



Borough of Queenscliffe

Queenscliff & Point Lonsdale, Victoria, Australia

2020–2021 Annual Report









Statio Tutissima Nautis

“The Safest Anchorage for Seafarers”

Just as it is a safe haven for mariners, the Borough has an enduring role to play in conserving our extraordinary natural beauty, featuring ecological values of global significance, our rich architectural heritage and our military history fundamental to Australia’s defence.

Our Vision

Inspired by the Borough’s Latin motto, Council’s vision for the future is that:

‘The Borough remains a safe haven defined by its unique heritage, rich culture and significant natural environment. It is a special and restorative place for an involved and caring community and our visitors.’



Our Values

The following values guide Councillors and staff in our daily interactions and the ways we work together to achieve our vision and serve our community.

Leadership - underpinned by integrity, strategic thinking and innovation.

Balance - in the way we listen to, engage with and make decisions in the best interests of the whole community.

Professionalism - by doing things well, always trying to improve and being accountable.

Collaboration - demonstrated through working as a team and investing in internal and external relationships.

Flexibility - by supporting workplace arrangements that sustain healthy and productive staff.



The Borough of Queenscliffe respectfully acknowledges the traditional custodians of our community, the Wadawurrung people, one of some 25 clans that form part of the Kulin nation.

We pay respect to their Elders past, present and emerging, and extend this respect to all Aboriginal and Torres Strait Islander peoples.

Contents

About this Annual Report	2
From the Mayor and CEO	3
Our year in review	8
About our Borough	9
Fast facts	12
Year at a glance	13
Sustainability	19
Financial overview	20
Engaging with our stakeholders	21
Events and milestones	26
Our Council, our people	28
Councillors	29
Council governance	32
Organisation overview	43
Staff management and culture	47
Corporate governance	52
Volunteers	55
Awards and recognition	56
Our performance	58
Community wellbeing	59
Environmental sustainability	71
Local economy	77
Planning and heritage	81
Governance and performance	87
Legislative compliance	94
Community satisfaction	109
Performance Statement	112
Certification of the Performance Statement	116
VAGO Independent Auditor's Report on the Performance Statement	117
Sustainable Capacity Indicators	119
Service Performance Indicators	123
Financial Performance Indicators	125
Financials	130
Understanding the Financial Report	131
Summary of Financial Performance	133
Certification of the Financial Report	137
VAGO Independent Auditor's Report on the Financial Report	139
Contents of the Financial Report	141
References	196
Glossary	197
Abbreviations	201
Index	202

“The monthly Queenscliff Community Markets and special events such as the Twilight Markets would not be possible without the support of the Borough of Queenscliffe; a long-standing collaborative relationship that benefits the community.”

Jane Wager
Queenscliff Market





About this Annual Report

The Borough of Queenscliffe Annual Report 2020–21 highlights Council’s performance over the financial year.

The Council Plan 2017–2021 sets out five strategic directions against which Council’s performance is measured:

1. Enhance community wellbeing by providing a safe environment where people are involved, healthy and active in recreation, arts and culture.
2. Play our part in protecting the local, national and globally significant values within our natural environment for future generations.
3. Foster a diverse and vibrant local economy.
4. Preserve and enhance the Borough as a special place through excellence of design and conservation of its rich culture and unique heritage.
5. Maintain a cohesive, well governed, financially sustainable and independent Borough.

This Annual Report includes information about Council’s performance, achievements and challenges for each of these strategic directions within the 2020–21 year, as well as an outline of Council services and operations. It also provides a comprehensive and externally audited Performance Statement and Financial Report.

As a document, the Annual Report is part of Council’s commitment to open, transparent and accountable local governance. It informs Council, ratepayers, community members and other stakeholders of the achievements and challenges of the past financial year, and provides key information required under the *Local Government Act 1989* and other relevant legislation. Some portions of this report may refer to the *Local Government Act 2020* due to the transitioning process of the legislation. Where relevant, this distinction is highlighted.

The content provided within the Annual Report is reviewed every year and is guided by best practice in local government reporting.

Feedback or questions relating to the Annual Report are welcome.

Email: info@queenscliffe.vic.gov.au

Post: Chief Executive Officer,
Borough of Queenscliffe, PO
Box 93, Queenscliff VIC 3225.

The Annual Report is available in a range of alternative formats and can also be viewed electronically on Council’s website,
www.queenscliffe.vic.gov.au

*Cover image: Sunrise at Queenscliff Pier
Photographer: “Judah” (via Adobe Stock)*

From the Mayor and Chief Executive Officer

The 2020–21 financial year has been tumultuous both for the world at large and in the Borough of Queenscliffe. The ongoing effects of the coronavirus pandemic have continued to challenge our community, and Council has had to adapt to rapidly changing conditions throughout the year.

Despite these challenges, the year also presented opportunities as we look towards a post-pandemic future. New Councillors, innovative strategies, and a renewed appreciation for the connectedness that makes the Borough special have been highlights that show a way forward over the coming four-year Council term.

A new Council

Last year's elections saw a new Council sworn in at the end of 2020. Three of the five Councillors elected are serving on Council for the first time, with Crs Fleur Hewitt, Michael Grout and Donnie Grigau sworn in alongside returning Ross Ebbels and Susan Salter in November 2020. Under the leadership of Mayor Ross Ebbels, who was re-elected as mayor for a second term, Councillors have developed a close working relationship as they begin a new four-year term of leadership on Council.

Thank you to our departing Councillors for their contribution in the previous Council term, including Crs Bob Merriman, Boyce Pizey and Rob Minty. Each of our Councillors play an important and enduring role in shaping the future of the Borough, and we're grateful for the contribution they make on behalf of our community.

Planning for the future

Continuing the work of the previous term, Council has continued developing plans that will guide future decision including the completion and adoption of a Climate Emergency Response Plan (CERP). The CERP includes 49 individual action items outlining how Council and the community will work together to mitigate and adapt to the impacts of climate change, with a specific target of making the Borough a zero-carbon community by 2031. We're proud to have worked closely alongside our community to develop this plan, and implementation work is already under way for a number of the CERP actions.

Following the start of a new term, Council is also developing a new Council Plan and working with our residents and ratepayers to develop a Community Vision, two documents that will outline Council's focus over this four-year term. For the first time, Council is using a deliberative engagement approach to capture ideas and develop strategic objectives, asking community members on a panel to outline the direction they want Council to head and the work that will take us there. By working alongside residents, ratepayers, and community members, we're looking forward to developing goals for this term and the future of the Borough that match our community's aspirations.

In acknowledging the importance of preserving and improving our unique coastal landscapes, Council has continued work on a Coastal and Marine Management Plan (CMMP) which will provide strategic oversight for land use planning in coastal areas throughout the Borough. The CMMP will identify priorities for coastal management in the Borough, clarify planning objectives within different precincts, and provide a consistent framework for managing development within sensitive landscapes. Council has already had significant community input into the development of this plan, and is looking forward to finalising the plan in response to further community engagement in the coming financial year.



Working alongside a global pandemic

The coronavirus pandemic reached a nadir in Victoria during winter and spring of 2020, with large parts of the state enduring a significant rise in cases and rolling lockdowns. While the Borough was fortunate to escape the worst outbreaks faced elsewhere, lockdowns and restrictions required Council to significantly change that way it works and operates.

Councillors and staff spent several months during this period working primarily from home, and several Council services were suspended or substantially modified as a result. While challenging, enforced lockdowns also provided an opportunity for Council to improve some of its services, including an increased opportunity for residents to participate in Council meetings online, and providing home-based options for residents to engage in interactive webinars and consultation.

The pandemic has also reinforced the importance of many of the services Council provides to the community – most notably our aged care services. In developing new protocols and procedures to keep our most vulnerable residents safe, healthy and engaged during the pandemic, Council's aged care team have demonstrated the importance of the work they do. As an acknowledgement of this work, Council renewed its commitment to providing accessible public aged care services following an independent review.

A financial recovery plan

The suspension of services at Council's tourist parks during much of the coronavirus pandemic alongside an increase in financial support for local businesses and residents placed significant pressure on Council's financial position. In line with many other governments of all levels across the country, Council reported a rare deficit for the 2020–21 financial year.

Fortunately, Council's underlying financial position has been, and remains, strong. Effective long-term planning and a debt-free balance sheet has allowed Council to not only offer substantial support to businesses and residents facing financial hardship, but to recover quickly from financial pressures. Council's 2021–22 budget returns to a small surplus and outlines a healthy financial outlook for the long term.

Council acknowledges the hard work staff across the organisation have made to manage costs over the year, including our Finance team. The Borough's financial management and adaptability under pressure continues to provide excellent value and fiscal sustainability for our residents and ratepayers.

Continuing work on important projects

Despite changes and challenges over the year, work has continued on a number of major projects. Construction has begun on the Queenscliffe Hub, a joint initiative of all levels of government that will bring the Library, Historical Museum and Visitor Information Centre under a single roof. With new shared facilities and increased opportunities for collaboration, we're looking forward to opening the Hub in the next financial year and delivering a long-awaited upgrade for these much-loved community organisations.

Work has also progressed on the Point Lonsdale Lighthouse Reserve, with feedback from the Wadawurrung Traditional Owners being implemented into the masterplan for the project. Council is continuing to develop a strong working relationship with the Wadawurrung, who are providing expert guidance on a number of projects and plans under development. We're looking forward to improving the way our community acknowledges, respects and celebrates the Wadawurrung story as a result of this partnership.

Council's project management is also defined by our partnerships, and we've continued to work with other levels of government and community groups throughout the year across a slate of projects. Notably, this includes a major upgrade of the Queenscliff Boat Ramp funded by Better Boating Victoria and project managed by the Borough. Many Council officers and Victorian Government staff have developed closer working relationships throughout the financial year, making project delivery more effective for both levels of government.

While major projects tend to draw a lot of attention, councils across the country know that often the small improvements are the ones that matter the most. This year, Council began rolling out a slate of improvements to pedestrian safety throughout the Borough, with new pedestrian crossings, footpaths, and connections under construction in both Queenscliff and Point Lonsdale. Community feedback consistently tells us that investing in footpaths and pedestrian infrastructure should be a priority for Council, and we're proud to respond to the feedback we receive by making tangible improvements that make the Borough safer for everyone.

As the level of government most accountable and connected to our community, the past year has demonstrated the importance of local government. But Council would not be able to deliver the valuable services and projects our community relies on with the talent and commitment of our staff. This year, we celebrated alongside many staff who achieved more than a decade of continuous service to our community – a significant milestone that reflects the commitment of our staff to our community, as well as the Borough's reputation as an employer of choice. Thank you to all our staff for your work over a challenging but important financial year.



Councillor Ross Ebbels
Mayor
Date: 19 September 2021
Queenscliff



Martin Gill
Chief Executive Officer
Date: 19 September 2021
Queenscliff

“With the assistance of the Borough of Queenscliffe, I was able to navigate my business through multiple lockdowns and trade restrictions. With the Skipton and increased outdoor dining capacity provided over the summer period, I was able to recoup lost revenue from previous months, as well as build upon our customer base.”

Garreth Jones
Queenscliff General Store Café





Our year in review

About our Borough	9
Fast facts	12
Year at a glance	13
Sustainability	19
Financial overview	20
Engaging with our stakeholders	21
Events and milestones	26

Our Year in Review

About our Borough

A safe haven for locals and visitors alike; where history, culture and the natural environment meet in ways that delight and surprise; an involved and caring community – these are the features that make the Borough of Queenscliffe a special, restorative place for everyone.

Located at the eastern tip of Victoria's Bellarine Peninsula, the Borough of Queenscliffe is unique in many ways.

Geographically, it sits opposite Point Nepean at Port Phillip Heads and is bordered by water on three sides: Port Phillip, Swan Bay and Bass Strait. The Borough's only land border is the City of Greater Geelong to its west.

In size, it covers a mere 10.83 square kilometres, making it Victoria's smallest local government area. Formed by the seaside villages of Queenscliff and Point Lonsdale, as well as Swan Island, it is the only Borough in Victoria – and Australia.

Historically, the Borough of Queenscliffe was created in May 1863, making it more than 150 years old and the only local government area that was not subject to amalgamation. The Queenscliff township was built first and foremost for government purposes, providing postal, customs, health and telegraph services, lighthouse and signal services, military and defence establishments and the sea pilot's service.

The Borough is located approximately 105km south-west of Melbourne and 35km east of Geelong.

Key features

The many significant historical buildings within the Borough contribute to its distinctive built environment. Well-preserved heritage buildings are one of the area's key tourism assets.

Perched above the point where Port Phillip meets Bass Strait, Point Lonsdale boasts both sheltered bay beaches and a dramatic and breathtaking strip of rugged ocean frontage where the western Victorian surf coast begins.

As well as being of high ecological value, the foreshore and marine environments contribute to the municipality's urban and landscape character, which attracts many people to the area.

The Borough of Queenscliffe community is close-knit. It enjoys a highly active community life through volunteering and participation in sport, recreation, arts, cultural and civic events.

What's in a name?

Queenscliff spelt without an 'e' on the end refers to the township of Queenscliff, named by Lieutenant Governor La Trobe in 1853 in honour of Queen Victoria. Queenscliffe with the 'e' refers to the Borough of Queenscliffe municipality, proclaimed by the Victorian Parliament in 1863 under the Municipal Consolidation Act.

Designed in 1864, the original corporate seal incorporated the Latin text 'Statio Tutissima Nautis', which translates as 'the safest anchorage for seafarers'. More than 150 years later, we are still using the essence of the original seal and continue to be a safe harbour – not just for seafarers, but for all residents and visitors.

By working alongside residents, ratepayers, and community members, we're looking forward to developing goals for this term and the future of the Borough that match our community's aspirations.

Demographic profile

The Borough of Queenscliffe has a unique demographic profile of permanent residents. The following data is sourced from the ABS ERP 2020, Census 2016, and .id Demographic Resources:

- There are **3,008 permanent residents**, living in 2,801 dwellings, with an average household size of 2.0.
- The **53.7 per cent of private dwellings unoccupied** during the 2016 census is indicative of the large temporary population as many property owners only holiday or live part-time in the Borough.
- Of the permanent resident population, **58 per cent live in Point Lonsdale**.
- **49.9 per cent** of the population is **aged over 60**.
- The three largest ancestries are **English, Australian, and Irish**.
- **1,365 people** (56%) have a **tertiary qualification**.
- **1,193 people are employed**. There is a high proportion of retirees and semi-retirees.
- **83.5 per cent of homes** in the Borough of Queenscliffe have an **internet connection**.

Age structure

The age of a community's residents is an important indicator of its residential role and function and how it is likely to change in the future. It provides key insights into the level of demand for services and facilities, as most services and facilities are age-specific.

The following table shows the breakdown in age structure for the Borough of Queenscliffe compared with the Victorian average in 2016.

	Borough of Queenscliffe	Victorian average
Babies and pre-schoolers (0–4)	2.7%	6.3%
Children (5–17)	11.9%	15.5%
Adults (18–59)	34.8%	57.3%
Mature adults and seniors (60–84)	45.3%	18.8%
Elderly (85 and over)	5.2%	2.2%

Social and economic profile

The Borough's permanent population of around 3,000 takes advantage of well-planned streetscapes and infrastructure including local schools, sports clubs, community and health care services, as well as a range of quality retail providers.

There are numerous opportunities for employment in the local area, including retail, tourism and hospitality, and professional services such as medical, accounting, legal and real estate.

Commerce and recreation have coexisted from the very early days and, while it is by no means the only industry, tourism is an integral part of the local economy. During peak holiday periods, the influx of non-permanent residents and visitors boosts the population to more than 17,100.

The Borough's main industry sectors by employment are:

- Accommodation and food (19%)
- Public administration and safety (17%)
- Health care and social assistance (11%)
- Retail (11%).

Urban character

One of the area's most striking contrasts is between old and new. The rich historical character of Queenscliff, with its grand old buildings, is offset by a vibrant and contemporary cultural scene. Stately Victorian façades conceal a range of contemporary art galleries, award-winning restaurants and quality retail outlets.

Modern architecture, such as the Queenscliff Harbour precinct, is the new expression of a traditional maritime theme, combining steel angles and extensive glazing with solid timber reminiscent of the old piers. It provides a unique dining, retail and community space.

Cultural heritage

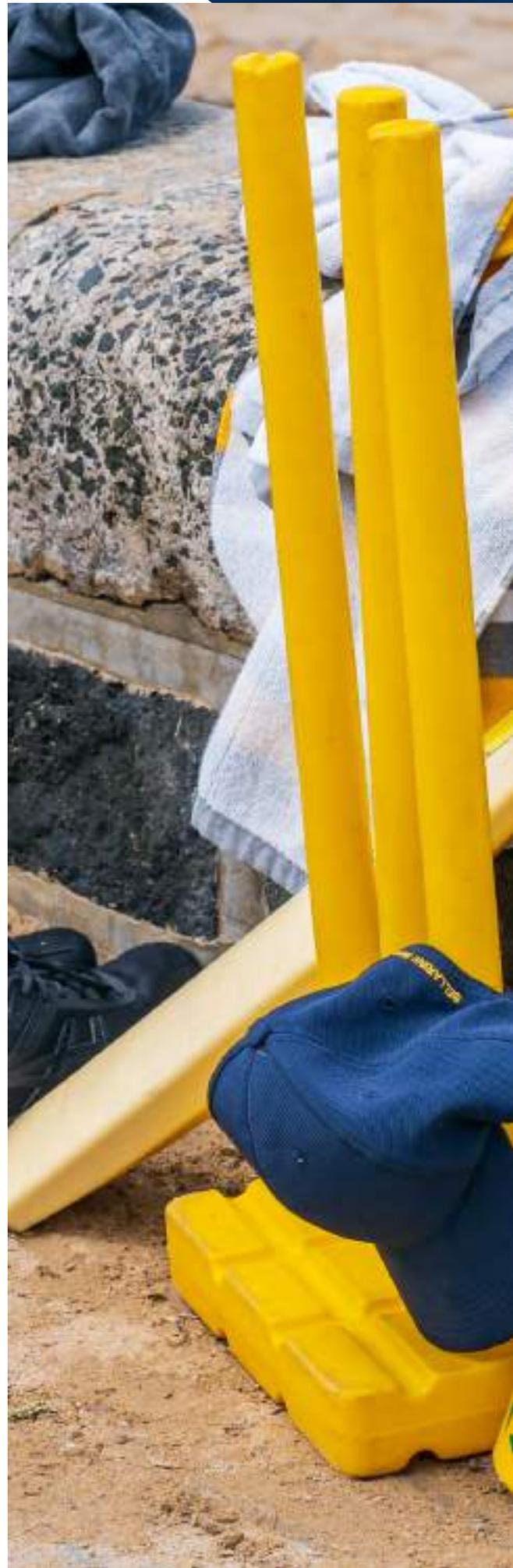
The Borough has a rich history of Aboriginal and European activity and settlement, which contributes to its cultural and historical significance. In the spirit of reconciliation, Council acknowledges the Wadawurrung people who have lived in harmony with the land and the waterways of this area for many centuries.

Natural environment

Surrounded by coastal foreshore on three sides, the Borough's Port Phillip and Bass Strait coastlines are characterised by primary dunes covered in remnant coastal vegetation, formal parkland and beaches. Exposed limestone cliffs along the coast at both Point Lonsdale and Shortland's Bluff are significant landscape features. The marine and terrestrial environments of Swan Bay, its foreshore and islands are environmental assets of international significance under the Ramsar Convention.

Council has considerable responsibility for coastal Crown land management, with 27 foreshore reserves totalling around 104 hectares, or 8 per cent of the municipality, under its land management – the highest proportion of any Council in Victoria.

The need to protect and enhance the Borough's natural environment continues to be a high priority for Council as demonstrated through a number of programs including weed management, our Corporate Carbon Neutral Action Plan and the Community Environment Alliance.





Fast facts 2020–2021

Population

3,008
permanent residents

3,103
rateable properties

2.0
persons average household size

60
median age

17,000+
peak overnight population (Dec–Jan)

23
birth notifications

Rates, roads, rubbish

\$12.8 million revenue **\$12.9 million** expenditure

42km
of local road network maintained

55.8%
household waste diverted from landfill

515.9 tonnes
total waste recycled

794.4 tonnes
total green waste composted

Environment and planning

112
street trees planted (in road reserves)

353
native shrubs and ground covers planted (in caravan parks, car parks and Council reserves)

124 planning permits assessed

827
animal registrations

7.15 tonnes
E-waste diverted from landfill

People and services

8,515
hours of aged care service provided (zero waiting list maintained)

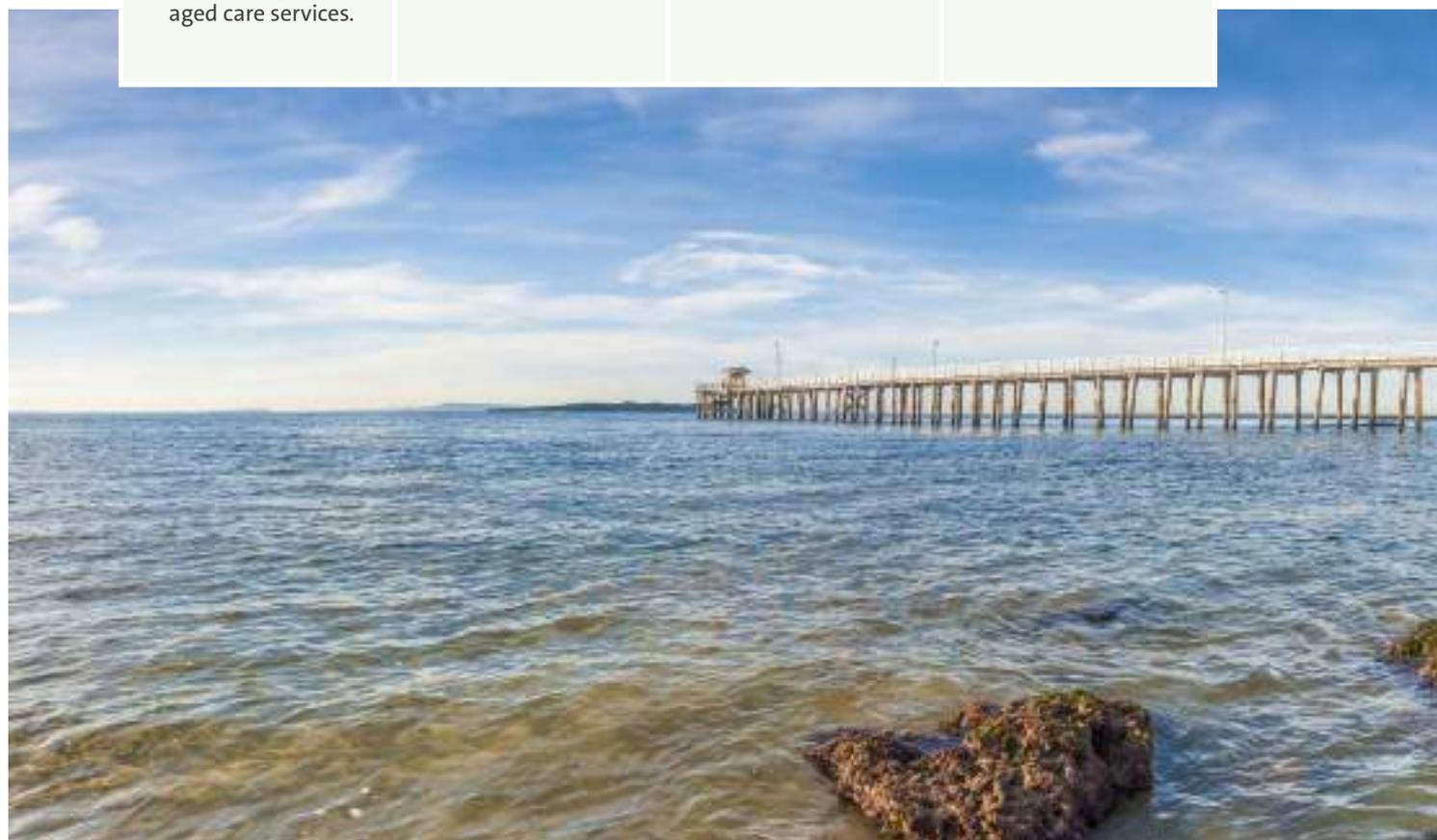
791
total volunteer hours

4,976
Queenscliffe Visitor Information Centre enquiries

Year at a glance

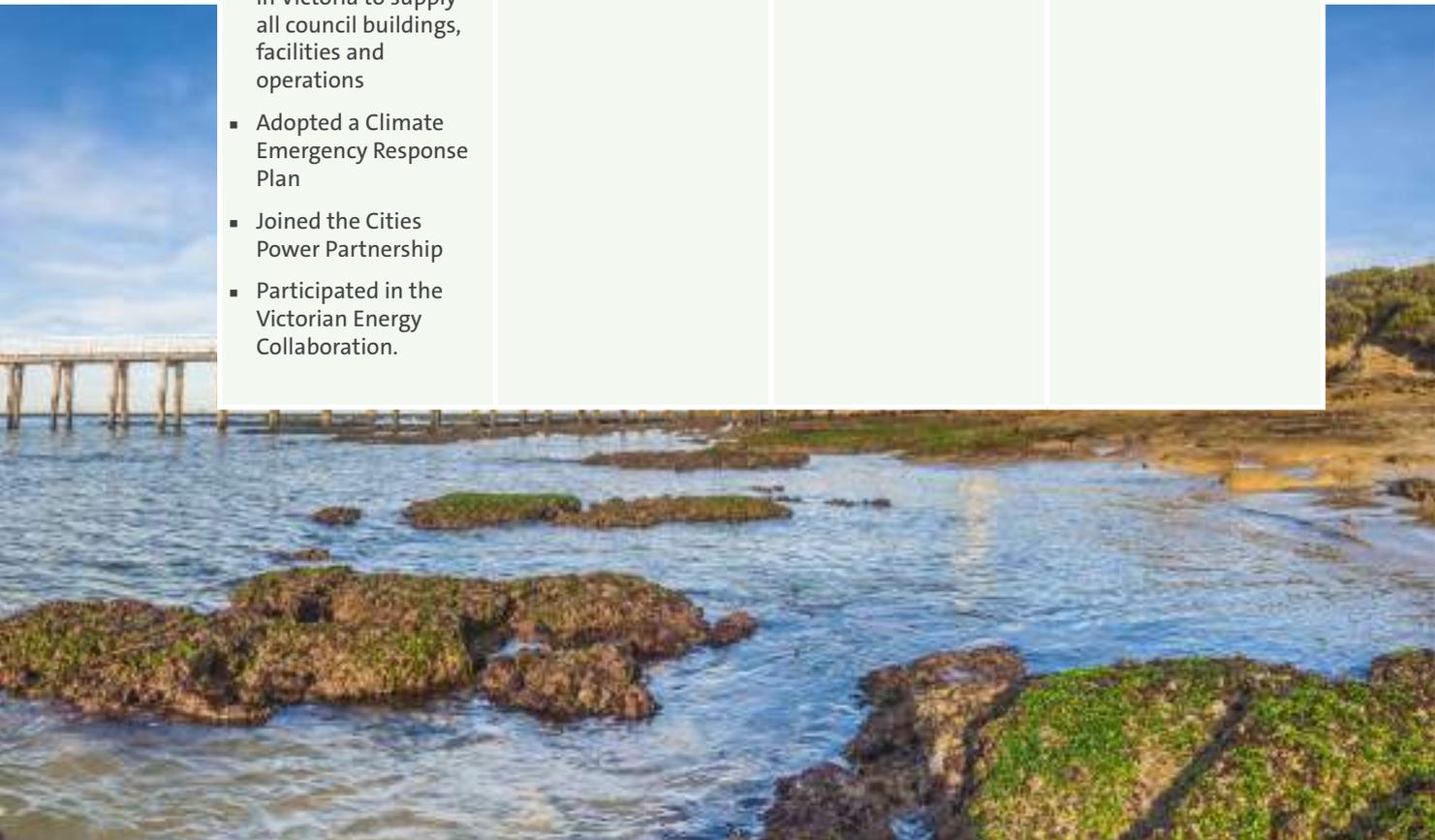
Strategic Direction: Community Wellbeing

Achievements	Disappointments	Challenges	Year Ahead
<ul style="list-style-type: none">▪ Successfully implemented the Community Activation and Social Isolation program.▪ Hosted a grant writing workshop to benefit community groups.▪ Installed pedestrian crossings in Gellibrand Street and Point Lonsdale Road.▪ Installed new disabled car parks in Point Lonsdale.▪ Completed upgrade of Hesse Street South.▪ Maintained a zero-day waiting list for aged care services.	<ul style="list-style-type: none">▪ The new DH digital inspection and assessment tool was delayed.▪ Face-to-face training sessions with local businesses were cancelled due to COVID-19 restrictions.	<ul style="list-style-type: none">▪ The ongoing impact of the COVID-19 pandemic forced the cancellation of events and festivals that are usually a staple of the Borough's annual calendar.	<ul style="list-style-type: none">▪ Adapting to the rollout of DH's state-based compliance and reporting tool.▪ Reviewing compliance procedures whilst seeking business feedback.▪ Improving communication with businesses on regulatory matters.



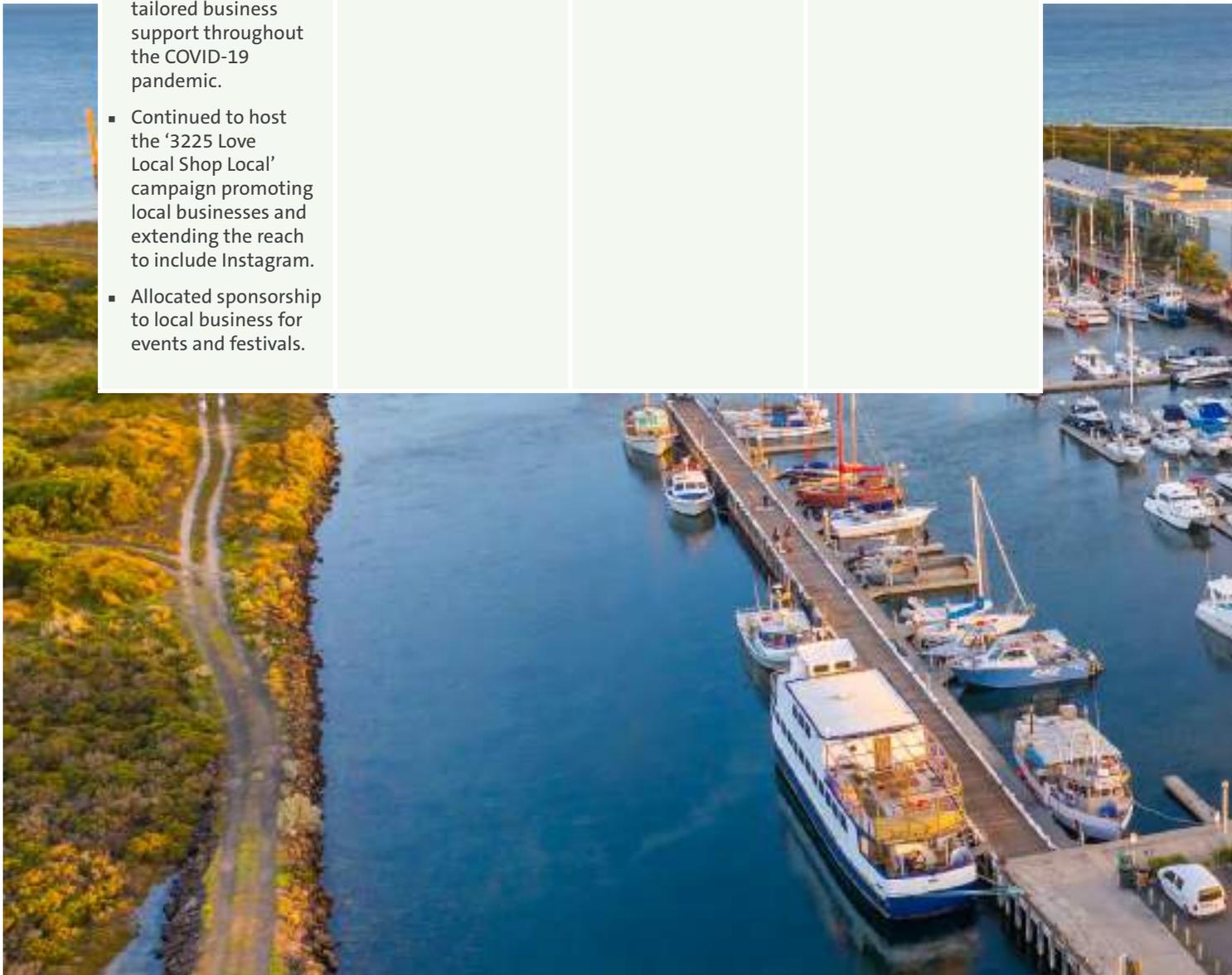
Strategic Direction: Environmental Sustainability

Achievements	Disappointments	Challenges	Year Ahead
<ul style="list-style-type: none"> ▪ Planted 353 trees, shrubs and ground covers in Council parks and playgrounds ▪ Planted 124 trees in streets, road reserves and Council caravan parks ▪ Processed 75.56 tonnes of environmental weeds ▪ Diverted 543 kg of batteries and 7.1 tonnes of e-waste from landfill ▪ Composted 794 tonnes of green waste through the kerbside service ▪ Joined 46 other councils to tender for 100% renewable electricity generated in Victoria to supply all council buildings, facilities and operations ▪ Adopted a Climate Emergency Response Plan ▪ Joined the Cities Power Partnership ▪ Participated in the Victorian Energy Collaboration. 	<ul style="list-style-type: none"> ▪ The planned rollout of a fourth bin as part of the Food Organics & Garden Organics kerbside collection service was delayed due to lack of funding. 	<ul style="list-style-type: none"> ▪ Weed reduction activities within the Borough were impacted by the suspension of Council's partnership with Conservation Volunteers Australia and Corrections Victoria. 	<ul style="list-style-type: none"> ▪ Maintain our partnership with Corrections Victoria to continue Council's weed management activities within foreshore reserves. ▪ Commence implementation of the kerbside waste collection transition plan. ▪ Develop the CERP Implementation Plan, including resourcing commitments, climate governance, prioritisation, and the development of key budget requirements.



