investments, and agreements with developers on mixed tenures. 	<ul style="list-style-type: none"> Leaps and Bounds 2020 was delivered online over 10 days, supporting Yarra's local music industry with cash boosts and promotion. A heavily subsidised Room to Create Studio was set up at Collingwood Yards for up to six artists or artist groups in need of space. The draft Economic Development Strategy 2020-25 includes a focus on assisting the local economy during and post COVID-19. 	<ul style="list-style-type: none"> Protected bike lanes were constructed on Wellington Street, Collingwood (from Victoria Parade to Johnston Street) in both directions to create safer conditions for bike riders. A 12-month trial of a 30km/h speed limit was completed in neighbourhood streets bounded by Alexandra Parade and Johnston and Nicholson streets. Council is advocating to the Victorian Government to implement local changes as a result of community feedback during the trial. Advocacy continued for more sustainable transport in Yarra, including the introduction of electric buses and improvements in public transport. 	<ul style="list-style-type: none"> A \$7.46m support package was launched for Yarra's community and businesses to support them through COVID-19 and into recovery. A world-first borrowing app was introduced by Yarra Libraries, to provide an easy way to check out items using a mobile phone. Live streaming of Council meetings was introduced in November 2019, increasing transparency and encouraging public participation.
Some challenges to consider						
<ul style="list-style-type: none"> The upgrade of the Fairfield Panther Pavilion boat storage and clubhouse facility was delayed and removed from this year's plan because of a VCAT appeal, and suspension of VCAT due to COVID-19. 	<ul style="list-style-type: none"> The adoption of Council's draft LGBTIQ+ Strategy was delayed due to the challenges of COVID-19 on community consultation. 	<ul style="list-style-type: none"> COVID-19 has impacted Council's climate action targets in 2019/20, with some actions and projects in the Climate Emergency Plan on hold until a mid-year review of the 2020/21 Budget. 	<ul style="list-style-type: none"> COVID-19 has impacted the timing and delivery of several capital works projects and improvements during the financial year. 	<ul style="list-style-type: none"> COVID-19's significant impact on Yarra's economy poses ongoing challenges for the recovery of its retail and business precincts. 	<ul style="list-style-type: none"> Council Ongoing negotiations with the Victorian Government on retention of the current 30 km/h speed limit, and wider application. 	<ul style="list-style-type: none"> Several community consultations were deferred due to COVID-19 restrictions limiting in-person consultation.
Looking ahead to 2020/21						
<ul style="list-style-type: none"> \$1.2 million has been committed to upgrade Richmond Kindergarten. 	<ul style="list-style-type: none"> Council continues to support older residents with an additional \$190.90 rate rebate for pensioners. 	<ul style="list-style-type: none"> A glass-only recycling bin will be introduced as part of Council's new waste and recycling model. Council will continue to work towards a sustainable future post COVID-19 through delivery of its new Climate Emergency Plan and Integrated Water Management Plan. 	<ul style="list-style-type: none"> Council will prioritise previously delayed important capital works that improve liveability for the Yarra community. 	<ul style="list-style-type: none"> Council will continue its investment to support Yarra's residents and businesses to recover from the impacts of COVID-19 during 2020/21 and beyond. \$620,000 has been provided to purchase new library resources, in addition to the \$5.9 million to run and maintain Council's library services. 	<ul style="list-style-type: none"> Council will continue advocacy to see more DDA-compliant tram stops delivered across Yarra to ensure its public transport network is safe, secure and accessible for all. 	<ul style="list-style-type: none"> A new program will facilitate engagement between Yarra councillors and young people, aged 12 to 25. Advocacy to all levels of government to build back better post COVID-19 by creating jobs and industries that lower emissions.

Supporting Yarra through COVID-19

Yarra City Council – like many others across Australia – started to experience the significant social and economic effects of the coronavirus (COVID-19) pandemic from March 2020, when the Victorian Government implemented restrictions to curb the spread of the virus.

Council immediately refocused its energy and resources to respond to the impact of COVID-19, with the announcement on Monday 6 April 2020 of a \$7.46 million package of immediate and short-term support for Yarra's community members and economy.

This package included more than \$250,000 in emergency funding to support residents and vulnerable people, over \$470,000 in grants for Yarra's business community, and a range of resources for people experiencing loneliness and isolation.

Adapting to the challenges of COVID-19

While many services and facilities were temporarily closed during varying levels of restrictions, Council continued delivering the services its community needs most, including support for older people and people with a disability, delivered meals, maternal and child health, immunisations, waste and recycling collection – among many others.

Council adapted many of its services to meet the challenges of COVID-19. With leisure centres closed to the public, Yarra Leisure helped members to stay active with the launch of its Wellness Locker, featuring a range of online workouts, wellness tips and meditation classes. Yarra Libraries also launched its Binge Bundles home delivery service, ensuring locals could keep enjoying its vast range of resources from the comfort of their homes.

Following the easing of restrictions in June 2020, Council gradually recommenced some services and reopened customer service centres and outdoor facilities. However, Yarra, along with the rest of Melbourne, returned to stricter COVID-19 restrictions in early July 2020 following significant community transmission across the state.

A collaborative approach

Council worked with local community organisations to ensure grocery vouchers, food packages and pre-made meals were available to those who needed them. Social and community services continued, including free transport to shopping, and healthcare for older people and people with a disability.

The COVID-19 Quick Response Grants program helped community organisations provide food vouchers for vulnerable people, such as those experiencing homelessness, unable to access Centrelink payments, international students and people on bridging visas. The grants also supported service providers to respond to an increase in family violence due to COVID-19.

Protecting Yarra's economic lifeblood

The impact of COVID-19 on Yarra's economy has been significant. Our city is home to about 15,500 businesses in the hospitality, health, education, retail, social services, urban manufacturing and professional/scientific/technical sectors. Together, these provide 85,000 jobs and a total estimated gross regional product (GRP) of \$12 billion.

Yarra is also a destination, with its events, hospitality, nightlife, shopping, arts and music attracting about 450,000 visitors a year. Retailers say about 80% of their trade comes from visitors.

To support Yarra's economy, Council:

- launched its COVID-19 Local Business and Precinct Support Fund, to provide grants for small businesses and sole traders to help them trade online, improve shopfronts, and receive training
- provided Creative Business Grants for creative artists, businesses, and live music venues to adapt, create and develop during COVID-19
- provided greater flexibility for rates payments for those experiencing financial hardship
- refunded six months of certain business permits and licence fees
- waived rent for six months for creative tenants in our buildings
- created a recovery fund to support our most affected retail precincts

- launched an online directory promoting businesses that remain open or provide options for takeaway or delivery
- worked directly with businesses on ways to create more space for their customers in which to physically distance
- amended its new Economic Development Strategy 2020-25 to consider the effects of COVID-19 on our economy and acknowledge the new challenges posed by the pandemic.

Impacts on the Annual Plan and Budget

During restrictions, Council was limited in the engagement it could undertake with physical distancing restrictions in place. Many projects were placed on hold while resources were redirected to support residents and businesses.

Seven of the 42 actions in the Annual Plan 2019/20 were deferred Council at a meeting on 2 June 2020 due to the various constraints of COVID-19. Council also resolved to formally remove one action. COVID-19 has also significantly impacted Council's operations and financial performance for 2019/20.

Changes to services at other organisations also impacted Council's operations. For example, the Victorian Civil and Administrative Tribunal (VCAT) paused all in-person hearings from March to June 2020, which delayed Council's planning cases. Courts also deferred all non-urgent cases during this time, which meant Council couldn't prosecute breaches of local laws.

Chief Executive Officer's message

Welcome to Yarra City Council's Annual Report 2019/20.

This has been another year of significant achievement for Yarra, but also a period marked by some difficult and unexpected challenges.

The impact and effect of coronavirus (COVID-19) has been felt across every corner of our community. We've been working hard to support our residents and businesses through the pandemic, while continuing to provide the essential services so many people rely on.

This year's Annual Report covers the third year of our Council Plan 2017-21. I'm pleased to say that despite this year's challenges, 86% of our Annual Plan Activities are complete or on-track, and we've met 85% of our strategic indicator targets for the year.

In spite of our collective challenges from COVID-19, Yarra has continued to deliver the services our community expects from us. Whether it's delivering meals to older and vulnerable residents, continuing immunisations for our little ones, or providing grants to businesses to see them through COVID-19, we are resolute in our commitment to ensuring community wellbeing during this pandemic and beyond.

There's nothing more energising than hearing first-hand from our community about how they value and benefit from our services. In 2019/20 we received Yarra's highest ever rating for services in the state-wide Annual Community Satisfaction Survey. Our residents' feedback saw us achieve an overall 7.98 out of 10 across 27 community services – well above the metro Melbourne average.

We also received a number of prestigious and highly sought after awards that recognise Yarra's ongoing commitment to innovation, sustainability and delivering excellent services to our community.

- We received an international Award of Excellence (Governmental Communication) at the 2020 Gold Quill Awards for the Yarra Waste Revolution.
- We were recognised for Best Government Sponsored Campaign at the 2020 Mumbrella CommsCon for the Yarra Waste Revolution.
- We received a Sustainable Communities and Environments Award at the 2019 IPAA Victoria's Leadership in the Public Sector Awards for the Yarra Waste Revolution.
- Yarra Leisure was awarded Life Saving Victoria's Platinum Pool award.
- Our Bargoonga Nganjin North Fitzroy Library received the 2019 Access Inclusion Award at the national Association of Consultants in Access Australia Conference. This award recognised Yarra's commitment to exceeding DDA regulations and prioritising disability access at the library.
- Our Health Protection Unit received the Bob Hanby Award at the 2019 Environmental Health Professionals Australia Annual Symposium. The award recognised Yarra's work to introduce a new electronic registration and administration process, including mobile technology to support inspections on the go.
- Yarra's Stolen Generation Marker 'Remember Me' was awarded a special mention for Continued Leadership in Reconciliation at the 2019 Helping Achieve Reconciliation Together (HART) awards.
- Yarra Libraries' Sensitive Santa program received international recognition when it won two prestigious 2019 Public Library Video Awards, including Video of the Year.

Advocacy on behalf of our community continued to be a major focus, with major achievements on issues such as waste and recycling, sustainability and local government sector matters.

In February, we welcomed the release of the Victorian Government's circular economy policy, which recognised and endorsed Yarra's' work in developing new and innovative waste and recycling models.

We continued our advocacy to all levels of government on the climate emergency and the need for urgent and real change to create a more sustainable environment.

Yarra also secured \$5.4 million in competitive grants from the Victorian and Federal governments, including funding to deliver two new pocket parks in Collingwood, and \$400,000 to deliver the next phase of Yarra's Waste Revolution.

Finally, as we approach the end of this Council's term, I'd like to extend a thank you to our Mayor and Councillors for their guidance, enthusiasm and commitment over the past 12 months, as well as our staff who passionately deliver services every day that result in positive outcomes for our community.

Our passion for this beautiful city and its vibrant, diverse community is unwavering as we build back an even better Yarra, together.

Vijaya Vaidyanath
Chief Executive Officer

Chief Financial Officer's report

The following pages provide a summary of Council's financial activities over the past year, from 1 July 2019 to 30 June 2020.

Council's financial performance for the year focused on achieving the objectives of the Council Plan 2017021. Financial performance into the future is guided by both the current Council Plan 2017021 and the Long Term Financial Strategy.

Ensuring financial sustainability and the maintenance and improvement of infrastructure assets, enhancing quality services and outcomes to the community and supporting the community through COVID-19 are key considerations. Full financials are available in the Financial Statements section.

Impact of COVID-19

Council's operations and consequentially its financial results were significantly impacted by COVID-19 during the 2019/20 financial year.

In addition to the adverse financial impact on key revenue streams, several measures were undertaken to provide necessary assistance and support to our community. This included the funding of Council's \$7.46m community and economic support package.

In line with Victorian Government restrictions in response to COVID-19, Council was required to temporarily close its recreation and leisure facilities as well as other public facilities including libraries, halls and golf courses. Further, Council also took the action of reducing parking restrictions throughout the city to ensure access to essential services for members of our community. The impact of such courses of action being a reduction in Council revenue for the 2019/20 financial year.

While Council was able to effectively manage and reduce operating costs to partially subsidise some of these revenue losses, the overall impact of COVID-19 on Council's financial performance for the year was significant.

Further detail on these impacts is provided in the relevant sections of Council's 2019/20 financial statements.

Financial snapshot

- \$199.9 million income in 2019/20 compared to \$207.4 million in 2018/19.
- \$11.4 million operating surplus in 2019/20 compared to \$25.9 million in 2018/19.
- \$29.2 million capital works expenditure in 2019/20 compared to \$26.3 million in 2018/19.
- \$2.05 billion in assets in 2019/20 compared to \$2.08 billion in 2018/19.
- \$112 million in rates and charges (56% of income) in 2019/20 compared to \$108 million (52% in 2018/19). More information on rates is included in the Income section later in this report.
- \$94.7 million in cash holdings in 2019/20 compared to \$87.7 million in 2018/19.
- Interest bearing debt of \$42.5 million in 2019/20 compared to \$43.7 million in 2018/19.

Operating result

Net results 2015/16 to 2019/20

	2015/16 \$'000s	2016/17 \$'000s	2017/18 \$'000s	2018/19 \$'000s	2019/20 \$'000s
Income	170,910	180,679	191,451	207,354	199,904
Expenses	160,901	163,173	170,582	181,432	188,501
Surplus/(Deficit)	10,009	17,506	20,869	25,922	11,403

The net result is Council's operating result comprising operating income less operating expenditure. It includes non-cash items, such as depreciation, and accrual accounting items, and is therefore not a cash surplus.

Equity

Year-end balance 2019/20

	\$'000s
Balance at the beginning of year	2,003,874
Surplus for the year	11,403
Net reserves movement (incl. revaluation)	(59,223)
Balance at end of financial year	1,956,054

Cash

Year-end cash position 2019/20

	\$'000s
Net cash provided by operating activities	38,222
Net cash used in investing activities	(26,950)
Net cash provided by financing activities	(4,187)
Net increase in cash held	7,085
Cash at the beginning of the financial year	87,653
Cash at the end of the financial year	94,738

Balance Sheet

Summary Balance Sheet 2019/20

	\$'000s
Current assets (incl. cash assets \$94.7m)	117,619
Non-current assets	1,933,162
Total assets	2,050,781
Current liabilities	47,699

	\$'000s
Non-current liabilities	47,028
Total liabilities	94,727
Net assets	1,956,054
Accumulated surplus	670,892
Reserves	1,285,162
Equity	1,956,054

Capital works program

Council delivered a \$29.2 million capital works program, including: \$8.1 million on buildings, \$17.1 million on infrastructure such as roads, footpaths, drainage, and open space/recreational facilities, and \$4.1 million on plant, technology and equipment. Refer to the Capital Works and Financial Statements sections for more details.

Financial Statements

Council's financial statements detail the total financial transactions and activities for the year and also provide an overview of Council's financial position. The financial report includes five major financial statements: the Comprehensive Income Statement, the Balance Sheet, and the Statement of Changes in Equity, the Statement of Cash Flows, and the Statement of Capital Works. Refer to the Financial Statements section for full details.

Comprehensive Income Statement

Major categories of both income and expenditure to determine the surplus (or deficit) for the year are included in the Comprehensive Income Statement. The operating surplus for 2019/20 (income less expenditure) is \$11.4 million. Total operating income of \$199.9 million was recognised and total operating expenditure of \$188.5 million was incurred. Major income categories include rates and charges, statutory fees and fines, user fees, government grants, contributions and reimbursements. The following table details the composition of Council's \$199.9 million total operating income for 2019/20.

Income by category 2019/20

Income by category	Income (\$'000s)	%
Rates and charges	112,172	56.1%
Statutory fees and fines	28,052	14.0%
User fees	27,047	13.5%
Government grants	20,050	10.0%
Contributions	8,148	4.1%

Income by category	Income (\$'000s)	%
Net gain/(loss) on disposal of non-current assets	1,613	0.8%
Share of net profits (or loss) of associates and joint ventures	(230)	-0.1%
Other income	3,052	1.6%
Total	199,904	100

Rate cap compliance

We complied with the Victorian Government's cap on rates, as we have each year since the introduction of the rate capping system.

Expenditure by category

The majority of Council's operating expenditure relates to direct service delivery. Major expenditure categories include employee costs, materials and services, bad/doubtful debts, depreciation, amortisation right of use assets and borrowing costs. The following table details the allocation of Council's \$188.5 million total operating expenditure for 2019/20.

Expenditure by category 2019/20

Expenditure by category	\$'000s	%
Employee costs	90,001	47.7%
Materials and services	66,957	35.5%
Depreciation	22,563	12.0%
Amortisation - right of use assets	965	0.5%
Bad and doubtful debts	5,338	2.8%
Borrowing costs	1,922	1.0%
Finance costs - leases	165	0.1%
Other expenses (e.g. auditors' fees, councillors' allowances)	590	0.4%
Total	188,501	100

Balance Sheet

Council's Balance Sheet (see the Financial Statements section) shows what Council owns (its assets) and what it owes (its liabilities) and its net worth. The major components of assets include property (land and buildings), infrastructure assets (roads, footpaths, drains) plant and equipment, cash and investments and debtors. As at 30 June 2020, Council held \$2,050.8 million in assets, decrease on the previous year of \$36.7 million.

Council assets 2015/16 to 2019/20

	2015/16 \$'000s	2016/17 \$'000s	2017/18 \$'000s	2018/19 \$'000s	2019/20 \$'000s
Assets	1,708,562	1,734,122	1,975,180	2,087,495	2,050,781

Liabilities

Council's liabilities include amounts owed to suppliers, employee leave entitlements and debt. As at 30 June 2020, Council's liabilities total \$94.7 million, which is an increase of \$11.1 million on the previous year.

Other liabilities and debt 2015/16 to 2019/20

Increased debt in 2016/17 reflects a loan taken to support the building of Bargoonga Nganjin, North Fitzroy Library.

	2015/16 \$'000s	2016/17 \$'000s	2017/18 \$'000s	2018/19 \$'000s	2019/20 \$'000s
Other liabilities	38,501	33,010	35,026	39,930	52,254
Debt	32,500	46,000	44,867	43,691	42,473

Statement of Changes in Equity

The Statement of Changes in Equity (see the Financial Statements section) details the changes in Council's retained earnings, including reserves movement, over the reporting period. Council's equity as at 30 June 2020 is \$1,956.1 billion, which is a decrease of \$47.8 million during the year due to a significant decrement of asset revaluation reserves.

Council equity 2015/16 to 2019/20

	2015/16 \$'000s	2016/17 \$'000s	2017/18 \$'000s	2018/19 \$'000s	2019/20 \$'000s
Council equity	1,637,561	1,655,112	1,895,287	2,003,874	1,956,054

Statement of Cash Flows

The cash flow statement (see the Financial Statements section) details Council's cash inflows and outflows for the year. Council's cash balance as at 30 June 2020 is \$94.7 million, which will be used to fund Council's operations during the 2020/21 financial year.

Cash balance 2015/16 to 2019/20

	2015/16 \$'000s	2016/17 \$'000s	2017/8 \$'000s	2018/19 \$'000s	2019/20 \$'000s
Cash balance	22,544	34,152	51,086	87,653	94,738

Audit opinion

Council has received an unmodified (clear) audit opinion from the Victorian Auditor-General's Office (VAGO).

Future directions

Council's 10-year Long Term Financial Strategy (LTFS) outlines its future financial direction. A significant part of this future direction will focus on Council's support of the community through COVID-19 and into the recovery phase. The 2020/21 LTFS is available on Council's website.

Capital works

Working for you

The 2019/20 capital works program comprised 358 projects with a total budget of \$37.26 million. This consisted of \$31.24 million adopted in the 2019/20 Budget and \$6.02 million of budgeted works carried forward from 2018/19.

This financial year Council completed 292 capital works projects with a total value of \$29.22 million. This represents 78% by value of the total 2019/20 program, or 94% of the value of capital works adopted in the 2019/20 Budget. There was some impact on the delivery of projects from March 2020 due to coronavirus (COVID-19).

The capital works program represents a major investment in the Yarra community. It allows Council to provide new community infrastructure and renew or upgrade existing infrastructure.

Capital works summary 2019/20

	\$'000s
Buildings and facilities	8,088
Roads, footpaths, drains and bicycle infrastructure	10,736
Other infrastructure	2,709
Open space	3,606
Plant and equipment	1,255
Information systems	2,128
Library resources	700
Total	29,222

Capital works highlights 2019/20

Buildings and facilities	\$'000s
Malcolm Graham Pavilion redevelopment and new extension	1,619
Victoria Park – Sherrin Stand	791
Chas Farquhar Complex – The Cubby House, Richmond Kindergarten and The Stables	663
Richmond Town Hall front entry access works	563
Ryan's Reserve netball and tennis courts	487
Richmond Recreation Centre – dry-side and wet-side accessible changing rooms	316
Kevin Bartlett Reserve public toilets	240
Carlton Hall (Dancehouse) main theatre air conditioning	208

Roads, footpaths, drains and bicycle infrastructure	\$000s
46 road pavement renewal projects	3,318
33 footpath renewal projects	1,788
17 drainage renewal and upgrade projects	1,683
Wellington Street protected bike lane and other bicycle infrastructure projects	1,289
19 kerb and channel renewal projects	1,139
17 laneway renewal projects	1,112

Other infrastructure	\$'000s
Local area place making projects	872
Transport safety projects	832
Bridge Road activity centre upgrade	215
Pedestrian projects	206
Swan Street activity centre upgrade	200
Cremorne public realm upgrades	58

Open space	\$'000s
Citizens Park irrigation and turf	609
Playground projects	469
Linear Park Reserve pathways	330
WT Peterson Oval and Ramsden Oval sports lights	303
Edinburgh Gardens path lighting	186
Alphington Park Oval sports lights	153
Burnley Park Oval sports lights	132

Capital works spotlight

Upgrade of Malcolm Graham Pavilion, Kevin Bartlett Reserve

2019/20 expenditure: \$1.62 million

Council completed a major upgrade of the Malcolm Graham Pavilion at the Kevin Bartlett Reserve in Burnley to encourage female participation in sport and provide sporting clubs with more capacity to train and grow.

The reserve is home to the Collingwood City Football Club, Burnley CYMS Cricket Club and Richmond Union Cricket Club.

The upgrade included refurbishment of the existing building, and a new extension which provides four gender-neutral change rooms, storage areas, disability change and toilet facilities, referee's room, first aid room and covered spectator area.

Council installed 5kW of solar infrastructure, used heat pumps for hot water, installed timed showers and taps and a new roof with an insulation value exceeding the required standard.

New public artwork by Julia Gorman was commissioned as part of the upgrade. Titled *Opening Lines*, the artwork traverses the length of the pavilion's walkway and comprises a series of abstracted leg shapes that jump, kick and run across the wall in bold, bright colours.

The upgrade was funded by Yarra Council and the Victorian Government's Female Friendly Facilities Fund.

Wellington Street protected bike lanes

2019/20 expenditure: \$923,000

Council delivered the final section of Collingwood's Wellington Street Copenhagen-style bike lanes in October 2019, in partnership with VicRoads and the Transport Accident Commission (TAC).

The protected bike lanes now cover one kilometre on both sides of Wellington Street, from Victoria Parade to Johnston Street. On the eastern side of Wellington Street, the bike lane is separated by a row of parking bays, raised concrete islands and garden beds. On the western side, the lane is separated by raised concrete islands.

The lanes provide a safer, faster and better connected journey for bike riders. About 1,000 people ride on Wellington Street during the normal weekday morning peak, making this an important investment for people riding in Yarra.

The pedestrian crossing near Napoleon Street was also upgraded with traffic calming measures, including distinct honeycomb road markings at potential conflict points to increase awareness and make the road safer and more user-friendly for everybody. This is the first time this road marking treatment has been used in Victoria.

The new bike lanes were delivered in stages over several years, beginning in 2014/15, to minimise disruption to the public.

Linear Park Reserve path renewal

2019/20 expenditure: \$330,000

This year Council upgraded the Inner Circle Railway Linear Park shared path to improve amenity and safety for pedestrians and bike riders.

Council installed a raised priority road crossing where the Capital City Trail crosses Bennett Street, Fitzroy North, to prioritise pedestrians and bike riders over vehicle traffic. The crossing has also been designed to slow down traffic generally and discourage non-local traffic.

The new crossing includes bike lanes with a green surface treatment, and upgrades to lighting at Bennett Street to improve visibility for people using the shared path at night.

Council also replaced 350 metres of the asphalt shared path that runs through the Thomas Kidney Reserve with a three-metre wide concrete path.

Citizens Park irrigation and turf works

2019/20 expenditure: \$609,000

Irrigation and turf improvement works were undertaken at Richmond's Citizens Park to enhance surface conditions for local sporting clubs and community members.

Citizens Park is a popular destination for the Richmond community and beyond, including dog owners, people exercising and those simply wanting to enjoy the outdoors.

Council's improvement works included spraying, cultivation and releveling of the surface in preparation for the installation of new turf, which provides a more durable playing surface.

The project was completed in mid-2020 and staged to allow some community use of the oval while upgrades were in progress.

Your investment in Yarra

2019/20 breakdown

- Infrastructure and asset management – \$20.4 million (11% of the budget)
- Waste and recycling – \$19.0 million (10% of the budget)
- Strategic and statutory planning – \$9.5 million (5% of the budget)
- Construction management – \$2.5 million (2% of the budget)
- Customer service – \$3.3 million (2% of the budget)
- Family, youth and children's services – \$17.8 million (9% of the budget)
- Aged and disability services – \$6.0 million (3% of the budget)
- Library services – \$5.6 million (3% of the budget)
- Leisure, arts, culture and venues – \$15.1 million (8% of the budget)
- Parks and recreation – \$8.4 million (5% of the budget)
- Compliance, parking and traffic – \$21.4 million (11% of the budget)
- Strategic transport and sustainability – \$3.8 million (2% of the budget)
- Advocacy, engagement and communications – \$6.0 million (3% of the budget)
- Finance, performance, systems and people – \$15.5 million (8% of the budget)
- Governance – \$7.5 million (4% of the budget)
- Interest, depreciation, amortisation – \$26.7 million (14% of the budget)

Your Council

Councillors

The Yarra community is represented by nine elected councillors. Individual councillors can consult with community members and advocate on their behalf, but they can only make decisions as a collective.

Each November, councillors elect a mayor to chair formal meetings and speak on behalf of Council.

The current group of councillors were elected on 22 October 2016 (except Cr O'Brien, who was elected by countback on 8 May 2019) and their term will conclude on 24 October 2020.

Langridge Ward

- Cr Danae Bosler
- Cr Stephen Jolly
- Cr Amanda Stone

Melba Ward

- Cr Mi-Lin Chen Yi Mei
- Cr Daniel Nguyen
- Cr James Searle

Nicholls Ward

- Cr Misha Coleman
- Cr Jackie Fristacky
- Cr Bridgid O'Brien

Council staff

Organisational structure

Chief Executive Officer Vijaya Vaidyanath					
Executive Management Team					
Director Corporate, Business and Finance Diarmuid McAlary	Director Community Wellbeing Lucas Gosling	Director City Works and Assets Chris Leivers	Director Planning and Place Making Bruce Phillips	Group Manager CEO Office Ivan Gilbert	Group Manager People and Culture Gracie Karabinis
Chief Financial Officer	Manager Aged and Disability Services	Manager Building and Asset Management	Manager City Strategy	Manager Advocacy and Engagement	Manager Organisational Culture, Capability and Diversity
Manager Compliance and Parking	Manager Family, Youth and Children's Services	Manager City Works	Manager Statutory Planning	Senior Coordinator Property Services	Manager Risk and Safety
Manager Corporate Planning and Performance	Manager Yarra Libraries	Manager Recreation and Leisure Services	Assistant Manager City Strategy	Coordinator Office of Mayor and Councillors	Manager Human Resource Services and Support
Manager Customer Service	Unit Manager Arts, Culture and Venues	Manager Traffic and Civil Engineering	Municipal Building Surveyor	Senior Advisor City Heritage	
Manager Information Services	Manager Social Strategy and Community Development	Strategy and Transformation Lead – CityLab	Unit Manager Sustainability	Senior Governance Advisor	
			Unit Manager Strategic Transport		

Executive Management Team

Vijaya Vaidyanath – Chief Executive Officer

The Chief Executive Officer is responsible for the implementation and maintenance of Council's policies. Vijaya is ultimately responsible for all policies, decisions and services provided by Yarra's elected Council. As the conduit between Council and the organisation's workforce, Vijaya ensures that the organisation's day-to-day activities are aligned with its long-term strategic objectives. She provides high-level advice to councillors and acts on behalf of the organisation in a range of contexts.

Diarmuid McAlary – Director Corporate, Business and Finance

Diarmuid, as head of the Corporate, Business and Finance Division is responsible for managing Yarra's financial performance and long-term financial sustainability. He is also responsible for key corporate planning processes, information systems and procurement. Externally, the division manages customer service, local laws compliance and parking enforcement and administration services.

Ivan Gilbert – Group Manager CEO's Office

Ivan is responsible for governance, property and heritage services, advocacy, communications and engagement, and providing support to the mayor and councillors. He also oversees Council meetings, legal advice, issues management, processing protected disclosures, Freedom of Information and Victorian Government Ombudsman inquiries, maintenance of Yarra's public register, and instruments of delegation. He also serves as Internal Ombudsman.

Lucas Gosling – Director Community Wellbeing

Lucas is responsible for community wellbeing through policy development, service delivery, community planning and partnerships. He oversees activities focused on community participation, through services and activities related to libraries, leisure services, senior citizens, children, young people and families, arts, culture, venues, and access and inclusion. Lucas also serves as project sponsor for major community infrastructure initiatives and oversees community partnerships, community grants, housing and homelessness and community safety.

Bruce Phillips – Director Planning and Place Making

Bruce is responsible for Yarra's physical, social and economic environment. He oversees activities related to economic development, environmental management and advocacy, urban design, parks and gardens, recreation and open space, statutory and strategic planning and sustainable transport. He also leads a number of major projects.

Chris Leivers – Director City Works and Assets

Chris is responsible for the provision, maintenance and amenity of public infrastructure. He oversees traffic and civil engineering and the construction and maintenance of civil infrastructure such as roads, drains and footpaths. Chris is also responsible for the maintenance of open space and trees, asset management, construction management and asset protection, and recycling and waste, along with a range of other activities related to the management of buildings and assets. He is responsible for recreation and leisure services, as well as developing and implementing Yarra's capital works program.

Gracie Karabinis – Group Manager People and Culture

Gracie is responsible for organisational development, recruitment and diversity, culture and leadership, employee and industrial relations, risk management, occupational health and safety, and management of WorkCover. She is also responsible for Aboriginal and multicultural affairs.

Workforce positions at 30 June 2020

At 30 June 2020, Council had a total of 879.75 full-time equivalent (FTE) positions (includes temporary, casual and vacant positions).

Workforce data by banding and gender

(includes casuals and temporary FTE, excludes vacant positions)

Structure	Band 1 FTE	Band 2 FTE	Band 3 FTE	Band 4 FTE	Band 5 FTE	Band 6 FTE	Band 7 FTE	Band 8 FTE	All other	Total
Permanent full-time – female	0	0	34	57.06	69.16	63.6	36	33	22.2	315.02
Permanent full-time – male	0	0	43	23	49.89	54.6	53.79	30	34	288.28
Permanent part-time – female	3.08	1.96	21.93	29.62	15.29	7.44	4.36	0.84	4.1	88.62
Permanent part-time – male	1.3	1.85	13.23	7.33	4.03	1.4	2.2	0.84	0	32.18
Temporary – female	0	0	1	0	5.44	0.6	4	0	1	12.04
Temporary – male	0	0	0	1.4	0	1.2	1	1	0	4.6
Casual	9.58	0.83	28.56	15.65	0.41	0	0.6	0.2	1.44	57.27
Total FTE	13.96	4.64	141.72	134.06	144.22	128.84	101.95	65.88	62.74	798.01

Workforce data by division and gender

(includes casuals and temporary FTE, excludes vacant positions)

Employment type/gender	CEO's Office	City Works and Assets	Community Wellbeing	Corporate, Business and Finance	Executive	People and Culture	Planning and Place Making	Total
Permanent full-time – female	13	47	148.09	45.93	9	11	41	315.02
Permanent full-time – male	3	127.79	30.89	84	4	4.8	33.8	288.28
Permanent part-time – female	1.45	8.24	61.65	12.09	0.6	2	3.19	89.22
Permanent part-time – male	1.63	9.4	11.84	7.31	0	0.8	1.2	32.18
Temporary – female	0	5	1.64	2	0	0.8	2	11.44
Temporary – male	1.4	1.6	0	1	0	0	0.6	4.6
Casual	0.05	25.11	18.91	11.28	0	1.12	0.8	57.27
Total FTE	20.53	224.14	273.02	163.61	13.6	20.52	82.59	798.01

Performance report

Council is required by the *Local Government Act 1989* to adopt and report against a four-year Council Plan, which sets out the medium-term direction of Council and the outcomes sought by councillors for their term.

The Council Plan must include strategic objectives, strategies, strategic indicators and a strategic resource plan. The following report reflects year three (2019/20) of the Council Plan 2017-21.

Each year Council also produces an annual plan, aligned to the Council Plan. It sits alongside the yearly budget and directs the projects and activities Council will undertake towards achieving the strategic objectives.

Strategic objectives

The Council Plan 2017-21 is divided into seven strategic objectives:

- A healthy Yarra
- An inclusive Yarra
- A sustainable Yarra
- A liveable Yarra
- A prosperous Yarra
- A connected Yarra
- A leading Yarra.

Strategies

Each strategic objective is supported by strategies, which identify the focus for the following four-year period.

Strategic indicators

Strategic indicators provide a framework for measuring progress towards the achievement of each strategic objective.

Activities

Activities represent the work undertaken by Council in pursuit of the strategic objectives and strategies. Drawn from the initiatives in the Council Plan 2017-21 and actions in the Annual Plan 2019/20, Activities provide a framework for measuring Council's progress towards each strategic objective.

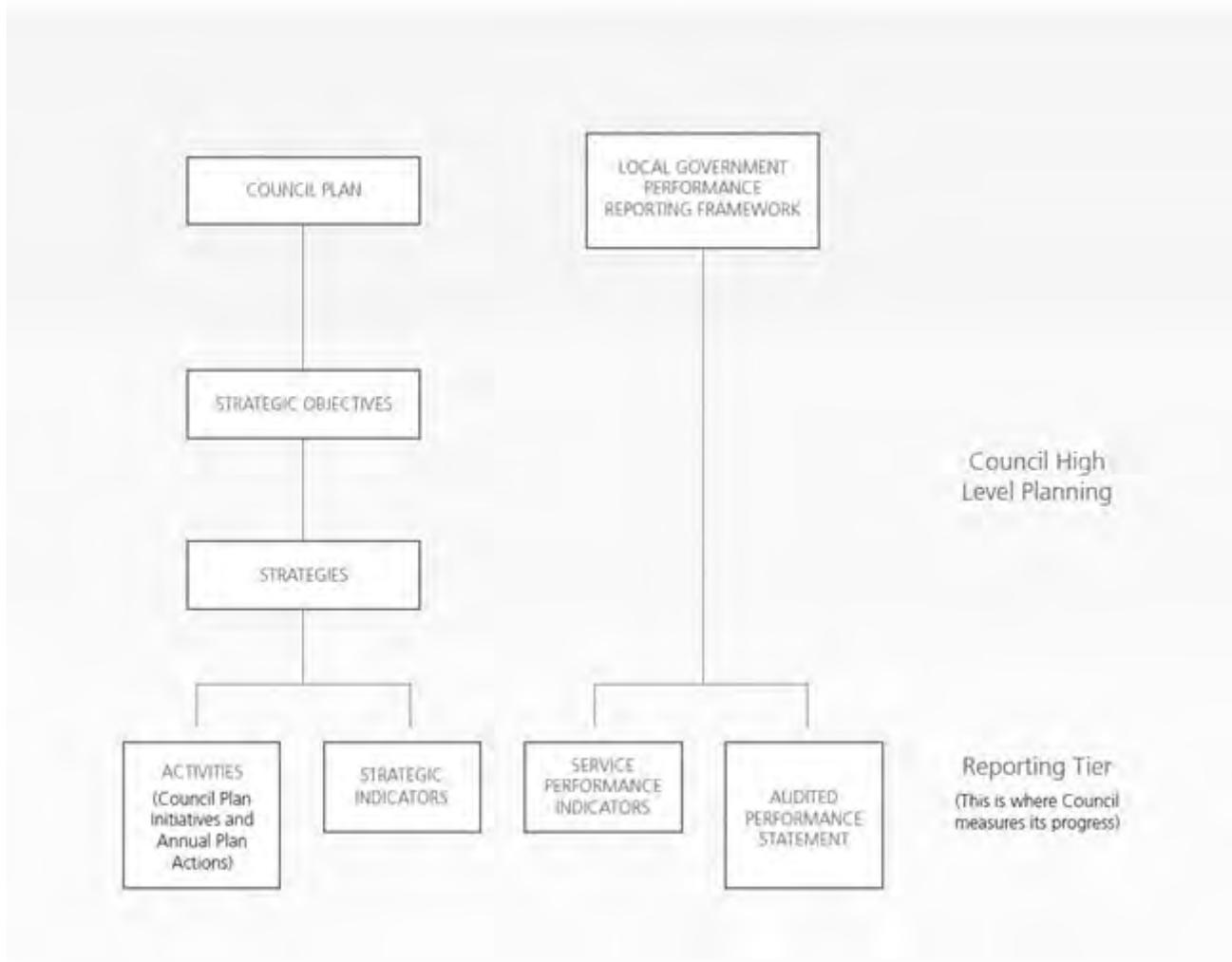
Service performance indicators

Local Government (Planning and Reporting) Regulations require councils to report on service performance indicators. The results of these indicators, including comparisons with other councils and sector averages, will be published on the Victorian Government's *Know Your Council* website later this year. Council has reported these under its relevant strategic objectives.

Performance statement

Council is required to publish an audited performance statement as part of its Annual Report.

The performance statement contains a selection of the service performance indicators as well as a number of financial performance indicators and sustainable capacity indicators. This is provided in the performance statement section.



Performance summary

The Council Plan 2017-21 features seven strategic objectives, a range of strategies to support each strategic objective, and strategic indicators that measure the progress of the strategies.

The following table report reflects year three (2019/20) of the Council Plan 2017-21.

Strategic indicators

Performance against strategic indicators for each strategic objective 2019/20

Strategic objective	Total number of indicators	Number of indicators with a target for 2019/20	Achieved (exceeded or within 10%)	In progress (complete by 30 June 21)	Not achieved	Result*
1. A healthy Yarra	14	13	13	0	0	100%
2. An inclusive Yarra	8	8	8	0	0	100%
3. A sustainable Yarra	8	8	7	1	0	88%
4. A liveable Yarra	12	11	9	1	2	82%
5. A prosperous Yarra	9	9	8	0	1	89%
6. A connected Yarra	10	9	9	0	0	100%
7. A leading Yarra	16	8	8	0	0	100%
Total	77	73	62	2	3	85%

*The result is expressed as the percentage of indicators with a target for 2019/20 that were achieved (exceeded or within 10%). This assessment is against the targets set at adoption, and doesn't include an adjustment for the impacts of COVID-19.

Activities

Each year Council also produces an Annual Plan, based on the four-year Council Plan. It sits alongside the yearly budget and directs the projects and activities Council will undertake towards achieving the strategic objectives.

Of the 42 Annual Plan Activities, 36 (86%) were completed or on track.

During the year, Council realigned several priorities and deferred some milestones in response to exceptional circumstances, including:

- the need to allocate financial and/or people resources from the activity's milestone/s to COVID-19 support programs or services
- the COVID-19 restrictions on the number of people who can gather for face-to-face community engagement
- one or more milestones of an activity are pending a decision from Victorian or Federal governments
- other factors outside of Council's control.

Where Council has formally deferred milestones, the reported target and result (%) is based on the delivery of milestones as adjusted through Council resolution. This is noted in each activity where this has occurred.

Performance against Activities for each strategic objective 2019/20

Strategic objective	Activities		
	#	# complete or on track	% complete or on track
1. A healthy Yarra	5	4	80%
2. An inclusive Yarra	4	4	100%
3. A sustainable Yarra	9	6	66%
4. A liveable Yarra	11	10	91%
5. A prosperous Yarra	4	3	75%
6. A connected Yarra	6	6	100%
7. A leading Yarra	3	3	100%
Total	42 (100%)	36	86%

Annual Plan completion rates 2016-20

(% Activities complete or on track)

Year	% Activities complete or on track
2019/20	86%
2018/19	83%
2017/18	86%
2016/17	83%

Strategic Objective 1 – A healthy Yarra

A place where community health, safety and wellbeing are a focus in everything we do.

Strategies

The following strategies guide Council's work in this area:

1. Maintain and enhance Yarra's open space network to meet the diverse range of community uses.
2. Promote a community that is inclusive, resilient, connected and enjoys strong mental and physical health and wellbeing.
3. Provide health-promoting environments that encourage healthy eating and active living.
4. Assist to reduce the harms from alcohol and drugs on individuals and the community in partnership with state agencies and key service providers.
5. Promote environments that support safe and respectful sexual practices, and reproductive choices.
6. Promote a gender equitable, safe and respectful community.
7. Promote an effective and compassionate approach to rough sleeping and advocate for affordable, appropriate housing.
8. Provide opportunities for people to be involved in and connect with their community.

Services

The following services have primary responsibility for delivering Strategic Objective 1:

Aged and Disability Services

Services delivered in partnership with the Victorian and Federal governments to assist older adults and people with disabilities to live independently in their homes.

City Strategy

Strategic research, planning and open space policy and urban design advice on sustainable land use and development through development of policy, strategic plans and appropriate planning controls through the Yarra Planning Scheme.

Compliance Services

Statutory enforcement services, including animal management, local laws enforcement, food safety and school crossing management.

Family, Youth and Children's Services

Services for children, young people and their families, and city-wide planning for children and young people.

Recreation and Leisure Services

Operates three major leisure and aquatic facilities, a public golf course and a community gymnasium and provides a range of high quality facilities and programs that encourage participation from a broad cross section of the community.

Social Strategy and Community Development

Manages Yarra's response to community safety and health planning, including alcohol and other drug issues, policy and research and the night economy.

Strategic indicators (measures of success)

Of 14 strategic indicators, 13 had targets for 2019/20, and 13 were achieved for a result of 100%.

Council monitors and reports on a further 10 indicators of overall community health and wellbeing. Targets are not set for these measures as Council can't directly affect the result.

- Achieved = Exceeded or within 10% of target
- In progress = To be completed by 30 June 2021
- Not achieved = Did not meet target

Strategy: 1.1 Maintain and enhance Yarra's open space network to meet the diverse range of community uses

Strategic indicator	Comment	Result
Number of new open space projects planned or completed	<p>The following open space projects were completed in 2019/20:</p> <ul style="list-style-type: none"> • Edinburgh Gardens: installation of new path lighting along two north-south paths. • Gahan Reserve: installation of new path lighting along the two main paths. • Alphington Park: installation of new sports lights towers and energy efficient LED lighting, installation of a new irrigation system for the dog obedience lawn, construction of a new concrete pathway and steps to connect the park to the river. • Browns Reserve, Abbotsford: construction of a new playground. • Curtain Square, Carlton North: installation of new path lighting. • Condell Street Reserve, Fitzroy: construction of a new playground and shade structures. • Citizens Park Oval, Richmond: full reconstruction of sports field, including irrigation, drainage and new turf wicket. • Collingwood Children's Farm: reconstruction of an elevated entrance walkway. • Gahan Reserve, Abbotsford: commenced construction of a new playground. • Ramsden Street Reserve, Clifton Hill: installation of new sports lights towers and energy efficient LED lighting. • Peel Street Park, Collingwood: installation of new paths and turf improvements. • All Yarra open space: new park signage, including interpretive and regulatory signs. 	<p>Various open space projects delivered</p> <p>Achieved</p>
Community satisfaction with parks, gardens and open space	<p>Yarra residents' rating (0-10) of satisfaction with the provision of parks, gardens and reserves as measured by the 2020 Annual Customer Satisfaction Survey. The result of 8.27 is categorised as 'excellent' according to the survey's satisfaction rating. Last year's result and target of 8.31 is also categorised as 'excellent'.</p>	<p>8.27 (Excellent)</p> <p>Achieved</p>

Strategy: 1.2 Promote a community that is inclusive, resilient, connected and enjoys strong mental and physical health and wellbeing

Strategic indicator	Comment	Result
Key National Aged and Disability Care Reform milestones implemented	In the May 2019 Federal Government Budget, it was announced that its Home Support Program would be further extended to 30 June 2022, meaning transition has been delayed up to two years. Council continues to work with the Federal Government on a range of transition actions.	No 2019/20 target
Community participation in Maternal and Child Health service	This is the percentage of infants residing in Yarra who visited Council's Maternal and Child Health Service. Council makes contact with every family whose details are provided as part of the birth notification process, inviting them to participate by offering a first home visit. (2018/19 result: 82.75%). Source: Department of Health and Human Services report on Maternal and Child Health Services.	84.20% Achieved

Strategy: 1.3 Provide health promoting environments that encourage healthy eating and active living

Strategic indicator	Comment	Result
Community satisfaction with Council's Leisure facilities	Yarra residents' rating (0-10) of satisfaction with Council's leisure facilities as measured by the 2020 Annual Customer Satisfaction Survey. The result of 8.48 is categorised as 'excellent' according to the survey (2018/19 result: 7.96, also categorised as 'excellent').	8.48 (Excellent) Achieved
Proportion of registered premises that are inspected annually in accordance with the <i>Food Act 1984</i>	Council assessed 1,127 food premises compared to 1,128 eligible premises. Food safety assessment result is consistent with previous years. Council continues to undertake food safety assessments in accordance with the <i>Food Act 1984</i> , which requires registered class 1 and 2 food premises to receive an annual food safety assessment. This indicator is reported on a calendar year to align to Department of Health and Human Services' reporting requirements.	99.91% Achieved
Number of community garden initiatives implemented	Several significant community garden initiatives were delivered, including: <ul style="list-style-type: none"> the North Carlton Railway Neighbourhood House Garden at Hardy Gallagher Reserve, Princes Hill, which was designed by a local landscape architect. It features an attractive, accessible organic food garden with 10 x 11m beds and an additional six small raised beds thirty-two new urban agriculture agreements as part of the Community Growing Spaces Program, including roadside planter boxes, fruit trees on nature strips and laneway gardens 	100% Achieved

Strategy: 1.3 Provide health promoting environments that encourage healthy eating and active living

- operational support to the Rushall Community Composting Hub to help secure a carbon source
- delivery of three webinars as a part of the online urban agriculture education program.

Draft Urban Agriculture Guidelines were developed during the year and will be finalised in 2020/21. They include new growing space categories, such as small communal growing spaces, to help residents share resources and skills in small scale, highly localised ways.

Strategy: 1.4 Assist to reduce the harms from alcohol and drugs on individuals and the community in partnership with state agencies and key service providers

Strategic indicator	Comment	Result
Report on alcohol and drug harm minimisation	<p>The following alcohol and drug harm minimisation initiatives were delivered in 2019/20:</p> <ul style="list-style-type: none"> • Council facilitated four quarterly liquor forums in partnership with Victoria Police and partners to promote public health, safety and amenity in Yarra • a new syringe management contract delivered public amenity improvements. • Yarra Communities that Care delivered an alcohol supply monitoring project to help reduce the sale of alcohol to people under 18 in Yarra. This was measured through the rate of alcohol sales to actors who appeared to be under 18 years of age, without asking for identification. While the sales rate was 14% lower than 2018, the Communities that Care Board decided not to continue with the program and focus on other evidence-based interventions, including a partnership with Fitzroy High and Collingwood College. Delivery of these initiatives was delayed due to COVID-19. 	100% Achieved

Strategy: 1.5 Promote environments that support safe and respectful sexual practices, and reproductive choices

Strategic indicator	Comment	Result
Report on delivered advocacy and health and wellbeing	<p>Several advocacy and health and wellbeing initiatives were delivered in 2019/20. Highlights included:</p> <ul style="list-style-type: none"> • participation in the quarterly North Western Primary Care Partnership Prevention Alliance • advocacy on a variety of health and wellbeing issues, including gambling and raising Newstart • participation in the Municipal Association of Victoria's (MAV's) Local Government Gambling, Alcohol and Other Drugs Issues Forum 	100% Achieved

Strategy: 1.5 Promote environments that support safe and respectful sexual practices, and reproductive choices

	<ul style="list-style-type: none"> continued leadership as a member of the Alliance for Gambling Reform. 	
Number of programs and initiatives focused on improving sexual and reproductive health outcomes	<p>Several programs and initiatives focused on improving sexual and reproductive health outcomes were delivered through 2019/20. Highlights include:</p> <ul style="list-style-type: none"> Yarra Youth Services providing free condoms and sexual health information for young people in bathrooms at the Yarra Youth Centre Yarra Youth Services supporting pregnant young women, and young mothers through its Youth Support Program the Yarra Liquor Forum included a range of agenda topics relating to responding to sexual assaults and eradicating bystander behaviour. 	100% Achieved

Strategy: 1.6 Promote a gender equitable, safe and respectful community

Strategic indicator	Comment	Result
Number of community activities and programs supported and developed	<p>Council undertook several initiatives to support gender equity and respectful communities, including:</p> <ul style="list-style-type: none"> hosting the International Women's Day awards ceremony, attended by approximately 100 people hosting a breakfast for the 16 Days of Activism Against Gender-based Violence, with key community stakeholders invited delivering Be You/Kids Matter, a Beyond Blue initiative to assist pre-school and primary school aged children to manage their mental health and wellbeing. The program is being delivered through Outside School Hours Care. the Resilience Project – Yarraberg Children's Centre has participated in conjunction with other Richmond primary schools. 	100% Achieved

Strategy: 1.7 Promote an effective and compassionate approach to rough sleeping and advocate for affordable, appropriate housing

Strategic indicator	Comment	Result
Number of requests for homelessness assistance responded to by Council	<p>Council referred 132 cases for homelessness assistance to Launch Housing. Referrals are made to Launch Housing on a regular basis and Council is currently monitoring over 30 rough sleeping sites. The number of referrals has been steadily increasing over the past three years (95 referrals in 2018/19).</p>	132 requests Achieved

Strategy: 1.7 Promote an effective and compassionate approach to rough sleeping and advocate for affordable, appropriate housing

Deliver the Social and Affordable Housing Strategy	The Social and Affordable Housing Strategy was adopted by Council in November 2019, along with an updated Policy Guidance Note titled Affordable Housing Outcomes at Significant Developments.	100% Achieved
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Strategy: 1.8 Provide opportunities for people to be involved in and connect with their community

Strategic indicator	Comment	Result
Number and breadth of community activities / programs supported	<p>Council connects with its community through a range of programs and activities. Highlights this year included:</p> <ul style="list-style-type: none"> • promotion of volunteering opportunities through key external networks and events, various communications channels and direct contact with customers • neighbourhood houses and learning centres providing a wide range of lifelong learning activities such as English classes, volunteer opportunities, sustainability programs and community activities/events • the Open Door Hub providing support migrants and refugees, a community garden compost program for residents, and cooking for healthy eating classes • Yarraberg, Gold Street and Keele Street children's services implemented a yoga and mindfulness curriculum • Ardoch volunteers partnered with Connie Benn occasional care and kindergarten to read books with the children. 	<p>100% Achieved</p> <p>A number of activities were deferred during the legislated closure of centres and facilities due to COVID-19.</p>

Activities

Of the five activities within this strategic objective, four (80%) are complete or on track.

>90%+ On track

75-89% Monitor

<75% Off track.

** Indicates where Council has deferred a milestone that cannot be delivered due to circumstances outside Council's control (e.g. COVID-19 or Victorian or Federal government decision), and so the percentage result is based on milestones as adjusted.

Activity	Summary	Result
Yarra Open Space Strategy	Council engaged with around 2,000 people during March 2020 on the draft Yarra Open Space Strategy, which will guide how we manage Yarra's parks, reserves, urban spaces and waterways over the next 10 to 15 years. The strategy, which identifies 28 possible new open spaces, was adopted by Council in September 2020. This included a recommendation that Council seeks the Minister for	65% Not achieved

Activity	Summary	Result
	Planning's approval to amend the Yarra Planning Scheme to include open space design overlay controls.	
National Aged and Disability Care Reforms	Council worked with older residents and people with disability wanting to transition to Federal Government programs such as My Aged Care and the National Disability Insurance Scheme, while advocating for the best outcomes for residents. The Commonwealth Home Support Program has been extended a further two years to 30 June 2022 and Council will continue its service delivery role and have extended local agency partnerships. The Regional Assessment Service has been extended to 30 June 2022 and Council will also continue this role.	100% Achieved
Yarra 0 to 25 Plan	Council continued an integrated life-stage approach under this plan to provide many services for the health and wellbeing of Yarra's children, young people and families. Services this year included cross-council collaborations on school holiday activities, a trial that increased sessional kindergarten enrolments, and placement of final year speech pathology students at Connie Benn Centre. Council engaged with more than 1,500 students at 16 of 17 primary schools in Yarra in collaboration with Deakin University for the Communities that Care Action Plan 2020/21. Council's work in the fourth quarter was impacted by COVID-19.	100% Achieved
Provision of boat storage and clubhouse facility design - Panther Pavilion	This action was removed by Council at its 2 June 2020 meeting from the 2019/20 Annual Plan due to VCAT appeals and subsequent suspension of VCAT due to COVID-19.	Removed
Ryan's Reserve Netball/Tennis Court and Pavilion	Council completed the reconstruction of the courts, which included resurfacing four netball courts, replacement of sports lights and improved court run-off on outside courts to competition standard. Richmond Netball Association and City Side Sports are now using these courts. The pavilion's refurbishment was deferred by Council at a meeting on 2 June 2020, pending a decision from Sport and Recreation Victoria on the design.	100% Achieved
Malcolm Graham Pavilion - Kevin Bartlett Reserve	Council completed a major upgrade of the Malcolm Graham Pavilion at the Kevin Bartlett Reserve in Burnley. This included refurbishment of the existing building to ensure Disability Discrimination Act (DDA) compliance, and construction of an extension with two gender-neutral change rooms, storage areas, disability change and toilet facilities, referee's room, first aid room and covered spectator area. The upgrade was funded by Yarra Council and the Victorian Government's Female Friendly Facilities Fund.	100% Achieved

Indicators of overall community health and wellbeing

Council monitors and reports on a further 10 indicators of overall community health and wellbeing. Targets are not set for these measures as Council cannot directly affect the result.

Indicators of overall community health and wellbeing		
Indicator	Comment	Result
Yarra residents feel a part of their community	<p>This indicator is no longer reported on by VicHealth. It has been replaced by perceptions of neighbourhood:</p> <ul style="list-style-type: none"> • People are willing to help each other – 64.2% • This is a close knit neighbourhood – 46.5% • People can be trusted – 59.2% <p>Source: VicHealth indicator survey, 2015</p>	Indicator replaced by VicHealth
Percentage of adults who feel valued by society	<p>Yarra 53.9% (Victoria 51.4%, LGA Rank 9)</p> <p>Source: Victorian Population Health Survey, 2014</p>	53.9%
Percentage of adults who report high or very high psychological distress	<p>Yarra 11.1% (Victoria 12.6%, LGA Rank 44)</p> <p>Source: Victorian Population Health Survey, 2014</p>	11.1%
Percentage of children who are developmentally on track	<ul style="list-style-type: none"> • Physical - 80.4% (72.4% 2015) • Social - 79.9% (72.9% 2015) • Emotional - 81.1% (74.2% 2015) • Language - 86.5% (82.2% 2015) • Communication - 83.5% (71.3% 2015) <p>Source: Australian Early Development Census Community Profile 2018.</p>	Various
Perceptions of safety, day and night	<p>Rating 0-10</p> <p>Yarra residents' rating of perceptions of safety as measured by the 2020 Annual Customer Satisfaction Survey. The result of 8.17 (day), according to the survey's satisfaction rating, is categorised as 'excellent'. Last year's result and target of 8.44 is also categorised as 'excellent'.</p> <p>The result of 6.81 (night), according to the survey's satisfaction rating, is categorised as 'good'. Last year's result and target of 6.95 is also categorised as 'good'.</p>	<p>Day 8.17 (Excellent)</p> <p>Night 6.81 (Excellent)</p>
Gaming machine losses per adult	<p>Gaming machine losses per adult in 2019/20 were \$256 (in 2018/19 they were \$405)</p> <p>LGA Rank 29, Victorian average \$378.</p> <p>This is a significant reduction compared to previous years, attributed partly to closure of venues in March due to COVID-19 restrictions.</p>	\$256*

Indicators of overall community health and wellbeing

	Source: Victorian Commission for Gambling and Liquor Regulation	
Percentage of adults consuming recommended intake of vegetables	Yarra 8% (Victoria 5%, LGA Rank 31) Source: Victorian Population Health Survey, 2017	8%
Percentage of adults who undertook adequate physical activity	Yarra 54.9% (Victoria 50.9%) Source: Victorian Population Health Survey, 2017	54.9%
Percentage of adults with increased risk of short term alcohol-related harm	Yarra 51.6% (Victoria estimate 29.4%) Source: VicHealth Indicators Survey, 2015	51.6%
A reduction in rates of chlamydia and teenage pregnancy	There were 96.5 notifications of chlamydia per 10,000 population between 7 Aug 2018 and 7 Aug 2019. This represents a 7% reduction compared to the previous survey. Source: Surveillance of Notifiable Conditions in Victoria, Department of Health and Human Services, 7 Aug 2018 to 7 Aug 2019. 9.6 rate of 15-19 year old women who gave birth per 1,000 population, 2011. Source: Department of Education and Early Childhood Development. VCAMS Indicator 14.1 Teenage Fertility Rate.	No target

Service performance indicators

Animal management

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Timeliness</p> <p>Time taken to action animal management requests</p> <p>(Number of days between receipt and first response action for all animal management requests / Number of animal management requests)</p>	2.46 days	1.89 days	1.63 days	1.56 days	The time taken to action animal management requests remains under two days.
<p>Service standard</p> <p>Animals reclaimed</p> <p>(Number of animals reclaimed / Number of animals collected) x100</p>	55.49%	52.25%	53.63%	61.37%	The result for the number of animals reclaimed has remained consistent for the last three years. The change in 2019/20 is the result of a definition change to include diseased and feral animals.
<p>Animals rehomed</p> <p>(Number of animals rehomed / Number of animals collected) x100</p>	New in 2020	New in 2020	New in 2020	4.67%	<p>This is a new indicator for 2019/20. It demonstrates Council's commitment to rehoming animals. Calculation is based on the number of animals rehomed as a percentage of total animals collected.</p> <p>Note: This is a new measure for 2019/20 financial year.</p>
<p>Service cost</p> <p>Cost of animal management service per population.</p> <p>(Direct cost of the animal management service / Population)</p>	New in 2020	New in 2020	New in 2020	\$4.93	<p>The calculation of this indicator has changed. The previous 'cost of animal management service' indicator was based on cost per number of registered animals. Now it is based on cost per population.</p> <p>Note: This measure is replacing previous 'Cost of animal management service' which was based on cost per number of registered animals. See retired measures in the Performance Statement.</p>

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Health and safety</p> <p>Animal management prosecutions</p> <p>(Number of successful animal management prosecutions / Number of animal management prosecutions x 100)</p>	New in 2020	New in 2020	New in 2020	100%	<p>Council continues to perform well with all prosecutions ruled in favour of Council. There were eight prosecutions this year.</p> <p>Note: This measure is replacing previous 'Animal management prosecutions', which was a measure of number, not proportion. See retired measures in the Performance Statement.</p>

Aquatic facilities

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Service standard</p> <p>Health inspections of aquatic facilities</p> <p>(Number of authorised officer inspections of Council aquatic facilities / Number of Council aquatic facilities)</p>	4.33	4.00	4.00	4.00	Council's pool inspection results are consistent with previous years and in accordance with its Pool Management Program.
<p>Utilisation</p> <p>Utilisation of aquatic facilities</p> <p>(Number of visits to aquatic facilities / Municipal population)</p>	11.96	9.14	9.23	7.08	Utilisation of Council's aquatic facilities was impacted this year by the closure of all pools in early and late January due to poor air-quality from the bush fires. While from mid-March until 30 June further closures were made in response to the COVID-19 restrictions. While the full impact of the bushfire and COVID-19 closures cannot be quantified, Council had experienced an increase in visitation of 15.72% (69,994 visits) by December 2019, compared to the same period in the previous financial year.