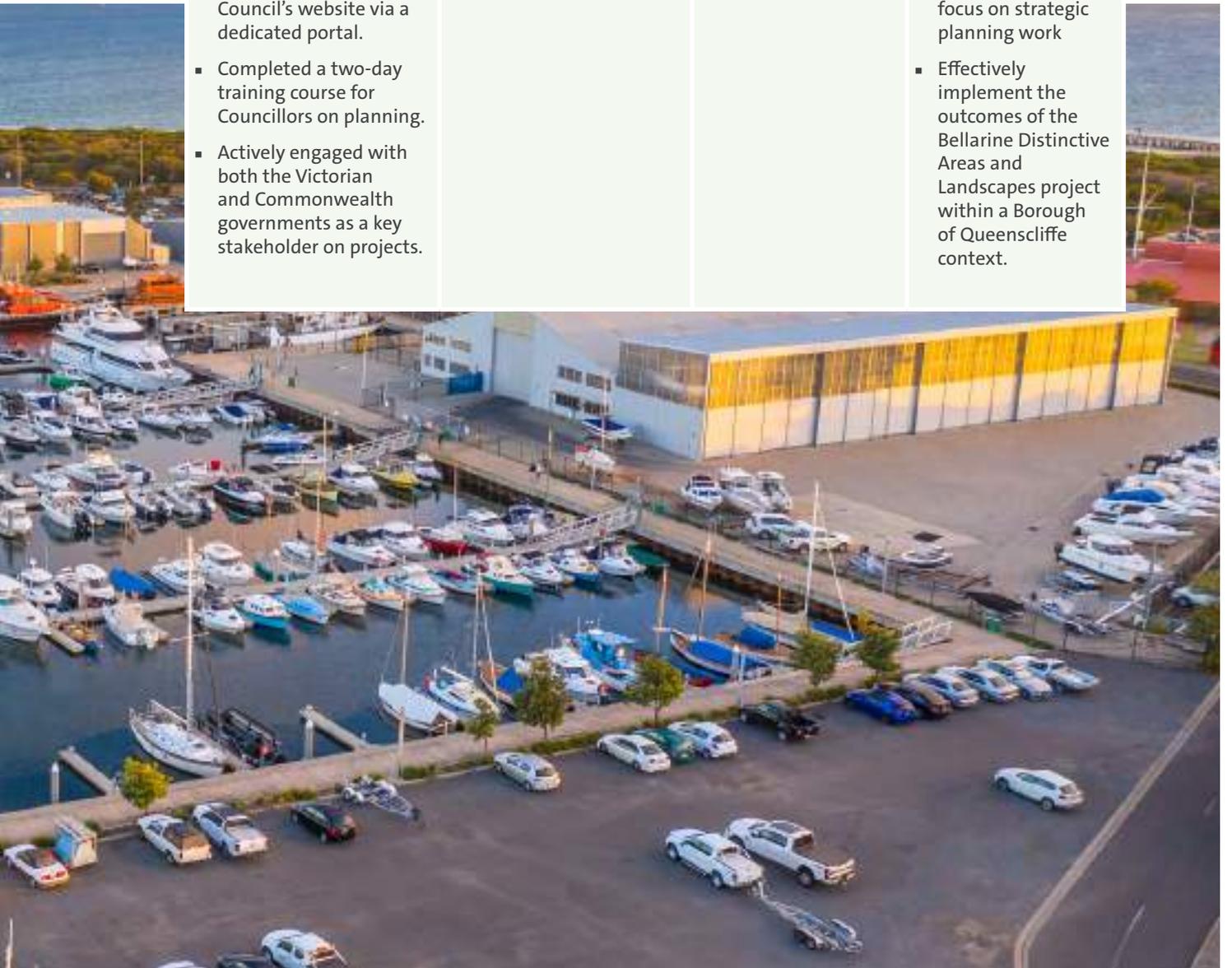
Strategic Direction: Local Economy

Achievements	Disappointments	Challenges	Year Ahead
<ul style="list-style-type: none"> ▪ Contributed to local employment via our preference for the engagement of local providers in Council's procurement policy. ▪ Continued with the production of the business e-news bulletin ▪ Hosted an interactive online small business festival event in partnership with the Geelong Small Business Festival. ▪ Continued to provide specialised and tailored business support throughout the COVID-19 pandemic. ▪ Continued to host the '3225 Love Local Shop Local' campaign promoting local businesses and extending the reach to include Instagram. ▪ Allocated sponsorship to local business for events and festivals. 	<ul style="list-style-type: none"> ▪ After successfully implementing innovative outdoor dining solutions across the Borough, Council was ineligible to apply for a second round of State Government funding. 	<ul style="list-style-type: none"> ▪ Border closures and ongoing coronavirus lockdowns affected the patronage of Council-operated services such as Queenscliffe Tourist Parks and the Queenscliffe Visitor Information Centre. 	<ul style="list-style-type: none"> ▪ Complete a review of Queenscliffe Tourist Parks operations.



Strategic Direction: Planning and Heritage

Achievements	Disappointments	Challenges	Year Ahead
<ul style="list-style-type: none"> ▪ Commenced community engagement and drafting of a Coastal and Marine Management Plan. ▪ Commenced preparation of planning scheme amendments to incorporate changes nominated in 2020 Heritage Review. ▪ Processed more planning applications within 60 days. ▪ Improved accessibility to planning documentation by uploading all planning applications to Council's website via a dedicated portal. ▪ Completed a two-day training course for Councillors on planning. ▪ Actively engaged with both the Victorian and Commonwealth governments as a key stakeholder on projects. 	<ul style="list-style-type: none"> ▪ The COVID-19 pandemic significantly restricted Council's ability to progress the exploration of sites nominated in the 2020 Heritage Review. ▪ We unfortunately had to respond to a number of incidents of damage to protected vegetation over the past year. 	<ul style="list-style-type: none"> ▪ An increasing number of dwellings in the Borough are being modified in contravention of the planning scheme and building regulations. ▪ COVID-19 restrictions have prevented planning staff from undertaking on-site and in-person meetings with planning applicants. 	<ul style="list-style-type: none"> ▪ Finalise and implement a new Coastal and Marine Management Plan ▪ Finalise and implement modifications to the planning scheme in response to the 2020 Heritage Review ▪ Incorporate protections for the Avenue of Honour into the planning scheme through a heritage overlay ▪ Deliver a renewed focus on strategic planning work ▪ Effectively implement the outcomes of the Bellarine Distinctive Areas and Landscapes project within a Borough of Queenscliffe context.



Strategic Direction: Governance and Performance

Achievements	Disappointments	Challenges	Year Ahead
<ul style="list-style-type: none"> ▪ Adopted a new General Local Law 2021 after extensive public consultation. ▪ Introduced a new public-facing Council website built on industry-leading architecture. ▪ Continued to implement requirements of the new Local Government Act 2020. ▪ Completed a rigorous audit program, concentrating on areas of greatest risk and return. ▪ Increased community engagement and consultation, resulting in improved Community Satisfaction Survey metrics. ▪ Won a seventh consecutive Gold Award in the Australasian Reporting Awards. ▪ Remained in a sound financial position according to VAGO's long-term financial sustainability indicators. 	<ul style="list-style-type: none"> ▪ The continual challenges of the COVID-19 pandemic in preventing indoor gatherings of any significant number has forced Council to re-evaluate its methods of consultation and, in some instances, extend the engagement process on multiple projects. 	<ul style="list-style-type: none"> ▪ Planned upgrades to Council's IT systems and infrastructure were unfortunately pushed back until later notice. 	<ul style="list-style-type: none"> ▪ Finalise the Council Plan and Community Vision.





Sustainability

Power purchasing agreement

The Borough of Queenscliffe joined forty-five other Victorian councils in May 2021 by signing on to the Victorian Energy Collaboration (VECO), the largest ever emissions reduction project by local government in Australia.

Beginning on 1 July 2021, the VECO will power 45 per cent of all Victorian councils' electricity requirements with renewable energy, reducing greenhouse emissions by 260,000 tonnes of CO2 every year. By joining the project, Council will power 100% of its total electricity use with renewable energy, including street lights, Council offices, caravan parks and the Town Hall.

The 240 GWh of electricity purchased each year by participating Councils will be provided by two wind farms in Victoria – Dundonnell wind farm near Mortlake, and Murra Warra II wind farm near Horsham, which is currently under construction. Both wind farms deliver economic benefits to the regions during construction and ongoing operation, and form an important part of state, regional and local economic development.

Meeting all of its electricity needs with renewable energy is the most recent in a series of actions Council has taken to reduce its environmental impact. Other actions include installing energy-efficient lighting in Council buildings and street lights, and introducing a green waste service to divert more than 3,600 tonnes of rubbish from landfill since July 2015.

Climate Emergency Response Plan

Council cemented its place as a climate response leader in the region with the formal adoption of a Climate Emergency Response Plan at the May 2021 Ordinary Meeting of Council.

The Plan, which was developed in partnership with the community, commits to achieving net zero emissions by 2031, as well as interim steps including matching local electricity consumption with 100% renewable energy by 2025.

Council will achieve its zero-net emissions goal by completing or facilitating 49 individual actions laid out in the Plan. Actions vary from solar bulk buys to a shared commitment to phase out single-use plastics throughout the Borough. Many actions involve partnerships, with community action playing a key role in achieving the targets. Council will now develop an implementation plan to further outline how each of the actions in the plan will be achieved.

The adoption of the CERP builds on existing actions Council has already taken to reduce its climate impact, including switching all Council street lighting to energy-efficient LEDs, entering an agreement to purchase 100% renewable energy for Council operations, and reducing its emissions by 34% since 2013.

E-waste drop-off day

After a forced hiatus in 2020 due to the pandemic, Council was pleased to be able to welcome back the return of the popular annual e-waste drop-off day, held at the Ocean View Car Park in May 2021. Local residents disposed of old televisions, computers and home office equipment, amongst many other appliances, and in doing so we were able to divert more than 7.1 tonnes of electronic waste from landfill.

To learn more about Council's sustainability achievements, visit page 71 of this report.

Financial overview

Council has continued to meet the challenge of balancing the operational needs of the community with the ongoing requirements to fund the renewal and upgrade of Council assets in the Borough during 2020–21. The continued focus on maximising efficiencies has enabled Council to maintain service standards despite the financial impact of COVID-19.

Following is an overview of our financial results for 2020–21.



Operating Revenue

\$11.3 million

67 per cent coming from rates and charges and 16 per cent from user fees. 10 per cent of income from tourist parks was lost due to COVID-19 restrictions when compared with the 2018–19 income level (pre-COVID).



Operating Expenses

\$11.5 million
(excluding accounting adjustments)

39 per cent employee costs, 45 per cent materials and services, and 12 per cent depreciation.



Underlying Deficit

\$0.2 million
(before any accounting adjustment)

Underlying result indicates whether the Council generates a surplus in the ordinary course of business after taking in to account recurrent capital grants. Excluding the impact of one-off accounting adjustments, Council has achieved an underlying deficit of \$149,000 mainly driven by the loss of income from tourist parks due to the pandemic.



Capital Income

\$1.4 million

100 per cent non-recurrent capital grants.



Capital Expenditure

\$3.8 million
(before any accounting adjustment)

93 per cent renewal/upgrade of existing assets and 7 per cent new assets.



Net Assets

\$141.3 million

Slight decrease on the previous year.



Cash and Investments

\$8.6 million

\$0.6 million subject to external restrictions and \$3.6 million subject to intended allocations.



Loans and Borrowings

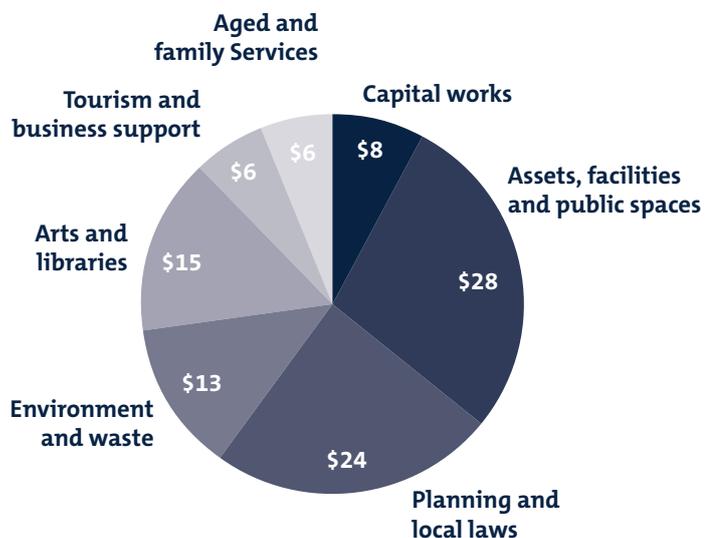
\$0.0 million

Council has a debt-free balance sheet.

Where \$100 of rates income is spent by Council

Council remains heavily dependent on rates as its major revenue source, with ratepayers contributing more than 59% of Council's operating revenue in 2020–21.

For full details, please refer to the Annual Financial Report on page 141.



Engaging with our stakeholders

Stakeholder engagement is vital to Council's capacity to understand the diverse needs of our local community and to make decisions and advocate on its behalf.

Our stakeholder engagement approach is underpinned by:

- The *Local Government Act 2020*, and specifically Council's role pertaining to acting as a representative government for the local community, advocating its interests to other communities and governments, and encouraging active participation in civic life
- Our Councillor Code of Conduct, and specifically the principles and behaviours relating to Councillors performing their community engagement and advocacy roles
- Our community engagement policy, that outlines how and when we engage and consult with our community and other stakeholders
- Guidelines relevant to various engagement activities, such as our monthly Councillor listening posts.

Engaging with our stakeholders enables Council to gain valuable knowledge, build understanding, share views and respond to the opportunities and issues important to our community. Council achieves this through the use of workshops, 'drop-in' days, listening posts and online surveys, as well as taking and responding to public questions at monthly Ordinary Council Meetings.

Current legislative requirements

Community participation in the development of the Council Plan, annual Budget and any application for an exemption to the rate cap is a statutory requirement under the *Local Government Act 1989* for all Victorian councils.

In 2020–21, we encouraged community involvement in the development of our 2021–22 Budget and implementation plan. Draft documents were presented at a public information session, publicly advertised and the community invited to provide feedback via written submission. This feedback was considered by Council and as resolved incorporated into the final documents adopted by Council in June 2021. We also began consultation to develop the next four-year Council Plan, as well as the ten-year Community Vision – a new statutory requirement as part of the updated Act.

Public question time at the start of monthly Ordinary Council Meetings provides another forum for community participation. Questions are formally lodged before each meeting. Questions asked and responded to during the meeting are recorded in the minutes.

During 2020–21, Council received and responded to 30 public questions raised at the monthly Ordinary Meetings.





Stakeholders are important to Council because they...

Stakeholder: Residents

Use and provide feedback about Council services, facilities and infrastructure. They also give us information about issues that are most important to them.

Stakeholder: Ratepayers

Provide funding for Council services. They also use and provide feedback about Council services, infrastructure and local issues.

Stakeholder: Local businesses

Create local jobs and provide goods and services for residents of and visitors to the Borough. They are key to our local economy.

Stakeholder: Community groups and volunteers

Provide a range of services and community building activities and events. They connect local residents and encourage community participation. They generate and pursue ideas and projects in the community.

Stakeholder: Government – State, Federal and other councils

Provide grant funding and guidance on legislation and regulations. They also form a valuable network and contribute to regional partnerships and major projects.

Council is important to Stakeholders because we...

Stakeholder: Residents

Provide local services, facilities and infrastructure; support many community building activities and events that improve wellbeing; and provide information in response to enquiries.

Stakeholder: Ratepayers

Provide local services, facilities and infrastructure; support many community building activities and events that improve wellbeing; and provide information in response to enquiries.

Stakeholder: Local businesses

Support professional development for local businesses; facilitate tourism activity; provide support and resources for local events; and assess and issue permits.

Stakeholder: Community groups and volunteers

Provide information, resources and support for many community building activities and events that improve wellbeing; build community connections and enhance the environment.

Stakeholder: Government – State, Federal and other councils

Provide local services, facilities and infrastructure; play an important role in community wellbeing; facilitate tourism; and implement a range of legislation and regulations.

Council engages with Stakeholders via...

Stakeholder: Residents

Council meetings; community consultation and surveys; Council website; social media; publications; Annual Report; mail-outs; customer service; face-to-face meetings; and telephone contact.

Stakeholder: Ratepayers

Rates notices; community forums, including listening posts; publications; Council website; social media; Annual Report; mail-outs; community consultation and surveys; customer service; face-to-face meetings; and telephone contact.

Stakeholder: Local businesses

Council meetings; community consultation and surveys; Council website; social media; publications; Annual Report; mail-outs; customer service; face-to-face meetings; and telephone contact.

Stakeholder: Community groups and volunteers

Meetings with clubs and community organisations; reference groups; workshops and forums; face-to-face meetings with committee members; and online.

Stakeholder: Government – State, Federal and other councils

Formal legislative reports; partnerships; meetings; briefings; networking events; and formal correspondence.

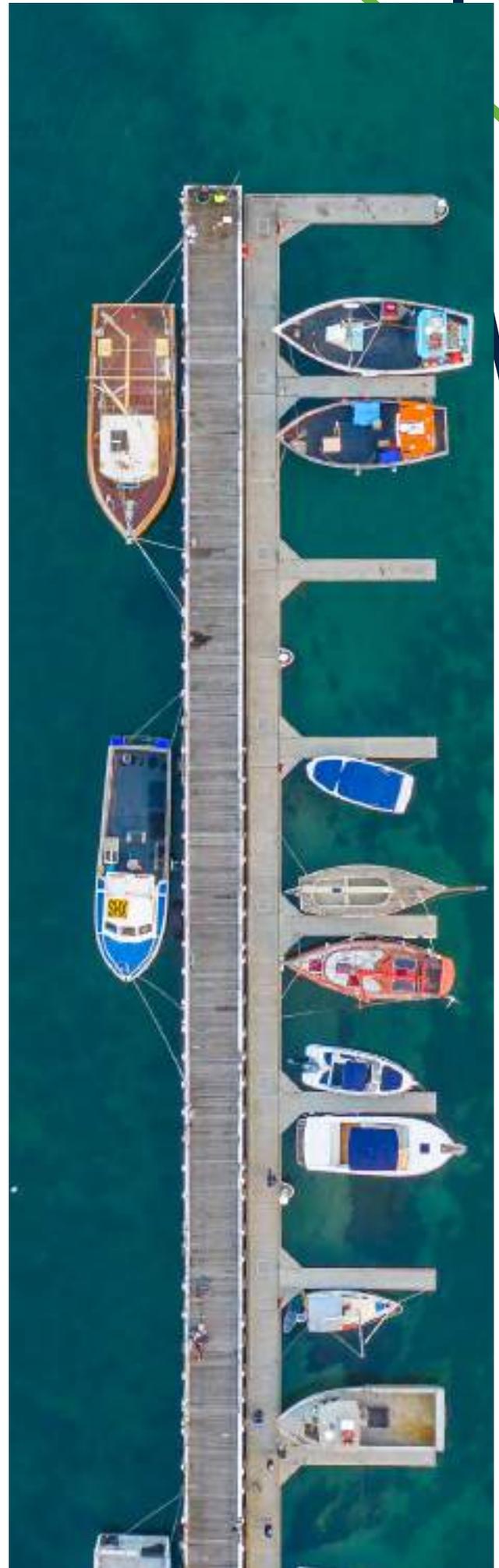
Events and milestones

In 2020–21, Council supported seven local events and activities, bringing a range of social, economic and cultural benefits to the community, and helping to promote the Borough as a tourism and leisure destination. Unfortunately, restrictions on large public gatherings due to the ongoing COVID-19 pandemic prevented a large number of major events from taking place. As such, Council's overall event output was well down on its usual benchmark for a second consecutive year.

Events that took place throughout 2020–21 included:

- The Pelican Bar
- Lighting of the Point Lonsdale Christmas Tree
- Australia Day celebrations
- Point Lonsdale Boardriders Club Groms Day
- Anzac Day services
- Twenty-four Community Activation and Social Isolation grant funded activities
- Queenscliffe Literary Festival
- Bellarine Lighthouse Film Festival
- Refugee Week activities

Council was also able to promote and support 24 events and activities run by local community groups throughout May and June 2021 as part of the Victorian Government's Community Activation and Social Isolation initiative. These functions helped provide emotional support and practical help to Queenscliffe residents during the pandemic.



“I would like to thank the Borough of Queenscliffe for being so vigilant and dedicated to provide every possible help in these hard times. We have relied on your tremendous support in the past few months. Thank you once again for your outstanding performance.”

Ken Virk
Plated Point Lonsdale





Our Council, our people

Councillors	29
Council governance	32
Organisation overview	43
Staff management and culture	47
Corporate governance	52
Volunteers	55
Awards and recognition	56

Councillors

Council elections are held every four years. The current Council was elected in November 2020 and under the *Local Government Act 2020* is elected for a four-year term.



Cr Ross Ebbels (Mayor)

P: 0427 448 160

E: ross.ebbels@queenscliffe.vic.gov.au

First elected 2016, re-elected 2020. Mayor 2019–current.

Cr Ebbels has a long and varied involvement with the local community as the former co-owner (with his wife) of two local businesses, Athelstane House and McKenzie Ebbels Food Store. He has also served as inaugural Chair and board member of Queenscliff Music Festival, and represented the Bellarine Peninsula for 14 years on the Geelong Otway Tourism Board, including six years as Chair.

The father of two daughters, both former Queenscliff Kindergarten and Queenscliff Primary School students, he has previously served on the school council, including two years as President.

Portfolio

- Local Economy

Delegate

- Municipal Association of Victoria
- Tourism Greater Geelong & the Bellarine
- Rural Councils Victoria
- G21 Regional Alliance Board
- G21 Economic Pillar

Representative

- Audit and Risk Committee
- CEO Performance Review Committee



Cr Donnie Grigau

P: 0437 842 380

E: donnie.grigau@queenscliffe.vic.gov.au

First elected 2020.

Cr Grigau is a local hands-on business owner with strong ties to the arts & sporting community.

After a 20-plus year career in the fashion and consumer retail sector as a product developer, Cr Grigau and his husband decided to move from Melbourne to make a lifestyle change. The choice between the high country and coastal lifestyle was made when a business in Hesse Street, Queenscliff was available.

Portfolio

- Community Wellbeing

Delegate

- Bellarine Community Safety Group
- G21 Health & Wellbeing Pillar
- G21 Sport & Recreation Pillar

Reference Groups

- Community Grants Advisory Reference Group



Cr Michael Grout

P: 0437 118 037

E: michael.grout@queenscliff.vic.gov.au

First elected 2020.

Cr Grout is a local resident actively involved in the local community, particularly through his association with the Queenscliffe Economic Development Advisory Committee, Point Lonsdale Civic Association, Swan Bay Environment Association, Bellarine Community Health Eric Tolliday Units Reference Group and various roles in Queenscliff Primary School, Sea Scouts and sporting clubs.

Cr Grout holds a degree in civil engineering and is a training professional with twenty-five years' experience in training and business improvement. He is qualified and experienced in skill development, problem solving, change and improvement, safety performance and project management, using methods from one-on-one coaching to group facilitation. Cr Grout was recognised at Orica with manufacturing training awards in 2000 and at Australian Vinyls with a Victorian training award in 2006.

Portfolio

- Planning and Heritage

Delegate

- Geelong Queenscliffe Coastal Adaption Planning Project
- G21 Planning Pillar
- G21 Transport Pillar

Reference Groups

- Community Grants Advisory Reference Group



Cr Fleur Hewitt

P: 0437 860 520

E: fleur.hewitt@queenscliff.vic.gov.au

First elected 2020.

Cr Hewitt lives with her family in Queenscliff and attends the Queenscliff & Point Lonsdale Playgroup and the Wild Arts Forest School in Point Lonsdale with her two young girls.

Cr Hewitt holds a Bachelor of Arts and Bachelor of Laws (with Honours), and is an experienced lawyer, having worked for large national and international law firms and now as a legal manager for a multinational healthcare company. Her expertise is in all areas of real estate, including major transactions, leasing and construction, and she has a keen interest in planning and environmental issues.

Portfolio

- Environmental Sustainability

Delegate

- Barwon South West Local Government Waste Forum
- G21 Environment Pillar

Reference Groups

- Australia Day Awards Reference Group



Cr Susan Salter

P: 0428 398 966

E: susan.salter@queenscliff.vic.gov.au

First elected 2012; re-elected 2016 and 2020.
Mayor 2017–18.

Cr Susan Salter has lived in Queenscliff for more than 37 years and has been actively involved in various community organisations and groups. She served as President of the Queenscliff Neighbourhood House for 10 years.

Professionally, Cr Salter taught maths at Bellarine Secondary College (Drysdale Campus) before retiring from paid work. Many community members first met her through her various roles at the college. Cr Salter has a particular interest in trees, especially historical and native, and has extensive experience in creating public gardens and managing public open spaces.

Portfolio

- Governance and Performance

Delegate

- Geelong Regional Library Corporation Board
- G21 Education & Training Pillar

Representative

- Audit and Risk Committee
- CEO Performance Review Committee

Reference Groups

- Australia Day Awards Reference Group
- Memorials & Plaques Reference Group



Council governance

The value of good governance

The Borough of Queenscliffe is constituted under the *Local Government Act 2020* to provide leadership for the good governance of the municipal district and the local community. Good governance is vital to ensure accountability, fairness and transparency for all of our stakeholders: management, employees, State and Federal Government authorities, and our community. Good governance encompasses clarity about the legislation and regulations under which we operate along with the local laws we are authorised to make, our decision-making processes, delegations of authority, effective risk management systems and processes, frameworks for planning, monitoring operational effectiveness, and performance management.

Council's role

1. The role of a Council is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.
2. A Council provides good governance if—
 - a. it performs its role in accordance with section 9;
 - b. the Councillors of the Council perform their roles in accordance with section 28. participation in civic life.
3. In performing its role, a Council may—
 - a. perform any duties or functions or exercise any powers conferred on a Council by or under this Act or any other Act; and
 - b. perform any other functions that the Council determines are necessary to enable the Council to perform its role.
4. If it is necessary to do so for the purpose of performing its role, a Council may perform a function outside its municipal district.

Decision-making

Council decisions are made in one of two ways:

1. By resolution at Council meetings and special committees of Council, or
2. By Council officers under delegated authority.

Most decisions of an operational nature have been delegated to officers through the Chief Executive Officer (CEO) and are exercised in accordance with adopted Council policies. This system recognises the CEO's responsibility under the *Local Government Act 2020* in managing the organisation's day-to-day operations.

Code of Conduct

Council has a Councillor Code of Conduct, which was adopted on 17 February 2021 in accordance with the *Local Government Act 2020*. The code aims to:

- Assist Councillors to maintain the highest standards of conduct and behaviour as well as provide a means to deal with problems they may encounter
- Attract the highest level of confidence from Council's stakeholders, and
- Assist the Mayor and Councillors to discharge the responsibilities of their public office appropriately.

In addition to setting out the Councillor Conduct Principles, the Code also outlines roles and relationships, and dispute resolution procedures. The code is available on Council's website.

Local Law

The Local Government Act 2020 (the Act) states that role of a Council is to provide good governance in its municipal district for the benefit and wellbeing of the municipal community.

The purpose and general purport of General Local Law 2021 is to:

- a. provide for those matters which require a Local Law under the *Local Government Act 2020* (the Act) and any other Act;
- b. prohibit, regulate and control activities, events, practices and behavior in places so that no nuisance is caused and there is no detriment to the amenity of the neighborhood, to a person or to a person's property;
- c. provide for the administration and exercise of Council powers and functions;
- d. provide for the peace, order and good governance of the municipal district of the Borough of Queenscliffe;
- e. regulate and control the use of the Council's Common Seal; and
- f. repeal any redundant Local Laws.

Prior to February 2021, Council had two local laws: Local Law No. 1 (2010) – Process of Municipal Government; and Local Law No. 2 (2010) – Community Amenity.

Local Law No. 1 (2010) – Process of Municipal Government pertained to the governance of Council in terms of Mayoral elections, meetings, community participation and the like.

Specifically, the objectives of this local law were to:

- Regulate and control proceedings for the election of Mayor
- Facilitate the orderly conduct of meetings of Council and special committees
- Regulate and control the procedures governing the conduct of meetings, including:
 - The notice required for meetings
 - The keeping of minutes
- Promote and encourage community participation in the system of local government by providing mechanisms for the Council to ascertain the community's views and expectations
- Regulate and control the use of the Council's seal
- Provide generally for the peace, order and good government of the municipal district, and
- Repeal any redundant local laws.

Local Law No. 1 (2010) has now been superseded by Council's Governance Rules, which have been made in accordance with the *Local Government Act 2020*.

Local Law No. 2 (2010) – Community Amenity pertained to maintaining peace and order across the Borough. Its objectives were to:

- Provide for those matters which require a local law under the *Local Government Act 1989* and any other Act
- Prohibit, regulate and control activities, events, practices and behaviour in places so that no nuisance is caused and there is no detriment to the amenity of the neighbourhood, to a person or to a person's property
- Provide for the administration and exercise of Council powers and functions
- Provide for the peace, order and good government of the municipal district of the Borough of Queenscliffe, and
- Repeal any redundant local laws.

Local Law No. 2 (2010) has now been superseded by **General Local Law 2021**.

Council meetings 2020–21

Council conducts its business in open and transparent meetings, which are publicly advertised. Ordinary meetings are held once a month in the Queenscliff Town Hall. Throughout the COVID-19 pandemic, some meetings had to be held virtually due to restrictions preventing in-person Council meetings and/or public gallery attendance. These meetings were accessible for the public to watch live via Zoom. Subsequently, all Council meetings are now video recorded and can be streamed at any time via YouTube.

During the reporting period, ordinary meetings were held on:

- Thursday 23 July 2020
- Thursday 27 August 2020
- Thursday 17 September 2020
- Thursday 22 October 2020
- Thursday 26 November 2020
- Wednesday 16 December 2020
- Wednesday 17 February 2021
- Wednesday 24 March 2021
- Wednesday 28 April 2021
- Wednesday 19 May 2021, and
- Wednesday 23 June 2021.

In accordance with Section 25(1) of the *Local Government Act 2020*, at a meeting of the Council that is open to the public, Councillors must elect a Councillor to be the Mayor of the Council. At the Special Meeting of Council held on 19 November 2020, Cr Ross Ebbels was re-elected as Mayor for a one-year term. Council also opted not to establish the role of Deputy Mayor for the Mayoral term.

A public information session took place on the evening of Monday 10 May 2021 to inform the community about Council's draft 2021–22 Budget and Revenue & Rating Plan. This was again conducted as an interactive online presentation, with the ability for residents and ratepayers to take part in a live Q&A session either in person at the Town Hall or via Facebook.

The Budget and Revenue & Rating Plan were subsequently approved by Council at the Ordinary Meeting conducted on Wednesday 23 June 2021.

Council also conducted Special Meetings on the following dates:

- Thursday 8 October 2020, to assess the planning application for the proposed Queenscliffe Hub development, and
- Thursday 19 November 2020, to record incoming Councillor Oaths and Affirmations, elect a Mayor, and appoint Council portfolios and delegates.

Council meeting attendance

Councillor	Number of Council and Statutory Meetings		Number of Special Meetings	
	Eligible to Attend	Attended	Eligible to Attend	Attended
Cr Ross Ebbels (Mayor)	11	11	2	2
Cr Boyce Pizzey (Deputy Mayor*)	4	4	1	1
Cr Donnie Grigau	7	7	1	1
Cr Michael Grout	7	7	1	1
Cr Fleur Hewitt	7	7	1	1
Cr Bob Merriman	4	4	1	1
Cr Rob Minty	4	4	1	1
Cr Susan Salter	11	11	2	2
TOTAL	55	55	10	10

* In November 2020, Council opted not to establish the role of Deputy Mayor for the Mayoral term.

Conflict of interest

Councillors are elected by the residents and ratepayers to act in the community's best interests. This is a position of trust that requires Councillors to act in the public interest. When Council delegates its powers to staff or a committee, the committee or member of staff also needs to act in the public interest.

A conflict of interest occurs when a personal or private interest might compromise the ability to act in the public interest. A conflict of interest exists even if no improper act results from it. Council has a comprehensive procedure in place to accommodate the disclosure of a conflict of interest. Declaration of a conflict of interest is a standard agenda item for all Council and committee meetings.

While the procedures vary depending on the particular role and circumstances, in general they involve disclosing the relevant interests in a specific way and then stepping aside from the relevant decision-making process or from the exercise of the public duty. A register is maintained to record all disclosed conflict of interests.

Council meeting date (or date conflict of interest nominated)	Councillor/Officer	Conflict of interest	
2020	23 July 2020	Cr Bob Merriman	Planning Permit Applications 2020/002 & 2020/005, 118 Hesse Street, Queenscliff
	23 July 2020	Cr Ross Ebbels	Planning Permit Application queenC33, 81 Nelson Road, Queenscliff.
	27 August 2020	Cr Bob Merriman	Planning Permit Application 2020/005, 118 Hesse Street, Queenscliff
	27 August 2020	Cr Ross Ebbels	Planning Permit Application queenC33, 81 Nelson Road, Queenscliff
	17 September 2020	Cr Bob Merriman	Planning Permit Application 2020/005, 118 Hesse Street, Queenscliff
	17 September 2020	Cr Ross Ebbels	Planning Permit Application queenC33, 81 Nelson Road, Queenscliff & 2020/046, 61-75 Murray Road Queenscliff
	22 October 2020	Cr Ross Ebbels	Planning Permit Application queenC33, 81 Nelson Road, Queenscliff & 2020/046, 61-75 Murray Road Queenscliff
	16 December 2020	Cr Fleur Hewitt	Australia Day Awards 2021
	16 December 2020	Cr Donnie Grigau	Australia Day Awards 2021
	16 December 2020	Cr Ross Ebbels	Planning Permit Application queenC33, 81 Nelson Road, Queenscliff & 2020/046, 61-75 Murray Road Queenscliff
2021	17 February 2021	Cr Ross Ebbels	Planning Permit Application queenC33, rezone of land at 81 Nelson Road, Queenscliff & 2018/079, subdivision of land at 81 Murray Road Queenscliff
	24 March 2021	Cr Ross Ebbels	Planning Permit Application queenC33, 81 Nelson Road, Queenscliff & 2020/046, 61-75 Murray Road Queenscliff
	28 April 2021	Cr Ross Ebbels	Aged Care Review
	28 April 2021	Cr Ross Ebbels	Planning Permit Application queenC33, 81 Nelson Road, Queenscliff & 2020/046, 61-75 Murray Road Queenscliff
	28 April 2021	Cr Donnie Grigau	Planning Permit Application 2021/031, 7 Mercer Street, Queenscliff
	19 May 2021	Cr Donnie Grigau	Planning Permit Application 2021/031, 7 Mercer Street, Queenscliff
	19 May 2021	Cr Ross Ebbels	Planning Permit Application queenC33, 81 Nelson Road, Queenscliff & 2020/046, 61-75 Murray Road Queenscliff
	23 June 2021	Cr Donnie Grigau	Planning Permit Application 2021/031, 7 Mercer Street, Queenscliff
	23 June 2021	Cr Ross Ebbels	Planning Permit Application queenC33, 81 Nelson Road, Queenscliff & 2020/046, 61-75 Murray Road Queenscliff

Policies, strategies and plans

Council reviewed and/or adopted the following significant policies, strategies and plans during 2020–21. These documents are available on Council’s website, as are all Council policies and key planning documents.

Title	Date adopted
Council Policy CP016 Reimbursement of Expenses of Councillors and Members of Delegate Committees (revised)	23 June 2020
Council Policy CP050 Public Transparency (new)	27 August 2020
Governance Rules	27 August 2020
Council Policy CP022 Sponsorships (revised)	27 August 2020
Council Policy CP048 COVID-19 Financial Hardship Policy (revised)	27 August 2020
Audit & Risk Committee Charter	27 August 2020
Coastal & Marine Management Plan	17 September 2020
Heritage Review	17 September 2020
2019–20 Annual Report	22 October 2020
Council Policy CP048 COVID-19 Financial Hardship Policy (revised for a second time)	16 December 2020
Council Policy CP003 Community Engagement Policy	16 December 2020
Council Policy CP039 Discretionary Reserves (revised)	17 February 2021
Council Policy CP040 Borrowings (revised)	17 February 2021
Council Policy CP020 Vegetation Vandalism (revised)	17 February 2021

Title	Date adopted
Council Policy CP024 Memorials & Plaques (revised)	17 February 2021
Council Policy CP045 Child Safety Statement (revised)	17 February 2021
General Local Law 2021	17 February 2021
Council Policy CP005 Councillor Code of Conduct	17 February 2021
Council Policy CP009 Gifts, Benefits & Hospitality (revised)	24 March 2021
Council Policy CP019 Procurement (revised)	28 April 2021
Climate Emergency Response Plan	19 May 2021
2021–22 Budget	23 June 2021
Revenue and Rating Plan	23 June 2021
Council Policy CP038 Waste Management (revised)	23 June 2021
Council Policy CP041 Residential Vacant Land (revised)	23 June 2021
Council Policy CP048 COVID-19 Financial Hardship (revised)	23 June 2021
Council Policy CP026 Outsourcing (revoked)	23 June 2021
Council Policy CP017 Risk Management (revised)	23 June 2021
Council Policy CP031 Rates Assistance (revised)	23 June 2021

Councillor allowances

All councillors are entitled to an allowance while performing their duty. The Minister for Local Government has determined no adjustment to allowances to take effect from 1 December 2020.