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Service cost</p> <p>Cost of aquatic facilities (direct cost of aquatic facilities less income received / number of visits to aquatic facilities)</p>	New in 2020	New in 2020	New in 2020	\$6.39	<p>Utilisation of Council's aquatic facilities was impacted this year by the closure of all pools in early and late January due to poor air-quality, and from mid-March until 30 June in response to the COVID-19 restrictions. These closures attributed to a 30% decrease in projected use which resulted in a significant drop in income. The drop in income and use resulted in a much higher cost per visitation this year. (2018/19 cost \$1.57).</p> <p>Note: From 2020, this measure replaced two previous measures: 'Cost of indoor aquatic facilities' and 'Cost of outdoor aquatic facilities'. See retired measures in the Performance Statement</p>

Food safety

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Timeliness</p> <p>Time taken to action food complaints</p> <p>(Number of days between receipt and first response action for all food complaints / Number of food complaints)</p>	1.88 days	1.82 days	2.24 days	1.56 days	<p>This year's positive result is the best in the last four years, due in part to improvements in systems and processes. Last year's result of 2.24 days was caused by issues with a new system that have since been resolved. Council's Health department continues to take all necessary steps to ensure public safety and all food complaints are monitored and actioned as a priority.</p>
<p>Service standard</p> <p>Food safety assessments</p> <p>(Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the <i>Food Act 1984</i> / Number of registered class 1 food premises and class 2 food premises that require</p>	99.83%	100.43%	100.00%	99.91%	<p>Council's food safety assessment result is consistent with previous years. Council continues to undertake food safety assessments in accordance with the <i>Food Act 1984</i> that requires registered class 1 and 2 food premises to receive an annual food safety assessment.</p>

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
an annual food safety assessment in accordance with the <i>Food Act 1984</i>) x100					
Service cost Cost of food safety service (Direct cost of the food safety service / Number of food premises registered or notified in accordance with the <i>Food Act 1984</i>)	\$356.34	\$358.13	\$351.92	\$361.60	The cost of the service remains consistent allowing for the CPI increase.
Health and safety Critical and major non-compliance notifications (Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises) x100	100.00%	99.56%	99.54%	100.00%	Council responds to 100% of critical and major non-compliance outcome notifications. Results less than 100% occur where follow up inspections are delayed due to closures and re-inspections fall in the next period.

Maternal and child health

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
Service standard Infant enrolments in the MCH service (Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received) x100	101.85%	109.18%	101.77%	102.17%	Infants are enrolled in the Council's Maternal and Child Health service as part of the birth notification process. A result of >100% can occur where the birth and first home visit occur in different financial years.

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
Service cost Cost of MCH service (Cost of the MCH service / Hours worked by MCH nurses)	\$84.55	\$97.56	\$77.97	\$70.40	In 2019/20 the MCH service completed more key age and stage appointments than in 2018/19. This resulted in a decrease in the overall cost per visit compared to 2018/19.
Participation Participation in the MCH service (Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service) x100	79.38%	80.41%	82.75%	84.20%	Council makes contact with every family whose details are provided as part of the birth notification process inviting them to participate, offering a first home visit.
Participation Participation in the MCH service by Aboriginal children (Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service) x100	63.41%	79.37%	78.43%	95.65%	Yarra has 23 children enrolled, in past years not all have attended the Council service. During the financial year the Aboriginal and Torres Strait Islander local health provider which also supports this community was without the services of their Maternal and Child Health nurse for a period of time which may have attributed to additional patronage of the Council service.
Satisfaction Participation in four-week key age and stage visit. (Number of four-week key age and stage visits / Number of birth notifications received) x 100	New in 2020	New in 2020	New in 2020	91.76%	This is a new indicator calculation methodology for 2019/20 and demonstrates Council's participation rates in MCH services.

Strategic Objective 2 – An inclusive Yarra

A place where inclusion, diversity and uniqueness are welcomed, respected and celebrated.

Strategies

The following strategies guide Council's work in this area:

1. Build resilience by providing opportunities and places for people to meet, be involved in and connect with their community.
2. Remain a highly inclusive municipality, proactive in advancing and advocating for the rights and interests of specific groups in the community and community issues.
3. Continue to be a local government leader and innovator in acknowledging and celebrating Aboriginal history and culture in partnership with Traditional Owners.
4. Acknowledge and celebrate our diversity and people from all cultural backgrounds.
5. Support community initiatives that promote diversity and inclusion.

Services

The following services have primary responsibility for delivering Strategic Objective 2:

Arts, Culture and Venues

Provides advice on and delivers cultural festivals and events in Yarra that celebrate diversity and facilitate social inclusion.

Aged and Disability Services

Provides a range of services in partnership with the Victorian and Federal governments to assist older adults and people with disabilities to live independently in their homes.

Social Strategy and Community Development

Leads community development in Yarra to support Council's strategic objectives through strengthening civic participation, championing social inclusion and cohesion, and supporting community groups and organisations.

Organisational Culture, Capability and Diversity

Champions diversity and inclusion, recognition and celebration of Yarra's Aboriginal and Torres Strait Islander communities, delivers corporate training, leadership development, and promotes child safety and positive organisational culture.

Strategic indicators (measures of success)

Of 8 strategic indicators, 8 had targets for 2019/20, and 8 were achieved for a result of 100%.

- Achieved = Exceeded or within 10% of target
- In progress = To be completed by 30 June 2021
- Not achieved = Did not meet target

Strategy: 2.1 Build resilience by providing opportunities and places for people to meet, be involved in and connect with their community

Strategic indicator	Comment	Result
Adopt a Volunteer Strategy	Yarra's Volunteer Strategy 2019-23 and Year 1 Action Plan were formally adopted by Council in September 2019.	100% Achieved
Number and diversity of	Council facilitate a number of events and initiatives to recognise and celebrate diversity including:	100% Achieved

Strategy: 2.1 Build resilience by providing opportunities and places for people to meet, be involved in and connect with their community

community events held	<ul style="list-style-type: none"> • a stall at Midsumma Carnival in January 2020, attracting approximately 500 visitors • an online event to celebrate IDAHOBIT (International Day Against Homophobia, Biphobia, Interphobia and Transphobia) in May 2020, with almost 1,000 people viewing the flag raising and participating in the quiz • supporting a range of LGBTIQ organisations and events including the Pride Football Australia Tournament 2019 and Melbourne Gay and Lesbian Chorus • supporting more than 40 CALD community organisations through our annual grants program, including Multicultural Centre for Women's Health, Australia-China Veterans Club, National Council of Jewish Women (Vic), Fitzroy Somali Women's Group and the Russian Ethnic Representative Council of Victoria. 	
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Strategy: 2.2 Remain a highly inclusive municipality, proactive in advancing and advocating for the rights and interests of specific groups in the community and community issues

Strategic indicator	Comment	Result
Adopt the Access and Inclusion Strategy and Action Plan	The Access and Inclusion Strategy and Action Plan were adopted by Council in August 2018.	100% Achieved
Annual report on Council's performance against the Victorian Charter of Human Rights and Responsibilities	<p>All reports to Council and policies contain a statement on the implications of the report and recommendation against the Charter of Human Rights.</p> <p>Council developed a Social Justice Charter as a means of better integrating the Charter of Human Rights into policies and practices.</p>	100% Achieved

Strategy: 2.3 Continue to be a local government leader and innovator in acknowledging and celebrating Aboriginal history and culture in partnership with Traditional Owners

Strategic indicator	Comment	Result
Complete the Stolen Generations Marker project	The Stolen Generations Marker was launched in Atherton Gardens Housing Estate on Saturday 26 May 2019, the 20th anniversary of National Sorry Day, with more than 500 people in attendance.	100% Achieved
Number of Aboriginal cultural activities and events delivered	Council delivered or supported 25 key Aboriginal cultural activities as part of its 2020-30 Yana Ngargna Plan, including:	100% Achieved

Strategy: 2.3 Continue to be a local government leader and innovator in acknowledging and celebrating Aboriginal history and culture in partnership with Traditional Owners

- Smith Street Dreaming Festival
- Yarra's 26 January 2020 event at Bargoonga Nganjin North Fitzroy Library, which paid tribute to the life and legacy of Uncle Herbert 'Jock' Austin
- a partnership between Council, VAHS and CoHealth to deliver food and essential items to vulnerable Aboriginal and Torres Strait Islanders in Yarra, including the Parkies
- a Facebook live broadcast of National Sorry Day 2020 filmed at Yarra's Stolen Generations Marker (streamed over 7,000 times the following week).

Strategy: 2.4 Acknowledge and celebrate our diversity and people from all cultural backgrounds

Strategic indicator	Comment	Result
Number of cultural festivals	<p>Council supported and/or facilitated a range of cultural festival and events, including:</p> <ul style="list-style-type: none"> • Leaps and Bounds Music Festival • Gertrude Mini • the LGBTI Elders Dance Club • an exhibition program at Bargoonga Nganjin North Fitzroy Library • Johnston Street Fiesta • Fairfield in Feb summer concert series 	100% Achieved

Strategy: 2.5 Support community initiatives that promote diversity and inclusion

Strategic indicator	Comment	Result
Number of initiatives supported to promote diversity	<p>Council supported a number of activities to promote diversity. Highlights this year include:</p> <ul style="list-style-type: none"> • celebrating Cultural Diversity Week • celebrating Refugee Week • English classes for new migrants • ongoing advocacy against family violence • providing children's services for new migrants and refugee families • providing health services for new migrants, run by the Yarra Settlement Forum. 	100% Achieved

Activities

Of the four activities within this strategic objective, all four (100%) are complete or almost complete.

>90% On track

75-89% Monitor

<75% Off track.

** Indicates where Council has deferred a milestone that cannot be delivered due to circumstances outside Council's control (e.g. COVID-19 or Victorian or Federal government decision), and so the percentage result is based on milestones as adjusted.

Activity	Summary	Result
Deliver the Volunteer Strategy and implementation plan	Council's Volunteer Strategy 2019-23 was formally adopted in September 2019 following extensive consultation and research. Its key priorities are to encourage volunteering as a way for people to connect with their community, to support volunteers and their managers, and to promote the benefits and value to volunteers of volunteering. Page 8 of the strategy states: "The economic value of volunteering in the City of Yarra in 2016 was estimated at \$54.9 million." In March 2020, volunteering activities were put on hold indefinitely to protect the health of staff, volunteers and residents during COVID-19.	100% Achieved
Active and Healthy Ageing	Council continued to deliver on the actions of its Active and Health Ageing Strategy 2018-24. Council developed and launched a digital technology group for older people, an LGBTIQ+ elders social group for Yarra's 50+ year old residents, and began planning for a new hub at the Collingwood Seniors' Centre. Yarra's Dementia Alliance and a seniors' participation project were launched in partnership with Collingwood and Belgium Avenue Neighbourhood houses. Council also developed programs to support people socially isolated due to COVID-19.	96% Achieved
Social Justice Charter	Council's inaugural Social Justice Charter was drafted and publicly exhibited during December/January 2020, and adopted on 7 July 2020. The charter is a guiding document to help embed four principles of social justice across Council's work: access, equity, rights and participation.	100% Achieved
LGBTIQ+ Strategy	The LGBTIQ+ Strategy was submitted to Council for adoption on 2 June, following public exhibition. However, Council requested further consultation with relevant businesses. Due to COVID-19 restrictions, adoption of the strategy was deferred by Council at a meeting on 2 June 2020.	100% Achieved

Strategic Objective 3 – A sustainable Yarra

A place where Council leads on sustainability and protects and enhances its natural environment.

Strategies

The following strategies guide Yarra's work in this area:

1. Investigate strategies and initiatives to better manage the long-term effects of climate change.
2. Support and empower a more sustainable council and community.
3. Lead in sustainable energy policy and deliver programs to promote carbon neutral initiatives for the municipality and maintain Council as a carbon neutral organisation.
4. Reduce the amount of waste-to-landfill with a focus on improved recycling and organic waste disposal.
5. Promote responsible water usage and practices.
6. Promote and facilitate urban agriculture with a focus on increasing scale and uptake in the community.
7. Investigate strategies and initiatives to improve biodiversity.

Services

The following services have primary responsibility for delivering Strategic Objective 3:

Sustainability

Focuses on the advocacy and policy areas of environment.

Waste Services

Oversees the delivery of all waste services and waste minimisation.

Infrastructure

Plans for Yarra to be an active participant in whole-of-water-cycle management and seek all available opportunities to reduce the reliance on potable water by working with water corporations to achieve cost efficient access to alternative water, including treated, and reusing stormwater, recycled water and rainwater.

Strategic indicators (measures of success)

Of 8 strategic indicators, 8 had targets for 2019/20, and 7 were achieved for a result of 88%.

- Achieved = Exceeded or within 10% of target
- In progress = To be completed by 30 June 2021
- Not achieved = Did not meet target

Strategy: 3.1 Investigate strategies and initiatives to better manage the long-term effects of climate change

Strategic indicator	Comment	Result
Increase in the number and scale of Urban Forest Strategy initiatives implemented	In 2019/20 Council increased the number of trees in Yarra from 22,832 to 24,145.	100% Achieved
Reduce the urban heat island effect by further greening of the city	This indicator is measured by the number of trees planted each year. Council planted an additional 1,313 trees, taking the total Council tree stock to 24,145 as at 30 June 2020, following the urban forest principles to promote greening of the city and reduce the urban heat island effect.	100% Achieved

Strategy: 3.2 Support and empower a more sustainable Council and community

Strategic indicator	Comment	Result
Complete review of the Environment Strategy	A review of the Yarra Environment Strategy has been completed. Development of the new Yarra Environment Strategy was put on hold due to its dependency on adoption of the Climate Emergency Plan, as well as the development of other inter-related strategies.	100% Achieved

Strategy: 3.3 Lead in sustainable energy policy and deliver programs to promote carbon neutral initiatives for the municipality and maintain Council as a carbon neutral organisation

Strategic indicator	Comment	Result
Reduce Council's carbon emissions (before offsets) and retain carbon neutral status for Council operations	<p>For the eighth consecutive year, Yarra has been awarded with gold standard carbon neutral certification.</p> <p>Yarra is one of just six Australian councils to achieve carbon neutral status through the Federal Government's National Carbon Offset Standard.</p> <p>To be considered carbon neutral, Council was assessed on carbon (or greenhouse gas) emissions from all operations and resources, including electricity, fuel, gas and even paper usage. Emissions from contractors such as garbage collectors were also assessed.</p> <p>Council also reduced its carbon emissions through the use of 100% renewable electricity.</p>	100% Achieved

Strategy: 3.4 Reduce the amount of waste-to-landfill with a focus on improved recycling and organic disposal

Strategic indicator	Comment	Result
Reduction in waste to landfill	Council continues to promote environmental sustainability and the benefits of recycling. This year there was a slight increase in the amount of waste going to landfill during the fourth quarter, partly due to COVID-19 restrictions. (37.72% in 2018/19)	36.33% Achieved

Strategy: 3.5 Promote responsible water usage and practices

Strategic indicator	Comment	Result
Review the Environmental Strategy to include responsible water usage practices	The Yarra Environment Strategy was put on hold due to its dependency on adoption of the Climate Emergency Plan, as well as the development of other related strategies.	80% In progress

Strategy: 3.6 Promote and facilitate urban agriculture with a focus on increasing scale and uptake in the community

Strategic indicator	Comment	Result
Increase the number of urban agriculture community initiatives supported and promoted	<p>Council was involved in a range of urban agriculture initiatives, including:</p> <ul style="list-style-type: none"> • development of a Memorandum of Understanding between Council and the Collingwood Children's Farm • delivery of three webinars as a part of the online urban agriculture education program • operational support to the Rushall Community Composting Hub to help secure a carbon source • new Urban Agriculture Guidelines were developed during the year. This included new growing space categories, such as small communal growing spaces to help residents share resources and skills in small scale, highly localised ways • a cross-council collaboration aimed at forming a state-wide group to strengthen the work in the sector and develop a community of practice approach to urban agriculture/food systems work in local government. 	100% Achieved

Strategy: 3.7 Investigate strategies and initiatives to improve biodiversity

Strategic indicator	Comment	Result
Adopt a Biodiversity Strategy	A draft Nature Strategy (Biodiversity) has been prepared was presented for Council's consideration and adoption in September 2020.	95% Achieved

Activities

Of the nine activities within this strategic objective, six (66%) are complete or almost complete.

>90% On track

75-89% Monitor

<75% Off track.

** Indicates where Council has deferred a milestone that cannot be delivered due to circumstances outside Council's control (e.g. COVID-19 or Victorian or Federal government decision), and so the percentage result is based on milestones as adjusted.

Activity	Summary	Result
Yarra Environment Strategy	Council prepared a draft Yarra Environment Strategy for submission to endorse for community consultation. It was initially held over until after Council adopted the Climate Emergency Plan on 2 June 2020, and completed development of related strategies. Due to COVID-19, Council deferred the June milestone at its 2 June 2020 meeting.	80% Not achieved**
Climate Emergency	Council's inaugural Climate Emergency Plan, the second of its kind in Australia, was adopted unanimously on 2 June 2020 and will put a climate lens on all Council operations. The plan's progressive targets include zero carbon emissions for Council by 2030, advocacy to the Victorian and Federal governments on urgent climate action, and assistance for residents and businesses to take up renewable energy.	100% Achieved
Embedding Sustainability (including adaptation)	Councillors were briefed on 26 August 2019 on progress to embed sustainability and adaptation across decision making processes. Council also introduced the Quadruple Bottom Line tool into the assessment process for new initiative bids for 2020/21. This tool enables scoring of the environmental, social, economic and adaptation aspects of proposed projects.	100% Achieved
Review and update Council's Urban Agriculture Guidelines	Council commenced a review of its Urban Agriculture Guidelines, incorporating the results of the evaluation of the community garden at Hardy Gallagher Reserve. The final stages of the project were deferred by Council at the 2 June 2020 meeting due to COVID-19, and postponing of project funding in the 2020/21 Budget.	67% Not achieved**
Actively avoid and reduce waste	Council developed an education and engagement campaign to encourage residents to consume more mindfully and reduce the amount of waste going to landfill. The engagement campaign focused on plastic free, zero waste, and increase of recycling and holistic waste. It ran from December 2019 to March 2020 and a report was presented to Council in June 2020, with the final milestone deferred due to COVID-19.	100% Achieved**
Commence holistic waste system trial in selected areas with 1300 households	A trial of collecting food, green waste and glass in separate bins to 1,300 households was completed in selected areas and reported to Council in December 2019. The trial was successful, with more than 102.7 tonnes, or 14 garbage trucks, of glass sent for use in road base and towards the manufacture of new bottles and jars. Council voted unanimously on 23 June 2020 to introduce the glass-only bin across Yarra, along with extensive community education, with the purple-lid, glass-only bins to be made in Australia from 100% recycled material. However, implementation of the glass-only bins	100% Achieved**

Activity	Summary	Result
	across Yarra was delayed by Council until November 2020 at its meeting of 2 June 2020.	
Investigate replacing paved spaces with permeable surfaces	Council identified suitable sites for a trial of permeable surfaces to help increase infiltration of water to the subsoil. Permeable surfaces were installed at two sites: a median between Lygon and McIlwraith streets in Princes Hill; and a footpath in Coates Avenue, Alphington. Work will commence on two other sites in 2020/21 at Gore Street, Fitzroy, following consultation with the community and amendment to the scope, and Mary Street, Richmond, following amendment to the scope. Council began a joint project at the Ramsden Street Oval Car Park with Melbourne University to trial a permeable pavement to complement a stormwater harvesting system. This project will be delivered in 2020/21 following confirmation of Victorian Government funding.	80% Not achieved
Edinburgh Gardens stormwater harvesting project	Council appointed a contractor to design and upgrade the stormwater harvesting system at Edinburgh Gardens to reduce the reliance on potable water and recycle more stormwater for use at the gardens. Detailed design was completed ahead of schedule. Construction started in June 2020 and is expected to finish late August 2020, subject to COVID-19 restrictions.	100% Achieved
Develop an Integrated Water Management Strategy	Council consulted with internal and external stakeholders and partners during the development of a draft Integrated Water Management Strategy, which was endorsed by Council in May 2020 for consultation. The strategy takes a holistic and collaborative approach to water management on all elements of the water cycle, including potable water, rainwater, stormwater, recycled water and groundwater. Public consultation occurred in June and July 2020, with the strategy expected to be considered Council for adoption in 2020/21.	90% Achieved

Service performance indicators

Waste collection

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
Satisfaction Kerbside bin collection requests (Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households) x1000	62.19	66.26	97.41	63.41	The current result is in line with 2016/17 and 2017/18 request levels. There was an increase in 2018/19 due to the transition of the recycling collection contract to a new provider, which generated increased enquiries due to changes in bin collection days and times. Council also introduced a holistic waste trial during 2018/19, distributing new bins to trial households which resulted in more enquiries.
Service standard Kerbside collection bins missed (Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts) x10,000	3.68	0.18	0.69	0.29	The number of kerbside bins missed decreased compared to 2018/19.
Service cost Cost of kerbside garbage bin collection service (Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins)	\$115.95	\$85.84	\$77.26	\$75.45	The total number of bins is based on the rates database. There was a 4.5% increase in residential properties eligible for the kerbside service this year. As the number of properties increases there is a slight decrease in the per household cost.
Service cost Cost of kerbside recyclables collection service (Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins)	\$71.09	\$50.25	\$48.05	\$40.77	The total number of bins is based on the rates database. There was a 4.5% increase in residential properties eligible for the kerbside service this year. As the number of properties increases there is a slight decrease in the per household cost.

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Waste diversion</p> <p>Kerbside collection waste diverted from landfill</p> <p>(Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins) x100</p>	37.36%	37.73%	37.72%	36.33%	<p>Council continues to promote environmental sustainability and the benefits of recycling. This year there was a slight increase in the amount of waste going to landfill during the fourth quarter, in part attributed to the COVID-19 legislation restricting movements of residents outside of their homes and the closure of on-site dining and social facilities.</p>

Strategic Objective 4 – A liveable Yarra

A place where development and growth are managed to maintain and enhance the character and heritage of the city.

Strategies

The following strategies guide Council's work in this area:

1. Protect Yarra's heritage and neighbourhood character.
2. Actively plan for Yarra's projected growth and development and advocate for an increase in social and affordable housing.
3. Plan, promote and provide built form and open space that are accessible to all ages and abilities.
4. Protect Council assets through effective proactive construction management.
5. Encourage and promote environmentally sustainable building, urban design, place making and public realm outcomes.
6. Provide direction and improve decision making on infrastructure projects through the application of the Strategic Community Infrastructure Framework.
7. Encourage engagement with the community when developments are proposed.

Services

The following services have primary responsibility for delivering Strategic Objective 4:

City Strategy

Strategic research, planning and open space policy and urban design advice on sustainable land use and development through development of policy, strategic plans and appropriate planning controls through the Yarra Planning Scheme.

Construction Management

Is responsible for ensuring that development and works being undertaken in Yarra meet agreed statutory and/or permit requirements, and that developments have minimum impact on the amenity of residents, businesses and our infrastructure.

Heritage Services

Covers all aspects of cultural heritage and heritage places. This includes sites, buildings (including interiors), landscapes, streets, laneways, objects, collections, documents and records in Yarra.

Statutory Planning

Is responsible for analysing, processing and assessing planning applications to ensure that the use and development of land, which gives effect to state and local planning policies, is based on clear procedures, appropriate public participation and coordination with other branches across Yarra.

Construction Management

Ensures that development and works being undertaken in Yarra meet agreed statutory and/or permit requirements, and that developments have minimum impact on the amenity of residents, businesses and our infrastructure.

Strategic indicators (measures of success)

Of 12 strategic indicators, 11 had targets for 2019/20, and 9 were achieved for a result of 82%.

- Achieved = Exceeded or within 10% of target
- In progress = To be completed by 30 June 2021
- Not achieved = Did not meet target

Strategy: 4.1 Protect Yarra's heritage and neighbourhood character

Strategic indicator	Comment	Result
Complete actions within the Heritage Strategy 2015-28	Development of the Heritage Strategy 2015-18 was completed.	90% Achieved
Develop a new or continuing Heritage Strategy 2018-21	The Heritage Strategy 2019-30 was adopted by Council in November 2019.	100% Achieved

Strategy: 4.2 Actively plan for Yarra's projected growth and development and advocate for an increase in social and affordable housing

Strategic indicator	Comment	Result
Prepare a planning scheme amendment to introduce new Municipal Strategic Statement and local planning policies	Council endorsed a draft planning scheme amendment which was lodged with the Minister for Planning to seek authorisation to publicly exhibit changes to the Planning Policy Framework.	90% Achieved
Satisfaction with aspects of planning and housing development	Yarra residents' rating of satisfaction with aspects of planning and development is measured by the Annual Customer Satisfaction Survey. The 2020 result of 7.14 is categorised as 'good' according to the survey's satisfaction rating. Last year's result and target of 7.00 is also categorised as 'good'.	7.14 (Good) Achieved
Deliver the Housing Strategy	Council adopted its Housing Strategy in September 2018.	100% Achieved
Deliver the Social and Affordable Housing Strategy	The Social and Affordable Housing Strategy was adopted by Council in November 2019 with an updated Policy Guidance Note titled Affordable Housing Outcomes at Significant Developments.	100% Achieved

Strategy: 4.3 Plan, promote and provide built form and open space that is accessible to all ages and abilities

Strategic indicator	Comment	Result
Number of new open space and urban design projects that are accessible to all ages and abilities	<p>All open space projects consider access for all abilities as part of their brief. The following open space projects were completed in 2019/20:</p> <ul style="list-style-type: none"> • Edinburgh Gardens: installation of new path lighting along two north-south paths. • Gahan Reserve: installation of new path lighting along the two main paths. • Alphington Park: installation of new sports lights towers and energy efficient LED lighting, installation of a new irrigation system for the dog obedience lawn, construction of a new concrete pathway and steps to connect the park to the river. • Browns Reserve, Abbotsford: construction of a new playground. • Curtain Square, Carlton North: installation of new path lighting. • Condell Street Reserve, Fitzroy: construction of a new playground and shade structures. • Citizens Park Oval, Richmond: full reconstruction of sports field, including irrigation, drainage and new turf wicket. • Collingwood Children's Farm: reconstruction of an elevated entrance walkway. • Gahan Reserve, Abbotsford: commenced construction of a new playground. • Ramsden Street Reserve, Clifton Hill: installation of new sports lights towers and energy efficient LED lighting. • Peel Street Park, Collingwood: installation of new paths and turf improvements. 	<p>11 Projects Achieved</p>

Strategy: 4.4 Protect Council assets through effective proactive construction management

Strategic indicator	Comment	Result
Percentage of projects in adopted capital works program completed	<p>Council completed 292 capital works projects, compared to the 358 total in the budgeted capital works projects program. This is a result of 81% compared to an organisational target of 85%. There was some impact on the delivery of projects from March 2020 due to COVID-19.</p>	<p>81% Not achieved</p>
Percentage of capital works program budget expended	<p>The total capital works budget was \$37.258 million, with an actual spend of \$29.222 million. This is a result of 78% compared to an organisational target of 85%. There was some impact on the delivery of projects from March 2020 due to COVID-19.</p>	<p>78% Not achieved</p>

Strategy: 4.5 Encourage and promote environmentally sustainable building, urban design, place-making and public realm outcomes

Strategic indicator	Comment	Result
Number of Council planning decisions upheld at VCAT	VCAT upheld 86% of Council decision's at hearing. VCAT suspended the hearing of cases that required face-to-face hearings from 18 May 2020 in response to COVID-19, which reduced the number of applications heard in 2019/20 to 54 compared to 77 in 2018/19.	86% Achieved

Strategy: 4.6 Provide direction and improve decision making on infrastructure projects through the application of the Strategic Community Infrastructure Framework

Strategic indicator	Comment	Result
Number of major projects that demonstrate consideration of the Community Infrastructure Planning Framework	All major projects undertaken and reported on as part of the Executive Major Projects portfolio demonstrated consideration of the Strategic Community Infrastructure Framework including: <ul style="list-style-type: none"> Malcolm Graham Pavilion at Kevin Bartlett Reserve Alphington Park upgrade Gahan Reserve, Abbotsford – playground construction. 	100% Achieved

Strategy: 4.7 Encourage engagement with the community when developments are proposed

Strategic indicator	Comment	Result
Number of community education initiatives delivered explaining Council's role and limitations in delivering planning and development outcomes	A fact sheet about planning, Yarra's Internal Development Advisory Committee and public information sessions is available on Council's website. Several public information sessions were held on the more complex applications Council received over the last financial year.	Ongoing

Activities

Of the 11 activities within this strategic objective, 10 (90%) are complete or on track.

>90% On track

75-89% Monitor

<75% Off track.

** Indicates where Council has deferred a milestone that cannot be delivered due to circumstances outside Council's control (e.g. COVID-19 or Victorian or Federal Government decision), and so the percentage result is based on milestones as adjusted.

Activity	Summary	Result
Development Contributions Plan – Planning Scheme Amendment	Council prepared and lodged an amendment with the Minister for Planning in mid-2019 to introduce a Development Contributions Plan to the Yarra Planning Scheme. Under this plan, developers will pay a contribution towards essential infrastructure, such as roads, footpaths and community facilities. Council also continued to advocate to the Victorian Government on this amendment and developed internal systems to capture and record contributions in readiness for approval of the amendment.	100% Achieved
Strategies for the hospital and education precincts	Council engaged with the Victorian Government on Yarra’s hospital and education precincts, as per Plan Melbourne 2017-50. These precincts are also major employment precincts. However, Council was advised by government representatives that the precincts are currently not a priority for the Victorian Government and there is no funding available.	100% Achieved**
Queen’s Parade Design and Development Overlay	Council advocated for heritage protections along Queen’s Parade, Fitzroy North, at an independent planning panel at the end of 2019. The panel submitted its report to Council in March 2020, recommending that the planning amendment seeking permanent development and design overlay controls for this area be in three parts. Two parts of the amendment were adopted by Council, and a third part covering 141-167 Queens Parade was deferred pending a VCAT decision on a S39 appeal.	96% Achieved
Built Form Analysis for Heidelberg Road, Alphington	In February 2020, Council asked the Minister for Planning to consider interim Design and Development Overlays for Heidelberg Road, Alphington. Prior to that, Council collaborated with Darebin City Council on an issues paper and a Local Area Plan. A planning scheme amendment has been drafted, pending Darebin’s completion of documentation for the north side of the road. Following this Council will consider the amendment for public exhibition.	100% Achieved**
Built Form Analysis for Major Activity Centres	Council completed built form analyses to inform structure plans for its Major Activity Centres (generally retail streets). Council approached the Minister for Planning in December 2019 seeking approval for interim planning controls over these centres. Approval was received for C220 for Johnston Street, Collingwood, and Council is awaiting the result of a panel hearing on C191 for Swan Street, Richmond.	94% Achieved
Structure planning for Major Activity Centres in Yarra	Council started preliminary work on structure plans for Victoria Street and Bridge Road, Richmond. The project has been delayed to prioritise the work required for Amendment C231 in Queen’s Parade.	25% Not achieved
Negotiate Joint Use Agreement with Richmond High School	Council continued to engage with Richmond High School on sharing facilities with each other. The project is currently on hold due to school staff changes during the year and COVID-19. The milestone was deferred by Council at its 2 June 2020 meeting.	100% Achieved**
Review and develop a framework for management of	Council commenced preparation and internal consultation on a framework for Yarra’s heritage assets. The project was delayed due to impacts of COVID-19 on consultation and site visits. March and June 2020 milestones were deferred by Council at its 2 June 2020 meeting.	100% Achieved**

Activity	Summary	Result
Council's own heritage assets		
Deliver Social and Affordable Housing Strategy	Council delivered a Social and Affordable Housing Strategy during the year, and started implementation in November 2019 following its adoption in the same month. The strategy addresses human rights principles and is focused on safe and secure housing for all residents. A yearly update on progress of this strategy will be provided to Council.	100% Achieved
Nicholson Village Bus Depot	Council reviewed the existing planning controls for the Nicholson Street bus depot site. Council was briefed in September 2019 that there were multiple zones across the site, making it unfit for any purpose. The land is not owned by Council.	100% Achieved
Progress the Yarra Planning Scheme rewrite	Council delivered a major rewrite of the Yarra Planning Scheme, which began in 2015 when a deliberative panel process was delivered through the Liveable Yarra project. This year Council finalised the rewrite of the scheme in the new format required by Victorian Government, and sought authorisation from the Minister for Planning to release it for exhibition.	100% Achieved

Service performance indicators

Statutory planning

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Timeliness</p> <p>Time taken to decide planning applications</p> <p>(The median number of days between receipt of a planning application and a decision on the application)</p>	118.00	117.00	127.00	120.00	There was an improvement in the time taken to decide planning applications, while the total number of applications received was comparable with those received in 2018/19.
<p>Service standard</p> <p>Planning applications decided within required timeframes</p> <p>(Number of regular planning application decisions made within 60 days) + (Number of VicSmart planning application decisions made with 10 days) / Number of planning application decisions made) x 100</p>	54.44%	57.67%	46.88%	62.91%	100% of VicSmart planning applications were determined within the 10-day timeframe.
<p>Service cost</p> <p>Cost of statutory planning service</p> <p>(Direct cost of the statutory planning service / Number of planning applications received)</p>	\$3,332.87	\$3,989.54	\$3,810.36	\$3,943.17	The trend in the cost of the service has remained reasonably consistent over the four-year period, supported by the number of planning applications received. This also remained consistent with last year.
<p>Decision-making</p> <p>Council planning decisions upheld at VCAT</p> <p>(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</p>	74.07%	77.45%	61.04%	86.00%	The current result indicates a positive trend over the past four years. VCAT suspended the hearing of cases that required face to face hearings from the 18 May 2020 in response to COVID-19, in 2019/20 only 50 cases were heard compared to 77 in 2018/19.

Strategic Objective 5 – A prosperous Yarra

A place where local businesses prosper and creative and knowledge industries thrive.

Strategies

The following strategies guide Council's work in this area:

1. Maintain and strengthen the vibrancy and local identity of retail and commercial precincts.
2. Strengthen and monitor land use change and economic growth including new and emerging economic clusters.
3. Create local employment opportunities by providing targeted and relevant assistance to facilitate business growth, especially for small and medium size enterprises and entrepreneurs through the attraction and retention of businesses.
4. Develop Innovative Smart City solutions in collaboration with government, industry and community that use technology to embrace a connected, informed and sustainable future.
5. Facilitate and promote creative endeavour and opportunities for the community to participate in a broad range of arts and cultural activities.
6. Attract and retain creative and knowledge industries in Yarra.
7. Ensure libraries and neighbourhood houses, support lifelong learning, wellbeing and social inclusion.

Services

The following services have primary responsibility for delivering Strategic Objective 5:

Economic Development

Responsible for developing programs to support Yarra's economy and promoting local businesses and key retail precincts.

Library Services

Develops and maintains integrated, coordinated library services comprising accessible and responsive practices that are connected to and informed by our community.

Arts, Culture and Venues

Responsible for producing and commissioning works, facilitating projects between external stakeholders, managing the art and heritage collection, and managing the use of Yarra's civic and community buildings, as well as parks and open space.

Strategic indicators (measures of success)

Of 9 strategic indicators, 9 had targets for 2019/20, and 8 were achieved for a result of 89%.

- Achieved = Exceeded or within 10% of target
- In progress = To be completed by 30 June 2021
- Not achieved = Did not meet target

Strategy: 5.1 Maintain and strengthen the vibrancy and local identity of retail and commercial precincts

Strategic indicator	Comment	Result
Prepare master plans for retail shopping strips	Digital maps have been completed for nine retail precincts. The Brunswick Street Streetscape Masterplan was adopted in mid-2020.	90% Achieved

Strategy: 5.2 Strengthen and monitor land use change and economic growth including new and emerging economic clusters

Strategic indicator	Comment	Result
Complete the review of the Yarra Economic Development Strategy	The draft Economic Development Strategy 2020-25 was released for exhibition from Monday 29 June until Monday 27 July 2020. It was adopted by Council on 1 September 2020.	90% Achieved

Strategy: 5.3 Create local employment opportunities by providing targeted and relevant assistance to facilitate business growth, especially for small and medium size enterprises and entrepreneurs through the attraction and retention of businesses

Strategic indicator	Comment	Result
Complete the review of the Yarra Economic Development Strategy	The draft Economic Development Strategy 2020-25 was released for exhibition from Monday 29 June until Monday 27 July 2020. It was adopted by Council on 1 September 2020.	90% Achieved

Strategy: 5.4 Develop Innovative Smart City solutions in collaboration with government, industry and community that use technology to embrace a connected, informed and sustainable future

Strategic indicator	Comment	Result
Adopt an Open Data Policy	The Open Data Policy was adopted by Council in May 2018.	100% Achieved

Strategy: 5.5 Facilitate and promote creative endeavour and opportunities for the community to participate in a broad range of arts and cultural activities

Strategic indicator	Comment	Result
Increase participation in arts and cultural activities in Yarra	<p>Council delivered and supported a range of arts and cultural activities to promote community participation including:</p> <ul style="list-style-type: none"> • CHANGES Conference: a two-day forum and showcase for contemporary music. It programmed 10 live music venues in Brunswick Street, Fitzroy, featuring over 100 artists. Supported by The Push, Yarra City Council, Music Victoria, APRA AMCOS, VMDO and the Victorian music community • Leaps and Bounds Music in Winter Festival highlighted 25 live music events across Yarra over 10 days, with a focus on diversity 	100% Achieved

Strategy: 5.5 Facilitate and promote creative endeavour and opportunities for the community to participate in a broad range of arts and cultural activities

- Rock-a-bye Baby concert (650 capacity sold out) and accessibility event for residents of aged care facilities and their carers
- Smith Street Festival
- Gertrude Street Projection Festival
- LGBTI+ Elders Dance Club
- an exhibition program across Richmond Town Hall, Bargoonga Nganjin North Fitzroy Library, Fitzroy Library, Richmond Library and Carlton Library Lightboxes
- Peel Street Projection Program
- Fringe Festival Fringe Furniture
- Victoria Street Lunar Festival
- Johnston Street Fiesta
- Edinburgh Gardens Plinth Program
- Fairfield in Feb.

Strategy: 5.6 Attract and retain creative and knowledge industries in Yarra

Strategic indicator	Comment	Result
Number of grants provided by the Room to Create fund	The Room to Create fund awarded eight grants during the year totalling \$58,000, including one major grant for \$33,000. The Room to Create Grant Program offers quick response grants to help creative spaces and live music venues stay in Yarra.	Eight grants Achieved

Strategy: 5.7 Ensure libraries and neighbourhood houses support lifelong learning, wellbeing and social inclusion

Strategic indicator	Comment	Result
Active library members	<p>The percentage of Yarra's population that used library services.</p> <p>Source: Local Government Performance Reporting Framework 2020. Target 19.72%, based on previous year's result.</p> <p>The temporary closure of library branches from March 2020 impacted community access to facilities and the level of loans this year, which underpins this measure. While the full impact of COVID-19 closures cannot be quantified, the number of active borrowers fell by 10% (1,826 active borrowers) compared to 2018/19. Similarly, while loans were comparable year-to-date March 2019 and year-to-date March 2020, Council saw an 85% decrease in loans for the last quarter (when libraries were closed) compared to the same period in the previous financial year.</p>	16.24% Not achieved

Strategy: 5.7 Ensure libraries and neighbourhood houses support lifelong learning, wellbeing and social inclusion

Standard of library collection	Percentage of the library collection that is less than five years old. Source: Local Government Performance Reporting Framework 2020. The target was 70.28%, based on the previous year's result.	70.98% Achieved
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Activities

Of the four Activities within this strategic objective, three (75%) are complete or on track.

>90% On track

75-89% Monitor

<75%- Off track.

** Indicates where Council has deferred a milestone that cannot be delivered due to circumstances outside Council's control (e.g. COVID-19 or Victorian or Federal Government decision), and so the percentage result is based on milestones as adjusted.

Activity	Summary	Result
Economic Development Strategy	Council prepared a background paper and undertook early consultation in preparation for development of the draft Economic Development Strategy 2020-25, prior to COVID-19 restrictions commencing in March 2020. Since then, the draft strategy was modified to include a focus on assisting the local economy during and post the pandemic. The modified draft strategy was submitted to Council on 23 June 2020 and authorised to proceed to community consultation.	90% Achieved
Local retail precincts	This action is designed to promote the benefits of shopping locally. Council engaged with traders and stakeholders to revitalise some areas, such as Bridge Road, by activating empty spaces. Nicholson Village was also promoted via a campaign to residents living within 500 metres. Council installed shade banners on nine shops on Victoria Street and developed digital maps for nine retail precincts prior to COVID-19 restrictions.	90% Achieved
Brunswick Street Streetscape Master Plan (BSSMP)	Council prepared a background report for the development of the draft Brunswick Streetscape Masterplan, which was authorised for community consultation in February and March 2020. About 450 contributions were through surveys and about 60 people provided feedback at pop-up sessions. The plan guides future changes and improvements to the footpaths and public spaces along Brunswick Street, as well as the streets around Fitzroy Town Hall and Atherton Gardens. Council has developed the draft Brunswick Streetscape Masterplan and it will be ready for community consultation once COVID-19 restrictions are lifted.	68% Not achieved

Activity	Summary	Result
Develop Yarra as a Smart City	<p>The Yarra CityLab hub for smart and future city solutions was set up in the first two quarters of the year, and a dedicated Internet of Things network at 13 sites across Yarra to enable Yarra's community to connect with Council. To date, 38 connections have been made across smart and future technology industries, businesses, government and education sectors. Several smart city trials have taken place on projects including Yarra Science Play, water quality and fill level sensors.</p>	90% Achieved
Deliver the Arts and Culture annual grants program	<p>A number of grants were awarded as part of the Arts and Culture annual grants program:</p> <ul style="list-style-type: none"> • Annual Grants Program (Arts and Culture Streams) – 27 grants totalling \$264,029 • Creative Yarra Grants Program – six grants totalling \$128,500 • Engage Yarra Grants Program – 24 grants totalling \$100,000 • Celebrate Yarra Grants Program – three grants totalling \$105,000 • COVID-19 Creative Business Grants – 16 grants totalling \$60,000 • COVID-19 Creative Community Grants – 56 grants totalling \$125,000 • Small Project Grants – 33 grants totalling \$31,000 • Room to Create Responsive Grants – seven awarded, total \$25,000 • Room to Create Fund – one grant of \$33,000. 	100% Achieved

Service performance indicators

Libraries

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Utilisation</p> <p>Physical library collection usage</p> <p>(Number of physical library collection item loans / Number of physical library collection items)</p>	4.30	4.96	4.79	3.81	<p>Library collection usage has remained stable over the last three years. The temporary closure of all libraries from March 2020 due to COVID-19 had an impact on the number of loans this year, which underpins this measure. During the closure, library officers assisted Council's COVID-19 community relief efforts, including distributing book bundles to residents in need.</p> <p>Note: From 2019/20 this indicator measures the performance of physical library items as a subset of the wider library collection.</p>
<p>Resource standard</p> <p>Recently purchased library collection</p> <p>(Number of library collection items purchased in the last 5 years / Number of library collection items) x100</p>	67.67%	69.37%	70.28%	70.98%	<p>The standard of the library collection has remained steady over the last four years, reflecting Council's continued commitment to refreshing the library collection.</p>
<p>Participation</p> <p>Active library borrowers in municipality</p> <p>(Number of active library borrowers in the last three years / the sum of the population for the last three years) x100</p>	17.82%	20.72%	19.72%	16.24%	<p>The temporary closure of all libraries as of March 2020 had an impact on community access to facilities and the level of loans this year, which underpin this measure. While the full impact of COVID-19 related closures cannot be quantified, the number of active borrowers fell by 10% or 1,826 active borrowers compared to 2018/19. Similarly, while loans were comparable YTD March 2019 and YTD March 2020 (<1% variance), Council saw an 85% decrease in loans for the last quarter, when libraries were closed, when compared to the same period in the previous financial year.</p>

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Service cost</p> <p>Cost of library service per population</p> <p>(Direct cost of the library service /population)</p>	New in 2020	New in 2020	New in 2020	\$47.39	<p>Council operates five libraries. The temporary closure of all libraries as of March 2020 in response to COVID-19 restrictions resulted in a reduction in operating costs during the final quarter. During the closure, library officers assisted Council's COVID-19 community relief efforts by preparing and distributing food hampers and book bundles to residents in need.</p> <p>Note: This measure replaces the previous 'Cost of library service' indicator, which was measured number of visits. See retired measures.</p>

Strategic Objective 6 – A connected Yarra

A place where connectivity and travel options are environmentally sustainable, integrated and well-designed.

Strategies

The following strategies guide Council's work in this area:

1. Manage traffic movement and promote road safety within local roads.
2. Work in partnership with VicRoads and influence traffic management and road safety on main roads.
3. Investigate and implement effective parking management options.
4. Improve accessibility to public transport for people with mobility needs and older people.
5. Develop and promote pedestrian and bicycle infrastructure that encourages alternate modes of transport, and improves safety and connectedness.
6. Advocate for increased infrastructure and performance of public transport across Melbourne.

Services

The following services have primary responsibility for delivering Strategic Objective 6:

Traffic and Civil Engineering

Provides, maintains, improves and manages Yarra's infrastructure with a focus on creating an efficient, effective and safe traffic environment.

Parking Services

Responsible for a range of statutory enforcement services to maximise the safety, compliance and harmony of the city and for the management of limited parking resources.

Road Services and Fleet Management

Manages and maintains our road and footpath infrastructure, fleet, plant and equipment.

Strategic Transport

Focuses on advocacy, policy and delivering cycling infrastructure.

Strategic indicators (measures of success)

Of 10 strategic indicators, 9 had targets for 2019/20, and 9 were achieved for a result of 100%.

- Achieved = Exceeded or within 10% of target
- In progress = To be completed by 30 June 2021
- Not achieved = Did not meet target

Strategy: 6.1 Manage traffic movement and promote road safety within local roads

Strategic indicator	Comment	Result
Number of successful grant applications relating to road safety	Council successfully applied for funding from the Victorian Government for three major road safety grants totalling \$1.1 million.	Three grants Achieved
Community satisfaction with sealed local roads	Yarra residents' rating of satisfaction with sealed local roads is measured by the Annual Customer Satisfaction Survey. The 2020 result of 7.47 is categorised as 'very good' according to the survey's satisfaction rating. Last year's result and target of 7.65 is also categorised as 'very good'.	7.47 (Very good) Achieved

Strategy: 6.2 Work in partnership with VicRoads and influence traffic management and road safety on main roads

Strategic indicator	Comment	Result
Reduction in the number of road fatalities and serious accidents	This indicator is measured using road trauma statistics sourced from the Transport Accident Commission (TAC). 2019/20 data was not available at the time of this report.	Not available

Strategy: 6.3 Investigate and implement effective parking management options

Strategic indicator	Comment	Result
Endorsement of new parking permit policy	A review of the parking permit policy was discussed as a part of a community parking forum in December 2019. The policy was reviewed by an independent consultant who advised that it was consistent with other councils. This position was supported by councillors.	100% Achieved

Strategy: 6.4 Improve accessibility to public transport for people with mobility needs and older people

Strategic indicator	Comment	Result
Monitor progress on improving public transport accessibility and report on any advocacy initiatives	<p>Advocacy for improved public transport accessibility included:</p> <ul style="list-style-type: none"> • safety improvements and DDA-compliant tram stop upgrades at various sites across Yarra • new east-west bus connections in the vicinity of Victoria Park • upgrades of the Doncaster Area Rapid Transit (DART) as part of the North East Link project • extension of the 246 bus route to Moonee Valley and upgrading it to a Smart Bus service • long-term bus operations between the Eastern Freeway and the CBD via Yarra • electric bus deployment. <p>Council continues to advocate and provide advice to improve tram stop compliance and safety on Brunswick Street and other locations in Yarra. A study is being progressed by Yarra Trams and Public Transport Victoria on priorities for future budget allocations.</p>	100% Achieved

Strategy: 6.4 Improve accessibility to public transport for people with mobility needs and older people

Community satisfaction with Council's advocacy efforts	Yarra residents' rating of satisfaction with Council's advocacy efforts is measured by the Annual Customer Satisfaction Survey. The 2020 result of 7.19 is categorised as 'good' according to the survey's satisfaction rating. Last year's result and target of 7.24 is also categorised as 'good'.	7.19 (Good) Achieved
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Strategy: 6.5 Develop and promote pedestrian and bicycle infrastructure that encourages alternate modes of transport, and improves safety and connectedness

Strategic indicator	Comment	Result
Community satisfaction ratings of levels of local road safety	Yarra residents' rating of satisfaction with local road safety is measured by the Annual Customer Satisfaction Survey. The 2020 result of 7.47 is categorised as 'very good' according to the survey's satisfaction rating. Last year's result and target of 7.41 is also categorised as 'very good'.	7.47 (Very good) Achieved
Percentage of bicycle works completed	<p>Council completed the following capital works bike projects:</p> <ul style="list-style-type: none"> Wellington Street protected bike lanes project – Stage 2 Fairfield Park shared path reconstruction, connecting to the Main Yarra Trail Linear Park Reserve shared path reconstruction of the Capital City Trail – between Bennett Street and Rushall Station, Fitzroy North Merri Creek parklands shared path reconstruction – the Capital City Trail segment. 	100% Achieved
Complete Wellington Street Bike Lane construction	The protected bike lanes on Wellington Street were completed and officially launched in 2019.	100% Achieved

Strategy: 6.6 Advocate for increased infrastructure and performance of public transport across Melbourne

Strategic indicator	Comment	Result
Report on advocacy initiatives related to unsatisfactory public transport services	<p>Advocacy for improved public transport accessibility included:</p> <ul style="list-style-type: none"> • safety improvements and DDA-compliant tram stop upgrades at various sites across Yarra • new east-west bus connections in the vicinity of Victoria Park • upgrades of the Doncaster Area Rapid Transit (DART) as part of the North East Link project • extension of the 246 bus route to Moonee Valley and upgrading it to a Smart Bus service • long-term bus operations between the Eastern Freeway and the CBD via Yarra • electric bus deployment. <p>Council continues to advocate and provide advice to improve tram stop compliance and safety on Brunswick Street and other locations in Yarra. A study is being progressed by Yarra Trams and Public Transport Victoria on priorities for future budget allocations.</p>	100% Achieved

Activities

Of the six Activities within this strategic objective, six (100%) are complete or on track.

>90% On track

75-89% Monitor

<75% Off track.

** Indicates where Council has deferred a milestone that cannot be delivered due to circumstances outside Council's control (e.g. COVID-19 or Victorian or Federal Government decision), and so the percentage result is based on milestones as adjusted.

Activity	Summary	Result
Variable parking trial and consultative forum	Council completed a trial on variable paid parking options on Bridge Road, Richmond in September 2019 to assess how this would impact on-street parking occupancy rates. A forum was attended by about 80 residents and traders in December 2019. A report was presented to Council in February 2020. Council updated Bridge Road's restrictions to address high usage times and ensure signage is consistent. In June 2020, Council rolled out sensor relays to improve data collection on traffic turnover.	100% Achieved

Activity	Summary	Result
Low speed traffic environments	Council's 12-month trial of a 30 km/h speed limit across neighbourhood streets bordered by Alexandra Parade and Johnston, Hoddle and Nicholson streets finished in October 2019. Findings included: less speeding and less excessive speeding in the area; speed reductions of between 1.1% and 2.7% in the treatment and non-treatment areas after the trial; residents affected by the trial increased their level of support by 15% during the trial; and an increase in residents' willingness to see the 30 km/h speed limit more widely adopted in local streets. Advocacy continues with the Victorian Government to implement local changes as a result of community feedback during the trial.	100% Achieved
Complete Wellington Street Bike Lane	Council constructed protected bike lanes on Wellington Street, from Gipps Street to Johnston Street in October 2019. This lengthened the existing protected bike lanes from Victoria Parade to Gipps Street, providing one kilometre of protected riding each way. The new lanes are improving safety and comfort for bike riders by completely separating them from road traffic.	100% Achieved
Review Local Area Place Making Policy	Council completed a review and revision of its Local Area Place Making (LAPM) Policy and provided a report to Executive identifying future options, including internal relationships, resourcing and preferred approach. A report on the revised LAPM Policy is to be presented to Council by December 2020 as an action in the endorsed 2020/21 Action Plan.	90% Achieved
Advocate for Disability Discrimination Act (DDA) compliant tram stops	Council continued to advocate for Disability Discrimination Act (DDA) compliant tram stops on Brunswick Street, Bridge Road (near Richmond Town Hall) and near Richmond Girls College at the eastern end of the road – and at other locations in Yarra. Council is also providing input into a 12-month study by Yarra Trams and Public Transport Victoria on priorities for future budget allocations.	100% Achieved
Public Transport Advocacy	Council advocated to the Victorian Government for improved accessibility on public transport services. Discussions were held with the Victorian Government, agencies and public transport operators to advocate on many issues, including safety improvements and DDA-compliant tram stop upgrades, new east-west bus connections near Victoria Park, long-term buses between the Eastern Freeway and the Melbourne CBD via Yarra, and electric buses.	100% Achieved

Service performance indicators

Roads

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
Satisfaction of use Sealed local road requests (Number of sealed local road requests / kilometres of sealed local roads) x100	107.49	112.01	130.57	153.38	During the previous year several major works were undertaken by other authorities, including the M41 main drain replacement and upgrade of gas mains across the city. This resulted in significant road work over the last two years and ongoing temporary patching of local road surfaces. This has contributed to an increase in customer requests compared to previous years.
Condition Sealed local roads maintained to condition standards (Number of kilometres of sealed local roads below the renewal intervention level set by Council/ kilometres of sealed local roads) x100	98.75%	99.06%	98.59%	98.78%	Council has consistently demonstrated a commitment to maintaining Yarra's local road network over the last four years, with nearly 100% of roads above Council's renewal intervention level. Community satisfaction with the maintenance and repair of sealed local roads scored 74.90 in the 2020 Annual Customer Satisfaction Survey, which is categorised as 'very good'.
Service cost Cost of sealed local road reconstruction (Direct cost of sealed local road reconstruction / square metres of sealed local roads reconstructed)	\$247.35	\$294.94	\$319.63	\$243.84	The majority of sealed road reconstructions in Yarra involve reconstruction of bluestone laneways. Council's Road Materials Policy dictates that all laneways in heritage overlay areas are to be constructed in bluestones, which significantly increases costs. This year there were several asphalt reconstructions that reduced the average cost.
Service cost Cost of sealed local road resealing (Direct cost of sealed local road resealing / square metres of sealed local roads resealed)	\$30.87	\$33.16	\$34.43	\$37.88	Council has experienced minor variations in the cost of sealed local road resealing over the last four years.

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Satisfaction</p> <p>Satisfaction with sealed local roads</p> <p>(Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)</p>	72.30	72.20	76.50	75.00	<p>Council's satisfaction score of 75.00 is categorised as very good from the 2020 Annual Customer Satisfaction Survey. Previous years' results are also categorised as either good (65.00-72.50) or very good (72.50-77.50) using the same survey instrument.</p>

Strategic Objective 7 – A leading Yarra

A place where transparency, performance and community participation drive the way we operate.

Strategies

The following strategies guide Council's work in this area:

1. Ensure Council's assets and financial resources are managed responsibly to deliver financial sustainability.
2. Continue to develop a culture of continuous improvement and innovation.
3. Maintain a culture of transparency, governance, ethical practice and management of risks that instils a high level of community respect and confidence in Council decision-making.
4. Ensure Council services are efficient, well-planned, accessible and meet community needs.
5. Provide the community with meaningful and genuine opportunities to contribute to and participate in Council planning and decision making processes with a focus on young people, hard to reach and traditionally underrepresented communities.
6. Enable greater transparency and access to the conduct of Council Meetings.
7. Develop innovative Smart City solutions with government, industry and community that use open data technology.
8. Continue a 'customer centric' approach to all service planning and delivery.
9. Advocate for the best interests of our community.

Services

The following services have primary responsibility for delivering Strategic Objective 7:

Advocacy and Engagement

Provides communications, issues and media management, consultation and engagement, strategic advocacy, publications, civic events and digital communications.

Building and Asset Management

Provides policy, strategy, processes, procedures and systems that produce an integrated and multidisciplinary approach to asset management. Yarra's building and land assets are managed in order to maximise their ability to support delivery of services to the community.

CEO's Office

Responsible for a range of professional services to internal and external clients, with an emphasis on compliance, regulation, transparency and probity. It is also responsible for managing Yarra's property portfolio including leases, licenses and management agreements.

Corporate Planning and Performance

Ensures services and projects are strategically aligned, deliver value for money, and are accountable to staff, councillors and the community.