The following table sets out the allowances paid to Councillors for the reporting period.

Councillor	Allowance (\$)
Cr Ross Ebbels (Mayor)	56,104
Cr Boyce Pizzey (Deputy Mayor*)	7,345
Cr Donnie Grigau	14,550
Cr Michael Grout	14,550
Cr Fleur Hewitt	14,550
Cr Bob Merriman	7,345
Cr Rob Minty	7,345
Cr Susan Salter	21,895
TOTAL	143,684

* In November 2020, Council opted not to establish the role of Deputy Mayor for the Mayoral term.

Councillor expenses

Section 40 of the *Local Government Act 2020* provides for the reimbursement of necessary out-of-pocket expenses incurred while performing the duties of a Councillor.

The Borough of Queenscliffe's reimbursement of Councillors and Members of Council Committees Policy outlines arrangements for reimbursement of expenses for training, registration fees for conferences and functions, travel and child care.

The following table breaks down the expenses by category, in accordance with the *Local Government (Planning and Reporting) Regulations 2014*.

Councillor	Expense Type					Total (\$)
	Travel (\$)	Car mileage (\$)	Childcare (\$)	ICT (\$)	Conference and training (\$)	
Cr Ross Ebbels (Mayor)	1,589	nil	nil	690	1,912	4,191
Cr Boyce Pizzey (Deputy Mayor*)	nil	nil	nil	102	nil	102
Cr Donnie Grigau	nil	nil	nil	238	nil	238
Cr Michael Grout	nil	nil	nil	246	nil	246
Cr Fleur Hewitt	nil	nil	3,003	230	320	3,553
Cr Bob Merriman	nil	nil	nil	121	nil	121
Cr Rob Minty	nil	nil	nil	108	nil	108
Cr Susan Salter	nil	nil	nil	687	nil	687
TOTAL	1,589	nil	3,003	2,422	2,232	9,246

* In November 2020, Council opted not to establish the role of Deputy Mayor for the Mayoral term.

Interstate and overseas travel

The *Local Government Act 1989* requires Councillors to register their interstate and overseas travel and associated expenses. In the 2020–21 financial year the Mayor, Cr Ross Ebbels registered travel and associated expenses of \$1,138.55 to attend the Australian Local Government Forum and the National General Assembly held in Canberra in June 2021. There were no other interstate trips by Councillors during the financial year.

Committees of Council

The *Local Government Act 2020* allows Council to appoint delegated committees of Council. These committees must include at least two Councillors (one of whom must chair the delegated committee), and include any other person appointed to the delegated committee by Council. The Act allows for Council, by instrument of delegation, to delegate any of its functions, duties or powers to a delegated committee.

The new *Local Government Act 2020* also required Council to establish an Audit and Risk Committee. The Act specifies the Audit and Risk Committee is not a delegated committee of Council.

In complying with the requirements of the new Act, at its August 2020 Ordinary Meeting Council adopted its Audit and Risk Charter and appointed four independent members to the Audit and Risk Committee. Council's previous Audit Committee was disbanded.

The Queenscliffe Economic Development Advisory Committee disbanded in February 2021.

Council also has a number of reference groups who provide advice and direction on specific projects. These reference groups consist of community members, Councillors and Council staff. Reference groups as at 30 June 2021 included:

- Australia Day Awards Reference Group
- Avenue of Honour Reference Group
- Community Grants Advisory Reference Group
- Governance and Finance Portfolio Reference Group, and
- Point Lonsdale Lighthouse Reserve Reference Group.

New committees and reference groups are established as required.

Audit and Risk Committee

The Audit and Risk Committee ('the Committee') is a formally appointed committee of Council as required by section 53 of the *Local Government Act 2020*. The Committee does not have executive powers or authority to implement actions in any areas over which Council has responsibility. The Audit and Risk Committee does not have any management functions and is therefore independent of management.

The Committee's objective is to provide appropriate independent advice to Council on matters relevant to the Committee's Charter in order to facilitate decision-making by Council in relation to the discharge of Council's accountability requirements.

The main duties and responsibilities of the Audit and Risk Committee are to:

- monitor the compliance of Council policies and procedures;
- monitor Council financial and performance reporting;
- monitor and provide advice on risk management and fraud prevention systems and controls; and
- oversee internal and external audit functions.

The Audit and Risk Committee consists of four independent members, appointed for a three-year term (renewable for a further three-year term without public advertisement), and two Councillors. The chair is elected from among the independent members.

Independent members are paid a sitting fee for each meeting attended. The table adjacent provides details of the Audit and Risk Committee's membership during 2020–21.

Audit Committee Attendance

Member	Eligible to Attend	Meetings Attended	Sitting Fees Paid(\$)
Roland 'Barney' Orchard (Chair)	3	3	1,500
Helen Butteriss	3	3	1,200
Richard Bull	3	3	1,200
Graeme Phipps	3	3	1,200
Cr Ross Ebbels	3	3	n/a
Cr Susan Salter	3	3	n/a
Cr Bob Merriman (ret. 24 Oct 2020)	1	1	n/a
TOTAL	19	19	4,700

Council officers (including the Chief Executive Officer, General Manager Organisational Performance and Community Services, and Manager Financial Services) attend meetings but are not members of the Committee. Recommendations from each Audit and Risk Committee meeting are reported to and considered by Council.

During the 2020–21 financial year, the Audit and Risk Committee met three times on the following dates:

- Monday 7 September 2020
- Monday 7 December 2020, and
- Monday 7 June 2021.

Meetings cover a number of standing items that evaluate and address Council's audit, governance and risk functions. Audit reports are provided by Council's Internal Audit contractor and the External Auditor appointed by the Victorian Auditor-General's Office (VAGO). Council officers provide a management response and follow up on items identified for action. The Audit and Risk Committee then considers if the response is acceptable.

The following key areas were considered by the Audit and Risk Committee during meetings held in 2020–21:

- Annual financial report 2019–20;
- Performance statement 2019–20;
- Governance and management checklist 2019–20, prior to inclusion in the annual report;
- Quarterly financial reports;
- Draft financial budget 2021–22 and the draft revenue and rating plan;
- Two internal audit review reports, insurance (coverage and value for money) and management oversight and monitoring of outsourced service providers (including value for money on major ongoing contracts);
- One follow-up internal audit report, fraud and corruption control framework;
- External audit 2019–20 closing report and final management letter;
- External audit 2020–21 external audit plan and interim management letter;
- Revised Council policies with a financial and risk management focus, reviewed before being forwarded to Council for adoption;
- Updated risk register;
- Impact of recommendations mentioned in applicable performance audit reports issued by the Victorian Auditor-General's Office (VAGO); and
- The financial impact of COVID-19.

Internal audit

The internal audit function provides independent and objective assurance to the Audit and Risk Committee and Council that appropriate processes and controls are in place. The Audit and Risk Committee makes recommendations to Council on a risk-based rolling internal audit program, delivered twice a year.

The internal audit program is revised annually to ensure internal audit resources remain focused on appropriate areas. The internal auditor attends Audit and Risk Committee meetings in June and December to present the findings of the previous semester's internal audit reviews, including management's response.

Internal audit topics reviewed during 2020–21 included:

- Review of insurance (coverage and value for money); and
- Management oversight and monitoring of outsourced service providers (including value for money on major ongoing contracts).

External audit

Council is externally audited by the Victorian Auditor-General's Office (VAGO). The external auditor's representative attends Audit and Risk Committee meetings in June and September to present the annual audit plan and independent external audit report on the Performance Statement and Annual Financial Report. The external audit management letter and management responses are also provided to the Audit and Risk Committee and progress status reports on agreed recommendations are reviewed regularly.

The annual external audit of Council's Performance Statement and Annual Financial Report was conducted by VAGO's representative. Council officers presented the audited documents to the Audit and Risk Committee prior to 'in-principle' adoption by Council and sign-off by VAGO.

Queenscliffe Economic Development Advisory Committee

The Queenscliffe Economic Development Advisory Committee was active up until its disbandment following the February 2021 Ordinary Meeting of Council. It provided strategic advice to Council on opportunities and issues related to economic development in the Borough. Its membership comprised industry and/or skills-based members, the Mayor, and one Councillor.

At 17 February 2021, its final members were:

- Sue Beeton
- Robyn Birrell
- Michael Grout
- Arash Harandian
- Stacey Hunter
- Andrew Orvis, and
- Cr Ross Ebbels (Mayor).

The committee did not meet during 2020–21.

Organisation Chart



- Executive Management Team (EMT)
- Program Leaders
- Officers
- Contractors

Organisation overview

The *Local Government Act 1989* (the Act) states that the primary objective of a council is to endeavour to achieve the best outcomes for the local community, having regard to the long-term and cumulative effects of decisions.

Council manages a broad range of functions, activities and services to:

- Advocate and promote proposals which are in the best interests of the local community;
- Plan for and provide services and facilities for the local community;
- Provide and maintain community infrastructure in the municipal district;
- Undertake strategic and land use planning for the municipal district;
- Raise revenue to enable the Council to perform its functions;
- Make and enforce local laws;
- Exercise, perform and discharge the duties, functions and powers of Councils under this Act and other Acts, and;
- Relate to the peace, order and good government of the municipal district.

To achieve these objectives, appropriately qualified staff and contractors are engaged to deliver a range of services.

The Chief Executive Officer (CEO) is the only staff appointment made by the Council. The CEO is responsible for the employment, work and conduct of Council's staff, and the implementation of decisions made by Council.

Council's staff work across three teams as outlined in the table on the next page.

The small team at the Borough of Queenscliffe comprises 67 people; however, the full-time equivalent is only 41.08 positions. The staff team is made up of:

- 23 full-time, 28 part-time and 16 casual staff, and
- 23 male and 44 female staff.

Council and the local community also benefit from the services of approximately 25 volunteers at the Queenscliffe Visitor Information Centre and other volunteers who support Council events and activities.

Directorate	Primary areas of responsibility
Executive Services	<ul style="list-style-type: none"> • Mayor and Councillor support • Governance • Communications • Citizenship and civic events • Community engagement • Organisational development • Strategic advocacy
Planning and Infrastructure	<ul style="list-style-type: none"> • Animal management • Building control • Building maintenance • Coastal and Crown land management • Contract management • Emergency management • Engineering • Environmental health • Heritage advice • Local law enforcement • Power line clearance • Public amenities • Road maintenance and works • School crossings • Strategic and statutory planning • Street lighting • Sustainability and environment • Waste management
Organisational Performance and Community Services	<ul style="list-style-type: none"> • Aged care services • Arts, recreation and cultural services • Caravan park management • Community development • Customer service • Events • Finance, risk and audit • Information technology • Early years services • Human resources • Library services • Rate collection • Tourism and economic development • Visitor information • Youth services

Executive team

Council's Executive Management Team (EMT) is led by the Chief Executive Officer and includes the General Manager Planning and Infrastructure and the General Manager Organisational Performance and Community Services.



**Chief Executive Officer
Martin Gill**

Martin Gill was appointed in October 2019. His qualifications include a Bachelor of Architecture and Bachelor of Fine Arts. He has extensive experience in local government in both Victoria and Tasmania. He was previously with the Meander Valley Council in Tasmania for seven years with three of those as General Manager, and prior to that with the Bass Coast Shire Council.

As Chief Executive Officer, Martin has overall responsibility for ensuring that Council is fully informed on issues and oversees the structures and processes adopted by Council.



**General Manager Planning and Infrastructure
Johann Rajaratnam**

Johann Rajaratnam was appointed in February 2019. His qualifications include a Master of Social Science (Environment and Planning) and a Bachelor of Science (Zoology and Archaeology). He is also a graduate of the Australian Institute of Company Directors.

As General Manager Planning and Infrastructure, Johann is responsible for overseeing the operations of the foreshore, planning, engineering, local laws, building surveying, environmental health services and sustainability functions of Council.

He also provides professional advice to Council on a range of statutory matters.



**General Manager Organisational Performance and Community Services
Phillip Carruthers**

Phillip Carruthers was appointed in July 2017. His qualifications include a Master of Business Administration and a Master of Commercial Law.

Phillip is responsible for several diverse portfolios including organisational development, risk management, governance, financial services, property services and leases, information technology and records management, as well as tourist parks, visitor services, economic development, aged care services, arts and community development.

In early 2021, Phillip advised Council that he would retire on 1 July 2021, at the conclusion of the financial year.

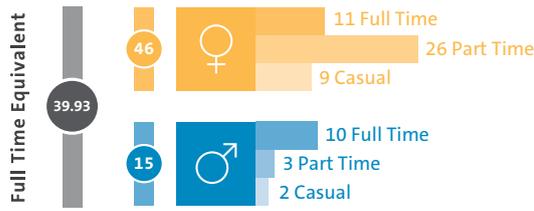
Staff profile

The Borough of Queenscliffe staff team comprises 68 people; however, the full-time equivalent is 42.14 positions.

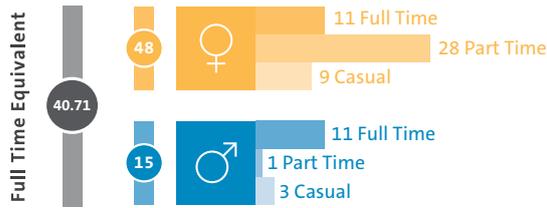
Type of Employment	Female	Male	Total
Full Time	9	14	23
Part Time	26	2	28
Casual	9	7	16
TOTAL	44	23	67
Full Time Equivalent	24.95	16.13	41.08

Trends over the past six years indicate a gradual rise in full-time equivalent positions. Gender balances have remained relatively constant, with a slight increase in male employees.

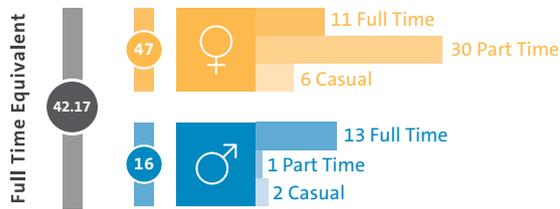
2015-2016



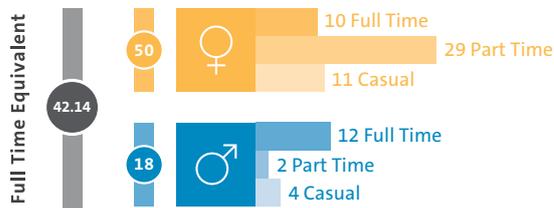
2016-2017



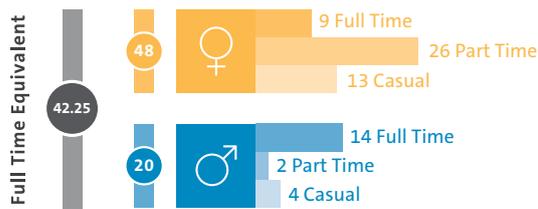
2017-2018



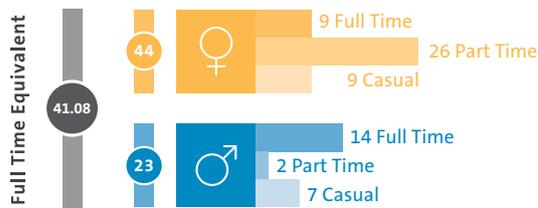
2018-2019



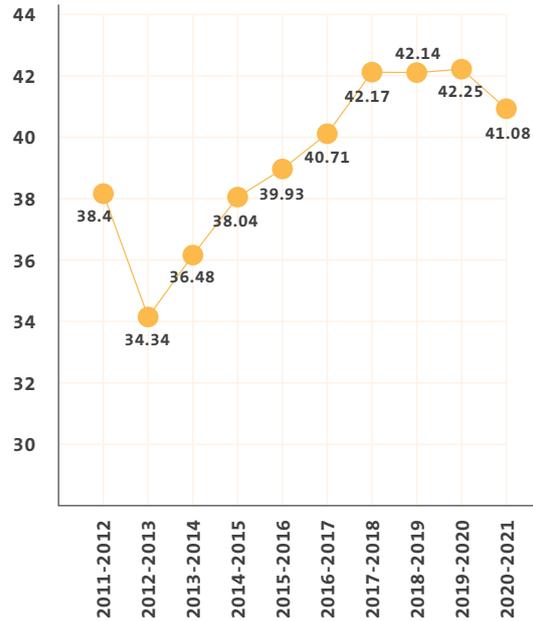
2019-2020



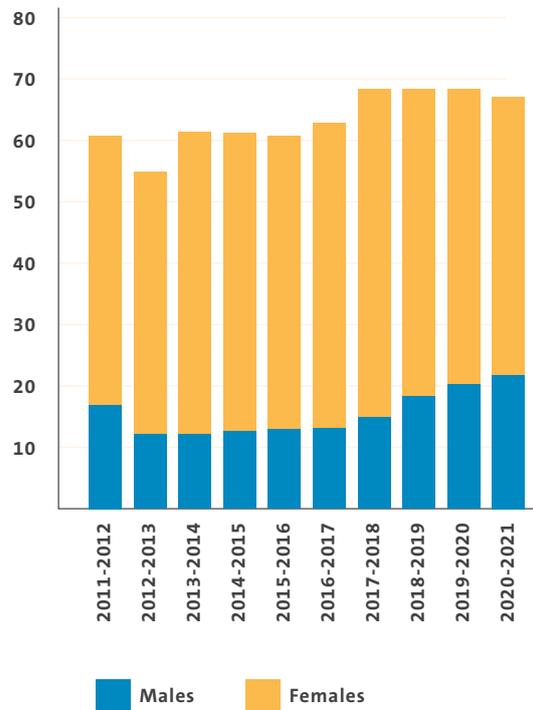
2020-2021



Total staff (full time equivalent) employed by the Borough over the past ten years



Total staff (numbers) employed by the Borough over the past ten years





Staff management and culture

People Plan

Staff members continue to live by the Borough of Queenscliffe 'People Plan', which was formally endorsed by the Chief Executive Officer on 20 October 2017. The following actions remain a priority:

Employee Code of Conduct

The Employee Code of Conduct has been re-written to recognise staff's shared values and distributed to all staff and volunteers, accompanied by internal marketing materials including posters and phone cards. The new code has generated positive uptake and discussion, thanks to strong support from Council's Executive Management Team and staff. The Employee Code of Conduct was most recently updated to ensure compliance with requirements under the new *Local Government Act 2020*.

Improving the way we communicate

Internal communications have undergone a range of improvements, with a focus on improved sharing of information between different program areas, and inclusion of employees and volunteers based at locations separate to Council's main office, such as the Council-managed caravan parks and the Visitor Information Centre. Monthly 'all staff' meetings have been altered to better accommodate off-site and part-time staff, and some social events were held via videoconference during the COVID-19 pandemic.

Annual training calendar

Staff are encouraged to proactively have input into their professional development and training. In 2020–21 the training focus was on compliance training, including fraud, sexual harassment, bullying and privacy training for all staff conducted on-line. The COVID-19 pandemic also saw all staff trained in basic COVID protocols, with community care and Queenscliffe Tourist Park staff doing further COVID specific training.

All staff also received resilience training and regular access to resilience resources. Training in specific areas such as Return to Work, Delegations and Authorisations, OHS legislation changes, caring for those with dementia, and chemical and hazardous materials handling was conducted for relevant officers.

Integration of all key organisational committees under an overall 'compliance' framework

Council has established a 'Compliance Committee' with a cross-section of staff who meet monthly to consider all legislative, policy and practice matters including:

- Occupational health and safety
- Equal opportunity
- Gender equality
- Risk management, and
- Council's Staff Consultative Committee.

Training and development

In 2020–21, a number of employees undertook training and professional development courses and attended conferences of benefit and relevance to their roles at the Borough of Queenscliffe. An indication of the types of training undertaken is as follows:

- Induction to Local Government
- Delegations and Authorisations
- Report writing
- Information technology
- Occupational health and safety
- Managing Public Interest Disclosures in Victoria Legislation amendments, particularly understanding changes required as result of the new *Local Government Act 2020*
- Conflict of interest
- Contractor risk management
- Professional conferences related to staff roles, and
- Special interest group meetings relevant to staff roles.

All new employees at the Borough of Queenscliffe undertake an induction program covering all areas of Council's operations.

Appreciating our people

Skilled, motivated and dedicated staff are critical to Council's success. We strive to continually strengthen a culture that recognises, encourages and celebrates our employees' achievements.

Staff who complete their six-month probationary period of employment with the Borough of Queenscliffe receive a personal letter of congratulations from the CEO noting their contribution.

A number of employees reached service milestones with the Borough of Queenscliffe in 2020–21. Two staff members reached their five-year anniversary, four reached their ten-year anniversary and one reached their fifteen-year anniversary of continuous service with the Borough of Queenscliffe.

Employee performance

All staff participate in an annual performance appraisal with their direct supervisor. This provides a formal opportunity to assess individual and team performance, acknowledge achievements and identify where improvements can be made.

A core component of performance management is development. The appraisal process allows staff to review recent and current performance, plan for the future and identify training requirements and development opportunities. Council also offers study assistance for staff where benefits are likely to accrue to both the organisation and employees through participation of employees in further education.

Staff Consultative Committee

Under the requirements of the Enterprise Bargaining Agreement, the Borough of Queenscliffe has a Staff Consultative Committee. The role of this committee is to:

- Provide a forum for management and staff to discuss any issues relating to the organisation, including business decisions affecting Council and its employees
- Facilitate consultation between management and employees on workplace relations, organisational human resource issues and other matters
- Review significant policy initiatives and provide feedback on development and implementation of such initiatives
- Promote and encourage staff participation in productivity improvement program initiatives (e.g. suggestion schemes; structured programs to eliminate waste/add value)
- Make recommendations to appropriate managers on matters requiring action that the committee cannot resolve directly
- Promote a participative approach to employee relations
- Consult on organisational matters affecting employees and their conditions of employment, and
- Consult on organisational occupational health and safety matters.

Staff flu vaccinations

A significant number of staff and Councillors received their annual flu vaccination via the Borough staff flu vaccination program in 2020–21. Vaccinations were administered at the Point Lonsdale Medical Centre due to the COVID-19 pandemic. Staff have also been supported to have their COVID-19 vaccinations as soon as they are eligible.

Contributions to charity

During 2020–21, staff participated in several fundraising activities to raise money for local and national charities.

In March 2021, Cottage by the Sea held a ‘Giving Day’ where each donation was matched dollar-for-dollar by Cottage supporters. Many Council staff donated to Cottage by the Sea on this special day and were delighted to see the Cottage greatly exceed their fundraising goal.

Staff also again participated in the Surf Coast Trek, walking 40kms from Aireys Inlet to Torquay to raise funds for Give Where You Live and Kids Plus Foundation. Over \$320 was raised from staff contributions.

Staff also contributed goods to the Asylum Seeker Foodbank and Geelong Animal Welfare Society (GAWS).

Casual Dress Fridays

Each Friday, staff have the option of wearing casual clothes for a donation to a chosen charity.

During 2020–21, charities benefitting from donations included:

- Cottage by the Sea
- Cancer Council
- Give Where You Live
- Point Lonsdale Surf Life Saving Club.

Staff changes and recruitment

Staff turnover in 2020–21 resulted in the following positions being recruited over the course of the financial year.

Position	Reason for recruitment
Climate Emergency Response Plan – Project Officer	New temporary position to develop Council’s Climate Emergency Response Plan
Amenities cleaners at Queenscliffe Tourist Parks	New summer and casual positions at the Queenscliffe Tourist Parks to assist with amenities cleaning during peak demand times
Caravan Park Supervisor	Replacement position due to departure of existing caretakers during COVID-19 pandemic
Business Services Accountant	Parental leave replacement position
Customer Service Officer	Position vacant due to resignation
Queenscliffe Hub Coordinator	New position due to Queenscliffe Hub; also replaces previous Visitor Information Centre Supervisor position

Positions were advertised in accordance with Council’s recruitment procedure. Positions may be advertised online at sites such as Seek, and in print in newspapers such as the Geelong Advertiser and The Age. All externally advertised positions appear on the Borough of Queenscliffe website. Extensive interview and selection processes were undertaken for all positions, with successful candidates being recruited to each position.

Occupational health and safety

The Borough of Queenscliffe is committed to providing a safe and healthy workplace for our staff, Councillors, contractors, volunteers and visitors. Council's occupational health and safety (OHS) procedures provide a clear framework to guide the health, safety and welfare of all staff.

Council's internal Compliance Committee discusses matters relating to OHS. Ongoing OHS training and OHS inspections are key elements in our continuous improvement approach to health and safety performance.

Ensuring the safety, health and welfare of all staff is a shared commitment between the Council and every staff member.

Management is responsible for:

- The provision and maintenance of safe workplaces
- The development, promotion and implementation of health and safety policies and procedures
- Training of employees to enable them to conduct their assigned tasks safely, and
- The provision of resources to meet health and safety commitments.

All employees are required to:

- Report all accidents and incidents according to adopted procedures
- Comply with health and safety policies and procedures, and
- Report all known or observed hazards to immediate supervisor or manager.

The number of work-related incidents has increased over recent years following the increased focus on reporting every OHS incident as it occurs and general increased awareness of OHS matters.

Reported work-related incidents

Severity of incident	1 July 2020 to 30 June 2021	1 July 2019 to 30 June 2020
Near miss	1	0
Dangerous occurrence	0	0
Injury – first aid treatment only required	3	4
Injury – medical treatment required	1	5
Injury – medical treatment as hospital inpatient required	0	0
Serious injury	0	0
Fatality	0	0
Totals	5	9

Lost work days due to work-related incidents

1 July 2020 to 30 June 2021	1 July 2019 to 30 June 2020
3	26

WorkCover claims

1 July 2020 to 30 June 2021	1 July 2019 to 30 June 2020
0	2

Enterprise Bargaining Agreement

The Fair Work Commission approved the Borough's current Enterprise Bargaining Agreement No. 10, 2019 on 16 September 2019. This Agreement, together with the National Employment Standards (NES) in the Fair Work Act (2009), forms the terms and conditions of employment for staff (excluding the CEO and Senior Officers as defined by the *Local Government Act 1989*). The new Agreement saw improvements in staff entitlements to parental leave and family violence leave, as well as introducing a provision for staff to request a career break, ideally for the purposes of secondment with another Council.

Equal employment opportunity

A Council with 40 or more members of staff must have developed and implemented an equal opportunity program, which is designed to eliminate discrimination against and promote equal opportunity for women and persons in designated groups in relation to employment matters.

The objective of Council's Equal Employment Opportunity Program is to ensure there is no discrimination relating to the characteristics listed under the *Equal Opportunity Act 2010*, such as race, sex, marital status, parental status, disability, age, religious or political belief, gender identity and sexual orientation. Council has a strong commitment to promoting a workplace free of discrimination where each person has the opportunity to progress to the extent of their ability. Council is committed to upholding equal employment opportunity principles in all its activities.

In all Council policies and practices there shall be no discrimination relating to age; disability; sex; sexual orientation; race; employment activity; gender identity; lawful sexual activity; marital status; industrial activity; political belief or activity; physical features; breastfeeding; pregnancy; parental status or status as a carer; religious belief or activity; and personal association with a person who is identified by reference to any of these attributes.

Selection of individuals for employment, promotion or advancement, training and staff development will be on the basis of the person's merit in fair and open competition according to the skills, qualifications, knowledge and efficiency relevant to the position involved.

The *Gender Equality Act 2020* was enacted on 25 February 2020 and commenced on 31 March 2021. This Act aims to improve workplace gender equality across the Victorian public sector, universities and local councils. Under this Act the Borough will be required, among other things, to develop a Gender Equality Action Plan every four years and conduct gender workplace audits. The Borough's first Gender Equality Action Plan is due to be submitted to the Gender Equality Commission on 1 December 2021.

Commitment to the Corporate Carbon Neutral Action Plan

Council employees are committed to upholding the principles of the Corporate Carbon Neutral Action Plan through proactively recycling and minimising energy use within Council offices. Workplace initiatives have included:

- Placing recycling bins at each workstation
- Printing draft documents on recycled paper
- Having printers default to printing two-sided copies
- Placing recycling bins in the staff room for mixed recyclable products (e.g. paper, cans, plastic bottles) and soft plastics, and a chook bin for food products
- Having lights set to turn off after a period of inactivity within different areas of the building
- Where possible, encouraging staff to walk or ride to appointments
- Where possible, purchasing stationery and cleaning supplies through environmentally responsible products and organisations
- Collecting all polystyrene from deliveries for recycling, and
- Using degradable, environmentally friendly dog poo bags.

Corporate governance

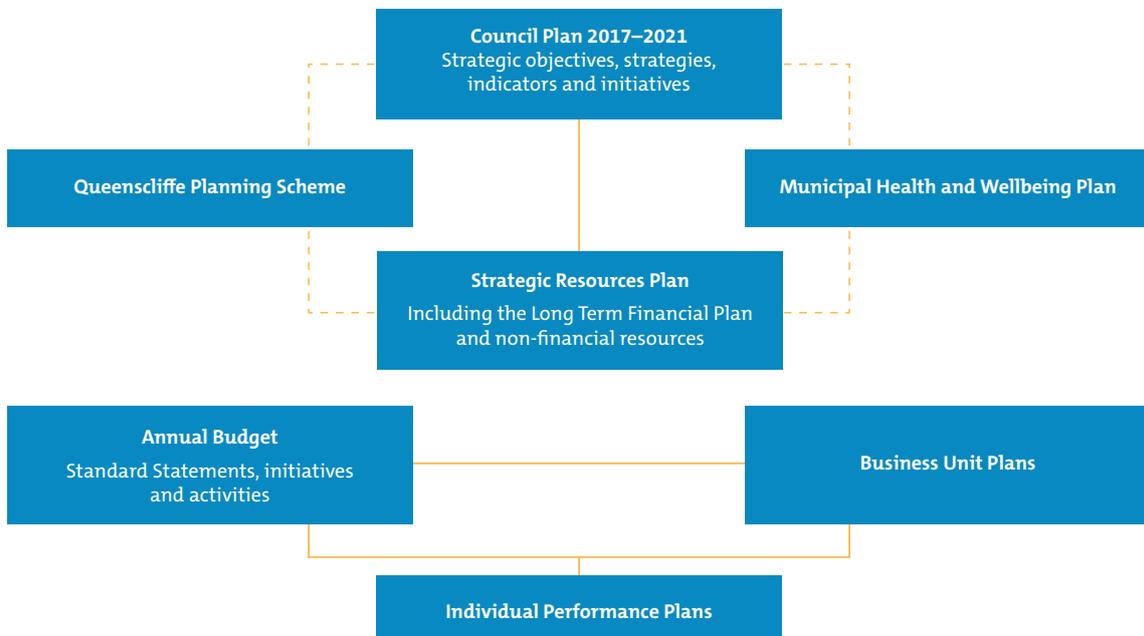
Planning framework

The Borough of Queenscliffe’s Council Plan 2017–2021 was produced after a comprehensive process that included extensive strategic research on the key drivers and trends affecting our community’s current and future growth and welfare, inputs from Councillors and Council staff, extensive community consultation and consideration of statutory and contractual requirements.

As depicted in the strategic planning framework below, the Council Plan is the key strategic document guiding the Council’s direction for its elected term. It is available on Council’s website.

The timing of each framework component is critical to Council achieving its planned outcomes. The Council Plan, including the Strategic Resources Plan, is required to be completed by 30 June in the year following Council elections. The plan is reviewed each year to inform the annual Budget, which provides the basis for setting annual business unit and individual performance plans.

The timing of each framework component is critical to Council achieving its planned outcomes. The Council Plan, including the Strategic Resources Plan, is required to be completed by 30 June in the year following Council elections. The plan is reviewed each year to inform the annual Budget, which provides the basis for setting annual business unit and individual performance plans.



Risk management

The key objective of risk management is to identify, assess and control risks throughout Council's operations.

Incident reporting is an important part of the organisation's risk plan and where potential liability is identified or incidents occur, these are referred to our insurers or to the relevant government department. Incident reporting is included in Council's quarterly finance reports during the year. An average of three to four incidents is reported each quarter and followed up in line with risk management policies and procedures.

Our internal Compliance Committee meets regularly to ensure the organisation's risk management practices operate within appropriate frameworks, relevant legislation and Council strategy. The committee reports on risk management activities to the Audit and Risk Committee.

The standing agenda for the Compliance Committee meetings includes:

- Review of audit reports and actioning the recommendations of internal and external auditors as well as insurance audits, and
- Assessment of risk management, taking into account incident/risk reports, emergency response, business continuity and disaster recovery, risk training schedule, risk register review and ensuring appropriate insurance policies are in place.

Business continuity

Business continuity management is essential in ensuring the organisation's resilience and capability to respond to a business disruption event in a controlled and methodical manner, and significantly reduce prolonged periods of interruption in service provision to the community.

The organisation works continuously to ensure documentation is up to date and in line with current good practice guidelines and standards as part of our business continuity management approach.

Council's business continuity plan and the IT disaster recovery plan were reviewed and updated in October 2019.

Insuring our risks

JLT Municipal Asset Protection Plan Discretionary Trust (JMAPP) provides Council's building and contents insurance. Public liability insurance is covered under the Liability Mutual Insurance (LMI) scheme.

Other important insurance policies held by Council, to cover risks which cannot be mitigated in full, include:

- Councillors and officers liability (professional indemnity)
- Motor vehicle accidents
- Personal accident/corporate travel
- Personal accident (Council-associated organisations)
- Personal accident and sickness (employees and councillors)
- Cyber liability, and
- Commercial crime (fidelity).

Insurance premiums for 2020–21 increased by 9.9% compared with the 2019–20 year. Overall claim experience of the local government sector has had an impact on the insurance premium, even though Council's claims experience to date has been very satisfactory.

Officers continued to attend regular best practice forums conducted by our insurance brokers for councils within the region. These provided an important source of information in helping to manage the organisation's risks in the most appropriate manner.

Best value and procurement

Section 208B of the *Local Government Act 1989* requires all Victorian Councils at least once a year to report to its community on what it has done to ensure that it has given effect to the best value principles in the Act. Council delivers best value to the community by:

- Understanding the needs of both customers and the community
- Agreeing on what's required with the resources available
- Delivering what's required through effective management in an economical manner, and
- Continually evaluating and improving the service as per the best value principle of 'continuous improvement' defined in the Act.

Procurement

Procurement of goods, services and works must be done in a way that is beyond reproach. Our procurement policy (available on our website) articulates the core principles that guide all procurement decisions, including entering into contracts with suppliers.

The policy requires all employees to perform their duties and conduct themselves in a manner that ensures they maintain a reputation for being fair and unbiased when dealing with suppliers.

Council recognises the need to support local industry and is committed to buying from local businesses where purchases can be justified on a value-for-money basis.

Benefits of buying local include:

- Retention of local employment
- Increased local employment, and
- Increased activity and spend in the local economy with identifiable benefits.



Volunteers

The Borough boasts more than 60 community organisations. In giving their time, volunteers enrich our community and the lives of everyone they interact with.

We're very proud of the high rate of volunteerism within the Borough of Queenscliffe. According to the 2016 census, 38 per cent of locals aged 15 or older are actively engaged in some form of volunteer work, which is 14 per cent above the average for regional Victoria.

Volunteering plays a central role in developing and maintaining a connected community, which, in turn, adds to our overall sense of wellbeing.

Local volunteers care for our landscapes, our buildings, our arts and culture, our sporting clubs and our people – residents and visitors alike. They are the fabric of our community. Without them, the Borough would be a very different place to live in and visit.

Volunteering to help visitors

The welcoming manner and local knowledge of our Queenscliffe Visitor Information Centre (VIC) volunteers enhance many visitors' experiences of the Borough and surrounding region.