Finance

Delivers the financial accounting, management accounting, revenue management, valuations and payroll services to the organisation. Also develops financial strategies that will ensure Yarra is a viable organisation able to continue provision of quality services into the future.

Information and Communication Technology

Facilitate the acquisition, maintenance, retirement and usage of all information systems maintained or used by the operations and staff at Council.

Internal Audit and Assurance

Ensures the organisation has policies and procedures in place to manage its risks and engender confidence in Council's corporate governance. Responsible for oversight of the organisation's internal audit program and provide the secretariat function for Council's audit committee.

People and Culture

Promotes accountability and enhances competency, effectiveness and wellbeing as a shared responsibility of the organisation and its people. Strives to generate a positive and productive work and learning environment.

Activities

Of the three Activities within this strategic objective, three (100%) are complete or on track.

>90% On track.

75-89% Monitor.

<75%- Off track.

** Indicates where Council has deferred a milestone that cannot be delivered due to circumstances outside Council's control (e.g. COVID-19 or Victorian or Federal Government decision), and so the percentage result is based on milestones as adjusted.

Activity	Summary	Result
Community engagement	Council undertook approximately 50 community engagement projects this year. Two major projects showcased the use of targeted engagement methods. One example was the Brunswick Street Masterplan project, which employed creative approaches to promotion, in-person pop-up sessions and the involvement of local schools and early years' providers. The other included stage 1 of Council's annual budget consultation, which facilitated deeper engagement on criteria for community project funding. This year Council also partnered with the community to provide an extensive update of its Community Engagement Policy. The draft policy and new action plan are scheduled to be presented Council in September 2020 for adoption. Implementation of year 1 actions is underway pending adoption of the action plan.	96% Achieved
Customer Experience Strategy 2019-22	Council created a new Customer Experience Strategy for its leaders. The strategy outlines a three-year roadmap of improvements to support internal and external service experience transformation. The target milestones have evolved since the start of the project, and are now taking a wider approach.	100% Achieved
Council meeting live streaming	Equipment was installed at Council's three town halls to enable the livestreaming of Council meetings. Livestreaming began from Richmond Town Hall in November 2019. The digitalisation of Council meetings continued during COVID-19, with community members now able to participate online.	100% Achieved

Strategic Indicators (measures of success)

Of 16 strategic indicators, 8 had targets for 2019/20, and 8 were achieved for a result of 100%.

- Achieved = Exceeded or within 10% of target
- In progress = To be completed by 30 June 2021
- Not achieved = Did not meet target

Strategy: 7.1 Ensure Council's assets and financial resources are managed responsibly to deliver financial sustainability

Strategic indicator	Category	Comment	Result
Council remains financially sustainable and receives a 'low risk' rating from the VAGO assessment conducted annually	Net result	Low risk	5.7% Achieved
	Adjusted underlying result	High risk	-1% Not achieved
	Liquidity	Low risk	2.5 Achieved
	Internal financing	Low risk	142% Achieved
	Indebtedness	Low risk	27.4% Achieved
	Capital replacement	Medium risk	1.3 Not achieved
	Renewal gap	Low risk	1.2 Achieved

Strategy: 7.2 Continue to develop a culture of continuous improvement and innovation

Strategic indicator	Comment	Result
Number of staff trained in continuous improvement methodology	<p>Seventy-two staff members across nine branches participated in continuous improvement training and improvement projects. This is an increase from the previous year, and included:</p> <ul style="list-style-type: none"> • LEAN thinking training • Six Sigma staff training and certifications • Promapp process mapping software training. 	72 staff Achieved

Strategy: 7.3 Maintain a culture of transparency, governance, ethical practice and management of risks that instils a high level of community respect and confidence in Council decision-making

Strategic indicator	Comment	Result
Community satisfaction with Council decisions	Yarra residents' rating of satisfaction with Council's decisions is measured by the Annual Customer Satisfaction Survey. The 2020 result of 7.12 is categorised as 'good' according to the survey's satisfaction rating. Last year's result and target of 7.2 is also categorised as 'good'.	7.12 (Good) Achieved

Strategy: 7.4 Ensure Council services are efficient, well-planned, accessible and meet community needs

Strategic indicator	Comment	Result
Overall community satisfaction with Council performance	Yarra residents' overall rating of satisfaction with Council is measured by the Annual Customer Satisfaction Survey. The 2020 result of 7.15 is categorised as 'good' according to the survey's satisfaction rating. Last year's result and target of 7.30 is categorised as 'very good'.	7.15 (Good) Achieved
Adoption of a Services Policy	A process and budget bid to develop a Services Policy was reinstated this year. In adopting the 2019/20 Budget, Council resolved not to fund deliberative engagement for a Services Policy.	No 2019/20 target

Strategy: 7.5 Provide the community with meaningful and genuine opportunities to contribute to and participate in Council planning and decision making processes with a focus on young people, hard to reach and traditionally underrepresented communities

Strategic indicator	Comment	Result
Community satisfaction with community consultation and engagement	Yarra residents' rating of satisfaction with community consultation and engagement is measured by the Annual Customer Satisfaction Survey. The 2020 result of 7.19 is categorised as 'good' according to the survey's satisfaction rating. Last year's result and target of 7.21 is also categorised as 'good'.	7.19 (Good) Achieved

Strategy: 7.6 Enable greater transparency and access to the conduct of Council Meetings

Strategic indicator	Comment	Result
Implementation of Council Meeting broadcast system	Live streaming of Council meetings from all three town halls started in November 2019.	100% Achieved

Strategy: 7.7 Develop innovative smart city solutions in collaboration with government, industry and community which will use open data technology

Strategic indicator	Comment	Result
Digital Directions Strategy endorsed by Council	A draft Digital Directions Strategy has been developed and will be presented to Council's Executive team for consideration in 2020/21.	95% Achieved

Strategy: 7.8 Continue a 'customer centric' approach to all service planning and delivery

Strategic indicator	Comment	Result
Community satisfaction with responsiveness to community needs	Yarra residents' rating of satisfaction with Council's responsiveness to community needs is measured by the Annual Customer Satisfaction Survey. The 2020 result of 7.34 is categorised as 'very good' according to the survey's satisfaction rating. Last year's result and target of 7.32 is also categorised as 'very good'.	7.34 (Very good) Achieved

Strategy: 7.9 Advocate for the best interests of our community

Strategic indicator	Comment	Result
Community satisfaction with community consultation and engagement	As per Strategy 7.5. Yarra residents' rating of satisfaction with community consultation and engagement is measured by the Annual Customer Satisfaction Survey. The 2020 result of 7.19 is categorised as 'good' according to the survey's satisfaction rating. Last year's result and target of 7.21 is also categorised as 'good'.	7.19 (Good) Achieved

Service performance indicators

Governance

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Transparency</p> <p>Council decisions made at meetings closed to the public</p> <p>(Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of councillors, closed to the public / number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors) x100</p>	11.29%	11.90%	16.39%	7.13%	Council has placed particular focus on reducing the number of confidential resolutions by conducting a rigorous assessment of each proposed confidential report to determine if it can be considered in open Council meeting. This has seen a reduction in confidential resolutions in 2019/20.
<p>Consultation and engagement</p> <p>Satisfaction with community consultation and engagement.</p> <p>Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement</p>	68.50	69.00	72.10	72.00	Council's satisfaction score of 71.90 is categorised as 'good' from the 2020 Annual Customer Satisfaction Survey. Previous years' results are also categorised as 'good' using the same measures. The result reflects Council's continued commitment to consult and engage frequently and consistently on statutory and non-statutory matters that affect the community.

Service / Indicator / Measure	2016/17 results	2017/18 results	2018/19 results	2019/20 results	Commentary
<p>Attendance</p> <p>Councillor attendance at Council meetings</p> <p>(The sum of the number of Councillors who attended each ordinary and special Council Meeting / (Number of ordinary and special Council Meetings) x (Number of Councillors elected at the last Council general election) x100</p>	93.00%	92.06%	91.03%	92.89%	Councillors' attendance at meetings remains consistent.
<p>Service cost</p> <p>Cost of elected representation</p> <p>(Direct cost of the governance service / number of Councillors elected at the last Council general election)</p>	\$41,026.22	\$42,312.33	\$42,328.44	\$41,032.00	The cost of governance has remained consistent over the last four years. Some reductions became evident toward the end of 2019/20 due to lower travel, catering and professional development costs associated with COVID-19.
<p>Satisfaction</p> <p>Satisfaction with Council decisions</p> <p>(Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community)</p>	67.00	67.00	72.00	71.00	Council's satisfaction score of 71.00 is categorised as good from the 2020 Annual Customer Satisfaction Survey. Previous years' results are also categorised as good using the same survey instrument. The result is underpinned by Council's ongoing commitment to consultation and engagement.

Governance, management and statutory information

Councillor allowances

In accordance with the *Local Government Act 1989*, Council pays councillors allowances in recognition of the long hours and many obligations associated with their role.

These payments help to ensure that the role of councillor is not restricted to people already in receipt of significant independent incomes.

Yarra's mayor receives \$81,204.00 plus 9.5% (being the equivalent of the Superannuation Guarantee Levy) for a total of \$88,918.38 per annum. Other councillors receive \$26,245.00 plus 9.5% (being the equivalent of the Superannuation Guarantee Levy) for a total of \$28,738.28 per annum.

Councillor expenses

The *Local Government Act 1989* provides that the mayor and councillors are offered appropriate tools and support to enable them to properly undertake their statutory obligations.

There are substantial time commitments required of councillors in order for them to properly represent their constituents and perform their significant legal responsibilities, which often require travel and late hours. To assist councillors to carry out their duties, Victorian councils provide them with efficient communication equipment and reimburse their official travel and phone expenses and (where applicable) childcare expenses.

Councillor expenses in 2019/20 amounted to \$330,252.18. This figure includes councillor allowances.

Councillor expenses 2019/20 (incorporates councillor allowances)

Councillor	Travel (\$)	Information and communications technology (ICT) (\$)	Conference and training (\$)
Cr Bosler	307.34	807.16	172.73
Cr Chen Yi Mei	455.08	807.16	127.73
Cr Coleman	1273.96	1080.05	154.45
Cr Fristacky	13.64	807.62	553.29
Cr Jolly	281.15	1415.69	0.00
Cr Nguyen	540.52	1011.63	136.36
Cr O'Brien	552.53	921.06	0.00
Cr Searle	0.00	807.16	41.36
Cr Stone	90.91	825.35	232.17

Note: There were no expenses incurred for vehicle mileage or childcare in 2019/20. Former councillor Mr McEvoy recorded an ICT refund of \$44.84 due to the cancellation of a phone contract.

Governance and management checklist

The following are the results of Yarra City Council's assessment against the prescribed governance and management checklist.

GOVERNANCE AND MANAGEMENT CHECKLIST

LG131(3)

The following are the results in the prescribed form of council's assessment against the prescribed governance and management checklist.

R12

Governance and Management Items	Assessment
1 Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Council adopted its Consultation and Engagement Policy on 24 June 2014. A draft 2020 Engagement Policy has been developed and is progressing through Council for adoption in 2020/21.
2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Council developed its Community Engagement Guidelines on 30 May 2018.
3 Strategic Resource Plan (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	The 2019/20 - 2022/23 Strategic Resource Plan was adopted by Council, in accordance with section 126 of the Act, on 25 June 2019.
4 Annual budget (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	The 2019/20 Budget was adopted by Council, in accordance with section 130 of the Act, on 25 June 2019.
5 Asset management plans (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Asset Management Policy and Strategy endorsed by Executive on 28 March 2018 Road Asset Management Plan 2016. Buildings Asset Management Plan adopted by Council on 8 October 2013, revised in May 2017. Drainage Asset Management Plan reviewed March 2018. Open Space Asset Management Plan adopted 2005.
6 Rating strategy (strategy setting out the rating structure of Council to levy rates and charges)	Council has incorporated its rating and revenue strategic elements in its Long Term financial Strategy which is reflected in its 2019/20 Budget. The 2019/20 Budget and 2019/20 - 2028/29 Long Term Financial Strategy were adopted by Council on 25 June 2019.
7 Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Council's Risk Management Policy was endorsed by Executive on 27 November 2012.
8 Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Council's Fraud Policy was endorsed by Executive on 18 November 2015. The new Fraud and Corruption Policy and Control Plan has been developed and was endorsed by Executive on 22 July 2020.
9 Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Council's Municipal Emergency Management Plan (MEMP) has been prepared and maintained in accordance with section 20 of the Emergency Management Act 1986 and was endorsed by the CEO on 29 August 2018.
10 Procurement policy (policy under section 186A of the Local Government Act 1989 outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Council's Procurement Policy has been prepared in accordance with section 186A of the Local Government Act and adopted by Council on 2 June 2020.

GOVERNANCE AND MANAGEMENT CHECKLIST

LG131(3)

The following are the results in the prescribed form of council's assessment against the prescribed governance and management checklist.

R12

Governance and Management Items	Assessment
11 Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Council's current Business Continuity Plan was updated and adopted 28 May 2015. Council undertakes Business Continuity planning as part of its Risk Management framework
12 Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Council's current Disaster Recovery Plan was adopted 16 January 2020.
13 Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Council's current Risk Management Policy was endorsed by Executive on 27 November 2012.
14 Audit Committee (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Council's Audit Committee is a long standing part of Council's management framework, and was established, in accordance with section 139 of the Act, on 9 March 2004.
15 Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	An independent internal audit function is a long standing part of Council's management framework, our current Independent accounting professionals were engaged by Council following a competitive tender process in January 2020.
16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Council Plan progress is reported on in the Annual Report including the performance results for the Strategic Indicators. The Annual Report was presented to Council on 22 October 2019. Council also endorses an Annual Plan, linked to initiatives in the Council Plan. Progress is reported to Council via the Annual Plan Quarterly Progress Report.
17 Council Plan reporting (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Council Plan progress is reported on in the Annual Report including the performance results for the Strategic Indicators. The Annual Report was presented to Council on 22 October 2019. Council also endorses an Annual Plan, linked to initiatives in the Council Plan. Progress is reported to Council via the Annual Plan Quarterly Progress Report. Reporting
18 Financial reporting (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	The following quarterly financial reports were presented to Council during 2019/20 financial year in accordance with section 138(1) of the Act: 2018/19 Q4 - June 2019 on 10 September 2019 2019/20 Q1 - September 2019 on 22 October 2019 2019/20 Q2 - December 2019 on 18 February 2020 2019/20 Q3 - March 2020 on 05 May 2020
19 Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reporting of strategic risks to Council's operations, including likelihood and consequences of occurring and risk minimisation strategies took place at audit Committee on 20 August 2019 and 17 December 2019.

GOVERNANCE AND MANAGEMENT CHECKLIST

LG131(3)

The following are the results in the prescribed form of council's assessment against the prescribed governance and management checklist.

R12

Governance and Management Items	Assessment
<p>20 Performance reporting (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)</p>	<p>Council develops Annual Plans which include the initiatives contained in the Council Plan. Progress of these initiatives against targets is reported quarterly. Council Plan indicator performance is reported in the Annual Report. Financial performance is reported separately on a quarterly basis, refer to indicator 18 above.</p> <p>2018/19 June 2019 on 10 September 2019 2019/20 September 2019 on 12 November 2019 2019/20 December 2019 on 18 February 2020 2019/20 March 2020 on 05 May 2020</p>
<p>21 Annual report (annual report under sections 131, 132 and 133 of the Act to the community containing a report of operations and audited financial performance statements)</p>	<p>The 2018/19 Annual Report was considered at a meeting of Council, in accordance with section 134 of the Act, on 22 October 2019.</p>
<p>22 Councillor Code of Conduct (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)</p>	<p>The Councillor Code of Conduct was reviewed in accordance with section 76C of the Act and endorsed by Council on 21 February 2017.</p>
<p>23 Delegations (a document setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)</p>	<p>Instrument of Delegation from Council to the Chief Executive Officer was reviewed 17 March 2020. Instrument of Delegation from Council to Council staff was reviewed and endorsed and executed by Council on 5 September 2017, in accordance with section 98(6) of the Act.</p>
<p>24 Meeting procedures (a local law governing the conduct of meetings of Council and special committees)</p>	<p>Meeting procedures local law, was made in accordance with section 91(1) of the Act, and adopted by Council on 20 December 2011.</p>

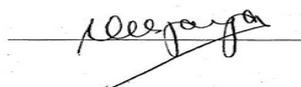
I certify that this information presents fairly the status of Council's governance and management arrangements.



Cr Misha Coleman

Mayor

Dated: 15 September 2020



Vijaya Vaidyanath

Chief Executive Officer

Dated: 15 September 2020

Statutory information

Carer support

Under section 11 of the *Carers Recognition Act 2012*, Council is required to provide information on its recognition and support of carers in its Annual Report.

Council provides paid carers' leave and offers flexible working arrangements for employees with caring responsibilities, guided by a Flexible Working Policy.

Community members with carer responsibilities are also supported through Council's Aged and Disability Services branch.

During 2019/20 this included:

- ongoing advocacy through regular catch ups with the National Disability Insurance Scheme Brotherhood of St Laurence Manager Local Area Coordinator and MetroAccess Officer
- discussions around identified needs and issues experienced by carers and people with a disability. For example, the need for a direct point of contact was met by placing outreach services each fortnight at two neighbourhood houses. Another is the need for assistance with plans and knowledge of the scheme, which was met by having an outreach services presence at St Mary's House of Welcome
- provision of a dedicated community bus service to help 20 carers manage their daily living needs. The bus service employs jockeys to assist vulnerable people to attend therapeutic activities, such as hydrotherapy (1,100 hours of support provided)
- roll out and promotion of a new respite care service for the LGBTIQ+ community in Yarra and neighbouring cities. The new service can deliver up to 20 hours per year of flexible respite care to approximately 40 people. Extensive consultation was undertaken with the LGBTIQ+ community, friends and allies, as well as LGBTIQ+ organisations, businesses, services and groups in Yarra.

Disability Action Plan

The following information is provided on the work completed on the implementation of Council's Access and Inclusion Strategy 2018-24 (Disability Action Plan), as required under section 38(3) of the *Disability Discrimination Act 2006*:

The Access and Inclusion Strategy 2018-24 and Action Plan 2018-20 were endorsed by Council on 16 October 2018, after widespread consultation with the community and key service providers. Consultation was undertaken via focus groups, an online survey and internal consultation. Four overarching themes emerged: freedom, life experiences, knowledge and independence.

Key achievements

Eighteen business units were involved in carrying out one or more of the plan's actions, with 83% of actions completed or ongoing. Some achievements include:

- the adoption of universal design principles within several strategies
- enhancements to Yarra's public places, including accessibility improvements to Council buildings, ensuring level pedestrian crossings, and advocating to increase the number of accessible tram stops in Yarra
- actions in Council's arts and culture programs to improve the accessibility of events and festivals
- employment initiatives, including traineeships, internships and the planning of paid work experience due to funding from the Municipal Association Victoria
- continued support and resourcing of the Disability Advisory Committee, which plays an important advisory role in supporting the plan.

Disability Advisory Committee (DAC)

The Disability Advisory Committee (DAC) comprises both carers and people with a disability. Its membership was renewed during the year, with several more community members appointed, resulting in a broader age range of members. This enabled specific interest or issue-based information sessions to be delivered to members on several topics, for example navigating the National Disability Insurance Scheme (NDIS), and advocacy.

The DAC provided advice to Council officers and external parties on a broad range of issues through presentations and discussions at DAC meetings. DAC's advice is well regarded and influential in shaping actions to ensure accessibility is included in all decision-making.

The following list demonstrates the breadth of consultation with the DAC:

- strategy reviews (including urban agriculture, community engagement, social and affordable housing, economic development, arts and culture and open space)
- program and policy reviews (including universal design principles and priority of access for children's services)
- capital works and operational improvements, including:
 - advice to VicRoads on the Walmer Street bridge design
 - update on street improvements and accessible parking bays program
 - community transport service program changes
 - review of Public Toilet Strategy, including priority locations for toilets.
- municipal emergency management – membership and representation of people with disability
- upgrade of Richmond Town Hall entrance and former police station precinct
- advocacy, including:
 - National Disability Insurance Scheme (NDIS)
 - State Disability Action Plan
 - taxi industry reform
 - Car Share Policy – inclusion of accessible cars with fleet
 - national aged care reforms
 - PTV tram Route 96 and accessible tram stops
 - advice and feedback on COVID-19.

Domestic Animal Management Plan

Under section 68(A) 3(c) of the *Domestic Animals Act 1994*, Council is required to provide an update on implementation of its Domestic Animal Management Plan in the Annual Report.

Council continued to fulfil its ongoing commitments as outlined in the Domestic Animal Management Plan by:

- offering and promoting discounted registration fees on Council's website and on the registration renewal form. Council's customer service team also advises customers of the discount over the phone, particularly during renewal time. From February each year, Council also offers three months' free registration for all new registrations, which is given via a 15-month expiry date. In addition, all cats and dogs under the age of six months are registered free for the remaining part of their first year of registration
- raising awareness of animal overpopulation by conducting authorised officer patrols. Council also provides information to help reduce the number of stray cats and other animals being a nuisance. Council has raised the issue of a cat curfew and will explore this further in 2021
- collecting and reuniting stray domestic animals with their owners and achieving a relatively high reclaim rate
- ensuring all seized and impounded animals are registered to their owner prior to release. This data was recorded monthly in the government reporting system and targets were met quarterly
- conducting regular reviews of the pound operation and performance, and meeting with pound operators to address any issues. A new pound contract was negotiated after a formal procurement process
- reviewing the Domestic Animal Management Plan, which was submitted to the Secretary of the Department of Jobs, Precincts and Regions in November 2019. Council also internally reviewed the Council Order and its standard operating procedures
- completing an annual audit of registered domestic animal businesses as per the yearly schedule.
- investigating and responding to all animal complaints, including those related to barking dogs and dog attacks, within the internal key performance indicator timeframe, and provided results for government reporting
- completing annual inspections of declared dangerous, menacing and restricted breed dogs within Yarra as scheduled. Council also completed an audit of the Victorian Declared Dog Registry in June 2020
- running in-house training for officers to ensure that necessary skills are maintained. Officers attended industry-based training throughout the year to ensure they can properly administer and enforce the requirements of the *Domestic Animals Act 1994*, and further formal training is scheduled to be completed late 2020
- promoting and encouraging the responsible ownership of dogs and cats throughout the year with a direct focus during the registration renewal period. Promotion included media releases and regular park patrols to encourage the registration and identification of dogs and cats. Park-specific webpages were updated with information about dog restrictions. Council has started a comprehensive review of this information on its website to make it clearer, consistent and user friendly

- delivering flyers to residents near parks advising of the requirement to carry bags for their dog faeces at all times and the penalties for not cleaning up after dogs. A section on 'Petiquette' was included in an article in *Yarra News*, which is distributed to all residences and businesses in Yarra
- conducting daily park patrols to let owners know about their responsibilities and the associated regulations to promote compliance with the Act and minimise the risk of dogs attacking other dogs, people or animals. Parks were prioritised for patrols based on any identified issues, risks, complaints and usage levels. All parks within Yarra were patrolled at some stage throughout the year. Yarra's *Important Information for Dog Owners* booklets were also distributed during patrols.

Freedom of Information

Council is committed to making a wide range of policy, reports, data, research and other documents available to residents without the need to lodge a formal request under the *Freedom of Information Act 1982*.

Where the law requires that applications are required, Council will strive to provide all information to which applicants are entitled, while preserving the privacy of third parties.

During 2019/20, 71 Freedom of Information applications were received, a small decrease on recent years. While the *Freedom of Information Act 1982* provides Council with 30 days to respond, we were able to respond to most requests within 14 to 21 days.

Freedom of information requests 2015-20

Year	Number of requests
2019/20	71
2018/19	87
2017/18	84
2016/17	83
2015/16	73

Freedom of information – application outcomes 2019/20

Outcome	Number of requests
Access fully granted	28
Access partially granted	30
Access refused	4
No documents to provide	7
Withdrawn or not proceeded with	2
Total	71

Ministerial Directions – Food Act 1984

Under section 7E of the *Food Act 1984*, Council is required to detail any Ministerial Directions it has received in relation to its administration of this Act.

Council did not receive any Ministerial Directions during the reporting period.

Ministerial Directions – Road Management Act 2004

Under section 22(4) of the *Road Management Act 1984*, Council is required to detail any Ministerial Directions it has received in relation to its administration of this Act.

Council did not receive any Ministerial Directions during the reporting period.

Non-competitive contracts

Council did not enter into any contracts without engaging in a competitive process as required by section 186 of the *Local Government Act 1989*.

Public register

Council is committed to operating in an open and transparent manner. To this end, it makes a range of information available for public inspection.

Council's Register of Public Documents includes the following information:

- details of overseas or interstate travel
- agendas and minutes of Council meetings
- minutes of special committee meetings
- a register of delegations
- details of property leases
- register of authorised officers
- a list of donations and grants.

Enquiries about the Register of Public Documents should be made to Council's Governance Support Unit at Richmond Town Hall.

Protected disclosures

Council employees have the right to report alleged unethical practices within the organisation without fear of repercussion.

Reports of this kind are treated in accordance with the *Protected Disclosure Act 2012* and Council's Protected Disclosures Policy, which is available on its website or via the Governance Support Unit at Richmond Town Hall.

During 2019/20, no Protected Disclosures were notified to the Independent Broad-based Anti-corruption Commission (IBAC) under section 21(2) of the *Protected Disclosure Act 2012*.

For further details contact Ivan Gilbert, Protected Disclosure Coordinator, on 9205 5110 or email Ivan.Gilbert@yarracity.vic.gov.au.

Special committees

The following special committees were in operation during 2019/20.

Internal Development Approvals Committee

All councillors are members of the Internal Development Approvals Committee, with three councillors making up each meeting on a rotational basis. This special committee has the authority to make decisions on applications for planning permits that are referred to it by Council officers.

The Internal Development Approvals Committee met 20 times during 2019/20 and made determinations on 59 separate planning matters.

Inner Melbourne Action Plan (IMAP) Implementation Committee

The Inner Melbourne Action Plan Implementation Committee is a joint committee of Maribyrnong, Melbourne, Port Phillip, Stonnington and Yarra councils. The committee meets quarterly to oversee implementation of the Inner Melbourne Action Plan 2016-26.

In 2019/20, the committee oversaw the following projects:

- inner Melbourne cycling network infrastructure model
- regional active sport and recreation facilities planning study
- two affordable housing research projects
- IMAP governance review
- Wayfound Victoria: Wayfinding Guidelines v2.0
- IMAP regional tourism map
- Social and Economic Indicators Dashboard
- IMAP Urban Forest Plan
- environmentally sustainable design fact sheets
- a street count of people sleeping rough in inner Melbourne.

More information about the committee can be found at imap.vic.gov.au.

Annual Financial Report

For the year ended 30 June 2020

Yarra City Council

Financial Report

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Financial Report
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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.