During 2020–21, the team of 24 Customer Service Volunteers and six Heritage Guides responded to more than 4,256 walk-in enquiries and 711 phone enquiries, operated 25 heritage walks and assisted three regional Victorian Probus clubs with their itineraries.

These numbers are a significant decrease on our usual output due to a number of factors, chiefly the reduction in travel caused by border closures and lockdowns due to the COVID-19 pandemic. The temporary closure of the VIC building and subsequent shift to a smaller 'pop-up' location has also impacted regular proceedings. Despite this, the team's combined efforts represented more than 791 volunteer hours.

Throughout the year, three VIC volunteers were presented with service recognition certificates for 10, 10 and 15 years of work respectively. An ongoing program of training opportunities, familiarisation tours, volunteer conferences and social functions ensures all VIC volunteers are actively engaged and fully equipped to perform their vital role.

Cubs beautify the Borough in annual clean-up event

During the week leading up to Clean Up Australia Day in March 2021, members of the 1st Queenscliff Cub Sea Scouts and their leaders spent a productive evening collecting litter from foreshore areas.

Starting from the Queenscliff Fort near the water tower and finishing at Symonds Street, the group collected over fourteen bags of litter and recyclables that could have ended up in our waterways. Items ranged from the usual suspects – plastic bottles and food packaging, glass, aluminium can and paper products. The number one main litter offender was cigarette butts with hundreds being collected by the Cubs and stopped from entering our waterways.

A huge thank you to the group for its efforts to reduce the spread of litter into our coastal woodlands and marine environment.

Celebrating local volunteers

After a forced absence in 2020 due to the COVID-19 pandemic, Council was pleased to be able to host its annual volunteer function at 360Q in May 2021, celebrating our hard-working volunteers and acknowledging their generosity and service to the local community. Attendees were greeted with the sweet tunes of the Shedding The Blues music group, before Dazzling Dan the Magic Man wowed the crowd later in the evening. Council remains immensely proud of the Queenscliffe community's dedication to volunteerism, which continually outranks the rest of the state and country.

Awards and recognition

Australia Day Awards 2021

Our annual Australia Day Awards ceremony provides an opportunity for Council to identify and recognise a broad cross-section of local people and organisations who go out of their way to contribute for the benefit of others.

A Rotary president, sporting volunteer and a budding young journalist were just some of the local citizens and organisations to be recognised in the 2021 Australia Day Awards held during the Borough of Queenscliffe's annual community celebrations.

Winning Citizen of the Year is a recognition of years of community service for Peter Deacon of the Queenscliffe Rotary Club. Mr Deacon was an active member of the club for many years, including a period serving as the club's President. He secured more than \$150,000 in funding for new exercise stations throughout the Borough and was instrumental in leading the innovative project, which now provides free and accessible exercise equipment to people of all abilities in Queenscliff and Point Lonsdale.

Peter Callahan is a face recognised by many throughout the sporting and music scene in the Borough, and this Citizen of the Year gong is a reminder of his ongoing dedication to the community. Mr Callahan has volunteered extensively throughout our community for decades, including currently serving on three committees: the Point Lonsdale Tennis Club, Queenscliff Football and Netball Club and the Queenscliff Music Festival. He has been instrumental in securing financial support for community groups for many years, as well as lending a hand on the ground in a vast array of roles and responsibilities.

Young Citizen of the Year Frankie Davis made newspaper and radio headlines in September last year when her hand-delivered, home-made Cheer Up Weekly publication gained interest in our community and beyond. The newspaper helped keep a smile on the faces of many when we were going through the struggle of another lockdown.

Community Organisation of the Year Cottage by the Sea has been a fixture of Queenscliff for 130 years. During the pandemic, when the organisation had to suspend its childrens' programs, Cottage by the Sea turned to helping out the local community care and food care program to support those most vulnerable in our townships.

Finally, the Community Environment Project of the Year was taken out by the Queenscliffe Community Indigenous Nursery, which propagated a record number of more than 20,000 plants throughout the last calendar year. These plants have gone on to be used in many vital revegetation projects, including by the Bellarine Catchment Network.

Queen's Birthday Honours List 2021

Point Lonsdale resident Alan Joyce was recognised for decades of service to both surf life saving and the local community when he received a Medal of the Order of Australia in June 2021 as part of the Queen's Birthday Honours List. Alan is a previous Borough of Queenscliffe Citizen of the Year winner in 2011 and is a life member of both the Point Lonsdale Surf Life Saving Club and the Queenscliff Music Festival.

More gold for Annual Report

For the seventh year in a row, the Borough's Annual Report attained Gold in the 2020 Australasian Reporting Awards (ARA).

To receive Gold, a report must demonstrate overall excellence in annual reporting and provide high quality coverage of most aspects of ARA criteria, full disclosure of key aspects of core business, and outstanding disclosures in major areas. Achieving Gold standard provides a model for other organisations to follow.

Council's ongoing participation in the annual awards demonstrates the organisation's commitment to continually improving its approach to annual reporting.

“Be it the Mayor reaching out with a mental health check, Council officers making sure we didn’t miss an opportunity for funding, the new website or the renewed commitment to events, the support from the Borough of Queenscliffe has been vital. Most of all, it’s knowing that people care, and that there are so many people behind the scenes trying to help the most affected businesses.”

Hugo T. Armstrong
The Blues Train





Our Performance

Community wellbeing	59
Environmental sustainability	71
Local economy	77
Planning and heritage	81
Governance and performance	87
Legislative compliance	94
Community satisfaction	109

Community wellbeing

Primary focus areas

- Maintain the Borough’s standing as a safe place for residents and visitors.
- Protect, enhance and promote public health.
- Support older residents to live safely and independently.
- Increase participation in sport, recreation and life-long learning opportunities.
- Enhance opportunities for participation in arts and cultural activities.
- Support local clubs, community organisations and volunteers.
- Develop path and trail links that encourage walking and cycling and connections to neighbouring towns and the region.
- Support families, children and young people by facilitating access to services and community facilities.
- Promote shared use of community facilities.

2020–21 successes

- Successfully implemented the Victorian Government funded Community Activation and Social Isolation program, engaging with and directly benefiting over 24 community groups with a value of \$57,000.
- Hosted a grant writing workshop to benefit community groups opportunity for success with grant applications.
- Installed pedestrian crossings in Gellibrand Street and Point Lonsdale Road.
- Installed new disabled car parks in Point Lonsdale.
- Completed upgrade of Hesse Street South, including resurfacing, power line undergrounding, and landscaping.
- Maintained a zero-day waiting list for aged care services.

2020–21 Council Plan Initiatives

Initiatives	Council’s performance
Implement the Borough of Queenscliffe’s Health and Wellbeing Action Plan 2017-2021 and meet Council’s statutory responsibilities related to public health standards.	Completed
Provide an accredited, responsive aged support service with a ‘zero waiting’ list	Completed
Continue to investigate and respond to the Federal Government policy changes to the Home and Community Care service	Completed
Facilitate collaboration between local community and emergency service organisations in planning to improve safety in the Borough of Queenscliffe	Completed
Provide a community grants and sponsorship program to support local clubs and community organisations	Unable to complete
Conduct public events that recognise the contribution of volunteers	Ongoing
Support local organisations to plan and implement community recreation, sport, and civic activities and events	Completed

The following statement provides information in relation to the services funded in the 2020–21 Budget and the persons or sections of the community who provided the service.

Service area	Description of services provided		Surplus/ (Deficit) \$'000
Aged Services	The Aged Services program provides care and assistance to older residents and carers requiring respite so that residents can live independently and remain safe in their homes. The program is focused on maximising the wellbeing, safety and health of frail older people and carers requiring respite. Through the Commonwealth Home Support Programme, support and maintenance services are provided to people living at home, whose capacity for independent living is at risk, or who are at risk of premature or inappropriate admission to long term residential care.	Actuals Budget	(167) (164)
		Variance	(3)
Active Communities	The Active Communities program promotes community wellbeing by supporting people and communities to be involved and active in sport, recreation, arts, culture and other community and civic activities. The program area is responsible for building the capacity of local clubs and community organisations and assisting these organisations to develop and implement projects that support social inclusion, access and equity within the Borough.	Actuals Budget	(151) (129)
		Variance	(22)
Community Events	The Community Events program promotes community wellbeing, celebrates the significance of the Borough and stimulates the local economy through conducting events directly or facilitating, supporting and administering a range of recreation, arts and cultural events planned and implemented by community organisations or commercial businesses. Council also plays a key role in promoting and acknowledging the significant roles played by volunteers in local organisations.	Actuals Budget	(109) (178)
		Variance	69
Maternal and Child Health (MCH)	The Maternal and Child Health program (MCH) plays a key role in supporting and monitoring the health and wellbeing of local families and children from birth to school age. MCH is a primary health service which provides a comprehensive and focused approach for the promotion, prevention, early detection, and intervention of the physical, emotional or social factors affecting young children and their families. Council currently contracts the City of Greater Geelong to provide the Maternal and Child Health services in the Borough.	Actuals Budget	(16) (20)
		Variance	4
Kindergarten	The Kindergarten program is an important part of the Borough's early years services. Kindergarten assists in supporting the wellbeing of pre-school children and providing a safe learning environment to enable children to gain early life skills and knowledge and assist their smooth transition to primary school. Whilst the Queenscliff Kindergarten is operated independently of Council by a Committee of Management, Council manages the Kindergarten building, facilitates access to external grants and supports the Kindergarten Committee of Management as needs arise.	Actuals Budget	34 (4)
		Variance	38

Service area	Description of services provided		Surplus/ (Deficit) \$'000
Environmental Health	The Environmental Health program monitors and maintains a safe environment for public health and wellbeing. This program is designed to meet Council's statutory obligations regarding public health notably under the <i>Food Act 1984</i> and <i>Public Health and Wellbeing Act 2008</i> . Mandatory assessments of food safety, accommodation and beauty treatment premises are completed in accordance with the regulations and risk management frameworks. Tobacco control activities reduce the prevalence of smoking in the community. Nuisance complaint investigations remedy public health and amenity concerns and infectious disease investigations control and reduce the likelihood of notifiable disease. The Environmental Health program area also facilitates mosquito control activity.	Actuals	(106)
		Budget	(119)
		Variance	13
Asset Management and Appearance of Public Places	The Asset Management and Appearance of Public Places program ensures the safety, functionality and aesthetics of public places and infrastructure. This program promotes community wellbeing and encourages people to be active in public settings. The program ensures safe and efficient active transport settings, including the development of a network of connected walking and cycling routes, facilitates safe access to and use of community facilities, parks and gardens, sports ovals and local amenities. Responsibilities extend to include maintenance of local roads, kerb and channel, footpaths, shared use trails, drainage and street cleanliness. Council implements an asset renewal and maintenance program for infrastructure including roads, paths, drainage and all Council-owned and managed community buildings. It is also responsible for the maintenance, cleaning and renewal of 14 public toilets.	Actuals	(1,156)
		Budget	(1,144)
		Variance	(12)
Local Laws, Safety and Amenity	The Local Laws, Safety and Amenity program promotes community wellbeing and safety in various settings and through monitoring public behaviour consistent with Council's local laws. This is achieved through management of school crossings, the provision of animal management services including animal registration and a dog and cat collection service, enforcement of local laws, issuing of local law permits, management of the boat ramp and enforcement of parking restrictions. This service is also the first Council respondent to out-of-hours emergencies.	Actuals	(232)
		Budget	(248)
		Variance	16
Street Lighting	The Street Lighting program assists in the provision of a safe environment for motorists, pedestrians and cyclists. It involves the operation, maintenance, renewal and energy costs associated with the Borough's street lights. Importantly, Council has upgraded the streetlight infrastructure to achieve a high level of energy efficiency.	Actuals	(28)
		Budget	(42)
		Variance	14
Powerline Safety	The Library program promotes community wellbeing by encouraging active participation and life-long learning opportunities in a safe, inclusive setting. Libraries can be restorative places and often a safe haven for people outside their own home. The public library service is provided in Queenscliff in a Council-owned building, and is operated by the Geelong Regional Library Corporation under a deed of agreement with Council. Council is one of four municipalities that make up the membership of the Corporation.	Actuals	(30)
		Budget	(73)
		Variance	43

Service area	Description of services provided	Surplus/ (Deficit) \$'000
Library	The Library program promotes community wellbeing by encouraging active participation and life-long learning opportunities in a safe, inclusive setting. Libraries can be restorative places and often a safe haven for people outside their own home. The public library service is provided in Queenscliff in a Council-owned building, and is operated by the Geelong Regional Library Corporation under a deed of agreement with Council. Council is one of four municipalities that make up the membership of the Corporation.	Actuals Budget
		(300) (227)
		Variance
		(73)
Total	Actuals	(2,260)
	Budget	(2,348)
	Variance	88



The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure	Result 2018	Result 2019	Result 2020	Result 2021	Material variations and other general comments
Maternal and Child Health (MCH)					
Indicator: Service standard Measure: Infant enrolments in the MCH service [Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100	106.25%	100.00%	100.00%	100.00%	27 birth notifications received and all enrolled in the MCH service.
Indicator: Service cost Measure: Cost of MCH service [Cost to Council of the MCH service / Hours worked by MCH nurses]	\$124	\$171	\$182	\$170	This is consistent with prior years.
Indicator: Participation Measure: 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	87.65%	71.50%	63.98%	68.71%	56 children attended the MCH service at least once, of the 82 infants enrolled in 2020–21 (2019–20: attended by 52 of 81 enrolled in the service).
Indicator: Participation Measure: 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	100.00%	100.00%	100.00%	100.00%	1 Aboriginal child enrolled and participated in 2020–21.
Indicator: Satisfaction Measure: Participation in 4-week Key Age and Stage visit [Number of 4-week key age and stage visits / Number of birth notifications received] x100	New in 2020	New in 2020	100.00%	100.00%	27 birth notifications received and 29 four-week key age and stage visits made in 2020–21 (including two babies transferred in before the four-week visit).
Indicator: Satisfaction – Retired Measures Measure: Participation in first MCH home visit [Number of first MCH home visits / Number of birth notifications received] x100	112.5%	100%	Retired in 2020	Retired in 2020	This measure was replaced by participation in four-week key age and stage visit indicator above, from 1 July 2019.

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure	Result 2018	Result 2019	Result 2020	Result 2021	Material variations and other general comments
Environmental Health - Food Safety					
Indicator: Timeliness Measure: Time taken to action food complaints [Number of days between receipt and first response action for all food complaints / Number of food complaints]	1.00	1.00	0.50	1.0	Only 3 complaints were received in 2020–21.
Indicator: Service standard Measure: Food safety assessments [Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984 / Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100	98.48%	100.00%	39.34%	98.33%	Annual food safety assessment period is from 1st January to 31st December and the majority of inspections occur from January to June each year. The higher number reflected is in line with years prior to 2019–20. The pandemic had impacted the inspection program for 2019–20.
Indicator: Service cost Measure: Cost of food safety service [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$610	\$682	\$585	\$684	The cost is in line with years prior to 2019–20. The current pandemic had impacted the inspection program for 2019–20.
Indicator: Health and safety Measure: Critical and major non-compliance notifications [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about a food premises] x100	100.00%	100.00%	100.00%	100.00%	Council has achieved a 100.00% compliance rate over the four years.

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure	Result 2018	Result 2019	Result 2020	Result 2021	Material variations and other general comments
Asset Management and Appearance of Public Places - Roads					
Indicator: Satisfaction of use Measure: Sealed local road requests [Number of sealed local road requests / Kilometres of sealed local roads] x100	442.86	319.05	397.62	335.71	141 requests received in 2020–21 for 42 km of sealed local roads.
Indicator: Condition Measure: 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	100.00%	100.00%	100.00%	100.00%	All local roads are above the renewal intervention level set by Council.
Indicator: Service cost Measure: Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed	\$27	\$163	\$580	\$341	Higher result in 2019–20 due to the road construction work carried out under the Fixing Local Roads program. The spend in 2020–21 is still higher than years prior to 2019–20 due to the completion of remanning projects under the Fixing Local Roads program.
Indicator: Service cost Measure: Cost of sealed local road resealing [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$10	\$28	\$0	\$300	The project completed in 2020–21 relating to a project under Fixing Local Roads program. No road sealing work carried out in 2019–20.
Indicator: Satisfaction Measure: Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	65	65	66	66	Consistent with previous years.

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure	Result 2018	Result 2019	Result 2020	Result 2021	Material variations and other general comments
Local Law Enforcement - Animal Management					
Indicator: Timeliness Measure: Time taken to action animal requests [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.00	1.00	1.00	1.00	Cumulative gross number of 24-hour days. If a request is responded to in less than 24 hours, time taken is counted as one day.
Indicator: Service standard Measure: Animals reclaimed [Number of animals reclaimed / Number of animals collected] x100	88.10%	80.00%	100%	100%	Council's policy of 'first ride home' for straying animals results in a greater emphasis on education.
Indicator: Service standard Measure: Animals rehomed [Number of animals rehomed / Number of animals collected] x100	New in 2020	New in 2020	0.00%	0.00%	All animals collected reclaimed by owners.
Indicator: Service cost Measure: Cost of animal management service per population [Direct cost of the animal management service / Population]	New in 2020	New in 2020	\$27	\$28	\$4,200 increase in animal management service cost.
Indicator: Health and safety Measure: Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	New in 2020	0.00%	0.00%	Zero prosecutions. Council's policy of 'first ride home' for straying animals results in a greater emphasis on education. Animal owners are made aware of the potential penalties resulting in a reduced likelihood of penalties being issued.
Indicator: Service cost – Retired Measures Measure: Cost of animal management service [Direct cost of the animal management service / Number of registered animals]	\$115	\$106	Retired in 2020	Retired in 2021	This measure was replaced by cost of animal management service per population indicator above from 1 July 2019.

Service / indicator / measure	Result 2018	Result 2019	Result 2020	Result 2021	Material variations and other general comments
Indicator: Health and safety – Retired Measures Measure: Animal management prosecutions [Number of successful animal management prosecutions]	0	0	Retired in 2020	Retired in 2021	This measure was replaced by animal management prosecutions indicator above from 1 July 2019.
Library - Libraries					
Indicator: Utilisation Measure: Physical library collection usage [Number of physical library collection item loans / Number of physical library collection items]	3.44	3.43	2.93	2.33	2021 results indicate the impact of restrictions on library usage due to the pandemic.
Indicator: Resource standard Measure: Recently purchased library collection [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	56.44%	58.19%	62.33%	68.42%	Increase in physical library collection items purchased in the last five years.
Indicator: Participation Measure: Active library borrowers in municipality [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	39.98%	36.92%	36.72%	31.30%	2020–21 results indicate the impact of restrictions on library usage due to the pandemic. Further, this Indicator does not capture other library activity for example children and youth programs, digital literacy programs and literary events, the use of public internet PCs, using facilities such as meeting rooms or study areas, or using services such as Wi-Fi, or in-library use of collections.
Indicator: Service cost Measure: Cost of library service per population [Direct cost of the library service / Population]	New in 2020	New in 2020	\$76	\$75	The cost is consistent with the previous year.
Indicator: Service cost - Retired Measures Measure: Cost of library service	\$7	\$7	Retired in 2020	Retired in 2021	This measure was replaced by cost of library service per population indicator above from 1 July 2019.

Achievements

Increasing pedestrian safety

After extensive public consultation found that local residents rated footpaths and walking tracks as some of the Borough's most valued features, Council set about increasing pedestrian safety on a number of our area's busiest thoroughfares. Utilising significant grant funding from multiple levels of government as well as the Transport Accident Commission, new pedestrian crossings and traffic calming features were installed on both Gellibrand Street and Hesse Street South, the latter as part of a \$1.3 million redevelopment.

Hesse Street South was transformed by undergrounding power lines, improving street lighting and drainage, adding new trees and – for the first time – creating an uninterrupted pedestrian pathway from the Ocean View car park to the Queenscliff ferry terminal.

Consultants reports into pedestrian safety in the Borough highlighted the need for intervention further up Hesse Street, as well as in at least four other locations throughout Queenscliff and Point Lonsdale, where construction is expected to be completed in the 2021–22 financial year.

Aged care services

Council continued to maintain a 'zero waiting list' to June 2021 for all aged care services within the Borough. In the 2020–21 financial year, the aged care service provided 8,515 hours of service. As of 30 June 2021, 194 active clients utilised a range of services including domestic/personal care assistance, lawn and home maintenance, in-home respite, social support and assisted transport. 42 clients were assessed for service, 16 clients departed (deceased) the service, 10 clients moved into permanent care and 5 clients moved out of the area.

Despite uncertainty around the future viability of Council's aged care services due to changes in Commonwealth funding, Councillors voted at the May 2021 Ordinary Meeting to declare their support for the continuation of the services. The decision-making process was guided by an independent consultant's report as well as a survey undertaken by both current clients and the general public.

Environmental health activities

Council's environmental and public health service continued its high performance rates despite the challenges of the COVID-19 pandemic. A total of 113 food safety assessments and inspections were made throughout 2020–21, with 97% of all food businesses in the Borough assessed or inspected. 100% of statutory food samples were analysed, as well as 100% of nuisance complaints investigated.

Caravan parks, accommodation and beauty treatment businesses were the subject of 24 public health inspections, while Council's *Tobacco Act* compliance activities continued with 35 checks undertaken. Council improved its risk-based compliance assessments over the course of the year, and continued its partnerships with local organisations to increase women and girls' participation in sport and physical activity.

Disappointments

New digital system delayed

A new Victorian Department of Health digital inspection and assessment tool was due to rollout during the year, which would have allowed Council to go totally mobile and streamline its data reporting systems. Unfortunately, due to delays caused by the COVID-19 pandemic, this could not be achieved.

Face-to-face training cancelled

Indoor gathering limits and an inability to organise events in advance, also caused by the COVID-19 pandemic, prevented a planned series of training sessions on allergens with local food businesses in the Borough, which was to be conducted in conjunction with other local councils.

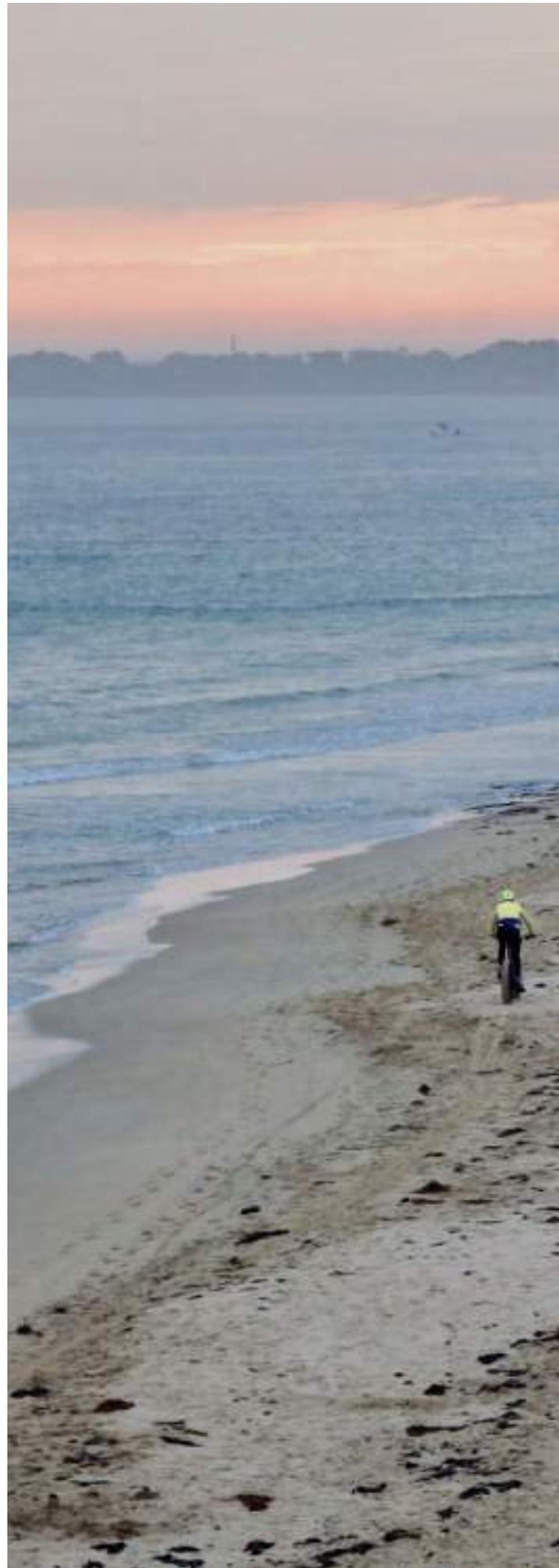
Challenges

Ongoing impact of the COVID-19 pandemic

Lockdowns, border closures, restrictions on mass gatherings and general uncertainty throughout the year tested the resilience of our community in many ways. By and large, the people of Queenscliff and Point Lonsdale were safe, respectful and cooperative throughout the various setbacks of the previous 12 months. Unfortunately, it was at the expense of being able to take part in things our township has become known for – arts and music festivals, community sport, recreational groups and so on. Council continues to work closely with local businesses and community organisations to promote COVID-safe activities in the Borough.

Year ahead

- Adapting to the rollout of the Department of Health's state-based compliance and reporting tool
- Reviewing compliance procedures whilst seeking business feedback
- Improving communication with businesses on regulatory matters.





Environmental sustainability

Primary focus areas

- Protect significant vegetation and continue revegetation of urban and open space areas.
- Continue to eradicate the spread of noxious weeds.
- Respond to the impacts of erosion and climate change on our beaches and the coast.
- Lead by example and work with the community to reduce carbon emissions.
- Increase and promote the use of renewable energy.
- Enhance recycling and green waste and minimise waste to landfill.
- Advocate for additional protection of significant wetlands within and adjacent to the Borough.
- Actively participate in relevant regional, state and national environmental initiatives.

2020–21 successes

- Planted 353 trees, shrubs and ground covers in Council parks and playgrounds
- Planted 124 trees in streets, road reserves and Council caravan parks
- Processed 75.56 tonnes of environmental weeds
- Diverted 543 kg of batteries and 7.1 tonnes of e-waste from landfill
- Composted 794 tonnes of green waste through the kerbside service
- Joined 46 other councils to tender for 100% renewable electricity generated in Victoria to supply all council buildings, facilities and operations
- Adopted a Climate Emergency Response Plan
- Joined the Cities Power Partnership
- Participated in the Victorian Energy Collaboration.

2020–21 Council Plan Initiatives

Initiatives	Council's performance
Implement the Climate Action Plan	Completed
Minimise Council's carbon footprint and maintain or reduce the level of carbon emissions from Council operations	Completed
Provide sustainable and efficient waste services to the Borough and minimise costs associated with recycling crisis	Completed
Ensure protection of the Borough's coastal environment	Completed
Roll out Food Organics & Garden Organics (FOGO) waste service	Yet to commence
Conduct risk and health management work for Avenue of Honour	Completed
Conduct grant-funded weed management on Ocean Road	Completed
Create a Climate Emergency Response Plan	Completed
Implement the Climate Emergency Response Plan	Ongoing
Continue the tree replacement program for the Avenue of Honour	Completed
Implement commitments for the Cities Power Partnership	Ongoing

The following statement provides information in relation to the services funded in the 2020—21 Budget and the persons or sections of the community who provided the service.

Service area	Description of services provided		Surplus/ (Deficit) \$'000
Environmental Sustainability	The Environmental Sustainability program sees the Borough playing its part in protecting the natural environment for future generations. This includes Council measuring, monitoring and reducing its carbon emissions as well as assisting the local community to implement various initiatives designed to reduce greenhouse gases through the Community Environment Alliance. Council plays a key role in responding to the challenges of climate change and sea level rise and where possible working with various federal, state, regional and local organisations to inform and educate the community about practices that support environmental sustainability.	Actuals Budget	(145) (155)
		Variance	10
Coastal Protection	The Coastal Protection program seeks to preserve and enhance the Borough's globally significant, highly-valued coast as an iconic environmental asset for current and future generations. Under this program, Council implements State Government coastal management policy, manages environmental projects and works with State, regional and local services to enhance its management of coastal Crown land. The program involves weed reduction initiatives and annual planting of trees, shrubs and grasses.	Actuals Budget	(85) (168)
		Variance	253
Waste Management and Recycling	The Waste Management and Recycling program seeks to involve the local community in protecting the environment for future generations by minimising waste. Council works with local and regional organisations, including the Barwon South West Waste and Resource Recovery Group and neighbouring Councils to increase community awareness and promote behaviours that reduce waste and promote recycling. In addition to regular kerbside waste collection and a hard rubbish collection, the program includes a recycling service, effective e-waste disposal and a green waste bin service for all residential and tourist accommodation properties. A range of public waste services are also provided given the comparatively high level of tourist visitation. It is important to note that full cost recovery of waste management, including recycling, is achieved via application of waste charges to ratepayers in accordance with Council's Rating Strategy.	Actuals Budget	(88) (142)
		Variance	54
Total	Actuals		(149)
	Budget		(465)
	Variance		316

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure	Result 2018	Result 2019	Result 2020	Result 2021	Material variations and other general comments
Waste Management and Recycling - Waste Collection					
Indicator: Satisfaction Measure: Kerbside bin collection requests [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	100.31	155.19	167.65	105.04	The 2020–21 variance reflects 302 kerbside bin collection requests, compared with 482 requests in 2019–20.
Indicator: Service standard Measure: 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	4.21	4.37	4.88	4.94	111 bins missed in 2020–21 compared to 148 bins in 2019–20 (higher number of scheduled kerbside garbage and recycling collection bin lifts for 2019–20).
Indicator: Service cost Measure: Cost of kerbside garbage collection service [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	\$99	\$106	\$106	\$109	The service cost has been significantly impacted by the increased cost of recycling.
Indicator: Service cost Measure: Cost of kerbside recyclables collection service [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	\$52	\$58	\$72	\$74	The service cost has been significantly impacted by the increased cost of recycling.
Indicator: Waste diversion Measure: Kerbside collection waste diverted from landfill	54.98%	52.68%	46.92%	55.50%	2020–21 result is reflective of prior years except 2019–20. Issues associated with the recycling processor in the region during the first half of the 2019–20 financial year resulted in Council having to dispose of recyclable materials into landfill.

Achievements

Adopting a Climate Emergency Response Plan

Council's adoption of a Climate Emergency Response Plan (CERP) in May 2021 was the culmination of more than 18 months of dedication to the cause of helping protect and preserve Queenscliffe's natural environment for centuries to come. Following Council's historic declaration of a climate emergency at the December 2019 Ordinary Meeting, public consultation on the development of a response plan was opened in October 2020, delayed somewhat by the ongoing COVID-19 pandemic.

Over a three-week period, 346 respondents participated in an online survey as part of the initial engagement stage in the development of the CERP. 12 primary school students from the Borough of Queenscliffe area also participated in a workshop. A community panel was then randomly selected to further analyse the community's ideas and make recommendations for the plan's structure and content.

A draft plan was released in March 2021 and shared with the community for further feedback, and following minor tweaks, was officially adopted by Council in at the May 2021 Ordinary Meeting. The CERP outlines the work Council and the community will do to meet established targets via a set of 49 individual actions grouped into eight pillars: Wadawurrung Country, Cultural Heritage and Values; Renewable Energy; Sustainable Buildings; Sustainable Transport; Mobilisation, Education and Collaboration; Adaptation and Resilience; Consumption and Waste; and Environmental Regeneration.

Joining the Cities Power Partnership

Council continued its climate-focused initiatives by joining and committing to the Climate Council's Cities Power Partnership (CPP), Australia's largest local government climate network, in September 2020. Incorporating more than 145 councils across the country that represent more than half of our nation's population, the partnership asks member councils to make five action pledges to tackle climate change.

Queenscliffe's pledges include installing renewable energy and adopting best energy efficiency measures on Council buildings, providing fast-charging electric vehicle infrastructure throughout the Borough at key locations, and working together to influence the local community to mitigate climate change. These pledges are to be completed in line with the actions listed in Council's Climate Emergency Response Plan.

Participating in the Victorian Energy Collaboration

Council also highlighted its commitment to renewable energy by joining the Victorian Energy Collaboration (VECO) in May 2021. The VECO is an initiative of 47 Victorian councils participating in a procurement process to source 100% renewable electricity generated locally in Victoria. Collectively, over 230 gigawatt-hours (GWh) of annual electricity load has been nominated by the group of councils. This represents the largest electricity buyers' group ever established in Australia by number of organisations involved, and is the single largest activity that any council group has ever undertaken to reduce emissions from council operations. All Borough of Queenscliffe buildings, street lights and operational needs will be powered by locally generated 100% renewable energy commencing on 1 July 2021.

Maintaining our historic Avenue of Honour

Work continued throughout the year to protect and maintain Queenscliff's iconic Avenue of Honour in accordance with the 2020 arboricultural assessments. Programmed dead wood removal and the replanting of one Monterey cypress tree was undertaken. Unfortunately, four trees were removed due to ill health and storm damage. Further maintenance and planting has been programmed for the 2021–22 financial year.

Disappointments

Delayed fourth bin rollout

Council's transition to a Food Organics & Garden Organics (FOGO) kerbside collection service was unfortunately unable to progress as planned. Victorian Government funding that is necessary to facilitate the implementation of the FOGO service was not received in 2020–21.

Challenges

Loss of weed reduction activities

Weed reduction activities within the Borough were impacted by the suspension of Council's partnership with Conservation Volunteers Australia (CVA) and Corrections Victoria due to measures implemented to manage the risks of the COVID-19 pandemic. Council hopes to work with Corrections Victoria to resume weed reduction activities in the 2021–22 financial year. Unfortunately, CVA has indicated that they will no longer be active in the Bellarine area.

Year ahead

- Maintain our partnership with Corrections Victoria to continue Council's weed management activities within foreshore reserves
- Commence implementation of the kerbside waste collection transition plan
- Develop the CERP Implementation Plan, including resourcing commitments, climate governance, prioritisation, and the development of key budget requirements.





Local economy

Primary focus areas

- Diversify the local economy and increase employment opportunities for local residents.
- Support local businesses' and new businesses' investment opportunities.
- Encourage procurement practices that increase employment opportunities for local residents.
- Market the Borough's unique features and provide a high-quality tourism information service.
- Increase year-round tourism visitation by enhancing use of beaches and parks and supporting arts and cultural events.
- Improve the quality of physical and technological infrastructure that connects local facilities and tourism attractions across the Borough.
- Progress the implementation of priority projects related to Fort Queenscliff and the two Lighthouse Reserves.
- Implement improvements to Council-managed caravan parks to achieve benefits for the whole community.
- Implement the priority actions in Council's Economic Development Strategy.

2020–21 successes

- Contributed to local employment via our preference for the engagement of local providers in Council's procurement policy.
- Continued with the production of the business e-news bulletin, providing up-to-date information and opportunities for local businesses.
- Hosted an interactive online small business festival event in partnership with the Geelong Small Business Festival, which featured local business owners and achieved over 2,500 views.
- Continued to provide specialised and tailored business support throughout the COVID-19 pandemic. Successfully implemented extended outdoor dining activations across the Borough, waiving fees for footpath permits to all traders and providing local businesses access to free professional services through a partnership with the City of Greater Geelong.
- Continued to host the '3225 Love Local Shop Local' campaign promoting local businesses and extending the reach to include Instagram.
- Allocated sponsorship to the QMF for the Pelican Bar, The Blues Train for the revival concert series, Queenscliffe Literary Festival, Bellarine Lighthouse Film Festival and the Queenscliff Gallery for the Pebbles Print Prize.