Mark Montague CA
CFO and Principal Accounting Officer
15 September 2020
Richmond

In our opinion the accompanying financial statements present fairly the financial transactions of Yarra City Council for the year ended 30 June 2020 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances that 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 Misha Coleman
Mayor
15 September 2020
Richmond



Cr James Searle
Councillor
15 September 2020
Richmond



Vijaya Vaidyanath
Chief Executive Officer
15 September 2020
Richmond

Independent Auditor's Report

To the Councillors of Yarra City Council

Opinion	<p>I have audited the financial report of Yarra City Council (the council) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2020• comprehensive income statement for the year then ended• statement of changes in equity for the year then ended• statement of cash flows for the year then ended• statement of capital works for the year then ended• notes to the financial statements, including significant accounting policies• certification of the financial report. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2020 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors's responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Auditor's responsibilities for the audit of the financial report

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

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

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

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

MELBOURNE
18 September 2020



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Comprehensive Income Statement For the Year Ended 30 June 2020

	Note	2020 \$'000	2019 \$'000
Income			
Rates and charges	3.1	112,172	108,491
Statutory fees and fines	3.2	28,052	31,420
User fees	3.3	27,047	30,346
Grants - operating	3.4 (a)	14,219	12,849
Grants - capital	3.4 (b)	5,831	21,622
Contributions - monetary	3.5	8,148	7,151
Contributions - non monetary	3.5	-	2,250
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	1,613	(10,996)
Share of net profits (or loss) of associates and joint ventures	6.3	(230)	-
Other income	3.7	3,052	4,221
Total income		199,904	207,354
Expenses			
Employee costs	4.1	90,001	83,810
Materials and services	4.2	66,957	66,908
Depreciation	4.3	22,563	22,309
Amortisation - right of use assets	4.4	965	-
Bad and doubtful debts	4.5	5,338	5,709
Borrowing costs	4.6	1,922	2,181
Finance costs - leases	4.7	165	-
Other expenses	4.8	590	515
Total expenses		188,501	181,432
Surplus/(deficit) for the year		11,403	25,922
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	6.2	(59,223)	82,885
Total comprehensive result		(47,820)	108,807

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

Balance Sheet As at 30 June 2020

	Note	2020 \$'000	2019 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1 (a)	94,738	87,653
Trade and other receivables	5.1 (b)	21,621	14,797
Inventories	5.2 (a)	165	129
Other assets	5.2 (b)	1,095	620
Total current assets		117,619	103,199
Non-current assets			
Investments in associates, joint arrangements and subsidiaries	6.3	5	235
Property, infrastructure, plant and equipment	6.2	1,930,850	1,984,061
Right-of-use assets	5.8	2,307	-
Total non-current assets		1,933,162	1,984,296
Total assets		2,050,781	2,087,495
Liabilities			
Current liabilities			
Trade and other payables	5.3 (a)	15,390	9,733
Trust funds and deposits	5.3 (b)	12,303	12,454
Unearned income	5.3 (c)	2,365	-
Provisions	5.5 (a)	15,520	13,158
Interest-bearing liabilities	5.4 (a)	1,270	1,218
Lease liabilities	5.8	851	-
Total current liabilities		47,699	36,563
Non-current liabilities			
Trade and other payables	5.3 (a)	2,645	2,955
Other Liabilities	5.3 (b)	374	237
Provisions	5.5 (a)	1,267	1,393
Interest-bearing liabilities	5.4 (b)	41,203	42,473
Lease liabilities	5.8	1,539	-
Total non-current liabilities		47,028	47,058
Total liabilities		94,727	83,621
Net assets		1,956,054	2,003,874
Equity			
Accumulated surplus		670,892	666,456
Reserves	9.1	1,285,162	1,337,418
Total Equity		1,956,054	2,003,874

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

Statement of Changes in Equity For the Year Ended 30 June 2020

2020	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		2,003,874	666,456	1,329,540	7,878
Surplus/(deficit) for the year		11,403	11,403	-	-
Net asset revaluation increment/(decrement)	6.2	(59,223)	-	(59,223)	-
Transfers to other reserves	9.1	-	(7,558)	-	7,558
Transfers from other reserves	9.1	-	591	-	(591)
		1,956,054	670,892	1,270,317	14,845
Balance at end of the financial year		1,956,054	670,892	1,270,317	14,845

2019		Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		1,895,287	624,716	1,246,875	23,696
Surplus/(deficit) for the year		25,922	25,922	-	-
Net asset revaluation increment/(decrement)	6.2	82,885	-	82,885	-
Transfers to other reserves	9.1	(20,320)	(6,344)	(220)	(13,756)
Transfers from other reserves	9.1	20,100	22,162	-	(2,062)
		2,003,874	666,456	1,329,540	7,878
Balance at end of the financial year		2,003,874	666,456	1,329,540	7,878

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

Statement of Cash Flows For the Year Ended 30 June 2020

	Note	2020 Inflows/ (Outflows) \$'000	2019 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		107,906	108,315
Statutory fees and fines		27,170	32,264
User fees		27,465	33,670
Grants - operating		14,219	12,849
Grants - capital		6,414	23,373
Contributions - monetary		8,148	7,151
Interest received		1,127	1,504
Trust funds and deposits taken		3,169	3,799
Other receipts		4,644	2,993
Net GST refund/payment		3,054	3,843
Employee costs		(87,765)	(83,866)
Materials and services		(73,851)	(77,751)
Trust funds and deposits repaid		(3,478)	(2,454)
Net cash provided by/(used in) operating activities	9.2	<u>38,222</u>	<u>65,690</u>
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.2	(29,196)	(26,319)
Proceeds from sale of property, infrastructure, plant and equipment	3.6	2,246	553
Net cash provided by/(used in) investing activities		<u>(26,950)</u>	<u>(25,766)</u>
Cash flows from financing activities			
Finance costs		(1,922)	(2,181)
Repayment of borrowings		(1,217)	(1,176)
Interest paid - lease liability		(165)	-
Repayment of lease liabilities		(883)	-
Net cash provided by/(used in) financing activities		<u>(4,187)</u>	<u>(3,357)</u>
Net increase (decrease) in cash and cash equivalents		7,085	36,567
Cash and cash equivalents at the beginning of the financial year		87,653	51,086
Cash and cash equivalents at the end of the financial year	5.1	<u>94,738</u>	<u>87,653</u>

Statement of Capital Works For the Year Ended 30 June 2020

	2020 \$'000	2019 \$'000
Property		
Buildings	8,088	6,263
Total buildings	8,088	6,263
Total property	8,088	6,263
Plant and equipment		
Plant, machinery and equipment	1,255	2,369
Computers and telecommunications	2,129	1,752
Library books	700	611
Total plant and equipment	4,084	4,732
Infrastructure		
Roads	5,831	5,547
Bridges	75	27
Footpaths and cycleways	3,077	2,225
Drainage	1,683	2,310
Recreational, leisure and community facilities	-	79
Waste management	70	67
Parks, open space and streetscapes	3,606	3,517
Other infrastructure	2,709	1,552
Total infrastructure	17,051	15,324
Total capital works expenditure	29,223	26,319
Represented by:		
New asset expenditure	1,999	1,556
Asset renewal expenditure	22,764	21,446
Asset upgrade expenditure	4,460	3,317
Total capital works expenditure	29,223	26,319

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

Notes to the Financial Report for the Year Ended 30 June 2020

OVERVIEW

Introduction

The City of Yarra was established by an Order of the Governor in Council on 22 June 1994 and is a body corporate. The Council's main office is located at 333 Bridge Road Richmond.

Statement of compliance

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

COVID-19 Impacts on Council

The COVID-19 pandemic has had a significant impact on our residents, businesses and organisations. In response to such impacts, Council has undertaken a number of measures to provide a heightened level of assistance and support for our local community. This has included the review and Council endorsement of a revised financial hardship policy, providing for greater levels of support through deferrals, on application, for rate payments and fees and charges that will enhance Council's support of our local community through the pandemic.

In line with State Government restrictions, Council was required to close its recreation and leisure facilities during the course of the year, and also other public facilities including libraries, halls and golf courses. Whilst Council did its best to reduce operating costs associated with these facilities during the closure period, such services are substantially funded from fee paying clients and as such Council's revenue and operating performance was significantly impacted compared to originally budgeted expectations. Council's financial performance was also impacted by reduced parking and infringement income, stemming from a reduction in traffic flow through the municipality, and the relaxation of parking restrictions to ensure our community had appropriate access to essential services. Such impacts are expected to continue through the recovery phase, and accordingly have been factored into our 2020/21 budget and beyond.

Despite these challenges, Council has been able to continue providing the majority of its integral services to the community, including waste and recycling and a range of community services that take on new importance during these challenging times.

Through the 2019/20 financial statements we have made reference to the financial implications of the COVID-19 pandemic with additional disclosure where appropriate (refer to Note 1, Note 3.2, Note 3.3, Note 5.1, Note 6.2 and Note 8.5).

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 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee 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

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 (except where transitional requirements of *AASB 15 Revenue from Contracts with Customers*, *AASB 16 Leases* and *AASB 1058 Income of Not-for-Profit Entities* do not require restatement of comparatives under the modified retrospective approach adopted by the Council), and disclosure has been made of any material changes to comparatives.

Notes to the Financial Report for the Year Ended 30 June 2020

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 lower of 10% or \$250K where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures are those adopted by Council on 25 June 2019. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

1.1 Income and expenditure

	Budget 2019/20 \$'000	Actual 2019/20 \$'000	Variance \$'000 Fav/(Unfav)	Variance % Fav/(Unfav)	Ref
Income					
Rates and charges	112,465	112,172	(293)	(0.26%)	1.1
Statutory fees and fines	32,935	28,052	(4,883)	(14.83%)	1.2
User fees	32,330	27,047	(5,283)	(16.34%)	1.3
Grants - operating	12,541	14,219	1,678	13.38%	1.4
Grants - capital	2,432	5,831	3,399	139.77%	1.5
Contributions - monetary	4,300	8,148	3,848	89.48%	1.6
Contributions - non monetary	397	-	(397)	(100.00%)	1.7
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	180	1,613	1,433	795.88%	1.8
Share of net profits (or loss) of associates and joint ventures	-	(230)	(230)	100.00%	
Other income	3,091	3,052	(39)	(1.25%)	
Total income	200,671	199,904	(767)	(0.38%)	
Expenses					
Employee costs	87,115	90,001	(2,886)	(3.31%)	1.9
Materials and services	73,303	66,957	6,346	8.66%	1.10
Depreciation	22,800	22,563	237	1.04%	
Amortisation - Right of use assets	-	965	(965)	(100.00%)	1.11
Bad and doubtful debts	4,000	5,338	(1,338)	(33.44%)	1.12
Borrowing costs	2,035	1,922	113	5.57%	
Finance costs - Leases	-	165	(165)	(100.00%)	
Other expenses	-	590	(590)	(100.00%)	1.13
Total expenses	189,253	188,501	752	0.40%	
Surplus/(deficit) for the year	11,418	11,403	(15)	(100.00%)	

Notes to the Financial Report for the Year Ended 30 June 2020

Note 1 Performance against budget (Cont'd)

1.1 Income and expenditure (Cont'd)

(i) Explanation of material variations

Ref	Item	Explanation
1.1	Rates and charges	Rates and charges are unfavourable to budget by \$0.29M (0.26%), mainly due to pensioner rebates being higher than budgeted.
1.2	Statutory fees and fines	Parking Revenue was unfavourable to budget by \$4.88M (14.83%) due to a decline in parking activity as a result of the COVID-19 pandemic. There was lower income received for parking meters and a reduction in the number of infringements issued.
1.3	User fees	User Fees were unfavourable to budget by \$5.28M (16.34%) due to reduced fee income from recreation and leisure (including Burnley Golf Course and Collingwood Estate Gym), which is a result of facility closures in response to the COVID-19 pandemic. In addition to this there has been a decline in income for Construction Management occupation permits and in property due to the vacancy in the bottom level of 345 Bridge Rd. The unfavourable result also includes the refunds for business and street trading permits as part of the Yarra's COVID-19 community and economic stimulus package.
1.4	Grants - operating	Operating Grants were favourable to budget by \$1.67M (13.38%) mainly due to an unbudgeted grant received for waste minimisation and an earlier grant received for the Edinburgh Gardens stormwater harvesting project.
1.5	Grants - capital	Capital Grants were favourable to budget by \$3.39M mainly due to early receipt of grant income for Jack Dyer Pavilion - Citizens Park project. Unbudgeted grants were also received for Cambridge street and Otter/Smith street open space projects as well as grants received in traffic and civil engineering relating to Stage 2 of Wellington Street, which has been used to fund Wellington Street bike lanes capital works.
1.6	Contributions - monetary	Monetary contributions were favourable to budget by \$3.8M (89.4%) due to higher than expected open space contributions for development projects received during the year. These funds are committed to be spent on eligible open space projects.
1.7	Contributions - non monetary	Non Monetary contributions unfavourable to budget by \$0.39M as there were no non monetary contributions received in 2019/20.
1.8	Net gain (loss) on disposal of non current assets	Net gain on disposal of non current assets were \$1.43M favourable mainly due to unbudgeted sales proceeds from discontinued roads.
1.9	Employee costs	Employee costs were unfavourable to budget by \$2.88M (3.3%) due to an increase in provision for annual leave and long service leave.
1.10	Materials and services	Materials and services costs were favourable to budget by \$6.4M (8.7%) due to a reduction in consultancy and legal costs associated with the impact of the COVID-19 pandemic and an inability to progress a number of pieces of work due to restrictions in place. Part of this favourable variance relating to lease payments offsets against the unfavourable variance relating to amortisation of right of use assets.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 1 Performance against budget (Cont'd)

1.1 Income and expenditure (Cont'd)

Ref	Item	Explanation
1.11	Amortisation - Right of use assets	Amortisation- Right of use assets were unfavourable to budget by \$0.96M due to the introduction of a change in accounting treatment for Council's operating leases. The variance offsets against the materials and services line where operating lease costs are favourable to budget.
1.12	Bad and doubtful debts	Bad and doubtful debts were unfavourable to budget by \$1.34M (33.3%). A \$1M variance arises from a higher doubtful debts percentage being applied to parking infringements compared to budget arising as a result of ongoing systems issues at Fines Victoria. The remaining variance relates to an unbudgeted doubtful debts provision for other debtors.
1.13	Other expenses	Other expenses variance to budget offsets some of the favourable variance on the material and services line.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 1 Performance against budget (Cont'd)

1.2 Capital works

	Adjusted Budget*	Actual	Variance	Variance	Ref
	2019/20	2019/20	\$'000	%	
	\$'000	\$'000	Fav/(Unfav)	Fav/(Unfav)	
Buildings	12,485	8,088	(4,397)	(35.22%)	1
Total buildings	12,485	8,088	(4,397)	(35.22%)	
Total property	12,485	8,088	(4,397)	(35.22%)	
Plant and equipment					
Plant, machinery and equipment	2,153	1,255	(898)	(41.71%)	2
Computers and telecommunications	2,704	2,129	(575)	(21.26%)	3
Library books	690	700	10	1.47%	
Total plant and equipment	5,547	4,084	(1,463)	(26.37%)	
Infrastructure					
Roads	7,000	5,831	(1,169)	(16.70%)	4
Bridges	93	75	(18)	(19.49%)	5
Footpaths and cycleways	3,440	3,077	(363)	(10.55%)	6
Drainage	1,637	1,683	46	2.83%	
Waste management	70	70	-	0.00%	
Parks, open space and streetscapes	4,000	3,606	(394)	(9.84%)	7
Other infrastructure	2,987	2,709	(278)	(9.30%)	8
Total infrastructure	19,227	17,051	(2,176)	(11.32%)	
Total capital works expenditure	37,259	29,223	(8,036)	(21.57%)	
Represented by:					
New asset expenditure	1,554	1,999	445	28.63%	
Asset renewal expenditure	26,821	22,764	(4,057)	(15.13%)	
Asset upgrade expenditure	8,884	4,460	(4,424)	(49.79%)	
Total capital works expenditure	37,259	29,223	(8,036)	(21.57%)	

* the adjusted budget includes the carry forward from the previous year.

1.2 Capital works (Cont'd)

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Buildings	Buildings are \$4.3m (35.2%) below budget due to \$1.66m deferral of Ryan's Reserve Tennis/Pavilion project and number of other building projects (\$2.7m) being carried forward to 2020/21.
2	Plant, machinery and equipment	Plant, machinery and equipment is \$0.89m (41.7%) under budget mainly due to a carry forward amount for the purchase of trucks. Replacement trucks will be delivered in 2020/21.
3	Computers and telecommunications	Computers and telecommunications are \$0.57m (21.2%) below budget due to deferred expenditure for several information systems projects carried over to 2020/21.
4	Roads	Roads assets are \$1.16m (16.7%) below budget mainly due to a number of Traffic LAPM projects (\$0.88m) being carry forward to 2020/21 or deferred to subsequent years.
5	Bridges	Bridges are slightly under budget by \$18k (19.5%) due to project savings.
6	Footpaths and cycleways	Footpath/cycle assets are \$0.36m (10.5%) below budget mainly due to project carry overs as well as some savings on project costs.
7	Parks, open space and streetscapes	Parks, open space and streetscapes are \$0.39m (9.8%) under budget due to a number of playground projects at Gahans Reserve and Alphington park being carried forward to 2020/21.
8	Other infrastructure	Other Infrastructure is \$0.28m (9.3%) under budget due to works associated with Swan Street and Bridge Road Activity Centres being carried over to 2020/21.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 2 Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2 (a) Corporate, Business and Finance

The Corporate, Business and Finance division provides efficient, effective and proactive support services across council to enable the delivery of policy commitments, council vision and mission. The provision of these services includes financial services, digital information and technology, property and procurement, strategy and program delivery and program integration and development.

Planning and Placemaking

The Planning and Placemaking division includes the assessment of city development, health and local laws, planning strategy and urban growth.

Community Wellbeing

The Community Wellbeing division provides high quality community focused programs, service delivery and communication to residents. Community Wellbeing is comprised of community care, connected communities, family services, health communities and social planning and investment.

City Works and Assets

The City Works and Assets Division is responsible for asset management, maintenance and provision of a range of assets that contribute to liveability, including buildings, civil infrastructure such as drains, roads and footpaths, sporting facilities, gardens and trees. It also support the local amenity through services such as waste collection, recycling service, and street cleansing. The Division ensures safety and amenity related to development within Yarra, and seeks to manage traffic and the impact of works from external authorities. The Division also support health and wellbeing through the management of Councils Recreation and Leisure services.

Chief Executive Division

The Chief Executive Officer Division supports the provision of a range of professional services to internal and external customers, with an emphasis on Governance related issues. It is also responsible for managing Council's property portfolio including leases, licenses and management agreements. The CEO's division also includes the People & Culture branch, responsible for people management and development across Council, as well as also managing health, safety and risk.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 2 Analysis of Council results by program (Cont'd)

2 (b) Summary of revenues, expenses, assets and capital expenses by program

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2020					
Corporate Business and Finance	149,977	59,967	90,010	2,695	197,887
Planning and Placemaking	13,861	16,252	(2,391)	2,016	945
Community Wellbeing	14,717	37,677	(22,960)	10,610	2,552
City Works and Assets	20,166	62,455	(42,289)	4,681	1,841,045
Chief Executive Division	1,183	12,150	(10,967)	48	8,352
Unattributed	-	-	-	-	-
	199,904	188,501	11,403	20,050	2,050,781

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2019					
Corporate Business and Finance	165,521	71,736	93,785	19,907	178,150
Planning and Placemaking	13,047	14,429	(1,382)	870	1,778
Community Wellbeing	14,771	34,182	(19,411)	10,147	133,751
City Works and Assets	23,987	58,476	(34,489)	3,547	1,596,416
Chief Executive Division	1,818	14,399	(12,581)	-	177,400
Unattributed	-	-	-	-	-
	219,144	193,222	25,922	34,471	2,087,495

Notes to the Financial Report for the Year Ended 30 June 2020

Note 3 Funding for the delivery of our services

3.1 Rates and charges

Council uses Net Annual Value as the basis of valuation of all properties within the municipal district. The NAV of a property is its imputed rental value.

The valuation base used to calculate general rates for 2019/20 was \$2,783 million (2018/19 \$3,042 million) with the decrease in the rate base resulting the annual general revaluation of land for rating.

The 2019/20 rate in the NAV dollar was 3.9952436 cents. The 2018/19 rate in the NAV dollar was 3.5309992 cents.

	2020	2019
	\$'000	\$'000
General rates	81,363	79,864
Commercial	22,419	20,203
Industrial	6,977	7,092
Supplementary rates and rate adjustments	929	824
Garbage bin charges	49	51
Interest on rates and charges	435	457
Total rates and charges	<u>112,172</u>	<u>108,491</u>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2020, and the valuation will be first applied in the rating year commencing 1 July 2020. Revaluations will be performed annually in accordance with updated Valuation legislation.

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

	2020	2019
	\$'000	\$'000
Infringements and costs*	12,656	15,139
Court recoveries	3,525	3,328
Fees - parking meters/ticket machines*	9,992	11,121
Permits	1,879	1,832
Total statutory fees and fines	<u>28,052</u>	<u>31,420</u>

Some parking meter and ticket machine income has been reclassified in the comparative period.

*Statutory fees and fines income declined during the year due to a reduction in parking and parking infringement income as a result of reduced traffic flow through the municipality and the relaxing of parking restrictions to ensure the community could appropriately access essential services throughout the COVID-19 pandemic.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 3 Funding for the delivery of our services (Cont'd)	2020 \$'000	2019 \$'000
3.3 User fees		
Leisure centres and golf course fees*	7,779	10,119
Child care/children's program fees	2,841	2,729
Town planning fees	4,022	3,275
Registration fees	1,533	1,478
Pre schools	179	176
Aged services fees	200	203
Road occupation permit fees	4,113	4,793
Library fees and fines	59	125
Footpath advertising & display	742	704
Building services fees	213	214
Valuation fees/supplementary charges	188	436
Kerb market fees	199	242
Land information certificates	125	166
Local laws fines	771	966
Rent	1,258	1,753
Permits - Bins and Skips	226	228
After School Program	156	176
Vacation Care Program	17	(51)
Report and Consent Fees	180	186
Road and Drainage Inspection Fees	900	844
Hall hire	185	437
Asset Protection Permits	238	206
Occupation area permit fees	267	320
Other fees and charges	656	621
Total user fees	27,047	30,346

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.

*Leisure centre and golf course fee income has declined during the year as a result of a number of Council run leisure and recreation facilities closing in accordance with State Government lockdown measures to address the COVID-19 pandemic.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 3 Funding for the delivery of our services (Cont'd)

3.4 Funding from other levels of government	2020	2019
Grants were received in respect of the following :	\$'000	\$'000
Summary of grants		
Commonwealth funded grants	10,171	8,909
State funded grants	9,879	25,562
Total grants received	20,050	34,471
(a) Operating Grants	2020	2019
Recurrent - Commonwealth Government	\$'000	\$'000
Financial Assistance Grants - general purpose	2,078	2,070
Family & Child Services	4,850	4,982
Aged care Services	2,262	1,559
Other	40	7
Recurrent - State Government		
Aged care Services	812	1,997
School crossing supervisors	321	308
Library	710	693
Maternal and child health	812	470
Family & Child Services	721	-
Community safety	122	93
Other	19	70
Total recurrent operating grants	12,747	12,249
Non-recurrent - Commonwealth Government		
Environmental planning	1,019	282
Non-recurrent - State Government		
Community health	-	80
Family and children	160	240
Other	293	(2)
Total non-recurrent operating grants	1,472	600
Total Operating Grants	14,219	12,849
(b) Capital Grants	2020	2019
Recurrent - Commonwealth Government	\$'000	\$'000
Roads to recovery	259	161
Recurrent - State Government		
Local Roads	418	388
Road Safety	-	355
Total recurrent capital grants	677	904
Non-recurrent - Commonwealth Government		
Roads - Black Spot funding	683	22
Other	-	108
Non-recurrent - State Government		
Buildings	2,158	19,645
Roads	915	-
Open Space	1,245	-
Other	153	943
Total non-recurrent capital grants	5,154	20,718
Total Capital Grants	5,831	21,622
Total Grants	20,050	34,471

Notes to the Financial Report for the Year Ended 30 June 2020

Note 3 Funding for the delivery of our services (Cont'd)

3.4 Funding from other levels of government (Cont'd)

	2020	2019
	\$'000	\$'000
(c) Unspent grants received on condition that they be spent in a specific manner		
Balance at start of year	21,063	1,236
Received during the financial year and remained unspent at balance date	3,926	21,063
Received in prior years and spent during the financial year	(4,350)	(1,236)
Balance at year end	<u>20,639</u>	<u>21,063</u>

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

3.5 Contributions

	2020	2019
	\$'000	\$'000
(a) Monetary		
Resort and recreation fees*	7,558	6,344
Road maintenance/works (other)	168	535
Open space and planning	120	-
Park rental	74	220
Other	228	52
Total contributions	<u>8,148</u>	<u>7,151</u>
	2020	2019
	\$'000	\$'000
(b) Non-monetary		
Land	-	2,250
Total contributions	<u>8,148</u>	<u>9,401</u>

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

*Resort and recreation fees received during the year and not spent are transferred to reserves pursuant to section 18 of the Subdivision Act 1988, (Resort and Recreation Reserve) (Note 9.1).

3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

	2020	2019
	\$'000	\$'000
Plant & Equipment		
Proceeds from sale of assets	177	373
Written down value of assets sold/disposed	(633)	(11,549)
Profit/(loss) on sale/disposal of property, plant and equipment	<u>(456)</u>	<u>(11,176)</u>
Discontinued Roads		
Proceeds from sale of assets	2,069	180
Written down value of assets sold/disposed	-	-
Profit/(loss) on sale/disposal of discontinued roads	<u>2,069</u>	<u>180</u>
Summary		
Proceeds from sale of assets	2,246	553
Written down value of assets sold/disposed	(633)	(11,549)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	<u>1,613</u>	<u>(10,996)</u>

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

Notes to the Financial Report for the Year Ended 30 June 2020

Note 3 Funding for the delivery of our services (Cont'd)

	2020	2019
	\$'000	\$'000
3.7 Other income		
Interest	1,127	1,504
Victorian Electoral Commission fines	18	18
Hall Hire	63	100
Waste Management	127	152
Venues and events	52	127
Strategic Planning	116	51
Early Years Unit	-	420
Disadvantaged Accessibility	-	108
Leisure Services	46	87
Valuations	406	130
Reimbursements Road Reinstatements	88	335
Reimbursements Legal Fees	110	178
Reimbursements Recycling	3	76
Reimbursements Open space planning	18	156
Reimbursements Planning development	150	280
Other	728	499
Total other income	3,052	4,221

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.

Note 4 The cost of delivering services

	2020	2019
	\$'000	\$'000
4.1 (a) Employee costs		
Wages and salaries	64,875	59,751
WorkCover	364	332
Casual staff	6,013	5,788
Superannuation	6,887	6,503
Fringe benefits tax	215	105
Agency staff (external)	3,792	5,292
Other	7,855	6,039
Total employee costs	90,001	83,810

(b) Superannuation

Council made contributions to the following funds:

	2020	2019
	\$'000	\$'000
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	368	428
	368	428
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,186	3,164
Employer contributions - other funds	3,333	2,910
	6,519	6,074

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

Notes to the Financial Report for the Year Ended 30 June 2020

Note 4 The cost of delivering services (Cont'd)

4.2 Materials and services	2020	2019
	\$'000	\$'000
Materials and services	22,694	22,371
Aged services contract payments	1,401	1,767
Waste services contract payments	4,363	4,122
Open space contract payments	2,847	2,713
Recycling contract payments	3,480	2,555
Bushland tree maintenance contract payments	1,451	1,477
Street cleaning services contract payments	3,076	2,865
Other contract payments	7,977	5,912
Legal settlement costs	79	3,538
Building maintenance	3,800	4,591
General maintenance	5,359	4,287
Utilities	3,533	3,435
Information technology	2,916	3,131
Insurance	1,372	1,862
Consultants	2,610	2,282
Total materials and services	66,958	66,908

4.3 Depreciation	2020	2019
	\$'000	\$'000
Property	2,780	2,795
Plant and equipment	5,356	5,401
Infrastructure	14,427	14,113
Total depreciation	22,563	22,309

Refer to note 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Amortisation - Right of use assets	2020	2019
	\$'000	\$'000
Equipment	965	-
Total Amortisation - Right of use assets	965	-

Notes to the Financial Report for the Year Ended 30 June 2020

Note 4 The cost of delivering services (Cont'd)

4.5 Bad and doubtful debts	2020	2019
	\$'000	\$'000
Parking infringement debtors	5,030	5,709
Other debtors	308	-
Total bad and doubtful debts	5,338	5,709

Movement in provisions for doubtful debts

Balance at the beginning of the year	32,641	26,965
New provisions recognised during the year	5,338	5,709
Amounts already provided for and written off as uncollectible	(45)	(33)
Balance at end of year	37,934	32,641

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.

4.6 Borrowing costs	2020	2019
	\$'000	\$'000
Interest - Borrowings	1,922	2,181
Total borrowing costs	1,922	2,181

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.

4.7 Finance Costs - Leases	2020	2019
	\$'000	\$'000
Interest - Lease Liabilities	165	-
Total finance costs	165	-

4.8 Other expenses	2020	2019
	\$'000	\$'000
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	76	69
Auditors' remuneration - Internal	198	140
Councillors' allowances	316	306
Total other expenses	590	515

Notes to the Financial Report for the Year Ended 30 June 2020

Note 5 Our financial position

5.1 Financial assets	2020	2019
(a) Cash and cash equivalents	\$'000	\$'000
Cash on hand	11,788	2,551
Cash at bank	10	11
Term deposits	82,940	85,091
Total cash and cash equivalents	94,738	87,653

Councils cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

Trust funds and deposits (Note 5.3)	12,677	12,691
Public open space / parking reserves (note 9.1b)	14,845	7,878
Total restricted funds	27,522	20,569
Total unrestricted cash and cash equivalents	67,216	67,084

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	7,067	6,105
- Capital Grant Funding	19,085	19,200
- Other Grant Carry Overs	931	3,000
Total funds subject to intended allocations	27,083	28,305

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

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.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 5 Our financial position (Cont'd)

5.1 Financial assets (Cont'd)

	2020	2019
(b) Trade and other receivables	\$'000	\$'000
Current		
Rates debtors*	9,826	5,561
Parking infringement debtors	42,615	36,745
Provision for doubtful debts - infringements	(36,866)	(31,881)
Non statutory receivables		
Other debtors	5,575	3,494
Provision for doubtful debts - other debtors	(1,068)	(760)
Workcover	-	9
GST recoverable from ATO	1,539	1,629
Total trade and other receivables	21,621	14,797

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.

*The balance of Rates debtors outstanding has increased compared to the comparative period as a result of the introduction of Council's COVID-19 hardship policy to provide additional assistance for those ratepayers experiencing financial hardship as a result of the COVID-19 pandemic. Under this policy, Council are providing increased payment flexibility to support cases of hardship.

(c) Ageing of Receivables	2020	2019
	\$'000	\$'000
The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:		
Past due by up to 30 days	2,980	2,970
Past due between 31 and 180 days	2,222	178
Past due between 181 and 365 days	1,839	11
Past due by more than 1 year	73	191
Total trade and other receivables	7,114	3,350

(d) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$37.9m (2019: \$32.6m) were impaired. The amount of the provision raised against these debtors was \$5.3m (2019: \$5.7m). 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.