2020–21 Council Plan Initiatives

Initiatives	Council's performance
Implement Council's procurement policy and practices to enhance opportunities for local businesses	Completed
Work with Queenscliff Music Festival, local businesses and community organisations to implement and enhance the Queenscliffe Winter Arts Festival	Unable to complete
Enhance Council's sponsorship of local and public events	Completed
Seek advice on economic development priorities through Council's formal Advisory Committee and other stakeholders	Completed
Facilitate local businesses access to information and professional development opportunities	Completed
Advocate for and seek funding from other levels of Government to improve coastal infrastructure that enhances the local amenity and improves community and visitor experiences	Completed
Work with local businesses and community organisations, Tourism Greater Geelong and the Bellarine and Visit Victoria to promote tourism experiences in Queenscliff and Point Lonsdale	Completed
Provide an accredited Visitor Information Centre service through the active involvement of volunteers	Completed



The following statement provides information in relation to the services funded in the 2020—21 Budget and the persons or sections of the community who provided the service.

Service area	Description of services provided		Surplus/ (Deficit) \$'000
Tourist Parks and Boat Ramp Services	The Tourist Parks and Boat Ramp Services program ensures the Borough remains a special place for visitors while increasing tourism's contribution to the local economy. The program includes management of three tourist parks and one boat ramp. It currently provides approximately 350 camping/caravanning sites and associated facilities, including maintenance of seven amenities blocks, and management of the Queenscliff boat ramp which provides access to fishing opportunities in Port Phillip. While contributing significantly to the local economy, this program generates a net income result, which is used to fund improvements to and maintenance of community facilities, foreshore infrastructure and coastal protection activities on Crown land.	Actuals	707
		Budget	677
		Variance	30
Visitor Information Centre	The Visitor Information Centre program promotes the Borough as a special place for visitors, and supports local tourism and related businesses through the dissemination of tourism information that plays a key role in supporting a diverse and vibrant local economy. This program manages a year-round state-accredited tourist information service, with paid staff and volunteers offering information and advice about the visitor experiences on offer across the Borough and through other parts of Victoria.	Actuals	(183)
		Budget	(210)
		Variance	27
Tourism and Economic Development	The Tourism and Economic Development program seeks to build on the Borough's unique heritage, rich culture and significant natural environment to strengthen the diversity and vibrancy of the local economy. The program is integrated with the activities of state and regional tourism organisations. Marketing and promoting the Borough and its attractions is key to increasing the number of day trippers and overnight visitors. The program's focus is informed by the Council's Economic Development Strategy and includes supporting local businesses and working with neighbouring municipalities, Tourism Greater Geelong & the Bellarine, G21 and the State Government to implement regional economic development and related infrastructure priorities.	Actuals	(182)
		Budget	(214)
		Variance	32
Total	Actuals		342
	Budget		253
	Variance		89

Achievements

Business support throughout the pandemic

With the last 12 months being some of the most difficult ever experienced by our local traders, Council continued to provide specialised and tailored business support throughout the COVID-19 pandemic. Council successfully implemented extended outdoor dining activations across the Borough, waived fees for footpath permits to all traders, and provided local businesses with access to free professional services through a partnership with the City of Greater Geelong.

Event sponsorship was also allocated to the following businesses:

- Queenscliff Music Festival for its Pelican Bar concert series
- The Blues Train for its 'revival' concert series
- Queenscliffe Literary Festival
- Bellarine Lighthouse Film Festival
- Queenscliff Gallery for its Pebbles Print Prize.

Continued promotion of local business

Council's business e-news bulletin was distributed monthly by our economic development team to a mailing list of over 140 local recipients in the Borough. These newsletters became particularly valuable for businesses during the pandemic as we shared up-to-date information on trading restrictions and guidelines, funding opportunities and online seminars.

We continued to host the '3225 Love Local Shop Local' campaign on Facebook, attracting more than 900 followers to its near-daily posting promoting businesses in the Borough. Council also conducted an interactive online small business festival event in September 2020 in partnership with the Geelong Small Business Festival that attracted more than 2,500 views.

Queenscliffe Visitor Information Centre

The accreditation status of the Queenscliffe Visitor Information Centre (VIC) through the Australian Tourism Accreditation Programme has been maintained. During 2020–21, the

team of 24 Customer Service Volunteers and six Heritage Guides responded to more than 4,256 walk-in enquiries and 711 phone enquiries, operated 25 heritage walks and assisted three regional Victorian Probus clubs with their itineraries. These numbers are significantly down on the VIC's usually output due to impacts of the COVID-19 pandemic.

Disappointments

Outdoor dining grant funding not extended

After successfully implementing innovative outdoor dining solutions using converted shipping containers (known as Skipleets) to more than a dozen local traders, Council was disappointed to find it was ineligible to apply for a second round of funding under the Victorian Government's outdoor eating and dining package in March 2021. The Borough of Queenscliffe is considered a 'small rural shire' and was therefore not in one of the categories of LGAs eligible for funding, despite neighbouring councils Greater Geelong, Surf Coast and Golden Plains all having the opportunity to apply. This decision was another blow to our local traders, which had already suffered a significantly interrupted year of business.

Challenges

Reduced tourist patronage

Border closures and ongoing coronavirus lockdowns meant that Council-operated services such as Queenscliffe Tourist Parks and the Queenscliffe Visitor Information Centre suffered significantly reduced patronage on their usual output. With many annual permit holders and seasonal tourists based in metropolitan Melbourne, location-based lockdowns separating regional Victoria and the inner city forced a reduction in attendance throughout the year.

Year ahead

- Complete review of Queenscliffe Tourist Parks.

Planning and heritage

Primary focus areas

- Conserve the Borough’s significant history, culture and heritage.
- Maintain the Borough’s unique features and neighbourhood character.
- Continue to enhance the Queenscliff and Point Lonsdale town centres.
- Enhance access to and the amenity and use of the Borough’s parks and foreshore reserves.
- Plan for the ongoing preservation and regeneration of the Borough’s historic Avenue of Honour.
- Engage the community in strategic land use planning.
- Review and update the Queenscliffe Planning Scheme to achieve the Council’s vision and strategic objectives.
- Ensure high quality design and construction standards in new and upgraded community infrastructure.

2020–21 successes

- Commenced community engagement and drafting of a Coastal and Marine Management Plan for the Borough.
- Commenced preparation of planning scheme amendments to incorporate changes nominated in 2020 Heritage Review.
- Processed more planning applications within 60 days, with performance further improved from the previous two years.
- Improved accessibility to planning documentation by uploading all planning applications to Council’s website via a dedicated portal.
- Completed a two-day training course for Councillors on planning, resulting in strong and significantly more active relationships between Councillors and Planning staff.
- Actively engaged with both the Victorian and Commonwealth governments as a key stakeholder on projects, including the Distinctive Areas and Landscapes program and a new format for the local planning policy framework.

2020–21 Council Plan Initiatives

Initiatives	Council’s performance
Develop Coastal and Marine Management Plan	In progress
Complete the review of the heritage provisions in the Queenscliffe Planning Scheme and the related amendment to the Planning Scheme	In progress
Incorporate planning scheme amendments nominated in 2020 Heritage Review	In progress
Promote local heritage through arts, cultural and reconciliation activities and events	Completed
Promote Council’s Heritage Fund to facilitate conservation of privately owned significant heritage assets	Completed

Initiatives	Council's performance
Improve regulation of statutory planning compliance	Completed
Implement Council's asset renewal and maintenance program to ensure the safe and effective use of Council owned and managed community buildings, open space and other infrastructure	Completed
Engage with different levels of government as key stakeholder on projects	Completed

The following statement provides information in relation to the services funded in the 2020—21 Budget and the persons or sections of the community who provided the service.

Service area	Description of services provided		Surplus/ (Deficit) \$'000
Design and Project Management	The Design and Project Management program seeks to achieve excellence of design and delivery of projects which enhance the Borough as a special place. Specifically, the program manages project design, tendering and contract management activities as well as the implementation and supervision of Council's annual capital works program. It also manages issues associated with private development activities such as building over easements, legal point of discharge, vehicle point of access and unit development infrastructure.	Actuals	(276)
		Budget	(310)
		Variance	34
Land Use Planning	The Land Use Planning program ensures that the Borough conserves its unique heritage that the built environment is enhanced by design excellence, and that local amenity is protected against inappropriate land use and development. The program implements Council's Planning Scheme and prepares major policy documents including the Municipal Strategic Statement. It maintains and processes amendments to the Queenscliffe Planning Scheme and carries out research on demographic, economic and social issues affecting Council. The program administers Council's statutory planning responsibilities, including the various processes associated with the assessment of planning permit applications and defence of Council decisions at the Victorian Civil and Administrative Tribunal.	Actuals	(213)
		Budget	(292)
		Variance	79
Heritage Conservation Advice	The Heritage Conservation Advice program aims to retain the unique heritage and rich culture captured in the Borough's built form. It adds value to the Land Use Planning program by providing an external heritage expert to advise development applicants on how to respect and achieve compliance with heritage objectives, and to inform Council's assessment of planning permit applications in relation to heritage conservation.	Actuals	(3)
		Budget	(62)
		Variance	59
Building Control	The Building Control program ensures that building construction and maintenance is such that the community remains safe. It provides statutory building services including processing of siting variation consent, emergency management responsibilities, building inspections, building safety audits, and investigation of complaints and illegal works.	Actuals	(4)
		Budget	(8)
		Variance	4
Total	Actuals		(496)
	Budget		(672)
	Variance		176

The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure	Result 2018	Result 2019	Result 2020	Result 2021	Material variations and other general comments
Land Use Planning - Statutory Planning					
Indicator: Timeliness Measure: Planning applications decided within required timeframes [The median number of days between receipt of a planning application and a decision on the application]	105.00	75.00	62.00	63.00	Council has maintained service standard despite the increase in the number of planning applications. 124 planning application decisions in 2020–21 (106 decisions in 2019–20).
Indicator: Service standard Measure: Planning applications decided within required timeframes [(Number of regular planning application decisions made within required timeframes) + (Number of VicSmart planning application decisions made within 10 days) / Number of planning application decisions made] x100	49.65%	65.83%	85.85%	75.70%	94 planning applications decided within required time frames out of 124 planning application decisions in 2020–21.
Indicator: Service cost Measure: Cost of statutory planning service [Direct cost of the statutory planning service / Number of planning applications received]	\$1,665	\$1,922	\$2,144	\$2,231	Cost is consistent with 2020. Increased resources have been used to improve service standards of statutory planning services.
Indicator: Decision-making Measure: Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	40.00%	50.00%	0.00%	0.00%	No planning application decisions referred to VCAT in 2020–21.

Achievements

Commenced drafting Coastal Marine Management Plan

Council commenced community engagement and the drafting of a Coastal and Marine Management Plan for the Borough of Queenscliffe following new Victorian Government regulations stemming from the *Marine and Coastal Act 2018* (MACA). Currently, the Borough must apply for specific consent with regards to the MACA from DELWP whenever any use, development or works is requested on marine and coastal Crown land.

By preparing our own Coastal and Marine Management Plan, Council can streamline the application process on future projects, resulting in faster turnaround times and more regular maintenance and regeneration of the Borough's most treasured sites. Initial public consultation was completed in January 2021 and generated more than 270 responses from the community. The feedback received, alongside input from coastal leaseholders and the Wadawurrung, is now being used to draft a plan.

Planning application efficiency improvements

The number of planning applications processed by Council within a 60-day time frame has again increased, with performance further improved from the previous two years. As well as improving processing times, Council's new website has made it easier for residents and ratepayers to view current planning applications with all new documentation uploaded via a dedicated portal. The planning team also imparted their knowledge on the new councillors with a two-day training course, resulting in strong and significantly more active relationships between councillors and officers.

Liaising with other levels of government

The planning team actively engaged with both the Victorian and Commonwealth governments as a key stakeholder on projects, including the Distinctive Areas and Landscapes (DAL) program, as well as a new format for the local planning policy framework. The DAL program has spawned a draft Bellarine Peninsula Statement of Planning Policy, which was prepared by DELWP in collaboration with the Borough of Queenscliffe, the City of Greater Geelong, the Wadawurrung, other relevant government agencies and authorities, and the community. Phase three of public engagement opened just prior to the conclusion of the 2020–21 financial year, and a final statement is expected later in 2021.

Disappointments

Delay on heritage review sites

The COVID-19 pandemic significantly restricted Council's ability to progress the exploration of sites nominated in the 2020 Heritage Review. This work requires on-site inspections, which have not been permitted during lengthy coronavirus lockdowns. As such, the project has been significantly delayed and was not completed during the financial year as expected.

Damaged vegetation

Council has had to respond to a number of incidents of damage to protected vegetation over the past year. Rectifying damage takes time and resources away from other projects, and Council has responded with increased communication about the importance of protecting sensitive landscapes.

Challenges

Unauthorised modifications of dwellings

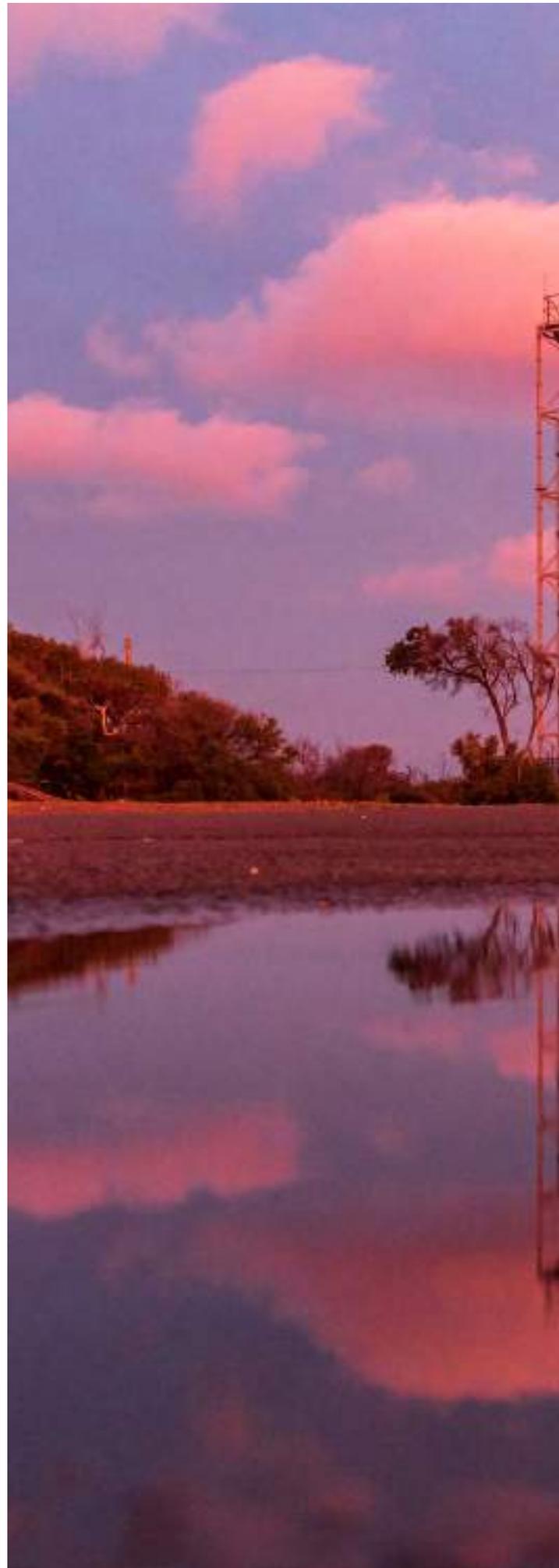
An increasing number of dwellings in the Borough are being modified in contravention of the planning scheme and building regulations. Council is spending more time on compliance and education activities than in previous years in response to this trend, which reduces capacity to complete other planning work.

In-person meetings unavailable

Coronavirus lockdowns have prevented planning staff from undertaking on-site and in-person meetings with planning applicants. This has made it harder for planning staff to identify issues early and build effective relationships, resulting in additional challenges processing planning applications.

Year ahead

- Finalise and implement a new Coastal and Marine Management Plan for the Borough
- Finalise and implement modifications to the planning scheme in response to the 2020 Heritage Review
- Incorporate protections for the Avenue of Honour into the planning scheme through a heritage overlay
- Deliver a renewed focus on strategic planning work. A restructure of planning staff will provide a dedicated resource to undertake strategic planning projects over the coming financial year
- Effectively implement the outcomes of the Bellarine Distinctive Areas and Landscapes project within a Borough of Queenscliffe context.





Governance and performance

Primary focus areas

- Provide transparent and accountable governance and meet all legislative requirements.
- Ensure the continuing financial sustainability and independence of the Borough.
- Enhance communication and community engagement in decision-making across the 3225 postcode area.
- Advocate on opportunities and issues of key concern to the local community to other levels of government.
- Continually review and plan to meet corporate needs while enhancing organisational capacity and performance.
- Maximise the return on Council assets and leverage external funding opportunities.
- Strengthen and promote the Borough as a place to explore and implement innovative approaches to environmental, technological, social and economic initiatives.
- Foster partnerships with community organisations, business, neighbouring councils and statutory organisations and other levels of government.

2020–21 successes

- Adopted a new General Local Law 2021 after extensive public consultation.
- Introduced a new public-facing Council website built on industry-leading architecture.
- Continued to implement requirements of the new *Local Government Act 2020*.
- Completed a rigorous audit program, concentrating on areas of greatest risk and return.
- Increased community engagement and consultation, resulting in improved Community Satisfaction Survey metrics.
- Won a seventh consecutive Gold Award in the Australasian Reporting Awards.
- Remained in a sound financial position according to VAGO's long-term financial sustainability indicators.

2020–21 Council Plan Initiatives

Initiatives	Council's performance
Ensure that Councillor and Council officer behaviour complies with the respective Codes of Conduct.	Completed
Ensure adherence to guidelines on prudent management of debt, cash and asset renewal	Completed
Effectively manage public and organisational risk and meet all legislative requirements	Completed
Strengthen organisation development and workforce planning to more effectively meet community service expectations and statutory obligations	Completed
Produce and forward the Council Plan, Strategic Resource Plan, Performance Statement and Annual Budget to the Minister for Local Government 28 days following Council adoption and in accordance with statutory timeframes	Completed
Complete an annual review of Council's Strategic Resource Plan and long term (10 year) financial plan as part of Council's annual Budget preparation process	Completed
Continue to administer the Fire Services Property Levy in accordance with State Government legislative requirements	Completed
Continue to meet Council's extensive Crown land management obligations	Completed
Enhance the provision of community information on Council's key decisions and the progress of priority projects	Completed
Assess and report on community perceptions on Council's performance through the annual Local Government Community Satisfaction Survey	Completed
Continue to improve Council's records management systems	In progress
Enhance on-line services available on Council's website	Completed
Implement the recommendations of the I.T. Strategy focussed on provision of service to the community and on internal efficiencies	In progress
Continue to advocate to the State government on a boundary change	In progress
Conduct a review of the Borough of Queenscliffe's Local Law No. 1, 2010 (Processes of Municipal Government) and Local Law No. 2 (Community Amenity)	Completed

The following statement provides information in relation to the services funded in the 2020—21 Budget and the persons or sections of the community who provided the service.

Service area	Description of services provided		Surplus/ (Deficit) \$'000
Council Governance	The Council's Governance program supports the Mayor and Councillors to maintain a cohesive Council and a well-governed municipal Council. The program is structured to meet all legislative requirements associated with the <i>Local Government Act 1989</i> and any other applicable Act. It supports Council's compliance with the Councillor Code of Conduct and its key relationships and memberships with organisations such as the MAV and G21. Council's participation in the annual Local Government Community Satisfaction Survey also forms part of this program.	Actuals	(267)
		Budget	(352)
		Variance	85
Organisational Performance and Compliance	The Organisational Performance and Compliance program supports the Chief Executive Officer and Executive Management Team to maintain a cohesive, well-managed and highly performing organisation. This includes supporting organisation development and statutory compliance, and seeking to ensure that the behaviour of all staff complies with the Staff Code of Conduct. Key outputs of the program are the preparation and/or review of the Council Plan, Strategic Resource Plan and long term budget, Annual Implementation Plan and Council's Annual Budget.	Actuals	(1,082)
		Budget	(1,356)
		Variance	274
Community Engagement and Customer Service	The Community Engagement and Customer Service program aims to facilitate community involvement in decision-making, and to deliver high quality customer service. It includes practical and strategic advice regarding Council's internal and external communications and issues management, and supports first point of contact to customers at the Council office. The program provides records management services in accordance with Council policy and procedures, administers the requirements of the privacy and freedom of information legislation, coordinates Council and Committee meetings, and provides other associated administrative support.	Actuals	(555)
		Budget	(672)
		Variance	117
Financial and Risk Management	The Financial and Risk Management program seeks to ensure the ongoing independence and financial sustainability of the Borough of Queenscliffe. Council ensures sound financial management, and cohesiveness and performance of the organisation's operations, through the maintenance of appropriate systems. The service provides long term financial planning, robust internal risk management, adherence to guidelines on prudent management of debt, cash and asset renewal, and reviews its assets to improve the return on Council's investments. The service predominantly includes management of Council's finances, the raising and collection of revenue, payment of salaries and wages to Council employees, procurement and contracting of services, management and maintenance of robust computer systems, fleet management, insurance and risk management systems. The program also includes the revaluation of properties for rating purposes, processing of supplementary rates and the administration of the State Government's Fire Services Property Levy. The depreciation expense for all Council assets is also included as part of this program.	Actuals	3,794
		Budget	4,394
		Variance	(600)
Total		Actuals	1,890
		Budget	2,014
		Variance	124



The following statement provides the results of the prescribed service performance indicators and measures including explanation of material variations.

Service / indicator / measure	Result 2018	Result 2019	Result 2020	Result 2021	Material variations and other general comments
Council Governance - Governance					
<p>Indicator: Transparency Measure: Council decisions made at meetings closed to the public [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public / Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100</p>	11.63%	10.97%	13.09%	9.89%	Council resolutions made at meetings closed to the public in 2020–21 are due to the consideration and awarding of a number of tenders where components of the tenders were commercial in confidence. Other confidential items related to the awarding of honours, grants and awards. There were 18 confidential Council resolutions for the 12 months to 30 June 2021.
<p>Indicator: Consultation and engagement Measure: Satisfaction with community consultation and engagement Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement</p>	56	51	59	66	This result reflects a significant improvement in Council's community consultation and engagement activities.
<p>Indicator: Attendance Measure: Councillor attendance at Council meetings [The sum of the number of Councillors who attended each ordinary and special Council meeting / (Number of ordinary and special Council meetings) × (Number of Councillors elected at the last Council general election)] x100</p>	90.00%	93.85%	95.00%	100.00%	Councillor attendance was 65 of a possible 65 instances (13 meetings x 5 councillors) in 2020–21, compared with 76 of a possible 80 instances (16 meetings x 5 councillors) in 2019–20.
<p>Indicator: Service cost Measure: Cost of elected representation [Direct cost of the governance service / Number of Councillors elected at the last Council general election]</p>	\$37,332	\$36,299	\$36,996	\$36,081	An overall reduction of \$4,600 in meeting and travel expenses.

Service / indicator / measure	Result 2018	Result 2019	Result 2020	Result 2021	Material variations and other general comments
Indicator: Satisfaction Measure: Satisfaction with Council decisions [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	53	49	54	59	Improvement is a result of significant improvement in community consultation and engagement activities.

Achievements

Adopted new Local Law

Following public consultation and extensive document reviews, Council formally approved a new General Local Law 2021 at its February 2021 Ordinary Meeting. The local law addresses social and environmental issues by providing for the peace, order and good government of the municipal district of the Borough of Queenscliffe. This new local law replaced the two previous local laws introduced in 2010 that had since expired.

Legislative changes to the *Local Government Act in 2020* meant that Council introduced new Governance Rules to address the conduct of Council meetings and the election of Mayor, amongst other things. Local Law No. 1 2010 – Processes of Municipal Government, which previously contained these processes, was mostly incorporated into the new Governance Rules. Therefore, it was determined to make one new general local law, which consists primarily of the expired Local Law No. 2 2010 – Community Amenity (with some amendments) and includes the use of the common seal.

Introduced new Council website

Council's queenscliffe.vic.gov.au website received a makeover for the first time in eight years when it went live in April 2021. In early 2020, Council officers began investigating the possibility of moving to a new website following an independent report that highlighted security issues with the existing architecture.

After gaining quotes from three separate Australian local government website providers, Council signed a service contract with OpenCities in late 2020. Officers then undertook a process of reviewing, restructuring and migrating content to the new system. This coincided with a shift in focus to make the website more customer-oriented, alongside subsequent staff training.

Council's communications team achieved practical completion of the new website in April 2021, and it is now available on the live web.

Effective financial reporting

Council won a Gold Award for its 2019–20 Annual Report at the Australasian Reporting Awards. This is the seventh consecutive year that the Borough of Queenscliffe has been awarded with the highest accolade at the annual awards.

Long-term financial sustainability

Applying the seven indicators of financial sustainability assessed by VAGO each year, Council remains in a sound financial position and is considered 'low' risk in all but one of the seven financial sustainability indicators for the 2020–21 year.

The seven indicators of financial sustainability, as assessed by VAGO, are as follows:

1. Net result margin (%) – Net result as a percentage of total revenue
2. Adjusted underlying result (%) - Adjusted underlying surplus (or deficit) as a percentage of adjusted underlying revenue
3. Liquidity – Current assets as a percentage of current liabilities
4. Indebtedness – Non-current liabilities as a percentage of own-sourced revenue
5. Internal financing – Net operating cash flows as a percentage of net capital expenditure
6. Capital replacement – Cash outflows for property, infrastructure, plant and equipment as a percentage of total depreciation, and
7. Renewal gap – Renewal and upgrade expenditure as a percentage of total depreciation.

The Borough of Queenscliffe Council continues its focus on long-term financial sustainability, considering the VAGO financial sustainability indicators as described above, as well as benchmarking on a range of other key financial indicators used within the industry including the Victorian Local Government Indicators and those in the Local Government Performance Reporting Framework.

More details about the VAGO financial sustainability indicators are provided in the section “Summary of Financial Performance”.

Disappointments

Limited in-person consultation opportunities

The continual challenges of the COVID-19 pandemic in preventing indoor gatherings of any significant number has forced Council to re-evaluate its methods of consultation and, in some instances, extend the engagement process on multiple projects. Principally, a planned series of in-person community panel sessions for the development of the Community Vision and Council Plan in May 2021 had to be shifted online, which inconvenienced a number of participants.

Challenges

Implementing Council’s IT strategy

Planned upgrades to Council’s IT systems and infrastructure were unfortunately pushed back until later notice. While Council was able to present a new external customer-facing website during the financial year, internal system upgrades such as the transition to a Microsoft SharePoint file system and the reintroduction of a staff intranet were delayed due to various setbacks associated with the pandemic.

Year Ahead

- Finalise the Council Plan and Community Vision.

Legislative compliance

Best Value

During 2020–21, the organisation continued its Best Value Program in accordance with legislative requirements. Our annual Budget and business planning processes encompassed best value principles and continuous improvement, enabling us to review, learn and improve.

This approach was also applied to the ongoing review of Council services to ensure they continue to deliver best value for our community. The procurement requirements of the *Local Government Act 1989* together with our procurement policy underpinned all procurement decisions made during the year.

Documents available for inspection

In accordance with the *Local Government Act 1989*, *Local Government Act 2020* and/or Council's Public Transparency policy, the following documents are available for inspection at the Council offices (50 Learmonth Street, Queenscliffe) during normal business hours.

Some of these can also be accessed via our website (www.queenscliffe.vic.gov.au).

1. The definition of the types or classes of land which are subject to a differential rate, and the objectives of the differential rate.
2. A copy of any proposed declaration of a special rate or a special charge.
3. A copy of any local law made by Council under section 74 of the *Local Government Act 2020*.
4. A copy of any document, code, standard, rule, specification or method which contains any matter incorporated in a local law of Council.
5. A summary of personal interests.
6. A copy of an election campaign donation return for the most recent Council election (older returns may also be able to be inspected).

7. Documents such as:
 - Plans and Reports adopted by Council;
 - Council Policies;
 - Project and Service Plans;
 - Service Agreements, Contracts, Leases and Licences; and
 - relevant technical reports and/or research that inform Council's decision-making.
8. Process information such as:
 - application processes for approvals, permits, grants, access to Council services;
 - decision-making processes;
 - Guidelines and Manuals;
 - Community Engagement Processes; and
 - Complaints Handling Processes.
9. The following Council Information:
 - Meeting Agendas;
 - Minutes of Meetings;
 - Audit and Risk Committee Charter;
 - Terms of Reference for Delegated Committees;
 - Gift Registers for Councillors and Council Staff;
 - Travel Registers for Councillors and Council Staff;
 - Registers of Conflicts of Interest disclosed by Councillors and Council Staff;
 - Registers of Leases entered into by Council;
 - Register of Delegations;
 - Register of Authorised Officers; and
 - any other Registers or Records required by the *Local Government Act 2020* or any other Act.

Domestic (feral and nuisance) animals

Under the *Domestic (Feral and Nuisance) Animals Act 1994*, Council is required to create a domestic animal management plan and to report on its implementation in the annual report.

The Domestic Animal Management Plan 2017–21 is a reissued edition of the Plan adopted by Council on 24 July 2013. It was prepared in accordance with the requirements and responsibilities under the following legislation and guiding documents:

- *Domestic (Feral and Nuisance) Animals Act 1994*
- Impounding of *Livestock Act 1994*
- Borough of Queenscliffe Local Law No. 2, 2010 – Community Amenity, and
- Relevant Council policies.

The domestic animal management plan identifies a number of key issues including the importance of the provision of information and education to encourage responsible pet ownership, the value of microchipping and desexing pets, and the need for a strategic approach to manage domestic animals in the community.

Domestic animal management statistics for the past five years appear in the tables on page 97.

Fire prevention

Under the *Country Fire Authority Act 1958*, Council is required to have a Municipal Fire Prevention Plan and to report on its implementation in its annual report. Council's Fire Prevention Plan is in place and being revised on an ongoing basis awaiting further direction from the CFA.

Council's 2020–21 annual Fire Prevention Inspection Program has been undertaken in line with the 2009 Victorian Bushfire Royal Commission Recommendations. In 2020–21, 12 properties were issued with a Schedule 15 Fire Prevention Notice (FPN), with 100% compliance. This figure remains consistent across the last five years and is likely attributed to the substantial advertising campaign implemented by the State Government. The number of vacant

allotments within the municipality is being reduced due to new home construction activity which has also impacted the numbers of notices issued.

Freedom of Information Act 1982

In accordance with Section 7(4AA)(a) and 7(4AA)(b) of the *Freedom of Information Act 1982*, the organisation is required to publish certain statements, in the annual report or separately on Council's website, concerning its functions and information available. While we have chosen to publish the statements on our website, the following summary of the application and operation of the *Freedom of Information Act 1982* is provided here.

Our Freedom of Information Statement outlines the organisation's role, key services, functions and reports, and how a person can access the information required.

The *Freedom of Information Act 1982* establishes a legally enforceable right for individuals or organisations to access information from certain records held by Council. Access to documents in Council's possession may be obtained through written request to the Freedom of Information Officer as follows:

- It should be in writing
- It should identify as clearly as possible which document is being requested
- It should be accompanied by the appropriate application fee, and
- It may be lodged in person, online or by email.

Access charges may also apply once documents have been processed and a decision on access is made (e.g. search and photocopying charges). Further information regarding Freedom of Information can be found at www.ovic.vic.gov.au and on Council's website.

During 2020–21, Council received one valid request for information.

Local Law

Council's General Local Law 2021 aims to protect and enhance the community's general way of life and wellbeing. Outcomes for the past five years are reported in the tables on page 97.

Privacy and Data Protection Act 2014

Council is committed to protecting the personal privacy of residents and ratepayers. We will only collect, use or disclose personal information where it is necessary to perform Council functions or where required by law, as per the *Privacy and Data Protection Act 2014*. Our information privacy policy is available on the website.

Information requests and any questions or complaints regarding people's rights under the privacy legislation and Council's information privacy policy can be discussed with the organisation's Privacy Officer on 5258 1377 or via email: privacy@queenscliffe.vic.gov.au.

Information and records management

The Borough has been keeping hard-copy records since 1863. Many of these documents are archived offsite in storage facilities that ensure the long-term security and preservation that such records require. This action is undertaken in accordance with the *Public Records Act 1973* and the Public Records Office Victoria Standards.

Property revaluation

The date of the latest general revaluation of land for rating purposes within the municipality was 1 January 2021. The revaluation was applied for the rating year 2021—22. The next revaluation is scheduled for 1 January 2022.

Public Interest Disclosure Act 2012

In accordance with the *Public Interest Disclosure Act 2012* (formerly known as the *Protected Disclosure Act 2012*), Council must include information in the annual report about how to access the procedures established by Council under Part 9 of the

PID Act. Council is also required to provide certain information about the number and types of public interest disclosure complaints investigated during the financial year.

The PID Act's main objective is to ensure openness and accountability in government by encouraging people to disclose improper conduct within the public sector and by providing protection for people who make disclosures.

The PID Act provides protection from detrimental action to any person affected by a public interest disclosure, whether it is the person who makes a disclosure, a witness or the person who is the subject of an investigation. Procedures on how to make a disclosure are publicly available on Council's website.

Council recognises the value of transparency and accountability in its administrative and management practices. It supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources or conduct involving a substantial risk to public health and safety or the environment.

Council will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure.

During 2020–21, no disclosures were made to the Borough of Queenscliffe or to the Independent Broad-based Anti-corruption Commission (IBAC).

Road Management Act 2004

As a road authority, in accordance with Section 22 of the *Road Management Act 2004*, Council is required to publish a copy or summary of any direction received from the Minister in its annual report. We received no ministerial directions during 2020–21.

Infringements, registrations and permits issued 2016–21

The following tables report the infringement notices, registrations and permits issued under the relevant Local Law or Act over the past five years.

Infringement notices	2021	2020	2019	2018	2017
Parking infringements	15	27	109	146	185
Animal infringements	2	5	4	13	6
Local law infringements	0	2	3	0	1
Fire prevention	0	0	0	0	0
Planning	0	0	0	0	1
Total	17	34	116	159	193

Court briefs	2021	2020	2019	2018	2017
Court briefs	0	0	0	0	0
Total	0	0	0	0	0

Local law permits	2021	2020	2019	2018	2017
Consume alcohol	30	15	13	13	7
Weddings	14	12	15	25	12
Major events	19	34	44	47	31
Bulk rubbish bins	6	8	3	8	11
Disabled parking	183	328	53	64	246
Outdoor eating facilities	201	21	23	10	21
Goods for sale	9	21	22	14	22
A-frames	24	54	60	21	54
Residential parking	0	0	0	0	0
Boat ramp	02	11	204	224	232
Other	28	23	48	27	30
Total	341	517	485	453	666

Animal management	2021	2020	2019	2018	2017
Animals registered	827	769	753	756	676
- Dogs	704	648	635	636	576
- Cats	123	121	118	120	100
Impounded animals	15	19	19	42	31
Door knocks (streets)	197	172	112	90	47
Animal warning notices	527	449	464	436	418
Native animal responses	52	39	58	32	53
Total	1618	1448	1406	1356	1225

Notices	2021	2020	2019	2018	2017
Fire prevention	12	11	15	14	13
Non-compliance of notices	0	0	0	0	0
Total	12	11	15	14	13

Outside hours	2021	2020	2019	2018	2017
After hours calls	68	43	238	241	227
After hours call-outs	9	6	75	70	61
Total	77	49	313	311	288

¹ 20 outdoor eating facility permits were issued with 8 permits granted an extension due to COVID-19.

² The Queenscliff Boat Ramp is now managed by Better Boating Victoria, and as such, permits are no longer issued by Council.

Grants and donations to local organisations

In 2020–21, Council gifted a total of \$189,231 to support local community groups and organisations in undertaking various cultural, recreational, environmental and community support projects and activities.

Community events

Recipient	Purpose of community grants and donations	2021 (\$)	2020 (\$)
ANZAC Day	Event support including ANZAC Day events	12,955	109
Queenscliff Music Festival (QMF)	Support of the event (cash donation and in-kind support)	10,000	17,000
Point Lonsdale Christmas Tree	Point Lonsdale Christmas Tree festivities	5,947	2,719
Australia Day	Australia Day celebrations	5,035	5,696
Volunteer Day	Volunteer Day celebrations	3,267	100
Artists in Residence	Arts event	2,273	2,513
Refugee Welcome Zone	Refugee welcome event	2,090	-
Walk to School	To promote active travel and educate about healthy choices at all three local primary schools	-	12,532
Senior Citizens Week	Senior Citizens Week activities	-	3,373
Sub Total : Community events		41,567	44,042

Contribution to operating costs

Recipient	Purpose of community grants and donations	2021 (\$)	2020 (\$)
Life Saving Victoria	Lifeguard services	33,628	32,649
Sub Total : Contribution to operating costs		33,628	32,649

Arts & Cultural Development Grants

Recipient	Purpose of community grants and donations	2021 (\$)	2020 (\$)
Roger Hastrich Pty Ltd	Community grant writing workshop	1,610	-
Koori Kids Pty Ltd	Annual contribution towards NAIDOC School Initiatives	450	-
Queenscliff Kindergarten Inc.	Active kids play equipment	-	2,814
Queenscliff Community Sports Club	Defibrillator machine	-	2,000
Queenscliff and District Neighbourhood House	Shade solutions	-	2,000
Point Lonsdale Board Riders Club	New doors for the Engine Shed	-	2,000
Compassionate Hearts on the Bellarine	Establishment costs of Compassionate Hearts on the Bellarine	-	2,000
Australian Volunteer Coast Guard Association	Provision of 2 iPads with military grade covers	-	1,613
Victoria State Emergency Service	Pelican light	-	1,453
1st Queenscliff Sea Scout Group	Camping shelter replacement	-	920
Queenscliff and District Neighbourhood House	Creating warm garments for those in need	-	500
Combined Probus Club of Queenscliff	Purchase of wool for knee rugs	-	500
Queenscliff/Point Lonsdale RSL	Purchase of original music on behalf of Ecumenical choir performances	-	270
Sub Total : Arts & Cultural Development Grants		2,060	16,070

Sponsorship Program

Recipient	Purpose of community grants and donations	2021 (\$)	2020 (\$)
Bellarine Lighthouse Films	80% Sponsorship 2021 Bellarine Lighthouse Film Festival	4,800	-
The Blues Train Pty Ltd	Event Sponsorship Grant	3,000	-
Pt Lonsdale Boardriders Club Inc	Sponsorship of 2021 Groms Off the Wall Day Out	2,000	-
Origin Of Image Pty Ltd	50% Sponsorship of Peebles Print Prize 2021	2,000	-
Great Outdoor Cinema	Free community event designed to enhance the region and retain visitors and locals alike over the summer season	-	5,000
Queenscliffe Community Market	Sponsorship of a road closure for the twilight market to ensure public safety	-	3,500
YMCA Youth Camp	2 youth students to participate in YMCA's Eco camp	-	700
Sub Total : Sponsorship Program		11,800	9,200

Education Awards

Recipient	Purpose of community grants and donations	2021 (\$)	2020 (\$)
Bellarine Secondary College	Awards donation	1,000	1,000
St Aloysius Primary School	Award	100	-
Queenscliff Primary School	Award	100	-
Point Lonsdale Primary School	Award	100	-
Sub Total : Education Awards		1,300	1,000

Community Environment Alliance Grants

Recipient	Purpose of community grants and donations	2021 (\$)	2020 (\$)
Queenscliff and District Neighbourhood House	Supply and installation of a water tank	-	2,864
Sub Total : Community Environment Alliance Grants		-	2,864

COVID-19 Community Activation and Social Isolation (CASI) initiative

Recipient	Purpose of community grants and donations	2021 (\$)	2020 (\$)	
Cottage By The Sea Queenscliff Inc	Funding for a community connector lead organisation in each local government area (LGA) to establish or build on existing local support networks that can map and wrap community support around the needs of people who are at risk of loneliness, isolation and disconnection.	40,000	-	
Queenscliffe and District Neighbourhood House		10,000	-	
Bellarine Community Health		10,000	-	
Queenscliffe and District Neighbourhood House - Shedding the Blues		5,000	-	
Swan Bay Environment Association		1,650	-	
AVCGA Coast Guard Queenscliff		1,500	-	
Sue Gurney		1,500	-	
Point Lonsdale Tennis Club		1,500	-	
Queenscliff Lonsdale Yacht Club		1,500	-	
Queenscliffe and District Neighbourhood House		1,500	-	
Lighthouse Arts Collective		1,500	-	
Queenscliffe Literary Festival		1,500	-	
Point Lonsdale Primary School		1,500	-	
Queenscliff Uniting Church		1,500	-	
Queenscliffe Maritime Museum Inc		1,500	-	
Bellarine Community Support Register		1,500	-	
Bellarine Lighthouse Film Festival		1,500	-	
Queenscliff Golf Club		1,500	-	
Queenscliff Senior Citizens Club Inc		1,500	-	
Queenscliff Reconciliation Mob		1,500	-	
Queenscliffe Historical Museum - The Tavern		1,500	-	
Compassionate Hearts On The Bellarine		1,500	-	
Queenscliffe and District Neighbourhood House - Men's Shed		1,500	-	
Queenscliffe and District Neighbourhood House - Sea Of Ukes		1,500	-	
Queenscliffe and District Neighbourhood House - Shedding the Blues		1,500	-	
Lions Club Of Queenscliff – Point Lonsdale		1,500	-	
Queenscliffe Combined Probus Club Inc		500	-	
Lisa's Art And Design		225	-	
Sub Total : COVID-19 CASI Initiative			98,875	-
TOTAL GRANTS AND DONATIONS PAID TO LOCAL ORGANISATIONS		189,231	105,824	

Grants and subsidies received

In 2020–21, Council received a total of \$4,496,238 in grants and subsidies from external sources.

Federal Funding

Purpose	Type	Period	Funding	2021 (\$)	2020 (\$)
Victoria Grants Commission - General Purpose Grants	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	183,140	663,286
Aged Care - Domestic assistance	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	175,935	172,542
Local Roads and Community Infrastructure program	Capital Grant - Federal non recurrent	Non Recurrent - Commonwealth	Federal	71,916	-
Victoria Grants Commission - Local Roads	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	60,658	59,745
Aged Care - Personal Care	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	56,904	66,763
Commonwealth Road Safety Program 2021	Capital Grant - Federal non recurrent	Non Recurrent - Commonwealth	Federal	52,244	-
Aged Care - Assessment	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	43,236	43,153
Aged Care - Property maintenance	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	38,323	20,163
Aged Care - Respite care	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	35,641	35,114
Ocean Road works	Capital Grant - Federal non recurrent	Non Recurrent - Commonwealth	Federal	34,362	-
Aged Care - CSO	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	17,540	60,122
Aged Care - Social Support Individuals	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	10,055	-
Aged Care - Home Modifications	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	2,607	-
AARP - Infrastructure - Roads to Recovery	Capital Grant - Federal recurrent	Recurrent - Commonwealth	Federal	-	190,894
Grant - Community Aged Care Packages	Operating Grant - Federal recurrent	Recurrent - Commonwealth	Federal	-	166,840
Sub total : Federal Funding				782,561	1,478,621

State Funding

Purpose	Type	Period	Funding	Source	2021 (\$)	2020 (\$)
Cultural Hub Living Libraries Program	Capital	Non-recurrent	State	Department of Environment Land Water and Planning	2,253,232	290,000
Point Lonsdale Lighthouse Reserve Stage 1	Capital	Non-recurrent	State	Department of Economic Development	400,000	9,000
Local Councils Outdoor Eating and Entertainment Package	Operating	Non Recurrent	State	Department of Jobs, Precincts and Regions	250,000	-
Better Boating Program	Operating	Non-recurrent	State	Department of Transport	232,300	115,000

Purpose	Type	Period	Funding	Source	2021 (\$)	2020 (\$)
Rural Councils ICT Infrastructure Program	Capital	Non Recurrent	State	Department of Jobs, Precincts and Regions	99,840	-
DHHS Community Activation and Social Isolation	Operating	Non-recurrent	State	Department of Health and Human Services	90,000	33,860
Business Concierge and Hospitality Support Program	Operating	Non-recurrent	State	Department of Jobs Precincts and Regions	60,000	-
Maternal and Child Health	Operating	Recurrent	State	Department of Education & Early Childhood Development	57,695	54,921
Fire Services Levy Implementation	Operating	Recurrent	State	State Revenue Office - Department of Treasury & Finance	40,746	-
School Crossing Supervisors	Operating	Recurrent	State	Department of Transport Planning and Local Infrastructure	30,205	30,870
Aged Care- Service System Resourcing	Operating	Recurrent	State	Department of Health and Human Services	27,476	4,391
Beach Cleaning - Seaweed	Operating	Recurrent	State	Department of Environment Land Water and Planning	26,826	18,747
Pedestrian Safety	Operating	Non Recurrent	State	Transport Accident Commission	15,000	-
Events Recovery Support	Operating	Non-recurrent	State	Department of Jobs Precincts and Regions	15,000	-
Pedestrian Safety	Capital	Non Recurrent	State	Transport Accident Commission	13,900	-
Beach Cleaning	Operating	Recurrent	State	Department of Sustainability & Environment	12,495	11,792
Lawrence Road Shared Path Connection	Capital	Non-recurrent	State	Department of Transport	10,000	40,000
Draft kerbside transition plan	Operating	Non Recurrent	State	Department of Environment Land Water and Planning	10,000	-
Covid Safe Australia Day	Operating	Non Recurrent	State	National Australia Day Council	8,350	-
Fixing Local Roads - Stage 2	Capital	Non-recurrent	State	VicRoads	-	542,735
Seawall and Rock revetment at Pt Lonsdale	Operating	Non-recurrent	State	Department of Environment Land Water and Planning	-	151,485

Purpose	Type	Period	Funding	Source	2021 (\$)	2020 (\$)
Fire Services Property Levy	Operating	Recurrent	State	State Revenue Office	-	39,947
Infrastructure and Building block grant	Capital	Non-recurrent	State	Department of Education and Training	-	35,000
Pick my project outdoor gym equipment	Capital	Non-recurrent	State	Department of Premier and Cabinet	-	24,245
Fort Queenscliff Business case	Operating	Non-recurrent	State	Regional Development Victoria	-	18,824
This Girl Can - Local Area Marketing	Operating	Non-recurrent	State	VicHealth	-	14,200
Kerbside Waste Recycling	Operating	Non-recurrent	State	Department of Environment, Land, Water and Planning	-	13,614
ANZAC Day	Operating	Non-recurrent	State	Department of Veteran Affairs	-	7,150
Senior Citizens Week	Operating	Recurrent	State	Department of Health	-	2,600
Natural Disaster Funding	Operating	Non-recurrent	State	Department of Treasury and Finance	-	438
Aged Care - Workforce Support	Operating	Recurrent	State	Department of Health and Human Services	-	50
Sub total : State funding					3,653,064	1,458,869

Other Funding

Purpose	Type	Period	Funding	Source	2021 (\$)	2020 (\$)
Point Lonsdale Tennis Club lighting - BOQ contribution	Capital	Non Recurrent	Other	Tennis Australia	46,000	-
Tobacco Activity Program	Operating	Non-recurrent	Other	Municipal Association Victoria	12,113	12,774
16 Days Acceptance	Operating	Non Recurrent	Other	Municipal Association Victoria	2,500	-
Gender-Based Violence Campaign	Operating	Non-recurrent	Other	Municipal Association Victoria	-	1,500
Sub total : Other funding					60,613	14,274

Total Grants and Subsidies Received by Council	4,496,238	2,951,764
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* The total grants and subsidies balance will not match the face of the income statements due to adjustments for grants received in advance.

Membership of organisations

Council is a member of a number of groups and organisations, including the following key memberships.

Organisation	Membership Contribution	
	2021 (\$)	2020 (\$)
Tourism Greater Geelong and the Bellarine	20,555	18,142
Bellarine Catchment Network	11,520	11,520
Municipal Association of Victoria	11,101	8,394
G21 Regional Alliance	6,015	6,750
Association of Bayside Municipalities	5,058	5,058
Victorian Caravan Parks Association	4,608	4,495
Small Rural Councils of Victoria	3,000	3,000
Tourism Greater Geelong and the Bellarine Contribution	2,000	2,000
Local Government Professionals	1,273	1,250
Victorian Tourism Industry Council - Membership	936	700
Infrastructure Design Association Membership	500	500
Tourism Greater Geelong and The Bellarine Caravan Parks	239	1,386
Volunteering Geelong - Membership	93	132
Energy and Water Ombudsman	-	362
Total Membership Contributions	66,897	63,688



Governance and management checklist

The following are the results in the prescribed form of Council's assessment against the prescribed Governance and Management checklist.

Governance and Management Item		Required	YES NO	Commentary
GC1	Community engagement policy (policy outlining Council's commitment to engaging with the community on matters of public interest)	Adopted in accordance with section 55 of the Act	YES	Adopted in accordance with section 55 of the Act Date of operation of current policy: 16/12/2020
GC2	Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation	YES	Current guidelines are in place Date of operation of current guidelines: 16/12/2020
GC3	Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)	Adopted in accordance with section 91 of the Act	YES	10 year Long Term Financial Plan (LTFP) adopted by Council, 18/06/2020 The Financial Plan will be reviewed and updated in line with the section 91 of the Act Scheduled for adoption by Council 27/10/2021, on track to achieve this outcome
GC4	Asset Plan (plan that sets out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Adopted in accordance with section 92 of the Act	YES	Date of adoption of current plans: Roads, Footpath and Kerb Assets 20/06/2019 Building Assets 20/06/2019 Open Space Assets 20/06/2019 Urban Stormwater Drainage 20/06/2019 Above plans will be reviewed and updated in line with the section 92 of the Act before 30 June 2022
GC5	Revenue and Rating Plan (plan setting out the rating structure of Council to levy rates and charges)	Adopted in accordance with section 93 of the Act	YES	Adopted in accordance with section 93 of the Act Date of operation of current plan: 23/06/2021
GC6	Annual budget (plan setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with section 94 of the Act	YES	Adopted in accordance with section 94 of the Act Date of operation of current plan: 23/06/2021
GC7	Risk policy (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation	YES	Current policy in operation Date of operation of current policy: 23/06/2021

Governance and Management Item		Required	YES NO	Commentary
GC8	Fraud policy (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation	YES	Current policy in operation Date of operation of current policy: 01/03/2018
GC9	Municipal emergency management plan (plan under section 20 of the <i>Emergency Management Act 1986</i> for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i>	YES	Prepared and maintained in accordance with section 59D of the <i>Emergency Management Act 2013</i> Date of operation of current plan: 23/04/2019
GC10	Procurement policy (policy outlining the principles, processes and procedures that will apply to all purchases of goods and services by the Council)	Adopted in accordance with section 108 of the Act	YES	Prepared and approved in accordance with section 108(7)(a) of the Act, on 28/04/2021
GC11	Business continuity plan (plan setting out the actions that will be taken to ensure that key services continue to operate in the event of a disaster)	Current plan in operation	YES	Current plan in operation Date of operation of current plan: 30/10/2019
GC12	Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)	Current plan in operation	YES	Current IT Disaster recovery plan in operation Date of operation of current plan: 30/10/2019
GC13	Risk management framework (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation	YES	Current framework in operation (included within the risk policy) Date of operation of current framework: 23/06/2021
GC14	Audit and Risk Committee (advisory committee of Council under section 53 and 54 of the Act)	Established in accordance with section 53 of the Act	YES	Established in accordance with section 53 of the Act Date of establishment: 27/08/2020
GC15	Internal audit (independent accounting professionals engaged by the Council to provide analyses and recommendations aimed at improving Council's governance, risk and management controls)	Internal auditor engaged	YES	Engaged, date of engagement of current provider: 24/08/2017 Contract expires on 30/06/2022
GC16	Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the <i>Local Government Act 1989</i>)	Current framework in operation	YES	Current framework in operation Date of operation of current framework: 04/06/2014

Governance and Management Item		Required	YES NO	Commentary
GC17	Council Plan report (report reviewing the performance of the Council against the Council Plan, including the results in relation to the strategic indicators, for the first six months of the financial year)	Current report	YES	Date of report: 2019–20 Quarter 4 Council Plan Progress Report 17/09/2020 2020–21 Quarter 1 Council Plan Progress Report 22/10/2020 2020–21 Quarter 2 Council Plan Progress Report 17/02/2021 2020–21 Quarter 3 Council Plan Progress Report 28/04/2021
GC18	Financial reporting (quarterly statements to Council under section 138(1) of the <i>Local Government Act 1989</i> comparing budgeted revenue and expenditure with actual revenue and expenditure.)	Quarterly statements presented to Council in accordance with section 138(1) of the 1989 Act	YES	Dates of reports: 2019–20 Quarter 4 Finance Report 17/09/2020 2020–21 Quarter 1 Finance Report 22/10/2020 2020–21 Quarter 2 Finance Report 17/02/2021 2020–21 Quarter 3 Finance Report 28/04/2021
GC19	Risk reporting (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Risk reports prepared and presented	YES	Dates of presentation of reports: Updated risk register presented to the Audit and Risk committee 7/12/2020 Updated risk register presented to the Audit and Risk committee 7/06/2021
GC20	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 1989 Act)	Performance reports prepared and presented	YES	Dates of presentation of reports: 2019–20 Performance Report 17/09/2020 2020–21 YTD (6 months) Performance information included in 2020–21 Quarter 2 Finance Report 17/02/2021
GC21	Annual report (annual report under sections 131, 132 and 133 of the <i>Local Government Act 1989</i> to the community containing a report of operations and audited financial performance statements)	Annual report considered at a meeting of Council in accordance with section 134 of the 1989 Act	YES	Annual report considered at a meeting of Council in accordance with section 134 of the Act Date considered: 22/10/2020 Ordinary Council Meeting.

Governance and Management Item		Required	YES NO	Commentary
GC22	Councillor Code of Conduct (Code setting out the standards of conduct to be followed by Councillors and other matters.)	Code of conduct reviewed and adopted in accordance with section 139 of the Act	YES	Code of conduct reviewed and adopted in accordance with section 139 of the Act Date of review: 17/02/2021
GC23	Delegations (documents setting out the powers, duties and functions of Council and the Chief Executive Officer that have been delegated to members of staff)	Delegations reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act	YES	Reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act Date of review under section 11(7): 27/08/2020
GC24	Meeting procedures (Governance Rules governing the conduct of meetings of Council and delegated committees)	Governance Rules adopted in accordance with section 60 of the Act	YES	Governance Rules adopted in accordance with section 60 of the Act Date adopted: 27/08/2020

Certification of the governance and management checklist

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



Martin Gill
Chief Executive Officer
 Date: 22 September 2021
 Queenscliff



Councillor Ross Ebbels
Mayor
 Date: 22 September 2021
 Queenscliff

Community satisfaction

The annual Local Government Community Satisfaction Survey provides valuable feedback on Council’s performance in core performance and service-related areas.

The table below summarises the Borough’s results for the past three years and compares 2021 core performance scores against state-wide and small rural shire averages. These provide the Borough with an opportunity to benchmark its performance against other councils and to identify areas where service delivery improvements are needed.

In 2021, the Borough performed above the state-wide and small rural average core performance scores across all seven measure, continuing its positive trend line by achieving this significant feat for the second year in a row. Apart from a downturn in overall Council direction, all other categories either maintained or increased their performance upon last year’s results.

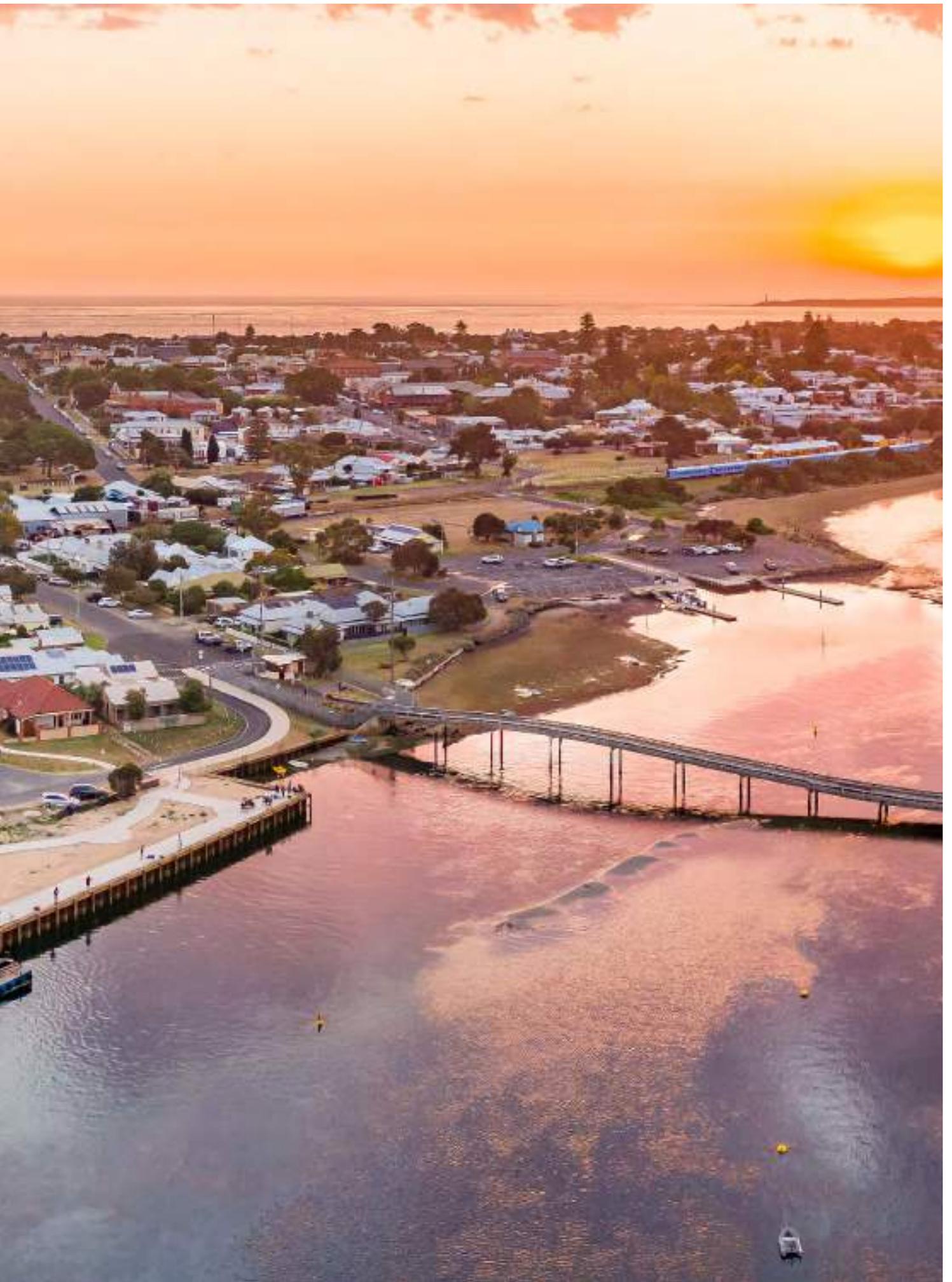
Most pleasingly, Council’s overall performance rating improved five points compared to 2020, progressing further towards previous highs last seen between 2013 and 2015. The Borough has maintained performance ratings in most individual service areas and improved significantly on environmental sustainability, community decisions, and planning and building permits.

Elderly support services remains the area where Council performs best. Areas for improvement include enforcement of local laws, and planning and building permits, although the latter is trending upwards and rates higher than both the small rural and state-wide averages.

For future surveys, Council has opted to transition to quarterly reporting periods rather than annually to better represent community sentiment across the entire year.

Core Performance Measures	Queenscliffe 2019	Queenscliffe 2020	Queenscliffe 2021	Small Rural 2021	State-wide 2021
Overall performance	58	61	66	60	61
Community consultation	51	59	60	56	56
Lobbying	49	54	59	56	56
Making community decisions	65	66	66	53	57
Sealed local roads	72	73	75	68	69
Customer service	73	72	72	69	70
Overall council direction	45	63	56	53	53







“We have an amazing symbiotic relationship with the Borough of Queenscliffe. The team are happy to assist us with anything we request. We’re looking forward to their continued support.”

Barry Iddles
360Q



Performance Statement

Performance Statement	113
Certification of the Performance Statement	116
VAGO Independent Auditor's Report on the Performance Statement	117
Sustainable Capacity Indicators	119
Service Performance Indicators	121
Financial Performance Indicators	125

Performance Statement

Local Government Performance Reporting Framework

The Local Government Act 1989 (the Act) states the primary objective of a Council is to endeavour to achieve the best outcomes for the local community having regard to the long-term and cumulative effects of decisions.

The Act states it is essential there is a legislative framework that provides for Councils to be accountable to their local communities in the performance of functions and the exercise of powers and the use of resources. It is a statutory requirement under the Act that Councils prepare and report on medium and short-term plans to discharge their duties of accountability and transparency to their communities.

A mandatory system of performance reporting exists for Councils that prescribe performance information to be included in Council's Annual Report from 1 July 2014. The framework aims to ensure that performance information reported in the Annual Report is relevant, balanced, appropriate and clearly aligned with Council Plan strategic objectives to ensure performance reporting is meaningful to the community.

The Act requires Council's Annual Report to contain an audited Performance Statement, including audited results achieved against the prescribed performance indicators and measures of service performance outcome, financial performance and sustainable capacity.

In addition to the performance information required to be disclosed in the Performance Statement, Councils are also required to disclose other performance-related information in the report of operations in the Annual Report, including:

- A governance and management checklist (page 105)
- Other prescribed indicators and measures of service performance, results achieved and an explanation of material variances (page 119)

- A statement that reviews the performance of Council against the Council Plan, including results achieved in relation to the strategic indicators included in the Council Plan (page 59).

This performance information in the report of operations along with the performance statement forms part of the Local Government Performance Reporting Framework. Taking an integrated approach to performance reporting can help councils understand how well they are performing in meeting the needs of their communities as well as achieving the strategic objectives in the Council Plan.

What is the Performance Statement?

The Performance Statement contains information about the performance of Council for the financial year whereby Council makes itself accountable to the community. Council's performance for the financial year is reported against the key strategic activities that were adopted as part of the annual Budget process.

Council must describe the prescribed indicators and measures in the Performance Statement so it is clear about what is being measured.

The Performance Statement must include the results achieved in relation to prescribed:

- Service performance outcomes
- Financial performance, and
- Sustainable capacity.

Councils must also provide an explanation of any material variations in the results between the current year and other years disclosed, to enable the reader to form an understanding of the reason for the variation.

Each result is reviewed by the external auditors. Supporting evidence and data is scrutinised to ensure accuracy of performance reporting. Please refer to page 117 for the Certification of the Performance Statement and VAGO Independent Auditor's Report.

What is the Governance and Management Checklist?

The Governance and Management Checklist measures whether a Council has strong governance and management frameworks in place covering community engagement, planning, monitoring, reporting and decision-making. It includes 24 qualitative measures against which Council is assessed each year. This checklist is included within the 'Our Performance' section of the Annual Report (page 105).

Snapshot of the Borough of Queenscliffe

The Borough of Queenscliffe is located south of Melbourne on the south-eastern tip of the Bellarine Peninsula. The Borough has a land area of 10.7 square kilometres, all of which is essentially coastal land.

The Borough was proclaimed a municipality in 1863 and is unique in Victoria in that it is the only local government untouched by any boundary change. It remained unchanged through the amalgamation process in the first half of the 1990s.

Population

On the night of the 2016 Census, the Borough's permanent resident population was 2,853 (2011: 3,000), with 1,538 people residing in Point Lonsdale (2011: 1,596) and 1,315 in Queenscliff (2011: 1,404) as well as a significant non-residential population. The Borough's population increases to around 17,000 people over the summer period.

The estimated resident population as at 30 June 2020 was 3,008 (2019: 2,940). It is anticipated that the population will remain around this level in the foreseeable future as the municipality is fully developed and has a long history of having a large non-permanent ownership of property.

Ageing population

On the night of the 2016 Census, the population aged 65 years and older was 40.4% (2011: 33.7%), compared with the Victorian average of 15.6% (2011: 14.2%). Our population is older than Victoria's, with 11.5% of the Borough's population aged between 0 and 15 years (2011: 14.2%), compared to 18.3% for Victoria (2011: 18.7%). The median age is 60 (2011: 55).

The Borough's population aged 65 years and older is estimated to be 45% by 2031. For this reason, there is significant emphasis on the need to provide aged services, although it is also acknowledged that age is not the sole determinant of the need for particular health services.

Council has a strong commitment to providing aged care and prides itself on maintaining a 'zero waiting list' for aged care services.

Births

New births in the Borough remain relatively low, with 27 babies being born in 2020–21 (2019–20: 13 births).

Housing

On the night of the 2016 Census, there were 2,802 dwellings (2011: 2,777) in the Borough of Queenscliffe, with an average household size of 2.0 persons (2011: 2.09).

Property values in the Borough are generally high, with the top quartile averaging \$1,810,000 and the overall median house price being \$960,000.

Government grants

Council has continued to attract significant levels of government grant funding. Government funding is an important source of income for the Borough, in reducing the pressure on Council's rates budget and user fees and charges in order to achieve the same level of services as is currently provided for the community.

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 under the transitional provisions included in the *Local Government Act 2020* and the Local Government (Planning and Reporting) Regulations 2020, which effectively mean the requirements under the *Local Government Act 1989* and the Local Government (Planning and Reporting) Regulations 2014 remain for the 2020–21 reporting period.

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

The forecast figures included in the performance statement are those adopted by Council in its strategic resource plan on 22 June 2021 and which forms part of the Council Plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting Council.



Certification of the Performance Statement

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.



Gihan Kohobange CA, CPA, FCCA
Principal Accounting Officer

Date: 22 September 2021
Queenscliff

In our opinion, the accompanying performance statement of the Borough of Queenscliffe for the year ended 30 June 2020 fairly presents 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.

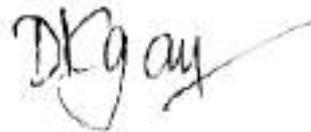
As at the date of signing, we are not aware of any circumstances which would render any particulars in the performance statement to be misleading or inaccurate.

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



Councillor Ross Ebbels
Mayor

Date: 22 September 2021
Queenscliff



Councillor Donnie Grigau
Councillor

Date: 22 September 2021
Queenscliff



Martin Gill
Chief Executive Officer

Date: 22 September 2021
Queenscliff

VAGO Independent Auditor's Report on the Performance Statement



Independent Auditor's Report

To the Councillors of Borough of Queenscliffe

Opinion	<p>I have audited the accompanying performance statement of Borough of Queenscliffe (the council) which comprises the:</p> <ul style="list-style-type: none"> • snapshot of the Borough of Queenscliffe for the year ended 30 June 2021 • sustainable capacity indicators for the year ended 30 June 2021 • service performance indicators for the year ended 30 June 2021 • financial performance indicators for the year ended 30 June 2021 • other information and • the certification of the performance statement. <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2021 in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
Basis for Opinion	<p>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.</p> <p>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.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors are 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.</p>
Auditor's responsibilities for the audit of the performance statement	<p>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</p>

Level 31 / 35 Collins Street, Melbourne Vic 3000
T. 03 8601 7000 enquiries@audit.vic.gov.au www.audit.vic.gov.au

VAGO Independent Auditor's Report on the Performance Statement

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 the 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
4 October 2021



Sanchu Chummar
as delegate for the Auditor-General of Victoria

Sustainable Capacity Indicators

For the Year Ended 30 June 2021

Indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Comments
Indicator: Population					
C1 Measure: Expenses per head of municipal population [Total expenses / Municipal population]	\$3,593	\$3,705	\$4,018	\$4,282	Total expenses for 2020–21 includes a \$542,000 accounting loss associated with a building demolition and a \$864,000 reclassification (capital to operating) of expenditure incurred on infrastructure assets owned by third parties in relation to a road upgrade project. Excluding the impact of these accounting adjustments, the result for 2020–21 is \$3,815. Further, Queenscliffe has a very small population base of 3,008 when compared to other municipalities. Over 55% of rateable properties in Queenscliffe are non-permanent residences that are not considered in this indicator.
C2 Measure: Infrastructure per head of municipal population [Value of infrastructure / Municipal population]	\$12,187	\$12,038	\$12,565	\$12,601	Consistent with previous years.
C3 Measure: Population density per length of road [Municipal population / Kilometres of local roads]	68.23	69.35	68.37	69.95	43 km of local roads for a population of 3,008. Queenscliffe has a comparatively low population (the smallest in the state) and a comparatively low length of road.
Indicator: Own-source revenue					
C4 Measure: Own-source revenue per head of municipal population [Own-source revenue / Municipal population]	\$3,199	\$3,264	\$3,258	\$3,250	The Borough's own source revenue includes municipal rates, and a comparatively high level of user fees and charges income, particularly with respect to fees from tourist parks.
Indicator: Recurrent grants					
C5 Measure: Recurrent grants per head of municipal population [Recurrent grants / Municipal population]	\$344	\$403	\$563	\$279	Decrease is mainly due to the lower % of Financial Assistance Grant (FAG) received in advance in 2020–21 compared to 2019–20, and the redirection of grant funding for home care package services (home care package services are now provided through Bellarine Community Health). Council's recurrent grant funding largely consists of the allocation of the FAG program and grant funding for Aged Services. Though there has been an increase in the recent past, Queenscliffe still receives the lowest FAG funding allocation in the state.

Sustainable Capacity Indicators

For the Year Ended 30 June 2021

Indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Comments
Indicator: Disadvantage					
C6 Measure: Relative Socio-Economic Disadvantage [Index of Relative Socio-Economic Disadvantage by decile]	10	10	10	10	Queenscliffe's relative socioeconomic disadvantage has improved, from 9 at the 2011 Census to 10 in the 2016 Census.
Indicator: Workforce turnover					
C7 Measure: Percentage of staff turnover [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	11.11%	16.82%	15.38%	14.8%	Ten staff resignations and terminations in 2021 compared to an average of eight to ten resignations and terminations per year in the previous years.

Definitions

- **“adjusted underlying revenue”** means total income other than:
 - non-recurrent grants used to fund capital expenditure; and
 - non-monetary asset contributions; and
 - 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 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 2021

Indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Comments
Aquatic Facilities					
Indicator: Utilisation					
AF6 Measure: Utilisation of aquatic facilities [Number of visits to aquatic facilities / Municipal population]	N/A	N/A	N/A	N/A	Queenscliffe does not provide this service.
Animal Management					
Indicator: Health and safety					
AM7 Measure: Animal management prosecutions [Number of successful animal management prosecutions / Number of animal management prosecutions] x 100	New in 2020	New in 2020	0%	0%	Zero prosecutions. Council's policy of 'first ride home' for straying animals results in a greater emphasis on education. Animal owners are made aware of the potential penalties resulting in a reduced likelihood of penalties being issued.
Food Safety					
Indicator: Health and safety					
FS4 Measure: Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100%	100%	100%	100%	Council has achieved a 100.00% compliance rate over the four years.