	2020	2019
	\$'000	\$'000
The ageing of receivables that have been individually determined as impaired at reporting date was:		
Current (not yet due)	143	435
Past due by up to 30 days	54	529
Past due between 31 and 180 days	641	1,896
Past due between 181 and 365 days	669	2,849
Past due by more than 1 year	36,427	26,932
Total trade & other receivables	37,934	32,641

Notes to the Financial Report for the Year Ended 30 June 2020

Note 5 Our financial position (Cont'd)

5.2 Non-financial assets	2020	2019
(a) Inventories	\$'000	\$'000
Inventories held for distribution	165	129
Total inventories	165	129

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. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

(b) Other assets	2020	2019
	\$'000	\$'000
Prepayments	1,080	562
Accrued income	15	58
Total other assets	1,095	620

5.3 Payables

(a) Trade and other payables	2020	2019
Current	\$'000	\$'000
Trade payables	11,735	7,967
Superannuation	-	34
Accrued expenses	3,655	1,732
	15,390	9,733
Non-current		
Accrued Expenses	2,645	2,955
Total trade and other payables	18,035	12,688

(b) Trust funds and deposits

Current	2020	2019
	\$'000	\$'000
Drainage works deposits	30	30
Leased Properties	31	29
Refundable deposits	6,370	6,480
Fire services levy	5,461	5,563
Other refundable deposits	97	195
Income in advance	314	157
	12,303	12,454
Non-current		
Other Liabilities	374	237
Total trust funds and deposits	12,677	12,691

(c) Unearned income	2020	2019
	\$'000	\$'000
Grants received in advance - operating	2,166	-
Grants received in advance - capital	199	-
Total unearned income	2,365	-

In accordance with the introduction of new revenue recognition requirements under Australian Accounting Standards, Council has recorded revenue received during the year that has associated performance obligations that are yet to be met as unearned income. Due to this being a new standard effective from 1 July 2019, there is no balance for the comparative period.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 5 Our financial position (Cont'd)

5.3 Payables (Cont'd)

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

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

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

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

5.4 Interest-bearing liabilities	2020	2019
	\$'000	\$'000
Current		
Loans - secured*	1,270	1,218
	<u>1,270</u>	<u>1,218</u>
Non-current		
Loans - secured*	41,203	42,473
	<u>41,203</u>	<u>42,473</u>
Total	<u>42,473</u>	<u>43,691</u>

* Borrowings are secured by way of mortgages over the general rates of Council.

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.

(a) The maturity profile for Council's borrowings is:	2020	2019
	\$'000	\$'000
Not later than one year	1,270	1,218
Later than one year and not later than five years	38,081	37,674
Later than five years	3,122	4,799
	<u>42,473</u>	<u>43,691</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.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 5 Our financial position (Cont'd)

5.5 Provisions

	Employee	
	\$ '000	
2020		
Balance at beginning of the financial year	14,551	
Additional provisions	6,392	
Amounts used	(4,536)	
Change in the discounted amount arising because of time and the effect of any change in the discount rate	380	
Balance at the end of the financial year	<u>16,787</u>	
2019		
Balance at beginning of the financial year	14,607	
Additional provisions	4,368	
Amounts used	(4,774)	
Change in the discounted amount arising because of time and the effect of any change in the discount rate	350	
Balance at the end of the financial year	<u>14,551</u>	
	2020	2019
(a) Employee provisions	\$'000	\$'000
Current provisions expected to be wholly settled within 12		
Annual leave	4,750	3,971
TOIL	61	88
Long service leave	1,139	364
	<u>5,950</u>	<u>4,423</u>
Current provisions expected to be wholly settled after 12		
Annual leave	1,583	1,222
Long service leave	7,987	7,513
	<u>9,570</u>	<u>8,735</u>
Total current employee provisions	<u>15,520</u>	<u>13,158</u>
Non-current		
Long service leave	1,267	1,393
Total non-current employee provisions	<u>1,267</u>	<u>1,393</u>
Aggregate carrying amount of employee provisions:		
Current	15,520	13,158
Non-current	1,267	1,393
Total aggregate carrying amount of employee provisions	<u>16,787</u>	<u>14,551</u>

Notes to the Financial Report for the Year Ended 30 June 2020

Note 5 Our financial position (Cont'd)

5.5 Provisions (Cont'd)

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. LSL is measured at present value. Unconditional LSL is disclosed as a 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.

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

	2020	2019
Weighted average increase in employee costs	1.50%	2.00%
Weighted average discount rates	0.67%	1.21%
Weighted average settlement period	5 Years	5 years

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30 June 2020.

	2020	2019
	\$'000	\$'000
Bank overdraft	10,000	10,000
Credit card facilities	495	495
Total facilities	<u>10,495</u>	<u>10,495</u>
Used facilities	(96)	(249)
Unused facilities	<u>10,399</u>	<u>10,246</u>

Notes to the Financial Report for the Year Ended 30 June 2020

Note 5 Our financial position (Cont'd)

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.

2020	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Street cleaning services	3,161	3,215	3,270	-	9,646
Garbage collection and recycling	5,876	3,651	3,129	-	12,656
Open space management	2,494	877	-	-	3,371
Information systems & technology	3,285	-	-	-	3,285
Insurances	2,517	-	-	-	2,517
Cleaning contracts for Council buildings	1,202	532	544	555	2,833
Total	18,535	8,275	6,943	555	34,308
Capital					
Buildings	875	-	-	-	875
Total	19,410	8,275	6,943	555	35,183

2019	Not later than 1 year	Later than 1 year and not later than 2 years	Later than 2 years and not later than 5 years	Later than 5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Operating					
Street cleaning services	2,728	2,791	5,776	-	11,295
Garbage collection and recycling*	7,440	4,179	6,298	-	17,917
Open space management	4,414	3,116	-	-	7,530
Information systems & technology	3,285	-	-	-	3,285
Cleaning contracts for Council buildings	1,414	298	-	-	1,712
Home Care	1,520	639	-	-	2,159
Insurances	1,321	1,321	-	-	2,642
Total	22,122	12,344	12,074	-	46,540
Capital					
Construction works	3,410	-	-	-	3,410
Total	25,532	12,344	12,074	-	49,950

Notes to the Financial Report for the Year Ended 30 June 2020

Note 5 Our financial position (Cont'd)

5.8 Leases

Policy applicable before 1 July 2019

As a lessee, council classifies leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to council.

Operating lease payments, including any contingent rentals, were recognised as an expense in the comprehensive income statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset was not recognised in the balance sheet.

All incentives for the agreement of a new or renewed operating lease were recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives were received to enter into operating leases, the aggregate cost of incentives were recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis was more representative of the time pattern in which economic benefits from the leased asset were consumed.

Policy applicable after 1 July 2019

Council has applied *AASB 16 Leases* using a modified retrospective approach with the cumulative effect of initial application recognised as an adjustment to the opening balance of accumulated surplus at 1 July 2019, with no restatement of comparative information. The council applied the approach consistently to all leases in which it is a lessee.

On transition to *AASB 16 Leases*, Council elected to apply the practical expedient to 'grandfather' the assessment of which transactions are leases. The council has applied this practical expedient to all of its contracts and therefore applied *AASB 16 Leases* only to contracts that were previously identified as 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.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 5 Our financial position (Cont'd)

5.8 Leases (Cont'd)

Right-of-Use Assets	Plant and \$'000	Total \$'000
Balance at 1 July 2019	2,998	2,998
Additions	274	274
Amortisation charge	(965)	(965)
Balance at 30 June 2020	<u>2,307</u>	<u>2,307</u>

Lease Liabilities	2020 \$'000
Maturity analysis - contractual undiscounted cash	\$'000
Less than one year	1,129
One to five years	1,629
More than five years	-
Total undiscounted lease liabilities as at 30 June:	<u>2,758</u>

Lease liabilities included in the Balance Sheet at 30 June:

Current	851
Non-current	1,539
Total lease liabilities	<u>2,390</u>

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:	2020 \$'000
Short-term leases	110
Leases of low value assets	10
Total	<u>120</u>
Variable lease payments (not included in measurement of lease liabilities)	-

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:

Payable:	
Within one year	3
Later than one year but not later than five years	3
Total lease commitments	<u>6</u>

Notes to the Financial Report for the Year Ended 30 June 2020

Note 5 Our financial position (Cont'd)

5.8 Leases (Cont'd)

i. Leases classified as operating leases under AASB 117 Leases

At transition, lease liabilities were measured at the present value of the remaining lease payments, discounted at Council's incremental borrowing rate as at 1 July 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. Council applied this approach to all applicable leases.

Council used the following practical expedients when applying AASB 16 Leases to leases previously classified as operating leases under AASB 117 Leases .

- Applied a single discount rate to a portfolio of leases with similar characteristics.
- Adjusted the right-of-use assets by the amount of AASB 137 Provisions, Contingent Liabilities and Contingent Assets onerous contract provision immediately before the date of initial application, as an alternative to an impairment review.
- Applied the exemption not to recognise right-of-use assets and liabilities for leases with less than 12 months of lease term.
- Used hindsight when determining the lease term if the contract contains options to extend or terminate the lease.

ii. Leases previously classified as finance leases

For leases that were classified as finance leases under AASB 117 Leases , the carrying amount of the right-of-use asset and the lease liability at 1 July 2019 are determined at the carrying amount of the lease asset and lease liability under AASB 117 Leases immediately before that date.

Council is not required to make any adjustments on transition to AASB 16 Leases for leases in which it acts as a lessor, except for a sub-lease. Council accounted for its leases in accordance with AASB 16 Leases from the date of initial application.

Impact on financial statements

On transition to AASB 16 Leases , Council recognised an additional \$2.99m of right-of-use assets and \$2.99m of lease liabilities, recognising the difference in retained earnings.

When measuring lease liabilities, Council discounted lease payments using its incremental borrowing rate at 1 July 2019. The weighted-average rate applied is 6%.

	2019
	\$'000
Operating lease commitment at 30 June 2019 as disclosed in Council's financial statements	3,884
Finance lease liability recognised as at 30 June 2019	3,884
- Recognition exemption for:	
short-term leases	(142)
leases of low-value assets	(16)
- Lease liabilities for non-council assets	(141)
- GST excluded on finance lease recognised	(326)
- Operating lease identified 30 June 2019 not disclosed in Council's financial statement	72
- Adjustment to the Net Present Value of lease identified at 30 June 2019	(333)
	(886)
- Lease liabilities recognised as at 1 July 2019	2,998

Note 6 Assets we manage

6.1 Non current assets classified as held for sale

In 2019/20 and 2018/19 no non-current assets were classified as held for sale.

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

Notes to the Financial Report for the Year Ended 30 June 2020

Note 6 Assets we manage (Cont'd)

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2019	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	WIP	At Fair Value 30 June 2020
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land	997,611	-	-	(74,470)	-	-	-	-	-	923,141
Buildings	202,191	9,055	-	(10,580)	(2,780)	(539)	-	(5,352)	1,657	193,652
Plant and Equipment	32,778	8,253	-	-	(5,356)	(82)	-	1,530	915	38,038
Infrastructure	751,481	12,938	-	25,827	(14,427)	-	-	(1,041)	1,241	776,019
	1,984,061	30,246	-	(59,223)	(22,563)	(621)	-	(4,863)	3,813	1,930,850

Summary of Work in Progress

	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Buildings	2,783	1,657	-	(2,783)	1,657
Plant and equipment	671	915	-	(671)	915
Infrastructure	1,409	1,241	-	(1,409)	1,241
Total	4,863	3,813	-	(4,863)	3,813

Notes to the Financial Report for the Year Ended 30 June 2020

Note 6 Assets we manage (Cont'd)

6.2 Property, infrastructure, plant and equipment (Cont'd)

(a) Property

	Land - specialised	Land - non specialised	Land improvements	Total Land & Land Improvements	Heritage buildings	Buildings - specialised	Buildings - non specialised	Building improvements	Leasehold improvements	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2019	901,529	83,902	12,180	997,611	-	282,385	-	-	-	282,385	2,783	1,282,779
Accumulated depreciation at 1 July 2019	-	-	-	-	-	(82,977)	-	-	-	(82,977)	-	(82,977)
	901,529	83,902	12,180	997,611	-	199,408	-	-	-	199,408	2,783	1,199,802
Movements in fair value												
Additions	-	-	-	-	-	9,055	-	-	-	9,055	1,657	10,712
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation	(62,305)	(12,165)	-	(74,470)	-	(10,580)	-	-	-	(10,580)	-	(85,050)
Disposal	-	-	-	-	-	(539)	-	-	-	(539)	-	(539)
Write-off	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	(96,828)	96,828	-	-	-	(2,569)	-	-	-	(2,569)	(2,783)	(5,352)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-
	(159,133)	84,663	-	(74,470)	-	(4,633)	-	-	-	(4,633)	(1,126)	(80,229)
	Land - specialised	Land - non specialised	Land improvements	Total Land & Land Improvements	Heritage buildings	Buildings - specialised	Buildings - non specialised	Building improvements	Leasehold improvements	Total Buildings	Work In Progress	Total Property
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Movements in accumulated depreciation												
Depreciation and amortisation	-	-	-	-	-	(2,968)	-	-	-	(2,968)	-	(2,968)
Accumulated depreciation of disposals	-	-	-	-	-	188	-	-	-	188	-	188
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(2,780)	-	-	-	(2,780)	-	(2,780)
At fair value 30 June 2020	742,396	168,565	12,180	923,141	-	277,752	-	-	-	277,752	1,657	1,202,550
Accumulated depreciation at 30 June 2020	-	-	-	-	-	(85,757)	-	-	-	(85,757)	-	(85,757)
	742,396	168,565	12,180	923,141	-	191,995	-	-	-	191,995	1,657	1,116,793

Notes to the Financial Report for the Year Ended 30 June 2020

Note 6 Assets we manage (Cont'd)

6.2 Property, infrastructure, plant and equipment (Cont'd)

(b) Plant and Equipment

	Heritage plant and equipment	Motor Vehicles	Plant, machinery and equipment	Irrigation and sprinkler systems	Street furniture	Parks and gardens furniture and equipment	Playground equipment	Fencing	Mobile garbage bins/recycling crates	Computers and Mobile Phones	Office furniture and equipment	Library books	Work In Progress	Total plant and equipment
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2019	4,943	5,499	8,242	3,124	17,872	12,284	1,949	2,220	3,074	19,646	13,101	8,696	671	101,321
Accumulated depreciation at 1 July 2019	(332)	(2,877)	(5,317)	(1,618)	(12,711)	(6,919)	(1,195)	(1,901)	(2,509)	(16,498)	(10,299)	(6,367)	-	(68,543)
	4,611	2,622	2,925	1,506	5,161	5,365	754	319	565	3,148	2,802	2,329	671	32,778
Movements in fair value														
Additions	30	879	71	892	754	1,241	1,196	128	70	2,173	201	618	915	9,168
Contributions	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	(82)	-	-	-	-	-	-	-	-	-	-	-	(82)
Write-off	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	(373)	-	-	3,267	-	-	-	-	(693)	-	(671)	1,530
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	30	797	(302)	892	754	4,508	1,196	128	70	2,173	(492)	618	244	10,616
Movements in accumulated depreciation														
Depreciation and amortisation	(53)	(906)	(607)	(158)	(471)	(402)	(160)	(51)	(87)	(1,749)	(366)	(576)	-	(5,586)
Accumulated depreciation of disposals	-	230	-	-	-	-	-	-	-	-	-	-	-	230
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(53)	(676)	(607)	(158)	(471)	(402)	(160)	(51)	(87)	(1,749)	(366)	(576)	-	(5,356)
At fair value 30 June 2020	4,973	6,296	7,940	4,016	18,626	16,792	3,145	2,348	3,144	21,819	12,609	9,314	915	111,937
Accumulated depreciation at 30 June 2020	(385)	(3,553)	(5,924)	(1,776)	(13,182)	(7,321)	(1,355)	(1,952)	(2,596)	(18,247)	(10,665)	(6,943)	-	(73,899)
	4,588	2,743	2,016	2,240	5,444	9,471	1,790	396	548	3,572	1,944	2,371	915	38,038

Notes to the Financial Report for the Year Ended 30 June 2020

Note 6 Assets we manage (Cont'd)

6.2 Property, infrastructure, plant and equipment (Cont'd)

(c) Infrastructure

	Roads	Footpaths and cycleways	Drainage	Kerb and channel	Bridges	Lanes	Trees and Tree Infrastructure	Work In Progress	Total Infrastructure
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2019	430,934	145,965	129,857	140,995	5,146	90,771	7,319	1,409	952,396
Accumulated depreciation at 1 July 2019	(79,526)	(21,846)	(54,116)	(26,407)	(2,602)	(16,418)	-	-	(200,915)
	351,408	124,119	75,741	114,588	2,544	74,353	7,319	1,409	751,481
Movements in fair value									
Additions	6,502	2,541	1,668	2,126	101	-	-	1,241	14,179
Contributions	-	-	-	-	-	-	-	-	-
Revaluation	5,563	2,337	11,160	3,513	-	3,254	-	-	25,827
Disposal	-	-	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	-	-	-	-
Transfers	-	368	-	-	-	-	-	(1,409)	(1,041)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-
	12,065	5,246	12,828	5,639	101	3,254	-	(168)	38,965
Movements in accumulated depreciation									
Depreciation and amortisation	(6,306)	(2,989)	(1,265)	(2,820)	(51)	(996)	-	-	(14,427)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
	(6,306)	(2,989)	(1,265)	(2,820)	(51)	(996)	-	-	(14,427)
At fair value 30 June 2020	442,999	151,211	142,685	146,634	5,247	94,025	7,319	1,241	991,361
Accumulated depreciation at 30 June 2020	(85,832)	(24,835)	(55,381)	(29,227)	(2,653)	(17,414)	-	-	(215,342)
	357,167	126,376	87,304	117,407	2,594	76,611	7,319	1,241	776,019

Notes to the Financial Report for the Year Ended 30 June 2020

Note 6 Assets we manage (Cont'd)

6.2 Property, infrastructure, plant and equipment (Cont'd)

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.

	Depreciation Period	Threshold Limit \$'000
Asset recognition thresholds and depreciation periods		
Land & land improvements		
land	Nil	Nil
land improvements	Nil	10
Buildings		
buildings	100 years	10
building and leasehold improvements	100 years	10
Plant and Equipment		
heritage plant and equipment	100 years	Nil
plant, machinery and equipment	7 - 10 years	0.5
furniture, equipment & computers	3 - 10 years	0.5
library books	6 - 7 years	0.5
library audio and visual	4 years	Nil
Infrastructure		
roads - substructure	120 years	50
roads - seal	20 years	15
footpaths - substructure	75 years	25
footpaths - seal	30 years	15
kerb & channel	50 years	25
drains	120 years	25
bridges	120 years	25
lanes - substructure	120 years	50
lanes- seal	50 years	15
mobile garbage bins/recycling crates	10 years	0.5
irrigation & sprinkler systems	10 years	0.5
street furniture	20 years	0.5
parks & gardens furniture & equipment	20 years	0.5
playground equipment	10 years	0.5

Land under roads

Council recognises land under roads it controls at fair value.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 6 Assets we manage (Cont'd)

6.2 Property, infrastructure, plant and equipment (Cont'd)

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 embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

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

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

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

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

Repairs and maintenance

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

Valuations of land and buildings were undertaken by a qualified independent valuer, Westlink Consulting, under the supervision of William J Graham, City Valuer, A.V.L.E (Vals), Qualified Valuer. The valuation of buildings was replacement cost less accumulated depreciation and was applied as at 30 June 2020. The valuation of land is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where building use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

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

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2020 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Land - Non specialised	-	168,565	-	June 2020
Land - Specialised	-	-	742,396	June 2020
Buildings - Specialised	-	-	191,995	June 2020
Total	-	168,565	934,391	

COVID-19 impact on valuations

The impact the COVID-19 pandemic has had on the fundamental valuation inputs remains to be seen. However, given the current lack of observable transactions, it is not possible to reliability determine whether the COVID-19 pandemic has caused a significant or material impact on valuations. In addition, Buildings and Infrastructure assets are predominantly valued according to depreciated replacement costs which are largely unaffected by the COVID-19 pandemic. Therefore, Council believes that the valuations as disclosed in these financial statements are a true reflection of fair value as at 30 June 2020.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 6 Assets we manage (Cont'd)

6.2 Property, infrastructure, plant and equipment (Cont'd)

Valuation of infrastructure

Valuation of infrastructure assets - Roads, Footpaths, Lanes, Kerb and Channel - was undertaken by Jim Vokolos, B.Eng. (Civil), Qualified Engineer. The valuations are at replacement costs less accumulated depreciation and were first applied as at 30 June 2020.

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.

Details of the Council's infrastructure and information about the fair value hierarchy as at 30 June 2020 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of Valuation
Roads	-	-	357,167	June 2020
Bridges	-	-	2,594	June 2013
Footpaths, Lanes and Kerb and Channel	-	-	320,394	June 2020
Drainage	-	-	87,304	June 2020
Trees	-	-	7,319	June 2004
Total	-	-	774,778	

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 15% and 30%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$600 and \$6000 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$140 to \$26,000 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and are currently at 100 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary from 20 years to 120 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.

	2020 \$'000	2019 \$'000
6.3 Investments in associates, joint arrangements and subsidiaries		
Council's carrying value (at cost) of investment in Regional Kitchens P/L, incorporating RFK P/L (Trading as Community Chef)	-	230
Municipal Association Purchasing Scheme (Procurement Australia)	5	5
Total investments	5	235

RFK P/L (Trading as Community Chef) shares forfeited in 2019/20 financial year. Impairment loss is recognised due to share forfeiture has been recognised in 2019/20 at nil consideration and the carrying amount has been reduced to zero.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related Parties

Parent entity

Yarra City Council is the parent entity.

Subsidiaries and Associates

Interests in subsidiaries and associates are detailed in Note 6.3.

(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		
	Cr Danae Bosler (Mayor)	1 July 2019 – 28 November 2019
	Cr Danae Bosler	28 November 2019 – 30 June 2020
	Cr Misha Coleman (Deputy Mayor)	1 July 2019 – 28 November 2019
	Cr Misha Coleman (Mayor)	28 November 2019 – 30 June 2020
	Cr Mi-Lin Chen Yi Mei	1 July 2019 – 28 November 2019
	Cr Mi-Lin Chen Yi Mei (Deputy Mayor)	28 November 2019 – 30 June 2020
	Cr Daniel Nguyen	1 July 2019 - 30 June 2020
	Cr Amanda Stone	1 July 2019 - 30 June 2020
	Cr Bridgid O'Brien	1 July 2019 - 30 June 2020
	Cr Jackie Fristacky	1 July 2019 - 30 June 2020
	Cr James Searle	1 July 2019 - 30 June 2020
	Cr Stephen Jolly	1 July 2019 - 30 June 2020

Chief Executive Officer & other Key Management Personnel

Chief Executive Officer	Vijaya Vaidyanath	
Director Corporate, Business & Finance	Diarmuid McAlary	
Director City Works & Assets	Chris Leivers	
Director Community Wellbeing	Lucas Gosling	
Acting Director Community Wellbeing	Felicity Macchion	18 May 2020 - 30 June 2020
Director, Planning & Placemaking	Bruce Phillips	
Group Manager, CEO's Office	Ivan Gilbert	
Group Manager, People and Culture	Gracie Karabinis	

	2020	2019
	No.	No.
Total Number of Councillors	9	10
Total of Chief Executive Officer and other Key Management Personnel	8	9
Total Number of Key Management Personnel	<u>17</u>	<u>19</u>

(c) Remuneration of Key Management Personnel

Total remuneration of key management personnel was as follows:

	2020	2019
	\$'000	\$'000
Short-term benefits*	2,342	2,133
Long-term benefits**	238	253
Total	<u>2,580</u>	<u>2,386</u>

* Short term benefits for the purpose of this disclosure include base salary, vehicle allowances, movements in short-term accrued leave entitlements and councillor allowances.

** Long term benefits for the purpose of this disclosure include movements in long-term accrued, leave entitlements and superannuation.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 7 People and relationships (Cont'd)

7.1 Council and key management remuneration (Cont'd)

The numbers of key management personnel whose total remuneration** from Council and any related entities, fall within the following bands:

	2020 No.	2019 No.
\$1 - \$9,999	-	1
\$20,000 - \$29,999	7	6
\$30,000 - \$39,999	-	1
\$50,000 - \$59,999	1	1
\$60,000 - \$69,999	1	1
\$70,000 - \$79,999	-	2
\$140,000 - \$149,999	-	1
\$170,000 - \$179,999	1	1
\$200,000 - \$209,999	1	-
\$210,000 - \$219,999	1	1
\$220,000 - \$229,999	-	1
\$230,000 - \$239,999	1	-
\$260,000 - \$269,999	-	1
\$270,000 - \$279,999	2	1
\$280,000 - \$289,999	1	-
\$380,000 - \$389,999	1	1
	17	19

Key management personnel (KMP) include the councillors, the CEO and the Executive Management Team.

** Total remuneration for the purpose of this disclosure includes base salary, vehicle allowances, superannuation, and councillor allowances. Non-cash benefits including movements in accrued leave entitlements are excluded.

(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:

Income Range:	2020 No.	2019 No.
\$151,000 - \$159,999	2	-
\$160,000 - \$169,999	3	4
\$170,000 - \$179,999	6	2
\$180,000 - \$189,999	1	5
\$190,000 - \$199,999	3	-
\$220,000 - \$229,999	1	-
	16	11

Total Remuneration for the reporting year for Senior Officers included above, amounted to: 3,018 2,869

Notes to the Financial Report for the Year Ended 30 June 2020

Note 7 People and relationships (Cont'd)

7.1 Council and key management remuneration (Cont'd)

(e) Other Officer Remuneration

Other officers whose annual remuneration exceeds \$151,000.

Income Range:	2020 No.	2019 No.
\$151,000 - \$159,999	6	6
\$160,000 - \$169,999	6	5
\$170,000 - \$179,999	-	2
\$180,000 - \$189,999	1	2
\$190,000 - \$199,999	1	-
\$220,000 - \$229,999	1	-
\$230,000 - \$239,999	1	-
	16**	18

Total remuneration for the reporting year for Other Officers included above, amounted to: 2,903 2,543

*Note that the comparative for 2019 has changed, to include all officers with remuneration greater than the threshold for 2018-19 which was \$148,000. Prior year numbers originally only included those officers with managerial responsibilities who exceeded this threshold.

**The reported number of other officers in higher banding brackets for the 2019/20 financial year is due to remuneration entitlements paid to officers on leaving Council. As such, the above table is not an accurate reflection of the number of officers employed by Council at such salary levels on an ongoing basis.

7.2 Related party disclosure

(a) Transactions with related parties

During the period Council did not enter into transactions with related parties.

(b) Outstanding balances with related parties

The were no balances outstanding at the end of the reporting period in relation to transactions with related parties.

(c) Loans to/from related parties

There were no loans in existence at balance date that have been made, guaranteed or secured by the council to a related party.

(d) Commitments to/from related parties

There were no commitments in existence at balance date that have been made, guaranteed or secured by the council to a related party.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

(a) Contingent assets

Operating lease receivables

The Council has entered into commercial property leases on parts of its investment property, consisting of surplus freehold office complexes. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 10 years. All leases include a CPI based revision of the rental charge annually.

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

	2020	2019
	\$'000	\$'000
Not later than one year	580	934
Later than one year and not later than five years	352	1,133
Later than five years	-	1,532
	<u>932</u>	<u>3,599</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.

(i) arising from Public Liability

As a local authority Council manage parks, reserves, roads, and other land holdings and, as a result, receive potential claims arising from incidents which occur on land managed by Council. There are a number of outstanding claims against Council in this regard. Council carries \$300 million of public liability insurance and an excess of \$50,000 on this policy in 2019/20. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is LMI Insurance. There are no claims of which Council is aware which would fall outside the terms of Council's policy.

(ii) arising from Professional Indemnity

As a local authority with statutory regulatory responsibilities, including the responsibility of issuing permits and approvals, Council receives potential claims for damages arising from actions of Council or its officers. Council carries \$300 million of professional indemnity insurance and an excess of \$50,000 on this policy in 2019/20. Therefore, the maximum liability of Council in any single claim is the extent of its excess. The primary insurer is LMI Insurance. There are no instances or claims of which Council is aware which would fall outside the terms of Council's policy.

(iii) 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

In addition to the disclosed contributions, Council has not paid unfunded liability payments to Vision Super during 2019/20. There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2020. At this point in time it is not known if additional contributions will be required, the timing or potential amount.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 8 Managing uncertainties (Cont'd)

8.2 Change in accounting standards

The following new AAS's have been issued that are not mandatory for the 30 June 2020 reporting period. Council has assessed these pending standards and has identified the following potential impacts will flow from the application of these standards in future reporting periods.

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

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 concession asset;
- 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)

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)

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.

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 the 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.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 8 Managing uncertainties (Cont'd)

8.3 Financial instruments (Cont'd)

Interest rate risk

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

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

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

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

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

(c) Credit risk

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

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

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the council's financial assets is minimal because the main debtor is secured by a charge over the rateable property. Council does however carry a level of risk associated with its parking infringement debtors, given ongoing collection issues experienced with Fines Victoria.

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

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

Notes to the Financial Report for the Year Ended 30 June 2020

Note 8 Managing uncertainties (Cont'd)

8.3 Financial instruments (Cont'd)

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 -0.08% and -0.15% in market interest rates (AUD) from year-end rates.

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.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 8 Managing uncertainties (Cont'd)

8.4 Fair value measurement

Fair value hierarchy

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

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.

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.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 8 Managing uncertainties (Cont'd)

8.5 Events occurring after balance date

The COVID-19 pandemic has had a significant impact on the operations of Council. In line with government restrictions, Council was required to close a number of facilities throughout the second half of the financial year and made a number of changes in order to best support the local community. The financial implications of these closures and changes have been reflected in the results for the 2019/20 financial year and appropriate commentary on these implications has been included throughout the financial statements. Council introduced a COVID-19 hardship policy as well as a community and economic support package, targeted at providing greater levels of support for those members of the community experiencing financial hardship. It is not anticipated that the application of these enhanced measures will impact Council's ability to continue as a going concern.