Service Performance Indicators

For the Year Ended 30 June 2021

Indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Comments	
Governance						
Indicator: Satisfaction						
G5	Measure: Satisfaction with council decisions [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	53	49	54	59	Improvement is a result of significant improvement in community consultation and engagement activities.
Libraries						
Indicator: Participation						
LB4	Measure: Active library borrowers in municipality [Number of active library borrowers in the last three years / The sum of the population for the last three years] x100	39.98%	36.92%	36.72%	31.30%	2020–21 results indicate the impact of restrictions on library usage due to the pandemic. Further, this Indicator does not capture other library activity, for example: children and youth programs, digital literacy programs and literary events, the use of public internet PCs, using facilities such as meeting rooms or study areas, or using services such as Wi-Fi, or in-library use of collections.
Maternal and Child Health (MCH)						
Indicator: Participation						
MC4	Measure: 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	87.65%	71.50%	63.98%	68.71%	56 children attended the MCH service at least once, of the 82 infants enrolled in 2020–21 (2019–20: attended by 55 of 81 enrolled in the service).
Indicator: Participation						
MC5	Measure: 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	100.00%	100.00%	100.00%	100.00%	One Aboriginal child/children enrolled and participated in 2020–21.

Service Performance Indicators

For the Year Ended 30 June 2021

Indicator/measure	Results 2018	Results 2019	Results 2020	Results 2021	Comments
Roads					
Indicator: Satisfaction					
R5 Measure: Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	65	65	66	66	Consistent with previous years.
Statutory Planning					
Indicator: Decision making					
SP4 Measure: Council planning decisions upheld at VCAT [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	40.00%	50.00%	0.00%	0.00%	No planning application decisions referred to VCAT in 2020–21.
Waste Collection					
Indicator: Decision making					
WC5 Measure: Kerbside collection waste diverted from landfill [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	54.98%	52.68%	46.92%	55.50%	2020–21 result is reflective of prior years, except 2019–20. Issues associated with the recycling processor in the region during the first half of the 2019–20 financial year resulted in Council having to dispose of recyclable materials into landfill.
Former Measures (Retired Measures) - Animal Management					
Indicator: Health and safety					
AM4 Measure: Animal management prosecutions [Number of successful animal management prosecutions]	0	0	Retired in 2020	Retired in 2020	This measure was replaced by AM7 from 1 July 2019.

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 borrower”** means a member of a library who has borrowed a book from the library
- **“annual report”** means an annual report prepared by Council under section 98 of the Act
- **“class 1 food premises”** means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act
- **“class 2 food premises”** means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act
- **“critical non-compliance outcome notification”** means a notification received by Council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to Council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health
- **“food premises”** has the same meaning as in the *Food Act 1984*
- **“local road”** means a sealed or unsealed road for which Council is the responsible road authority under the *Road Management Act 2004*
- **“major non-compliance outcome notification”** means a notification received by Council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to Council by an authorized officer under that Act, of a deficiency that 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

Financial Performance Indicators

For the Year Ended 30 June 2021

Dimension/indicator/ measure	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Comments	
					2022	2023	2024	2025		
Efficiency										
E2	Indicator: Expenditure level Measure: Expenses per property assessment [Total expenses / Number of property assessments]	\$3,429	\$3,588	\$3,816	\$4,168	\$3,974	\$3,880	\$3,913	\$4,016	Total expenses for 2020–21 includes a \$542,000 accounting loss associated with a building demolition and a \$864,000 reclassification (capital to operating) of expenditure incurred on infrastructure assets owned by third parties in relation to a road upgrade project. Excluding the impact of these accounting adjustments, the result for 2020–21 is \$3,714. Further, the majority of expenditure incurred by Queenscliffe is non-discretionary and part of managing the services expected of a local council. Given the very small ratepayer base, this translates into a level of expenditure per property assessment which is higher than the outcome for other local councils.
E4	Indicator: Revenue level Measure: Average rate per property assessment [General rates and Municipal charges / Number of property assessments]	New in 2020	New in 2020	\$2,101	\$2,154	\$2,189	\$2,227	\$2,271	\$2,317	Rate revenue represents a high proportion of Queenscliffe's revenue and spread across a very small ratepayer base.
Liquidity										
L1	Indicator: Working capital Measure: Current assets compared to current liabilities [Current assets / Current liabilities] x100	288.38%	503.81%	513.55%	294.05%	301.84%	408.94%	429.50%	445.25%	Increase in current liabilities as a result of the classification of a significant amount of capital grants received in advance as current liabilities where Council is yet to meet performance obligations.
L2	Indicator: Unrestricted cash Measure: Unrestricted cash compared to current liabilities [Unrestricted cash / Current liabilities] x100	-52.43%	58.56%	-151.20%	38.73%	140.60%	158.65%	179.42%	199.84%	Council has \$7.1 million term deposits with original maturities of more than 90 days, considered as restricted cash. For 2019–20, all term deposits were considered as restricted cash, resulting in a negative ratio.

Financial Performance Indicators

For the Year Ended 30 June 2021

Dimension/indicator/ measure	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Comments
Obligations									
O2 Indicator: Loans and borrowings Measure: Loans and borrowings compared to rates [Interest bearing loans and borrowings / Rate revenue] x100	0.91%	0.64%	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%	Council has a debt-free balance sheet. Council settled the existing loan in full during the current financial year.
O3 Indicator: Loans and borrowings Measure: Loans and borrowings repayments compared to rates [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	0.64%	0.26%	0.25%	0.38%	0.00%	0.00%	0.00%	0.00%	Council settled the existing loan in full during the current financial year.
O4 Indicator: Indebtedness Measure: Non-current liabilities compared to own source revenue [Non-current liabilities / Own source revenue] x100	1.08%	0.51%	1.18%	1.06%	1.05%	1.05%	1.06%	1.07%	Due to the increase in own source revenue in 2020–21 compared to 2019–20.
O5 Indicator: Asset renewal and upgrade Measure: Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense / Asset depreciation] x100	New in 2020	New in 2020	121.92%	194.21%	600.66%	76.06%	60.76%	54.81%	Significant asset renewal and upgrade expenditure incurred during 2020–21 is predominantly due to road upgrade projects and Queenscliffe Hub project.

Financial Performance Indicators

For the Year Ended 30 June 2021

Dimension/indicator/ measure	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts				Comments
					2022	2023	2024	2025	
Operating position									
OP1 Indicator: Adjusted underlying result Measure: Adjusted underlying surplus (or deficit) [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	0.69%	-0.20%	-3.72%	-13.71%	-8.53%	-2.94%	-1.62%	-2.20%	Adjusted underlying result for the year 2020–21 is impacted by a \$542,000 accounting loss associated with a building demolition and a \$864,000 reclassification (capital to operating) of expenditure incurred on infrastructure assets owned by third parties in relation to a road upgrade project. Excluding the impact of these accounting adjustments, the result for 2020–21 is -1.31%. The -1.31% adjusted underlying result is mainly due to the loss of income resulting from the pandemic.
Stability									
S1 Indicator: Rates concentration Measure: Rates compared to property values [Rate revenue / Adjusted underlying revenue] x100	65.37%	65.44%	65.13%	67.46%	70.07%	69.54%	69.02%	68.98%	Due to the increased in rates and charges in 2020–21 compared to 2019–20.
S2 Indicator: Rates effort Measure: Rates compared to adjusted underlying revenue [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.28%	0.26%	0.26%	0.25%	0.24%	0.24%	0.25%	0.25%	Consistent with previous years.
Former Measures (Retired Measures) - Revenue level									
E1 Indicator: Revenue level Measure: Average residential rate per residential property assessment [Residential rate revenue / Number of residential property assessments]	\$2,033	\$2,018	Retired in 2020	Retired in 2020					This measure was replaced by E4 from 1 July 2019.

Financial Performance Indicators

For the Year Ended 30 June 2021

Dimension/indicator/ measure	Results 2018	Results 2019	Results 2020	Results 2021	Forecasts	Comments
Former Measures (Retired Measures) - Obligations						
O1 Indicator: Asset renewal	81.01%	119.16%	Retired in 2020	Retired in 2020		This measure was replaced by O5 from 1 July 2019.
Measure: Asset renewal compared to depreciation						
[Asset renewal expense / Asset depreciation] x100						

Definitions

- **“adjusted underlying revenue”** means total income other than:
 - non-recurrent grants used to fund capital expenditure; and
 - non-monetary asset contributions; and
 - 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 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.

“Since opening Salt Contemporary Art in 2004, whenever I’ve had cause to make contact with the Borough of Queenscliffe regarding any issues or enquiries, I’ve found staff to be approachable and keen to assist.”

Fiona Kelly
Salt Contemporary Art





Financials

Understanding the Financial Report	131
Summary of Financial Performance	133
Certification of the Financial Report	137
VAGO Independent Auditor’s Report on the Financial Report	139
Contents of the Financial Report	141

Understanding the Financial Report

Introduction

The Financial Statements show how Council performed financially during the 2020–21 financial year and the overall position at the end of the financial year.

Council presents its Financial Report in accordance with the Australian Accounting Standards. Particular terms required by the standards may not be familiar to some readers. The Borough of Queenscliffe is committed to accountability. It is in this context that the following explanations have been developed to assist readers to understand and analyse the Financial Report.

What is contained in the Financial Report?

Council's Financial Report has two main sections: the Report and the Notes. There are five statements and ten notes. These are prepared by Council staff, examined by the Audit Committee, Council and audited by the Victorian Auditor-General's Office.

The five statements included in the first few pages of the report are the:

1. Comprehensive Income Statement
2. Balance Sheet
3. Statement of Changes in Equity
4. Statement of Cash Flows
5. Statement of Capital Works

The Notes detail Council's accounting policies and the make-up of values contained in the statements.

Comprehensive Income Statement

The Comprehensive Income Statement measures Council's performance over the year.

It lists revenue sources under various income headings, as well as the expenses incurred during the year. The revenue includes grants and contributions associated with the purchase or building of assets. However, the expenses relate only to the 'operations' and do not include the costs associated with the purchase or building of assets. Expenses do include an item for depreciation, which is the value of the assets used up during the year.

The statement is prepared on an 'accrual' basis. This means that all income and costs for the year are recognised even though the income may not yet be received (such as interest on bank deposits) or expenses not yet paid (invoices not yet received for goods and services already used).

If the statement is in a deficit (loss) situation, this means that Council is not creating a sufficient surplus (profit) to replace infrastructure assets at the time when they need to be replaced. Continual deficits may indicate concern about Council's ability to be financially viable in the longer term.

Balance Sheet

The balance sheet shows the assets that Council own and what Council owe (liabilities) as of 30 June 2021.

The bottom line of the balance sheet is net assets, which is the net worth Council have built up over many years.

The assets and liabilities are separated into current and non-current. Current means those assets or liabilities that will fall due or will be consumed in the next 12 months.

Statement of Changes in Equity

The statement of changes in equity summarises the change in value of total ratepayer equity. The value of equity can only change as a result of:

- The 'profit and loss' from operations, described in the Comprehensive Income Statement as the surplus/(deficit) for the year
- The use of monies from Council's reserves and transfers to Council's reserves
- The change in the value of non-current assets, resulting from a revaluation of these assets, and
- Any adjustment to opening balance, where applicable.

Statement of Cash Flows

The cash flow statement summarises Council's cash payments and receipts for the year, as well as the level of cash at the end of the financial year.

Cash in this statement refers to bank deposits and investments that can be quickly converted to cash.

Cash arises from, and is used in, three main areas:

- Cash flows from operating activities – summarises all income and expenses relating to operations, including service delivery and maintenance.
- Cash flows from investing activities – relates to capital works payments recorded as assets in the balance sheet, as well as receipts for the sale of assets.
- Cash flows from financing activities – represents repayments of and receipts from loans.

Statement of Capital Works

This statement provides detail of capital expenditure by asset type and distinguishes renewal, upgrade and new capital expenditure.

Notes to the Financial Statements

The notes to the accounts enable the reader to understand the basis on which the values shown in the accounts are established. The notes also advise if there has been any change to the accounting standards, policy or legislation that has impacted on how the standards were prepared.

Within the five financial statements, there is a 'note' column to indicate where the reader should go or additional information. This is particularly useful where there has been a significant change from the previous year's comparative figure.

Certification by Principal Accounting Officer and Councillors

The Financial Statements and the Performance Statement require certification under the *Local Government Act 1989*. The certifications are made by a combination of the Principal Accounting Officer, the Chief Executive Officer and two councillors, on behalf of the Council, as a written undertaking to the statements being correct and not misleading.

Auditor-General's Report

The Independent Audit Report is the external and independent opinion on the financial statements.

It provides the reader with a totally independent opinion on the financial statements. The opinion covers both the statutory and professional requirements and also the fairness aspects of the financial statements.

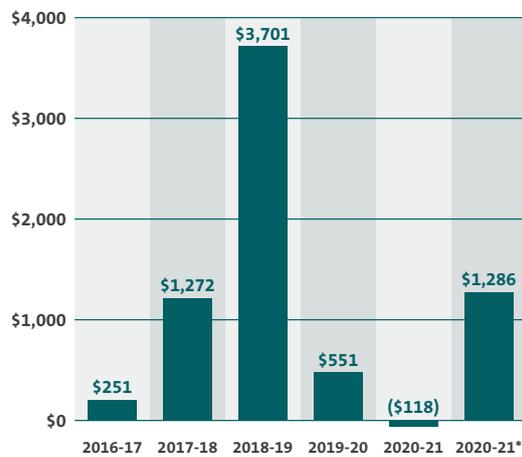
Summary of Financial Performance

Financial reporting provides essential information for understanding the financial position of the Borough of Queenscliffe and assessing our performance over the past year. It also enables our community and our stakeholders to consider the ability of Council to deliver current services and maintain existing facilities and service standards in the longer term.

Surplus/ (deficit)

The reported deficit for the 2020–21 year is \$118,000 (down from \$551,000 surplus in 2019–20). The deficit for the year has mainly been impacted by the accounting loss associated with the demolition of a building and the reclassification of capital expenditure as operating expenditure of a grant-funded project. Excluding the impact of these accounting adjustments, Council has recorded a surplus of \$1,286,000 for the year.

Surplus (\$'000), 2016–17 to 2020–21



* before one-off accounting adjustments

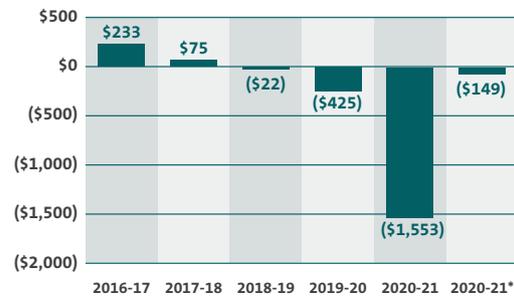
Underlying result

The surplus or deficit for the year was adjusted for non-recurrent grants used to fund capital expenditure, non-monetary asset contributions, and contributions to fund capital expenditure other than grants. Underlying result indicates whether the Council generates a surplus in the ordinary course of business.

Council reported an underlying deficit of \$1,553,000 for the 2020–21 financial year which is largely driven by accounting adjustments for demolished assets and a reclassification of capital expenditure as operating expenditure for reporting purposes.

Excluding the impact of one-off accounting adjustments, Council has achieved an underlying deficit of \$149,000 mainly driven by the loss of income from tourist parks due to the pandemic

Underlying operating result (\$'000) 2016–17 to 2020–21

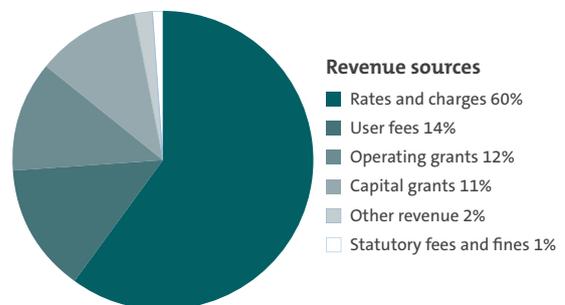


* before one-off accounting adjustments

Revenue

Council's total revenue for the 2020–21 year is \$12,762,000 (up from \$12,364,000 in 2019–20). The increase in income is predominately due to the increase in rates and charges and capital grant funding in 2020–21, compared with the 2019–20 year.

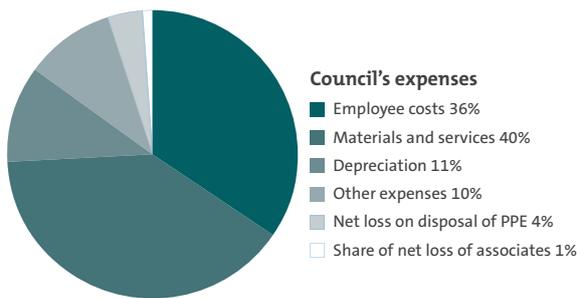
Council's revenue is sourced as follows:



Expenditure

Council's total expenses for the 2020–21 year is \$12,880,000 (up from \$11,813,000 in 2019–20). This increase in expenditure is mainly due to;

- \$542,000 accounting loss associated with the demolition of the old Queenscliffe Historical Museum building to make way for the new Queenscliff Cultural Hub;
- \$281,000 increase in cost associated with grant funded non-recurrent operating projects;
- \$92,000 increase in employee costs due to the salary increases as per the Enterprise Bargaining Agreement (EBA); and
- \$75,000 Council's share of the \$2,986,000 deficit that the Geelong Regional Library Corporation generated for the financial year 2020–21.



Other expenses for 2020–21 includes \$864,000 of expenditure incurred on infrastructure assets owned by third parties in relation to the Hesse Street South upgrade project (71% grant funded project). This expenditure has been reclassified as an operating expenditure for reporting purposes in line with the requirements of accounting standards. Other expenses for the financial year 2019–20 included \$876,000 of asset write offs related to the Destination Queenscliff Precinct Revitalisation project which was funded in full by capital grants and terminated during the year.

Capital works

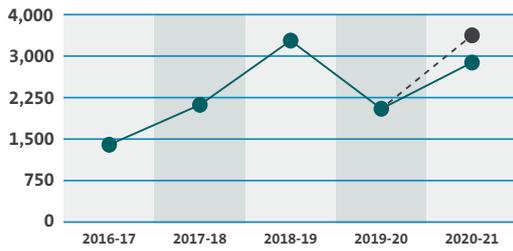
During the financial year, Council invested \$3,756,000 in capital works projects to increase the total asset base. This investment in capital works continues to focus on maintenance and renewal of the community's existing assets. However the reported values in the Statement of Capital Works have been adjusted to reflect the following accounting adjustments.

- Capital expenditure of \$864,000 incurred on infrastructure assets owned by third parties in relation to the Hesse Street South upgrade project, reclassified as an operating expenditure for reporting purposes, and
- \$18,000 in relation to various minor capital expenditure items was reclassified as an operating expenditure for not meeting the capital expenditure capitalisation threshold.

Key projects undertaken during the year included:

- Completion of the Fixing Local Roads projects (Hesse Street South upgrade)
- Completion of Point Lonsdale Tennis Club lighting upgrade work
- Completion of Simpson Street storm water asset improvement work
- Completion of soak pit upgrade and ocean outfall improvements work
- Completion of Lawrence Road shared path connection work
- Continuation of Queenscliff Cultural Hub
- Continuation of the Queenscliff Sports and Recreation Precinct project
- Continuation of Point Lonsdale Lighthouse Reserve upgrade work
- Commencement of Queenscliff Boat Ramp upgrade project
- Commencement of various road upgrade projects, and
- Continuation of significant annual renewal across all of Council's asset classes.

Capital Works (\$'000), 2016–17 to 2020–21



Assets

Council's total asset base is \$145,240,000 as at 30 June 2021.

The major components of assets are:

- Property, infrastructure, plant and equipment
- Cash and financial assets (cash investments with maturity dates between 3–12 months), and
- Non-current assets classified as held for sale.

Together these asset categories account for 99.4% of all assets. Property, infrastructure (including Crown land assets), plant and equipment is valued at \$133,720,000.

Cash holdings

Cash and cash equivalents and financial assets have increased to \$8,617,000 in 2020–21. Of the total, \$4,215,000 is subject to intended allocations and \$47,000 represents restricted funds, leaving \$4,355,000 as unrestricted cash holdings. Council has enough unrestricted cash to settle all its liabilities as at 30 June 2021.

Cash holdings (\$'000), 2011–12 to 2020–21

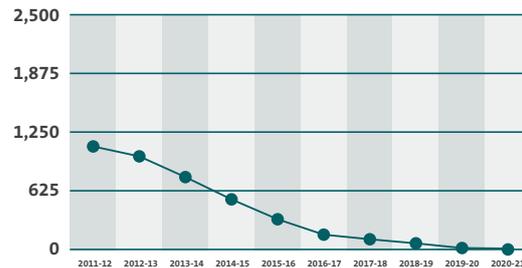


Liabilities

Council's liabilities include amounts owed to suppliers and amounts owed to employees for leave entitlements. Council's total liabilities are \$3,965,000 as at 30 June 2021.

Council has reduced its loans to a ten-year low of zero debt which means that Council has a debt free balance sheet and is operating well above the Victorian Government's prudential ratio limits.

Loan liabilities (\$'000), 2011–12 to 2020–21



Financial Sustainability Indicators

The Victorian Auditor-General's Office (VAGO) reports to Parliament in November / December each year, on the results of the Local Government Audits for the most recent financial year. In its report, VAGO considers the outcomes for each Council grouping across seven financial sustainability risk indicators.

Profitability indicators

- Net result – whether enough revenue is generated to cover operating costs including depreciation.
- Adjusted underlying result – whether the entity generates a surplus in the ordinary course of business.

Financing indicators

- Liquidity – whether sufficient working capital exists to meet short-term commitments.
- Internal financing – whether sufficient operating cash flows are generated to invest in assets and repay debt.
- Indebtedness – whether sufficient operating cash flows are generated to pay the principal and interest on borrowings, as and when they fall due.

Asset renewal and maintenance indicators

- Capital replacement – whether assets have been replaced at a rate consistent with the rate of consumption.
- Renewal gap – whether existing assets have been maintained at a consistent rate.

The following charts indicate the Borough's trend over the past five years on the above financial sustainability indicators. The 2020–21 results are those calculated by the Borough for each of these ratios, as the final VAGO figures are not expected to be reported to Parliament and subsequently released to the public until late in the 2021 calendar year. Applying the seven indicators of financial sustainability assessed by VAGO each year, the Borough of Queenscliffe remains in a sound financial position.

Net result and the adjusted underlying result are impacted by accounting adjustments explained throughout this section. Excluding the impact of one-off accounting adjustments, Council has achieved an underlying deficit of \$149,000 (-1.3%) mainly driven by the loss of income from tourist parks due to the pandemic.

Financial Sustainability Indicators	Risk Assessment Matrix			Risk Assessment							
	Low	Medium	High	2015–16*	2016–17*	2017–18*	2018–19*	2019–20*	5 yrs average	2020–21**	2020–21***
Net result	>0%	-10% - 0%	<-10%	1.7%	2.5%	10.8%	25.1%	4.4%	8.9%	-0.9%	10.1%
Adjusted underlying result	>5%	0% - 5%	< 0%	-2.0%	2.0%	1.0%	0.0%	-3.3%	-0.5%	-13.7%	-1.3%
Liquidity	>1.0	0.75 - 1.0	<0.75	3.0	3.1	2.9	5.0	5.1	3.8	2.9	2.9
Internal financing	>100%	75% - 100%	<75%	56%	183%	135%	144%	151%	134%	128%	128%
Indebtedness	≤40%	40% - 60%	>60%	2%	1%	1%	1%	1%	1%	1%	1%
Capital replacement	>1.5	1.0 - 1.5	<1.0	2.0	1.2	1.8	2.9	1.4	1.9	2.1	2.1
Renewal gap	>1.0	0.5 - 1.0	<0.5	1.6	0.8	1.1	2.2	1.2	1.4	2.6	2.6

Source : VAGO

* Based on VAGO reports

**Based on the audited results, calculated by BoQ

*** Based on the audited results, calculated by BoQ and before accounting adjustments

Certification of Financial Report

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.



Gihan Kohobange CA, CPA, FCCA
Principal Accounting Officer
Date: 22 September 2021
Queenscliff

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

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.



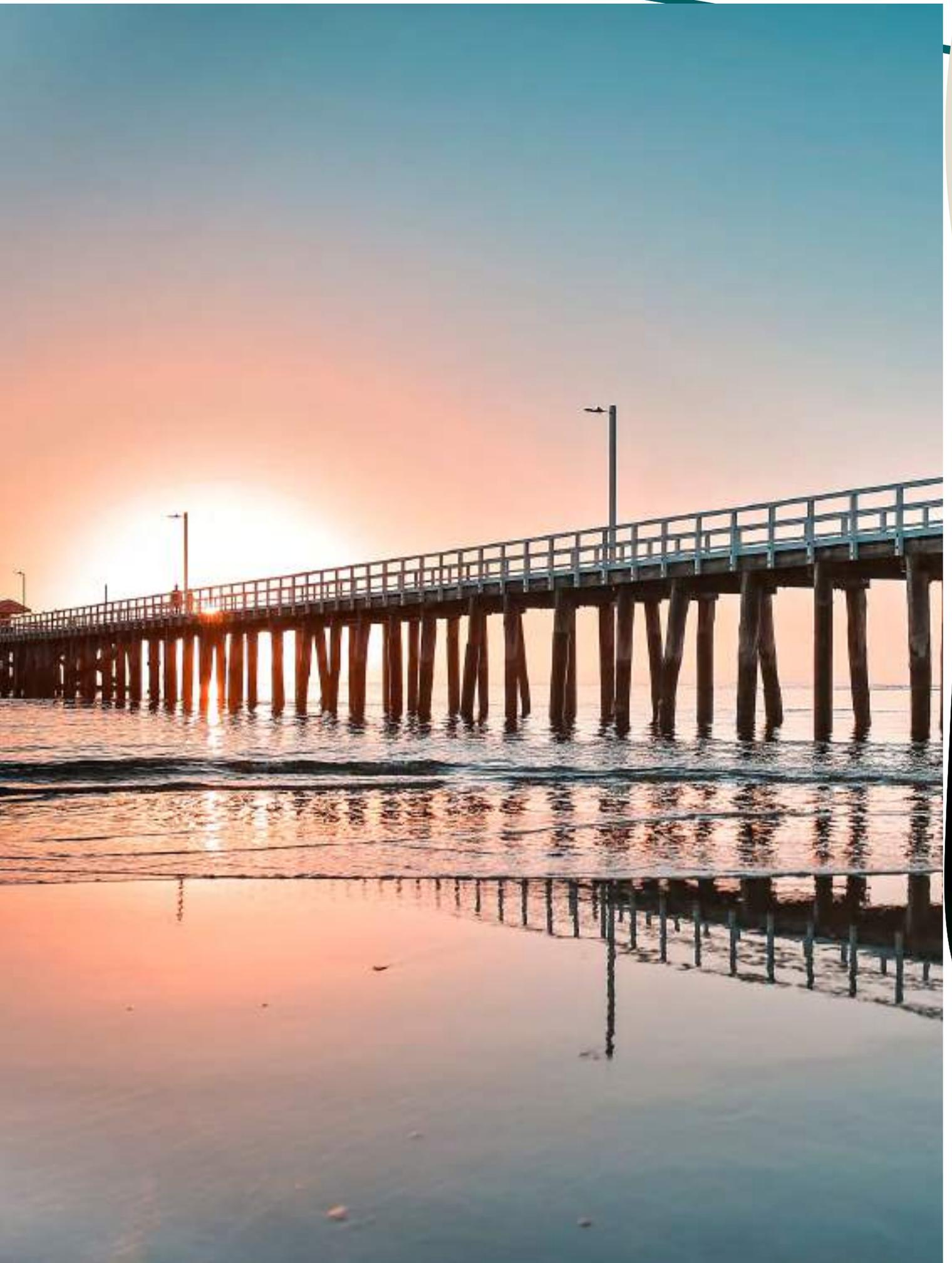
Councillor Ross Ebbels
Mayor
Date: 22 September 2021
Queenscliff



Councillor Donnie Grigau
Councillor
Date: 22 September 2021
Queenscliff



Martin Gill
Chief Executive Officer
Date: 22 September 2021
Queenscliff



VAGO Independent Auditor's Report on the Financial Repo



Independent Auditor's Report

To the Councillors of Borough of Queenscliffe

Opinion I have audited the financial report of Borough of Queenscliffe (the council) which comprises the:

- balance sheet as at 30 June 2021
- 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 statements.

In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the *Local Government Act 1989* and applicable Australian Accounting Standards.

Basis for Opinion I have conducted my audit in accordance with the *Audit Act 1994* which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the *Auditor's Responsibilities for the Audit of the Financial Report* section of my report.

My independence is established by the *Constitution Act 1975*. 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 Code of Ethics for Professional Accountants* (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.

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

Councillors' responsibilities for the financial report 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 *Local Government Act 1989*, 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.

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.

VAGO Independent Auditor's Report on the Financial Report

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
4 October 2021



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Contents of the Financial Report

Certification of the Financial Statements	137
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Financial Statements

Comprehensive Income Statement	143
Balance Sheet	144
Statement of Changes in Equity	145
Statement of Cash Flows	146
Statement of Capital Works	147

Notes to Financial Statements

Overview	148	
Note 1	Performance against budget	150
	1.1. Income and expenditure	150
	1.2. Capital works	153
Note 2	Analysis of Council results by program	155
Note 3	Funding for the delivery of our services	162
	3.1. Rates and charges	162
	3.2. Statutory fees and fines	162
	3.3. User fees	163
	3.4. Funding from other levels of government	163
	3.5. Contributions	164
	3.6. Net gain/(loss) on disposal of property, infrastructure, plant and equipment	164
	3.7. Other income	165
Note 4	The cost of delivering services	165
	4.1. Employee costs	165
	4.2. Materials and services	166
	4.3. Depreciation	166
	4.4. Bad and doubtful debts	167
	4.5. Borrowing costs	167
	4.6. Other expenses	167

Note 5	Our financial position	168
	5.1. Financial assets	168
	5.2. Non-financial assets	169
	5.3. Payables	170
	5.4. Interest-bearing liabilities	170
	5.5. Provisions	171
	5.6. Financial arrangement	172
	5.7. Commitments	173
	5.8. Leases	174
Note 6	Assets we manage	175
	6.1. Non current assets classified as held for sale	175
	6.2. Property, infrastructure, plant and equipment	176
	6.3. Investments in associates, joint arrangements and subsidiaries	181
Note 7	People and relationships	182
	7.1. Council and key management remuneration	182
	7.2. Related party disclosure	183
Note 8	Managing uncertainties	184
	8.1. Contingent assets and liabilities	184
	8.2. Change in accounting standards	185
	8.3. Financial instruments	185
	8.4. Fair value measurement	187
	8.5. Events occurring after balance date	187
Note 9	Other matters	188
	9.1. Reserves	188
	9.2. Reconciliation of cash flows from operating activities to surplus/(deficit)	190
	9.3. Superannuation	190
Note 10	Change in accounting policy	193

Comprehensive Income Statement For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Income			
Rates and charges	3.1	7,642	7,450
Statutory fees and fines	3.2	157	104
User fees	3.3	1,760	1,699
Grants - operating	3.4	1,551	1,665
Grants - capital	3.4	1,382	1,097
Contributions - monetary	3.5	52	25
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	-	7
Share of net profits (or loss) of associates	6.3	-	33
Other income	3.7	218	284
Total income		12,762	12,364
Expenses			
Employee costs	4.1	(4,445)	(4,353)
Materials and services	4.2	(5,198)	(4,905)
Depreciation	4.3	(1,353)	(1,331)
Bad and doubtful debts	4.4	(4)	(5)
Net loss on disposal of property, infrastructure, plant and equipment	3.6	(540)	-
Share of net loss of associates	6.3	(75)	-
Borrowing costs	4.5	(0)	(1)
Other expenses	4.6	(1,266)	(1,219)
Total expenses		(12,880)	(11,813)
Surplus/(deficit) for the year		(118)	551
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment/(decrement)	6.2	-	932
Total comprehensive result		(118)	1,483

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

Balance Sheet

As at 30 June 2021

	Note	2021 \$'000	2020 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	1,542	979
Trade and other receivables	5.1	316	533
Other financial assets	5.1	7,075	6,862
Inventories	5.2	5	4
Non-current assets classified as held for sale	6.1	2,075	2,075
Other assets	5.2	342	114
Total current assets		11,355	10,567
Non-current assets			
Trade and other receivables	5.1	-	-
Other financial assets	5.1	-	-
Investments in associates	6.3	165	240
Property, infrastructure, plant and equipment	6.2	133,720	132,757
Total non-current assets		133,885	132,997
Total assets		145,240	143,564
Liabilities			
Current liabilities			
Trade and other payables	5.3	648	653
Trust funds and deposits	5.3	47	16
Provisions	5.5	1,050	930
Interest-bearing liabilities	5.4	-	19
Unearned income	5.3	2,117	440
Total current liabilities		3,862	2,058
Non-current liabilities			
Provisions	5.5	104	103
Interest-bearing liabilities	5.4	-	10
Total non-current liabilities		104	113
Total liabilities		3,965	2,171
Net assets		141,274	141,393
Equity			
Accumulated surplus		93,113	91,998
Reserves	9.1	48,161	49,395
Total Equity		141,274	141,393

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

Statement of Changes in Equity For the Year Ended 30 June 2021

	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2021					
Balance at beginning of the financial year		141,393	91,998	43,498	5,897
Surplus/(deficit) for the year		(118)	(118)	-	-
Net asset revaluation increment/ (decrement)	6.2	-	-	-	-
Transfers to other reserves	9.1	-	(1,146)	-	1,146
Transfers from other reserves	9.1	-	2,379	-	(2,379)
		(118)	1,115	-	(1,234)
Balance at end of the financial year		141,274	93,113	43,498	4,664
2020					
Balance at beginning of the financial year		140,028	91,858	42,566	5,604
Impact of change in accounting policy - AASB 1058 Income of Not- for-Profit Entities		(118)	-	-	(118)
Adjusted Opening balance		139,910	91,858	42,566	5,486
Surplus/(deficit) for the year		551	551	-	-
Net asset revaluation increment/ (decrement)	6.2	932	-	932	-
Transfers to other reserves	9.1	-	(1,890)	-	1,890
Transfers from other reserves	9.1	-	1,479	-	(1,479)
		1,483	140	932	411
Balance at end of the financial year		141,393	91,998	43,498	5,897

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

Statement of Cash Flows As at 30 June 2021

	Note	2021 Inflows/ (Outflows) \$'000	2020 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		7,711	7,389
Statutory fees and fines		160	109
User fees		1,764	1,763
Grants - operating		1,549	1,820
Grants - capital		3,009	1,530
Contributions - monetary		52	25
Interest received		51	93
Trust funds and deposits taken		70	173
Other receipts		146	252
Net GST refund/ (payment)		(21)	(1)
Employee costs		(4,294)	(4,326)
Materials and services		(5,209)	(5,098)
Short-term, low value and variable lease payments		(14)	(16)
Trust funds and deposits repaid		(40)	(257)
Other payments		(1,266)	(610)
Net cash provided by/(used in) operating activities		3,668	2,848
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.2	(2,883)	(1,893)
Proceeds from sale of property, infrastructure, plant and equipment		19	11
Payments for investments		(213)	(5,836)
Net cash provided by/(used in) investing activities		(3,077)	(7,718)
Cash flows from financing activities			
Finance costs		(0)	(1)
Repayment of borrowings		(29)	(17)
Net cash provided by/(used in) financing activities		(29)	(19)
Net increase (decrease) in cash and cash equivalents		563	(4,889)
Cash and cash equivalents at the beginning of the financial year		979	5,868
Cash and cash equivalents at the end of the financial year		1,542	979
Financing arrangements	5.6		
Restrictions on cash assets	5.1		

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

Statement of Capital Works For the Year Ended 30 June 2021

	2021 \$'000	2020 \$'000
Property		
Land		
Land improvements	-	17
Total land	<u>-</u>	<u>17</u>
Buildings	1,407	614
Total buildings	<u>1,407</u>	<u>614</u>
Total property	<u>1,407</u>	<u>631</u>
Plant and equipment		
Plant, machinery and equipment	42	41
Fixtures, fittings and furniture	-	2
Computers and telecommunications	115	24
Total plant and equipment	<u>157</u>	<u>67</u>
Infrastructure		
Roads	629	492
Footpaths and cycleways	125	191
Drainage	170	91
Recreational, leisure and community facilities	129	285
Parks, open space and streetscapes	45	36
Off street car parks	5	-
Other infrastructure	209	263
Total infrastructure	<u>1,311</u>	<u>1,358</u>
Total capital works expenditure	<u>2,875</u>	<u>2,056</u>
Represented by:		
New asset expenditure	248	433
Asset renewal expenditure	783	638
Asset upgrade expenditure	1,844	984
Total capital works expenditure	<u>2,875</u>	<u>2,056</u>

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 2021

Overview

Introduction

The Borough of Queenscliffe was established by an Order of the Governor in Council on 12th May 1863 and is a body corporate.