In July 2020, the Victorian State Government imposed further lockdown restrictions on the state as a result of a second wave of the COVID-19 pandemic commencing. Due to the inherent uncertainty surrounding the duration of such restrictions it is not possible for Council to estimate the full impact on Council's operations, financial position and cashflow at this point in time. This being the case it is not considered practical to provide quantitative or qualitative estimates on the potential financial impacts of the second wave at this time. Accordingly, no adjustments have been made at balance date to reflect ongoing uncertainties surrounding the COVID-19 pandemic.

Council will continue to monitor both the financial and non-financial impacts of COVID-19 on its operations and has put in place mitigating strategies where possible to ensure Council is well positioned to respond to future events whilst continuing as a going concern.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 9 Other matters

9.1 Reserves	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Share of increment (decrement) on revaluation of <name asset class> by an associate \$'000	Balance at end of reporting period \$'000
(a) Asset revaluation reserves				
2020				
Property				
Land	790,791	(74,470)	-	716,321
Buildings	39,472	(10,580)	-	28,892
Heritage buildings	2,860	-	-	2,860
	<u>833,123</u>	<u>(85,050)</u>	<u>-</u>	<u>748,073</u>
Infrastructure				
Road Substructure	194,229	8,217	-	202,446
Road Seal	12,503	(2,653)	-	9,850
Footpaths Substructure	59,871	1,573	-	61,444
Footpaths Seal	36,495	764	-	37,259
Drains	19,903	11,160	-	31,063
Bridges	1,000	-	-	1,000
Lane Substructure	21,881	1,385	-	23,266
Lane Seal	43,403	1,869	-	45,272
Kerb and channel	107,048	3,512	-	110,560
Open space	27	-	-	27
Trees	13	-	-	13
Art, Heritage and Culture	44	-	-	44
	<u>496,417</u>	<u>25,827</u>	<u>-</u>	<u>522,244</u>
Total asset revaluation reserves	1,329,540	(59,223)	-	1,270,317
2019				
Property				
Land	790,652	139	-	790,791
Buildings	39,831	(359)	-	39,472
Heritage buildings	2,860	-	-	2,860
	<u>833,343</u>	<u>(220)</u>	<u>-</u>	<u>833,123</u>
Infrastructure				
Road Substructure	156,958	37,271	-	194,229
Road Seal	10,693	1,810	-	12,503
Footpaths Substructure	54,316	5,555	-	59,871
Footpaths Seal	28,770	7,725	-	36,495
Drains	3,609	16,294	-	19,903
Bridges	1,000	-	-	1,000
Lane Substructure	15,608	6,273	-	21,881
Lane Seal	45,636	(2,233)	-	43,403
Kerb and channel	96,858	10,190	-	107,048
Open space	27	-	-	27
Trees	13	-	-	13
Art, Heritage and Culture	44	-	-	44
	<u>413,532</u>	<u>82,885</u>	<u>-</u>	<u>496,417</u>
Total asset revaluation reserves	1,246,875	82,665	-	1,329,540

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

Notes to the Financial Report for the Year Ended 30 June 2020

Note 9 Other matters (Cont'd)

9.1 Reserves (Cont'd)

	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				
2020				
Statutory Reserves				
Resort and recreation (i)	7,799	(591)	7,558	14,766
Parking (ii)	79	-	-	79
Total Statutory Reserves	7,878	(591)	7,558	14,845
General Reserves				
General reserve (iii)	-	-	-	-
Total General Reserves	-	-	-	-
Total Other reserves	7,878	(591)	7,558	14,845
2019				
Statutory Reserves				
Resort and recreation (i)	3,517	(2,062)	6,344	7,799
Parking (ii)	79	-	-	79
Total Statutory Reserves	3,596	(2,062)	6,344	7,878
General Reserves				
General reserve (iii)	20,100	(20,100)	-	-
Total General Reserves	20,100	(20,100)	-	-
Total Other reserves	23,696	(22,162)	6,344	7,878

(i) Resort and Recreation reserve relates to contributions received as Public Open Space Levies pursuant to the provisions of Section 18 of the *Subdivision Act 1988*. The reserve will be used to fund eligible open space capital works projects. In 2019/20 the following projects and amounts were acquitted from the Public Open Space Reserve:

Condell Street Reserve	\$89K
Browns Reserve	\$67K
Gahan Reserve	\$177K
Alphington Park	\$1K
Alphington Park Oval	\$120K
Burnley Park Oval	\$120K
Edinburgh Gardens	\$17K
Total	\$591K

(ii) Parking reserve relates to contributions received in lieu of the provision of parking spaces required for property developments. This reserve will be used in the provision of additional car parking spaces as required.

(iii) General reserve relates to unrestricted Council expenditure for a range of possible open space capital works projects. The balance of this reserve has been previously remitted and as such was transferred to retained earnings during the period.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 9 Other matters (Cont'd)

	2020	2019
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)	\$'000	\$'000
Surplus/(deficit) for the year	11,403	25,922
Depreciation	22,563	22,309
Amortisation	965	-
Finance costs	2,087	2,181
Open space contributed assets (refer Note 3.5)	-	(2,250)
(Profit)/loss on disposal of non current assets (refer to Note 3.6)	(1,613)	10,996
Impairment losses - Investments in associates, joint arrangements and subsidiaries (refer to Note 6.3)	230	-
<i>Change in assets and liabilities:</i>		
(Increase)/decrease in trade and other receivables	(6,782)	1,370
(Increase)/decrease in other assets	(518)	81
Increase/(decrease) in trade and other payables	5,218	3,807
Increase/(decrease) in trust funds	(309)	-
Increase/(decrease) in other liabilities	2,779	1,352
(Increase)/decrease in inventories	(37)	(27)
Increase/(decrease) in provisions	2,236	(51)
Net cash provided by/(used in) operating activities	38,222	65,690

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.

Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2020, 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 the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Yarra City 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.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 9 Other matters (Cont'd)

9.3 Superannuation (Cont'd)

Funding arrangements

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

As at 30 June 2018, an interim actuarial investigation was held as the Fund provides lifetime pensions in the Defined Benefit category. The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 107.1%. The financial assumptions used to calculate the VBIs were:

Net investment returns	6.00%
Salary information	3.50%
Price inflation (CPI)	2.00%

Vision Super has advised that the actual VBI at 30 June 2020 was 104.6%.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2019 interim actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2017 full 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 2020, this rate was 9.5% of members' salaries (9.5% in 2018/2019). This rate will increase in line with any increases in the SG contribution rate.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

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 2019 interim 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 conducted every three years and interim actuarial investigations are conducted for each intervening year. An interim investigation was conducted as at 30 June 2019 and a full actuarial investigation was conducted as at 30 June 2017.

Notes to the Financial Report for the Year Ended 30 June 2020

Note 9 Other matters (Cont'd)

9.3 Superannuation (Cont'd)

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

	2019	2017
	\$m	\$m
- A VBI Surplus	151	70
- A total service liability surplus	233	194
- A discounted accrued benefits surplus	257	229

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 2019.

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 2019.

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 2019.

Council was notified of the 30 June 2019 VBI during August 2019 (2018: August 2018).

The 2020 interim actuarial investigation

A triennial actuarial investigation is being conducted for the Fund's position as at 30 June 2020. It is anticipated that this actuarial investigation will be completed by 31 December 2020. The financial assumptions for the purposes of this investigation are:

	2020	2017
	Triennial investigation	Triennial investigation
Net investment return	5.6% pa	6.5% pa
Salary inflation	2.5% pa	3.5% pa
	for the first two years and 2.75% pa thereafter	3.5% pa
Price inflation	2.0% pa	2.5% pa

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2020 are detailed below:

Scheme	Type of Scheme	Rate	2020	2019
			\$,000	\$,000
Vision super	Defined benefit	9.50%	368	428
Vision super	Accumulation fund	9.50%	3,186	3,164

Council has no unfunded liability payments to Vision Super during both 2019/20 and 2018/19 year.

Notes to the Financial Report for the Year Ended 30 June 2020

10 Change in accounting policy

Council has adopted *AASB 15 Revenue from Contracts with Customers*, *AASB 16 Leases* and *AASB 1058 Income of Not-for-Profit Entities*, from 1 July 2019. This has resulted in changes in accounting policies and adjustments to the amounts recognised in the financial statements.

Due to the transition methods chosen by Council in applying these standards, comparative information throughout these financial statements has not been restated to reflect the requirements of the new standards except in relation to contracts that were not complete at 1 July 2019. The transition impact of these are detailed below.

a) AASB 15 Revenue from Contracts with Customers - Impact of Adoption

AASB 15 Revenue from Contracts with Customers applies to revenue transactions where Council provides services or goods under contractual arrangements.

Council adopted *AASB 15 Revenue from Contracts with Customers* using the modified (cumulative catch up) method. Revenue for 2019 as reported under *AASB 118 Revenue* is not adjusted, because the new standard is only applied from the date of initial application.

AASB 15 Revenue from Contracts with Customers requires revenue from contracts with customers to be recognised as Council satisfies the performance obligations under the contract.

b) AASB 16 Leases

AASB 16 Leases requires right of use assets and related liabilities for all lease agreements to be recognised on the balance sheet. The Statement of Comprehensive Income is to separately recognise the amortisation of the right of use asset, and the finance costs relating to the lease. Council has elected to adopt the modified (cumulative catch up) method under the standard and as such has not adjusted 2019 disclosures. The transition impact of these are detailed below.

c) AASB 1058 Income of Not-for-Profit Entities

AASB 1058 Income of Not-for-Profit Entities applies to income received where no contract is in place. This includes statutory charges (such as rates) as well as most grant agreements.

Council adopted *AASB 1058 Income of Not-for-Profit Entities* using the modified (cumulative catch up) method. Income for 2019 is not adjusted, because the new standard is only applied from the date of initial application.

AASB 1058 Income of Not-for-Profit Entities requires income to be recognised as Council satisfies the performance obligations under the contract.

d) Transition impacts

The following table summarises the impact of transition to the new standards on retained earnings at 1 July 2019.

Council adopted the practical expedient of deeming the lease asset to be equal in value to the lease liability at 1 July 2019. As such there was no impact on retained earnings on the adoption of *AASB 16*

The following table summarises the impacts of transition to the new standards on Council's balance sheet for the year ending 30 June 2019.

Notes to the Financial Report for the Year Ended 30 June 2020

10 Change in accounting policy (Cont'd)

d) Transition impacts (Cont'd)

	June 2019	Adjustments	Post adoption
	\$'000	\$'000	\$'000
Assets			
Right of use assets	-	2,998	2,998
	-	2,998	2,998
Liabilities			
Lease liability - current	-	(795)	(795)
Lease liability - non-current	-	(2,203)	(2,203)
	-	(2,998)	(2,998)

Performance Statement

Council has prepared the following performance statement in accordance with *the Local Government Act 1989* and *Local Government (Planning and Reporting) Regulations 2014*.

Performance Statement

For the year ended 30 June 2020

REFERENCES

Reg R
Better Practice BP

R17(1) Description of municipality

The City of Yarra is an inner metropolitan municipality which is home to a diverse community of people. Yarra is one of Australia's smallest inner city municipalities at 19.5 square kilometres, and features lively arts and entertainment precincts, vibrant shopping and café strips, and numerous sports and recreational facilities.

Created in June 1994, the City of Yarra merged the former municipalities of: Collingwood; Richmond; Fitzroy; (including the annexed part of Carlton North); Northcote (Alphington & Fairfield: South of Heidelberg Road only).

Yarra has a population of 101,945 (at 30 June 2020) and a diverse community profile. Over the previous decade, the City's population had been growing at an average rate of 3.6%, almost double the rate of growth for Victoria. It is estimated that Yarra will continue to grow, with the population predicted to reach 110,512 by 2031.

BP

The COVID-19 pandemic has had a significant impact on our residents, businesses and organisations. In response to such impacts, Council has undertaken a number of measures to provide a heightened level of assistance and support for our local community. This has included the review and Council endorsement of a revised financial hardship policy, providing for greater levels of support through deferrals, on application, for rate payments and fees and charges that will enhance Council's support of our local community through the pandemic.

In line with State Government restrictions, Council was required to close its recreation and leisure facilities during the course of the year, and also other public facilities including libraries, halls and golf courses. Whilst Council did its best to reduce operating costs associated with these facilities during the closure period, such services are substantially funded from fee paying clients and as such Council's revenue and operating performance was significantly impacted compared to originally budgeted expectations. Council's financial performance was also impacted by reduced parking and infringement income, stemming from a reduction in traffic flow through the municipality, and the relaxation of parking restrictions to ensure our community had appropriate access to essential services. Such impacts are expected to continue through the recovery phase, and accordingly have been factored into our 2020/21 budget and beyond. Despite these challenges, Council has been able to continuing providing the majority of its integral services to the community, including waste and recycling and a range of community services that take on new importance during these challenging times.

Sustainable Capacity Indicators

For the year ended 30 June 2020

	<i>Indicator / measure</i>	Results				Material Variations
		2017	2018	2019	2020	
R15(3) Sch3 R16(1) R17(2)	Population					
	<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,787.22	\$1,770.11	\$1,953.17	\$1,857.25	Movement immaterial
	<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$9,376.85	\$9,355.26	\$10,012.59	\$9,928.65	Movement immaterial
	<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	292.07	308.41	312.88	323.23	Movement immaterial
	Own-source revenue					
	<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$1,735.51	\$1,780.74	\$1,770.97	\$1,691.76	Movement immaterial
	Recurrent grants					
	<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$146.45	\$123.34	\$133.50	\$132.26	Movement immaterial
	Disadvantage					
	<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	8.00	8.00	8.00	8.00	Movement immaterial
	Workforce turnover					
	<i>Percentage of staff turnover</i> [Number of permanent staff resignations and terminations /	22.7%	16.1%	14.0%	10.4%	Council's workforce turnover ratio has progressively decreased and this trend has continued in the current year. This is the result of increasing stability in Council's structure and less turnover in staff as a result. This is a particularly favourable result for 2020 given the current impacts of the COVID-19 pandemic, and it has

Average number of permanent staff
for the financial year] x100

enabled Council to continue to support the community in the delivery
of both essential services and additional services as part of its
COVID response.

BP

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 above

"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

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

Service Performance Indicators

For the year ended 30 June 2020

	Service / indicator / measure	Results				Material Variations
		2017	2018	2019	2020	
R15(1) Sch3 R16(1)	Aquatic facilities Utilisation <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	11.96	9.14	9.23	7.08	Utilisation of Council's aquatic facilities was impacted this year by the closure of all pools in early and late January due to poor air-quality from the bush fires. While from mid-March until 30 June further closures were made in response to the Covid-19 restrictions. While the full impact of the bush fire and Covid-19 closures cannot be quantified, Council had experienced an increase in visitation of 15.72% (69,994 visits) by December 2019, compared to the same period in the previous financial year.
	Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	New in 2020	New in 2020	New in 2020	100%	Council continues to perform well with all prosecutions ruled in favour of Council. There were 8 prosecutions this year.
	Food safety Health and safety <i>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	100.00%	99.56%	99.54%	100.00%	Council responds to 100% of critical and major non-compliance outcome notifications. Results less than 100% occur where follow-up inspections are delayed due to closures and re-inspections fall in the next period.
	Governance Satisfaction <i>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]	67.00	67.00	72.00	71.00	Council's satisfaction score of 71.20 is categorised as good from the 2020 Annual Customer Satisfaction Survey. Previous years' results are also categorised as good using the same survey instrument. The result is underpinned by Council's ongoing commitment to consultation and engagement.

Libraries					
Participation					
<i>Active library borrowers in municipality</i>	17.82%	20.72%	19.72%	16.24%	The temporary closure of all Libraries as of March 2020 had an impact on community access to facilities and the level of loans this year, which underpin this measure. While the full impact of Covid-19 related closures cannot be quantified, the number of active borrowers fell by 10% or 1,826 active borrowers compared to 2018/19. Similarly, while loans were comparable YTD March 2019 and YTD March 2020 (<1% variance), Council saw an 85% decrease in loans for the last quarter, when libraries were closed, when compared to the same period in the previous financial year.
[Number of active library borrowers in the last three years / The sum of the population for the last three years] x100					
<hr/>					
Maternal and child health					
Participation					
<i>Participation in the MCH service</i>	79.38%	80.41%	82.75%	84.20%	Council makes contact with every family whose details are provided as part of the birth notification process inviting them to participate, offering a first home visit.
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100					
Participation					
<i>Participation in the MCH service by Aboriginal children</i>	63.41%	79.37%	78.43%	95.65%	Yarra has 23 children enrolled, in past years not all have attended the Council service. During the financial year the Aboriginal and Torres Strait Islander local health provider which also supports this community was without the services of their Maternal and Child Health nurse for a period of time which may have attributed to additional patronage of the Council service.
[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					
<hr/>					
Roads					
Satisfaction					
<i>Satisfaction with sealed local roads</i>	72.30	72.20	76.50	75.00	Council's satisfaction score of 74.70 is categorised as very good from the 2020 Annual Customer Satisfaction Survey. Previous years' results are also categorised as either good (65.00-72.50) or very good (72.50-77.50) using the same survey instrument.
[Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]					

BP	Statutory Planning Decision making <i>Council planning decisions upheld at VCAT</i>	74.07%	77.45%	61.04%	86.00%	<p>The current result indicates a positive trend over the past 4 years. VCAT suspended the hearing of cases that required face to face hearings from the 18 May 2020 in response to Covid-19, in 2019/20 only 50 cases were heard compared to 77 in 2018/19.</p>
	[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					
	Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i>	37.36%	37.73%	37.72%	36.33%	
[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100						
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 <i>Food Act 1984</i> , 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 <i>Food Act 1984</i> , 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 <i>Food Act 1984</i> , 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 <i>Food Act 1984</i> "local road" means a sealed or unsealed road for which the council is the responsible road authority under the <i>Road Management Act 2004</i> "major non-compliance outcome notification" means a notification received by a council under section 19N(3) or (4) of the <i>Food Act 1984</i> , 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

"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*.

Financial Performance Indicators

For the year ended 30 June 2020

Dimension / indicator / measure	Results				Forecasts				Material Variations	
	2017	2018	2019	2020	2021	2022	2023	2024		
R15(2) Sch3	Efficiency									
R16(1)	Expenditure level									
R16(2)	<i>Expenses per property assessment</i>	\$3,088.70	\$3,196.76	\$3,592.09	\$3,427.30	\$3,588.29	\$3,668.73	\$3,618.58	\$3,622.14	Movement immaterial
R17(2)	[Total expenses / Number of property assessments]									
R17(3)	Revenue level									
	<i>Average rate per property assessment</i>	New in 2020	New in 2020	New in 2020	\$2,030.69	\$2,102.53	\$2,124.14	\$2,146.16	\$2,168.57	New measure in 2019/20, therefore non comparative result.
	[General rates and Municipal charges / Number of property assessments]									
	Liquidity									
	Working capital									
	<i>Current assets compared to current liabilities</i>	150.61%	196.87%	282.25%	246.58%	229.59%	196.96%	192.96%	188.73%	Decline in the indicator for 2019/20 was due to an increase in current liabilities, predominantly driven by change in accounting standards requiring operating leases to be recorded as a liability on Council's balance sheet as well as the recognition of unearned income on contracts where performance obligations have not been satisfied.
	[Current assets / Current liabilities] x100									

<p>Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100</p>	63.57%	96.61%	106.06%	84.14%	44.19%	66.85%	63.36%	76.16%	This indicator declined during the year as a result of reduced cashflow from sources including parking and user fees as a result of the COVID-19 pandemic. After adjusting for cashflow received from open space reserve contributions during the year, which is restricted for future use, Council's overall cash reserves declined and as such so did this indicator
<p>Obligations Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest and principle repayments on Interest bearing loans and borrowings / Rate revenue] x100</p>	45.41%	42.80%	40.27%	37.86%	35.67%	31.29%	27.08%	22.93%	Movement immaterial
<p>Loans and borrowings <i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100</p>	1.49%	3.00%	3.09%	2.80%	30.80%	4.78%	4.65%	4.53%	The forecast ratio increase significantly in 2021 due to Council's obligation to repay one of its loan facilities which falls due. Council intends to borrow to repay this loan, with the new loan repayment terms assumed to be on a principal and interest basis.
<p>Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100</p>	29.39%	26.41%	26.97%	27.39%	26.32%	19.04%	16.17%	13.34%	Movement immaterial

BP	Asset renewal and upgrade <i>Asset renewal and upgrade compared to depreciation</i> [Asset renewal and upgrade expense / Asset depreciation] x100	New in 2020	New in 2020	New in 2020	120.65%	124.34%	147.04%	117.33%	111.51%	New measure in 2019/20, therefore non comparative result.
	Operating position Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	6.31%	8.38%	1.51%	-1.02%	-6.44%	1.67%	3.73%	4.36%	Reduction in the ratio for 2019-20 due to the impact of the COVID-19 pandemic on Council's owned sourced income for the year. Both parking and infringement income as well as leisure user fees were well below budget as a result of reduced parking traffic and closure of leisure facilities.
	Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	58.17%	56.30%	55.53%	60.11%	62.41%	57.13%	57.30%	57.45%	Ratio has increased for 2019-20 due to reduction in adjusted underlying revenue impacted per above.
	Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.20%	0.21%	0.18%	0.20%	0.20%	0.20%	0.20%	0.19%	Ratio has increased for 2019-20 due to increase in property values throughout the municipality being less than in prior years.
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 above "adjusted underlying surplus (or deficit)" means adjusted underlying revenue less total expenditure										

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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

Other Information

For the year ended 30 June 2020

BP

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 4 August 2020 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.

	Retired measures	Result	Result	Result	Comments
	<i>Service / indicator / measure</i>	2017	2018	2019	2020
AM4	Animal Management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	11	13	14	Retired in 2020 This measure was replaced by AM7 from 1 July 2019.
E1	Efficiency Revenue level <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,617.29	\$1,674.29	\$1,727.98	Retired in 2020 This measure was replaced by E4 from 1 July 2019
O1	Obligations Asset renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expense / Asset depreciation] x100	98.77%	102.44%	96.13%	Retired in 2020 This measure was replaced by O5 in 1 July 2019.

Certification of the Performance Statement

R18(1)
R18(2)

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.



Mark Montague CA
CFO and Principal Accounting Officer
Dated: 15 September 2020

In our opinion, the accompanying performance statement of the Yarra City Council for the year ended 30 June 2020 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014.

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

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

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



Cr Misha Coleman
Mayor
Dated: 15 September 2020



Cr James Searle
Councillor
Dated: 15 September 2020



Vijaya Vaidyanath
Chief Executive Officer
Dated: 15 September 2020

Independent Auditor's Report

To the Councillors of Yarra City Council

Opinion	I have audited the accompanying performance statement of Yarra City Council (the council) which comprises the:
	<ul style="list-style-type: none"> • description of municipality for the year ended 30 June 2020 • sustainable capacity indicators for the year ended 30 June 2020 • service performance indicators for the year ended 30 June 2020 • financial performance indicators for the year ended 30 June 2020 • notes to the performance statement and • the certification of the performance statement.
	In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2020 in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i> .
Basis for Opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.
	My independence is established by the <i>Constitution Act 1975</i> . I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.
	I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Councillors' responsibilities for the performance statement	The Councillors is responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.
Auditor's responsibilities for the audit of the performance statement	As required by the <i>Audit Act 1994</i> , my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance

Engagements will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

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

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

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

MELBOURNE
18 September 2020



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Glossary

The following table defines key terms used in this report.

Term	Definition
2019/20	A reference to the financial year beginning 1 July 2019 and ending 30 June 2020.
Advocacy	Publicly supporting or recommending programs or services on behalf of the community to other tiers of government or service providers for community benefit.
Annual Plan	A strategic document outlining the actions Council will undertake to implement its Council Plan during a specific financial year.
Annual Plan Action	A specific Annual Plan activity designed to facilitate the achievement of a Council Plan strategic objective.
Assets	Everything owned by or owed to Council such as roads, equipment and buildings. Assets are listed in the Financial Report.
Australian Accounting Standards	The accounting standards published by the Australian Accounting Standards Board.
Budget	A plan setting out the services and initiatives to be funded for the financial year and how they will contribute to achieving the strategic objectives specified in the Council Plan.
Councillors	Elected representatives of Council.
Council Plan	A major strategic document outlining Council's aims and initiatives for a four-year period.
Council Plan Initiative	A specific Council Plan activity designed to facilitate the achievement of a Strategic Objective.
COVID-19	A highly contagious respiratory disease caused by a coronavirus. It was named CO for coronavirus, VI for virus, D for disease, and 19 for 2019, the year it was discovered.
Financial Statements	The financial statements and notes prepared in accordance with the Local Government Model Financial Report, Australian Accounting Standards and other applicable standards as they apply to the general purpose financial reports and statement of capital works, included in the Annual Report.
Financial year	The period of 12 months ending on 30 June each year.
Freedom of Information Request	A request for Council to provide access to documents pursuant to the Freedom of Information Act 1982.

Term	Definition
Governance	Governance relates to Council's purpose, objectives, role and functions as set out in the <i>Local Government Act 1989</i> .
Greenhouse gas emissions	Generated from a large number of processes and from a range of sources. Key sources of greenhouse gases includes energy sector, transport emissions, agricultural, land use change and forestry, industrial processes and waste.
Indicator	A measure used to assess performance.
Local Government Act	Councils worked under the both the <i>Local Government Act 1989</i> and the <i>Local Government Act 2020</i> during the 2019/20 year. The 2020 Act received Royal Assent on 24 March 2020, with its provisions progressively replacing the equivalent provisions of the 1989 Act.
Local Law	The laws adopted by Council that prohibit, regulate and control activities, events, practices and behaviours within Yarra.
Master plan	A high level document outlining Council's plans for a key location within the municipality.
Measure	How an indicator will be measured and takes the form of a computation, typically including a numerator and denominator.
Minister	Refers to the Victorian Local Government Minister.
Performance Statement	A statement including the results of the prescribed service outcome indicators, financial performance indicators and sustainable capacity indicators for the financial year and included in the Annual Report.
Planning and Accountability Framework	The key statutory planning and reporting documents that are required to be prepared by councils to ensure accountability to local communities in the performance of functions and exercise of powers under the Act.
Planning Scheme	Planning rules created by Council and endorsed by the Victorian Government to guide land use and development.
Regulations	The <i>Local Government (Planning and Reporting) Regulations 2014</i> .
Risk management	A policy and process for identifying business risks and controlling the likelihood and/or impact of a risk event occurring.
Services	Assistance, support, advice and other actions undertaken by a council for the benefit of the local community.
Service outcome indicators	The prescribed service performance indicators to be included in the Performance Statement, which measure whether the stated service objective has been achieved.

Term	Definition
Service performance indicators	A prescribed set of indicators measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes.
Strategic Resource Plan	A plan of the financial and non-financial resources for at least the next four years required to achieve the strategic objectives in the Council Plan.
Strategy	A plan of action intended to accomplish specific objectives.
Sustainable	Meet present day needs without compromising future generations' ability to meet their needs.
Sustainable capacity indicators	A prescribed set of indicators measuring whether councils have the capacity to meet the agreed service and infrastructure needs of the local community and absorb foreseeable changes and unexpected shocks into the future covering financial performance, capacity and governance and management.
Values	Values are beliefs that underpin behaviours and processes. The values of an organisation guide its culture.
Victorian Civil and Administrative Tribunal (VCAT)	An independent body established by the Victorian Government to determine the outcome of disputes (e.g. planning appeals).
Vision	A description of the future we aim to achieve for Yarra – our city development and our community.
Ward	Defined electoral area to which a representative is elected as councillor.
Wellbeing	A general term to encompass health, happiness, welfare, security, comfort, quality of life and a sense of belonging.

Acronyms

Term	Definition
AAS	Australian Accounting Standards
CALD	Culturally and Linguistically Diverse
CEO	Chief Executive Officer
COVID-19	A highly contagious respiratory disease caused by a coronavirus. It was named CO for coronavirus, VI for virus, and 19 for 2019, the year it was discovered.
DELWP	Department of Environment, Water, Land and Planning
DDA	Disability Discrimination Act
EFT	Equivalent full-time – one EFT is equivalent to one person working 38 hours per week
IMAP	Inner Melbourne Action Plan
LGBTIQ	Lesbian, gay, bisexual, transgender, intersex, queer/questioning
LGPRF	Local Government Performance Reporting Framework
M	Million
NDIS	National Disability Insurance Scheme
TAC	Transport Accident Commission
VAGO	Victorian Auditor-General's Office
VCAT	Victorian Civil Administrative Tribunal
VPA	Victorian Planning Authority

Contact us

Visit us

- Richmond Town Hall, 333 Bridge Road, Richmond
- Collingwood Town Hall, 140 Hoddle Street, Abbotsford
- Connie Benn Family and Children's Centre, 160 Brunswick Street, Fitzroy
- Bargoonga Nganjin – North Fitzroy Library, 182–186 St Georges Road, Fitzroy North

Get in touch

- email info@yarracity.vic.gov.au
- call 9205 5555
- fax 8417 6666
- mail to PO Box 168 Richmond VIC 3121

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If you do not have access to the internet, you can visit our website via the computers at your local Yarra library.

National Relay Service
TTY 133 677 then 03 9205 5555

Languages	中文	9280 1937	Italiano	9280 1931	Tiếng Việt	9280 1939
	العربية	9280 1930	Ελληνικά	9280 1934	Other	9280 1940
			Español	9280 1935		REF 18791

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