The Council's main office is located at 50 Learmonth Street, Queenscliff, VIC, 3225.

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*.

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)
- whether or not AASB 1059 Service Concession Arrangements: Grantors is applicable (refer to Note 8.2)
- 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, and disclosure has been made of any material changes to comparatives.

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

Notes to the Financial Report For the Year Ended 30 June 2021

Overview Cont.

b. Impact of COVID-19

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic COVID-19 virus, known as coronavirus. A state of disaster was subsequently declared on 2 August 2020. While the impacts of the pandemic have abated somewhat through the 2020-21 year, Council has noted the following significant impacts on its financial operations:

	\$
Additional revenue (Specific grant funding received as COVID-19 support)	
Local councils outdoor eating and entertainment package	250,000
Community activation and social isolation	123,860
Rural councils ICT infrastructure program	56,478
Covid safe Australia day	8,350
	<u>438,688</u>
	\$
Revenue reduction	
Loss of income from the caravan parks	(241,954)
Loss of interest income (due to low interest rates)	(139,524)
	<u>(381,478)</u>
	\$
Revenue foregone	
One-off rebate on public waste management charges	(130,000)
Lease rental income from council owned properties	(34,429)
Environmental health - licences and fees	(23,447)
Local law permits fees	(9,495)
	<u>(197,371)</u>
	\$
Additional costs	
Cost relate to grant funding stated under additional revenue	(441,338)
Additional cleaning cost of public amenities	(35,421)
Specific business support initiatives	(23,242)
Additional office admin cost (Covid safe)	(8,393)
Cost savings due to cancelation of events and sponsorships	88,596
	<u>(419,799)</u>
	<u>(559,959)</u>
Net impact	

Notes to the Financial Report For the Year Ended 30 June 2021

Note 1 - Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variances. Council has adopted a materiality threshold of the lower 10% percent or a dollar variance of +/- \$100,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

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

1.1 Income and expenditure

	Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000	Variance 2021 %	Variance Ref
Income					
Rates and charges	7,631	7,642	11	0%	
Statutory fees and fines	105	157	52	49%	1
User fees	1,794	1,760	(34)	-2%	2
Grants - operating	880	1,551	671	76%	3
Grants - capital	4,225	1,382	(2,843)	-67%	4
Contributions - monetary	52	52	0	0%	
Contributions - non monetary	-	-	-	0%	
Other income	242	218	(24)	-10%	5
Total income	14,929	12,762	(2,167)	-15%	
Expenses					
Employee costs	(4,461)	(4,445)	(16)	0%	
Materials and services	(5,799)	(5,198)	(600)	10%	6
Depreciation	(1,326)	(1,353)	27	-2%	
Bad and doubtful debts	(3)	(4)	1	-40%	
Borrowing costs	(5)	(0)	(5)	98%	7
Net gain/(loss) on disposal of property, infrastructure, plant and equipment	-	(540)	540		8
Share of net profits (or loss) of associates	-	(75)	75		
Other expenses	(335)	(1,266)	931	-278%	9
Total expenses	(11,927)	(12,880)	953	-8%	
Surplus/(deficit) for the year	3,002	(118)	(3,120)	-104%	10

Notes to the Financial Report For the Year Ended 30 June 2021

Note 1 - Performance against budget cont.

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Statutory fees and fines	The increase of \$52,000 is mainly due to: 1) \$27,000 reclassification of building fees under "Statutory fees and fines" from "User fees"; and 2) \$26,000 increase in town planning fees.
2	User fees	The decrease mainly represents the reclassification of building fees under "Statutory fees and fines" from "User fees".
3	Grants - operating	The increase of \$671,000 is mainly due to: 1) \$250,000 new funding for Outdoor Seating and Entertainment, Department of Jobs, Precincts and Regions; 2) \$132,000 additional Financial Assistance Grant (part of 2021-22 grant funding paid in advance), Victoria Grants Commission; 3) \$124,000 new funding for Community Activation and Social Isolation initiatives, Department of Health and Human Services; 4) \$117,000 additional funding (2021-22 grant funding paid in advance) to assist Council with the loss of boat ramp permit income, Better Boating Victoria ; and 5) \$35,000 new funding for Three Year Old Kindergarten Infrastructure and Building Block, Department of Education and Training.
4	Grants - capital	The net reduction of \$2,843,000 is mainly due to: 1) \$2,370,000 shift in the timing of grant income accrued/received for the Queenscliffe Cultural Hub project; 2) \$400,000 shift in the timing of grant income accrued/received for the Point Lonsdale Lighthouse Reserve upgrade project; 3) \$315,000 shift in the timing of grant income for the Queenscliff Sports and Recreation Precinct upgrade project; 4) \$181,000 grant income for Fixing Local Roads, received in advance in 2019-20 after the budget was adopted; 5) (\$231,000) new grant for road upgrade work under the Commonwealth Road Safety Program 2021; 6) (\$72,000) new grant for road upgrade work under the Local Roads and Community Infrastructure Program; 7) (\$56,000) new grant for ICT upgrade work under the Rural Councils ICT Infrastructure Program; and 8) (\$40,000) new grant (a part of the grant based on the cost incurred as at 30 June 2021) for Queenscliff Boat Ramp upgrade work.
5	Other income	The decrease of \$24,000 is mainly due to the decrease in lease income of \$15,000 due to the extension of the lease rental waiver for additional 3 months and additional loss of interest income of \$8,000 due to very low-interest rates.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 1 - Performance against budget cont.

(i) Explanation of material variations

Variance Ref	Item	Explanation
6	Materials and services	The decrease of \$600,000 is mainly due to: 1) \$178,000 shift in the timing of the rates funded operating projects (mainly Queenscliffe Planning Scheme review, Avenue of Honour tree replacement and economic development initiatives); 2) \$120,000 shift in the timing of the Food Organic and Garden Organic collection program; 3) \$89,000 savings achieved due to the cancellation of community events; 4) \$51,000 savings in utility expenses; 5) \$43,000 savings in power line and tree clearance expenses; 6) \$38,000 savings in advertising expenses; 7) \$35,000 savings in recruitment expenses; 8) \$33,000 savings in legal expenses; 9) \$30,000 due to a shift in the timing of the building condition survey; 10) \$29,000 savings in roads, parks, reserve, open space and foreshore maintenance; 11) \$27,000 savings in community engagement priority projects; 12) \$24,000 savings in training and staff development expenses; 13) \$19,000 savings in feet management expenses; 14) \$18,000 savings in community grant; 15) \$15,000 savings in office administration expenses; 16) \$15,000 savings in Council election related expenses; and 17) (\$258,000) new non recurrent grant funded operating project expenses.
7	Borrowing costs	Due to early settlement of the existing loan in full during the year.
8	Net gain/(loss) on disposal of property, infrastructure, plant and equipment	\$542,000 accounting loss associated with the demolition of the old Queenscliffe Historical Museum building to make the way for new Queenscliff Cultural Hub.
9	Other expenses	The increase of \$931,000 is mainly due to: 1) \$864,000 reclassification (capital to operating) of expenditure incurred on infrastructure assets (mainly electrical infrastructure assets) owned by third parties in relation to the Hesse Street South upgrade project, in line with the requirements of accounting standards. This was a 71% grant-funded project completed in the 2020-21 financial year. Total grant income for this project had been received in advance in the previous financial years; and 2) \$102,000 expenses incurred (other than staff expenses) in relation to Community Activation and Social Isolation initiatives (100% grant-funded).
10	Surplus/(deficit) for the year	Surplus/(deficit) for the year has mainly been impacted by the accounting loss associated with the demolition of a building (note 8 above) and the reclassification of capital expenditure as operating expenditure of a grant-funded project (note 9 above). Excluding the impact of these accounting adjustments, Council has recorded a surplus of \$1,286,000 for the year.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 1 - Performance against budget cont.

1.2 Capital works

	Budget 2021 \$'000	Actual 2021 \$'000	Variance \$'000	Variance %	Variance Ref
Property					
Buildings	4,347	1,407	(2,940)	-68%	1
Total buildings	4,347	1,407	(2,940)	-68%	
Total property	4,347	1,407	(2,940)	-68%	
Plant and equipment					
Plant, machinery and equipment	150	42	(108)	-72%	2
Fixtures, fittings and furniture	5	-	(5)	-100%	
Computers and telecommunications	45	115	70	156%	3
Total plant and equipment	200	157	(43)	-21%	
Infrastructure					
Roads	1,033	629	(404)	-39%	4
Footpaths and cycleways	40	125	85	213%	5
Drainage	125	170	45	36%	
Recreational, leisure and community facilities	675	129	(546)	-81%	6
Parks, open space and streetscapes	750	45	(705)	-94%	7
Off street car parks	-	5	5	0%	
Other infrastructure	131	209	78	59%	
Total infrastructure	2,754	1,311	(1,443)	-52%	
Total capital works expenditure	7,301	2,875	(4,426)	-61%	
Represented by:					
New asset expenditure	1,178	248	(930)	-79%	
Asset renewal expenditure	1,056	783	(273)	-26%	
Asset upgrade expenditure	5,067	1,844	(3,223)	-64%	
Total capital works expenditure	7,301	2,875	(4,426)	-61%	

Notes to the Financial Report For the Year Ended 30 June 2021

Note 1 - Performance against budget cont.

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Buildings	The decrease of \$2,940,000 is mainly due to: 1) \$2,261,000 shift in the timing of Queenscliff Cultural Hub project; 2) \$586,000 shift in the timing of the Queenscliff Sports and Recreation Precinct upgrade project; and 3) \$108,000 annual asset renewal programs carried over to future years.
2	Plant, machinery and equipment	The decrease of \$108,000 is due to the shift in the timing of replacing of motor vehicle, including extending some vehicles out by a further year before they are replaced.
3	Computers and telecommunications	The increase is mainly due to the ICT upgrade work carried out under the Rural Councils ICT Infrastructure Program (100% grant funded).
4	Roads	The net reduction of \$404,000 is mainly due to: 1) \$864,000 reclassification (capital to operating) of expenditure incurred on infrastructure assets (mainly electrical infrastructure assets) owned by third parties in relation to the Hesse Street South upgrade project, in line with the requirements of accounting standards; 2) (\$231,000) new road work carried out under the Commonwealth Road Safety Program (100% grant-funded); 3) (\$134,000) unfinished road work in relation to the Hesse Street South upgrade project, carried over to 2020-21 after finalising the budget (not included in the 2020-21 budget); 4) (\$88,000) cost overrun associated with the Hesse Street South upgrade project; and 5) (\$72,000) new road upgrade work carried out under the Local Roads and Community Infrastructure Program.
5	Footpaths and cycleways	The increase of \$85,000 is mainly due to the unfinished work in relation to the Lawrence Road Shared Path Connection project, carried over to 2020-21 after finalising the budget (not included in the budget).
6	Recreational, leisure and community facilities	The reduction of \$542,000 is mainly due to the shift in the timing of the Queenscliff Sports and Recreation Precinct upgrade project.
7	Parks, open space and streetscapes	The reduction of \$705,000 is mainly due to the shift in the timing of the Point Lonsdale Lighthouse Reserve upgrade project.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 - Analysis of Council results by program

Council delivers its functions and activities through the following programs.

2 (a) Strategic Objectives

Strategic Objective 1 - Community Wellbeing

Aged Services

The Aged Services program provides care and assistance to older residents and carers requiring respite so that residents can live independently and remain safe in their homes. The program is focused on maximising the wellbeing, safety and health of frail older people and carers requiring respite. Through the Commonwealth Home Support Programme, support and maintenance services are provided to people living at home, whose capacity for independent living is at risk, or who are at risk of premature or inappropriate admission to long term residential care.

Active Communities

The Active Communities program promotes community wellbeing by supporting people and communities to be involved and active in sport, recreation, arts, culture and other community and civic activities. The program area is responsible for building the capacity of local clubs and community organisations and assisting these organisations to develop and implement projects that support social inclusion, access and equity within the Borough.

Community Events

The Community Events program promotes community wellbeing, celebrates the significance of the Borough and stimulates the local economy through conducting events directly or facilitating, supporting and administering a range of recreation, arts and cultural events planned and implemented by community organisations or commercial businesses. Council also plays a key role in promoting and acknowledging the significant roles played by volunteers in local organisations.

Maternal and Child Health

The Maternal and Child Health program (MCH) plays a key role in supporting and monitoring the health and wellbeing of local families and children from birth to school age. MCH is a primary health service which provides a comprehensive and focused approach for the promotion, prevention, early detection, and intervention of the physical, emotional or social factors affecting young children and their families. Council currently contracts the City of Greater Geelong to provide the Maternal and Child Health services in the Borough.

Kindergarten

The Kindergarten program is an important part of the Borough's early years services. Kindergarten assists in supporting the wellbeing of pre-school children and providing a safe learning environment to enable children to gain early life skills and knowledge and assist their smooth transition to primary school. Whilst the Queenscliff Kindergarten is operated as a not for profit organisation, Council manages the Kindergarten building, facilitates access to external grants and supports the Kindergarten Committee of Management as needs arise.

Environmental Health

The Environmental Health program monitors and maintains a safe environment for public health and wellbeing. This program is designed to meet Council's statutory obligations regarding public health notably under the *Food Act 1984* and *Public Health and Wellbeing Act 2008*. Mandatory assessments of food safety, accommodation and beauty treatment premises are completed in accordance with the regulations and risk management frameworks. Tobacco control activities reduce the prevalence of smoking in the community. Nuisance complaint investigations remedy public health and amenity concerns and infectious disease investigations control and reduce the likelihood of notifiable disease. The Environmental Health program area also facilitates mosquito control activity.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 - Analysis of Council results by program cont.

Council delivers its functions and activities through the following programs.

Strategic Objective 1 - Community Wellbeing cont.

Asset Management and Appearance of Public Places

The Asset Management and Appearance of Public Places program ensures the safety, functionality and aesthetics of public places and infrastructure. This program promotes community wellbeing and encourages people to be active in public settings. The program ensures safe and efficient active transport settings, including the development of a network of connected walking and cycling routes, facilitates safe access to and use of community facilities, parks and gardens, sports ovals and local amenities. Responsibilities extend to include maintenance of local roads, kerb and channel, footpaths, shared use trails, drainage and street cleanliness. Council implements an asset renewal and maintenance program for infrastructure including roads, paths, drainage and all Council-owned and managed community buildings. It is also responsible for the maintenance, cleaning and renewal of 14 public toilets.

Local Laws, Safety and Amenity

The Local Laws, Safety and Amenity program promotes community wellbeing and safety in various settings and through monitoring public behaviour consistent with Council's Local Laws. This is achieved through management of school crossings, the provision of animal management services including animal registration and a dog and cat collection service, enforcement of local laws, issuing of local law permits, management of the boat ramp and enforcement of parking restrictions. This service is also the first Council respondent to out-of-hours emergencies.

Street Lighting

The Street Lighting program assists in the provision of a safe environment for motorists, pedestrians and cyclists. It involves the operation, maintenance, renewal and energy costs associated with the Borough's street lights. Importantly, Council has upgraded the streetlight infrastructure to achieve a high level of energy efficiency.

Powerline Safety

The Powerline Safety program assists in the provision of a safe environment and protection of the Borough's significant public and private assets and vegetation from fire by maintaining clear zones around powerlines to standards as set by legislation.

Library

The Library program promotes community wellbeing by encouraging active participation and life-long learning opportunities in a safe, inclusive setting. Libraries can be restorative places and often a safe haven for people outside their own home. The public library service is provided in Queenscliff in a Council-owned building, and is operated by the Geelong Regional Library Corporation under a deed of agreement with Council. Council is one of four municipalities that make up the membership of the Corporation.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 - Analysis of Council results by program cont.

Council delivers its functions and activities through the following programs.

Strategic Objective 2 - Environmental Sustainability

Environmental Sustainability

The Environmental Sustainability program sees the Borough playing its part in protecting the natural environment for future generations. This includes Council measuring, monitoring and reducing its carbon emissions as well as assisting the local community to implement various initiatives designed to reduce greenhouse gases through the Community Environment Alliance. Council plays a key role in responding to the challenges of climate change and sea level rise and where possible working with various Federal, State, regional and local organisations to inform and educate the community about practices that support environmental sustainability.

Coastal Protection

The Coastal Protection program seeks to preserve and enhance the Borough's globally significant, highly-valued coast as an iconic environmental asset for current and future generations. Under this program, Council implements State Government coastal management policy, manages environmental projects and works with State, regional and local services to enhance its management of coastal Crown Land. The program involves weed reduction initiatives and annual planting of trees, shrubs and grasses.

Waste Management and Recycling

The Waste Management and Recycling program seeks to involve the local community in protecting the environment for future generations by minimising waste. Council works with local and regional organisations, including the Barwon South West Waste and Resource Recovery Group and neighbouring councils to increase community awareness and promote behaviours that reduce waste and promote recycling. In addition to regular kerbside waste collection and a hard rubbish collection, the program includes a recycling service, effective e-waste disposal and a green waste bin service for all residential and tourist accommodation properties. A range of public waste services are also provided given the comparatively high level of tourist visitation. It is important to note that full cost recovery of waste management, including recycling, is achieved via application of waste charges to ratepayers in accordance with Council's Rating Strategy.

Strategic Objective 3 - Local Economy

Tourist Parks and Boat Ramp Services

The Tourist Parks and Boat Ramp Services program ensures the Borough remains a special place for visitors while increasing tourism's contribution to the local economy. The program includes management of three tourist parks and one boat ramp. It currently provides approximately 350 camping/caravanning sites and associated facilities, including maintenance of seven amenities blocks, and management of the Queenscliff boat ramp which provides access to fishing opportunities in Port Phillip. While contributing significantly to the local economy, this program generates a net income result, which is used to fund improvements to and maintenance of community facilities, foreshore infrastructure and coastal protection activities on Crown land.

Visitor Information Centre

The Visitor Information Centre program promotes the Borough as a special place for visitors, and supports local tourism and related businesses through the dissemination of tourism information that plays a key role in supporting a diverse and vibrant local economy. This program manages a year round State accredited tourist information service, with paid staff and volunteers offering information and advice about the visitor experiences on offer across the Borough and through other parts of Victoria.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 - Analysis of Council results by program cont.

Council delivers its functions and activities through the following programs.

Strategic Objective 3 - Local Economy cont.

Tourism & Economic Development

The Tourism and Economic Development program seeks to build on the Borough's unique heritage, rich culture and significant natural environment to strengthen the diversity and vibrancy of the local economy. The program is integrated with the activities of state and regional tourism organisations. Marketing and promoting the Borough and its attractions is key to increasing the number of day trippers and overnight visitors. The program's focus is informed by the Council's Economic Development Strategy and includes supporting local businesses and working with neighbouring municipalities, Tourism Greater Geelong & the Bellarine, G21 and the State Government to implement regional economic development and related infrastructure priorities.

Strategic Objective 4 - Planning and Heritage

Design and Project Management

The Design and Project Management program seeks to achieve excellence of design and delivery of projects which enhance the Borough as a special place. Specifically, the program manages project design, tendering and contract management activities as well as the implementation and supervision of Council's annual capital works program. It also manages issues associated with private development activities such as building over easements, legal point of discharge, vehicle point of access and unit development infrastructure.

Land Use Planning

The Land Use Planning program ensures that the Borough conserves its unique heritage, that the built environment is enhanced by design excellence, and that local amenity is protected against inappropriate land use and development. The program implements Council's Planning Scheme and prepares major policy documents including the Municipal Strategic Statement. It maintains and processes amendments to the Queenscliffe Planning Scheme and carries out research on demographic, economic and social issues affecting Council. The program administers Council's statutory planning responsibilities, including the various processes associated with the assessment of planning permit applications and defence of Council decisions at the Victorian Civil and Administrative Tribunal.

Heritage Conservation Advice

The Heritage Conservation Advice program aims to retain the unique heritage and rich culture captured in the Borough's built form. It adds value to the Land Use Planning program by providing an external heritage expert to advise development applicants on how to respect and achieve compliance with heritage objectives, and to inform Council's assessment of planning permit applications in relation to heritage conservation.

Building Control

The Building Control program ensures that building construction and maintenance is such that the community remains safe. It provides statutory building services including processing of siting variation consent, emergency management responsibilities, building inspections, building safety audits, and investigation of complaints and illegal works.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 - Analysis of Council results by program cont.

Council delivers its functions and activities through the following programs.

Strategic Objective 5 - Governance and Performance

Council Governance

The Council's Governance program supports the Mayor and Councillors to maintain a cohesive Council and a well-governed municipal Council. The program is structured to meet all legislative requirements associated with the *Local Government Act 1989* and any other applicable Act. It supports Council's compliance with the Councillor Code of Conduct and its key relationships and memberships with organisations such as the MAV and G21. Council's participation in the annual Local Government Community Satisfaction Survey also forms part of this program.

Organisational Performance and Compliance

The Organisational Performance and Compliance program supports the Chief Executive Officer and Executive Management Team to maintain a cohesive, well-managed and highly performing organisation. This includes supporting organisation development and statutory compliance, and seeking to ensure that the behaviour of all staff complies with the Staff Code of Conduct. Key outputs of the program are the preparation and/or review of the Council Plan, Strategic Resource Plan and long term budget, Annual Implementation Plan and Council's Annual Budget.

Community Engagement and Customer Service

The Community Engagement and Customer Service program aims to facilitate community involvement in decision-making, and to deliver high quality customer service. It includes practical and strategic advice regarding Council's internal and external communications and issues management, and supports first point of contact to customers at the Council office. The program provides records management services in accordance with Council policy and procedures, administers the requirements of the privacy and freedom of information legislation, coordinates Council and Committee meetings, and provides other associated administrative support.

Financial and Risk Management

The Financial and Risk Management program seeks to ensure the ongoing independence and financial sustainability of the Borough of Queenscliffe. Council ensures sound financial management, and cohesiveness and performance of the organisation's operations, through the maintenance of appropriate systems. The service provides long term financial planning, robust internal risk management, adherence to guidelines on prudent management of debt, cash and asset renewal, and reviews its assets to improve the return on Council's investments. The service predominantly includes management of Council's finances, the raising and collection of revenue, payment of salaries and wages to Council employees, procurement and contracting of services, management and maintenance of robust computer systems, fleet management, insurance and risk management systems. The program also includes the revaluation of properties for rating purposes, processing of supplementary rates and the administration of the State Government's Fire Services Property Levy. The depreciation expense for all Council assets is also included as part of this program.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 - Analysis of Council results by program cont.

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
2021					
Community Wellbeing					
Aged Services	684	851	(167)	532	-
Active Communities	-	151	(151)	-	24,240
Community Events	15	124	(109)	15	-
Maternal and Child Health	58	73	(16)	58	-
Kindergarten	35	1	34	35	911
Environmental Health	36	141	(106)	29	-
Asset Management and Appearance of Public Places	115	1,271	(1,156)	76	71,660
Local Laws, Safety and Amenity	67	299	(232)	30	28
Street Lighting	-	28	(28)	-	-
Powerline Safety	-	30	(30)	-	-
Library	-	301	(300)	-	324
Sub total	1,009	3,270	(2,260)	774	97,162
Environmental Sustainability					
Environmental Sustainability	-	145	(145)	-	-
Coastal Protection	378	293	85	281	606
Waste management and Recycling	999	1,087	(88)	22	75
Sub total - Environmental Sustainability	1,377	1,526	(149)	304	681
Local Economy					
Tourist Parks	1,551	844	707	-	13,679
Visitor Information Centre	30	213	(183)	-	326
Tourism & Economic Development	251	433	(182)	250	1,778
Sub total - Local Economy	1,832	1,490	342	250	15,783
Planning and Heritage					
Design and Project Management	-	276	(276)	-	-
Land Use Planning	124	337	(213)	-	-
Heritage Conservation Advice	-	3	(3)	-	-
Building Control	29	32	(4)	-	-
Sub total - Planning and Heritage	152	648	(496)	-	-
Governance and Performance					
Council Governance	-	267	(267)	-	-
Organisational Performance and Compliance	193	1,274	(1,082)	183	1,596
Community Engagement and Customer Service	-	555	(555)	-	-
Financial and Risk Management	6,764	2,970	3,794	41	-
Sub total - Governance and Performance	6,956	5,066	1,891	224	1,596
Total - Strategic Objectives	11,328	11,999	(671)	1,551	115,223
Other non-attributable					
Expenditure not meeting capitalisation criteria / threshold	-	882	(882)	-	-
Capital Grants and Contributions	1,434	-	1,434	1,382	-
Land Under Roads	-	-	-	-	16,237
Other Property & Buildings	-	-	-	-	13,781
Sub total - Other non-attributable	1,434	882	(448)	1,382	29,998
Total	12,762	12,881	(118)	2,933	145,240

Notes to the Financial Report For the Year Ended 30 June 2021

Note 2 - Analysis of Council results by program cont.

	Income	Expenses	Surplus/ (Deficit)	Grants included in income	Total assets
	\$'000	\$'000	\$'000	\$'000	\$'000
2020					
Community Wellbeing					
Aged Services	672	737	(65)	569	4
Active Communities	3	148	(145)	3	24,947
Community Events	5	111	(105)	-	-
Maternal and Child Health	55	66	(11)	55	-
Kindergarten	-	6	(6)	-	926
Environmental Health	43	109	(66)	13	-
Asset Management and Appearance of Public Places	72	1,106	(1,034)	60	70,057
Local Laws, Safety and Amenity	65	291	(226)	31	42
Street Lighting	-	31	(31)	-	-
Powerline Safety	-	48	(48)	-	-
Library	-	190	(190)	-	332
Sub total	915	2,844	(1,929)	730	96,309
Environmental Sustainability					
Environmental Sustainability	-	122	(122)	-	-
Coastal Protection	273	408	(135)	185	347
Waste management and Recycling	964	1,012	(48)	25	95
Sub total - Environmental Sustainability	1,237	1,542	(305)	211	442
Local Economy					
Tourist Parks and Boat Ramp Services	1,480	795	685	-	13,897
Visitor Information Centre	82	250	(169)	-	335
Tourism & Economic Development	20	168	(148)	19	2,393
Sub total - Local Economy	1,582	1,214	368	19	16,625
Planning and Heritage					
Design and Project Management	-	392	(392)	-	7
Land Use Planning	84	325	(241)	-	-
Heritage Conservation Advice	-	22	(22)	-	-
Building Control	30	32	(2)	-	-
Sub total - Planning and Heritage	114	771	(657)	-	7
Governance and Performance					
Council Governance	-	220	(220)	-	-
Organisational Performance and Compliance	674	1,395	(721)	665	101
Community Engagement and Customer Service	-	558	(558)	-	-
Financial and Risk Management	6,692	2,367	4,325	40	203
Sub total - Governance and Performance	7,366	4,540	2,826	705	304
Total - Strategic Objectives	11,214	10,910	304	1,665	113,686
Other non-attributable					
Asset Write-offs	-	870	(870)	-	-
Capital Grants and Contributions	1,116	-	1,116	1,097	-
Land Under Roads	-	-	-	-	16,237
Other Property & Buildings	-	-	-	-	13,641
	12,330	11,780	551	2,762	143,564

Notes to the Financial Report For the Year Ended 30 June 2021

Note 3 - Funding for the delivery of our services

3.1 Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV of a property is the value of the land and all its improvements.

The valuation base used to calculate general rates for 2020–21 was \$3,037 million (2019–20 \$2,881 million).

	2021 \$'000	2020 \$'000
General rates		
Residential	5,391	5,257
Residential vacant land	131	146
Tourist accommodation	768	740
Commercial	349	351
Total general rates	6,639	6,495
Waste management charges		
Kerbside waste	611	525
Public waste	223	280
Green waste	125	116
Additional bins	18	18
Total waste management charges	977	939
Other rates and charges		
Interest on rates and charges	6	8
Cultural and recreational charges - in lieu of rates	4	4
Supplementary rates and charges	21	7
Less: rebate for properties of environmental interest	(4)	(4)
Total other rates and charges	27	16
Total rates and charges	7,642	7,450

The date of the latest general revaluation of land for rating purposes within the municipal district was 01/01/2021, and the valuation will be first applied in the rating year commencing 01/07/2021.

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

3.2 Statutory fees and fines

Town planning fees	144	84
Infringements and costs	3	5
Permits	5	9
Fines Victoria court recoveries	(1)	1
Land information certificates	5	4
Total statutory fees and fines	157	104

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 3 - Funding for the delivery of our services cont.

	2021 \$'000	2020 \$'000
3.3 User fees		
Tourist park fees	1,551	1,480
Boat ramp parking fees - ticket machines	-	1
Aged services	152	102
Registration and other permits	36	55
Valuation fees/supplementary charges	-	2
Building services	-	30
Tourism	4	14
Other fees and charges (< \$10,000 each)	17	16
Total user fees	1,760	1,699
User fees by timing of revenue recognition		
User fees recognised over time	1,724	1,644
User fees recognised at a point in time	36	55
Total user fees	1,760	1,699
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.		
3.4 Funding from other levels of government		
Grants were received in respect of the following :		
Summary of grants		
Commonwealth funded grants	965	1,479
State funded grants	1,907	1,269
Other grants	61	14
Total grants received	2,933	2,762
(a) Operating Grants		
Recurrent - Commonwealth Government		
Aged Services	380	565
Financial Assistance Grants	244	723
Recurrent - State Government		
Maternal and child health	58	55
Service System Resourcing	27	-
Fire Services Property Levy administration	41	40
School crossing supervision	30	31
Beach cleaning	39	31
Other (<\$10,000 each)	7	7
Recurrent - Other		
Tobacco Activity Program	12	13
Total recurrent operating grants	838	1,464
Non-recurrent - State Government		
Tourism and economic development	258	19
Waste management and recycling	10	14
Coastal protection	254	166
Community development	159	-
Environmental Health	14	-
Pedestrian Safety	15	-
Non-recurrent - Other		
Other (<\$10,000 each)	3	2
Total non-recurrent operating grants	713	201
Total operating grants	1,551	1,665

Notes to the Financial Report For the Year Ended 30 June 2021

Note 3 - Funding for the delivery of our services cont.

	2021 \$'000	2020 \$'000
(b) Capital Grants		
Recurrent - Commonwealth Government		
Roads to recovery	-	191
Total recurrent capital grants	-	191
Non-recurrent - Commonwealth Government		
Roads	341	-
Non-recurrent - State Government		
Buildings	850	290
Roads	14	543
Recreation, leisure and community facilities	-	24
Footpaths and cycleways	10	40
Computers & Telecommunications	56	-
Other infrastructure	65	9
Non-recurrent - Other		
Other Infrastructure	46	-
Total non-recurrent capital grants	1,382	906
Total capital grants	1,382	1,097

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

Operating

Balance at start of year	602	398
Received during the financial year and remained unspent at balance date	127	379
Received in prior years and spent during the financial year	(441)	(175)
Balance at year end	288	602

Capital

Balance at start of year	1,518	1,724
Received during the financial year and remained unspent at balance date	22	340
Received in prior years and spent during the financial year	(1,228)	(546)
Balance at year end	312	1,518

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

Monetary	52	25
Total contributions	52	25

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

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

Proceeds of sale	19	11
Written down value of assets disposed	(559)	(4)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(540)	7

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 2021

Note 4 - The cost of delivering services cont.

	2021 \$'000	2020 \$'000
4.2 Materials and services		
Roads, parks and reserves maintenance	599	598
Cleaning of council buildings, amenities and BBQ's	130	127
Maternal and Child Health	73	66
Drainage maintenance	61	61
Home and community care home maintenance	44	50
Valuation services	6	6
General service delivery	874	1,017
Waste management	1,087	1,013
Non-recurrent operating projects (rates funded)	91	91
Labour contracts (I.T, building surveyor, heritage advisor and specialist backfill)	398	297
Foreshore and open space maintenance	324	377
Buildings, works, plant and equipment maintenance	239	288
Utilities	213	233
Contribution to Geelong Regional Library Corporation	221	216
Insurance	244	222
Information technology software and maintenance agreements	136	135
Local Government election costs	70	3
Non-recurrent operating projects (grant funded)	294	13
Office administration	37	42
Other Exp	2	-
Training and staff development	48	47
Aged care services	4	-
Total materials and services	5,198	4,905
4.3 Depreciation		
Property	432	420
Plant and equipment	132	134
Infrastructure	789	776
Total depreciation	1,353	1,331

Refer to note 5.2(c), 5.8 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 4 - The cost of delivering services cont.

	2021 \$'000	2020 \$'000
4.4 Bad and doubtful debts		
Parking fine debtors	2	5
Rates debtors	-	0
Other debtors	2	-
Total bad and doubtful debts	<u>4</u>	<u>5</u>

Movement in provisions for doubtful debts

Balance at the beginning of the year	2	2
New provisions recognised during the year	2	0
Amounts already provided for and written off as uncollectible	(2)	-
Balance at end of year	<u>2</u>	<u>2</u>

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.

4.5 Borrowing costs

Interest - Borrowings	0	1
Total borrowing costs	<u>0</u>	<u>1</u>

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.

4.6 Other expenses

Councillors' allowances	144	149
Auditors' remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	41	43
Auditors' remuneration - Internal	14	23
Auditors' remuneration - Other	1	-
Audit and risk committee sitting fees	7	5
Operating lease rentals	14	16
Others	135	43
Assets written-off / impaired	-	870
Expenditure not meeting capitalisation criteria / threshold	882	-
Cost of volunteers	28	69
Total other expenses	<u>1,266</u>	<u>1,218</u>

Notes to the Financial Report For the Year Ended 30 June 2021

Note 5 - Our financial position

	2021 \$'000	2020 \$'000
5.1 Financial assets		
(a) Cash and cash equivalents		
Cash on hand	2	2
Cash at bank	1,040	977
Term deposits	500	-
Total cash and cash equivalents	1,542	979
(b) Other financial assets		
Term deposits - current	7,075	6,862
Term deposits - non-current	-	-
Total other financial assets	7,075	6,862
Total financial assets	8,617	7,841

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)	47	16
Total restricted funds	47	16
Total unrestricted cash and cash equivalents	1,496	963

Intended allocations

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

- Cash held to fund carried forward projects (Note 9.1(b))*	3,252	4,885
- Cash held to fund future asset replacement requirements (Note 9.1(b))	1,356	972
- Cash held to fund future calls on the defined benefits superannuation fund (Note 9.1(b))	40	40
- Cash held to fund future waste management costs (Note 9.1(b))	15	-
Total funds subject to intended allocations	4,663	5,857

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

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

* Negative balance in waste management reserves for 2019-20 was offset against cash held to fund carried forward projects. The negative balance represents the shortfall in 2019-20 waste charges which was recovered through 2020-21 waste charges.

(c) Trade and other receivables

Current

Statutory receivables

Rates debtors	105	152
Pensioner rebate	23	24
Infringement debtors	4	8
Provision for doubtful debts - infringements	(2)	(2)

Other debtors

Other	63	250
Net GST receivable	122	102

Total current trade and other receivables

Total trade and other receivables	316	533
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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.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 5 - Our financial position cont.

	2021 \$'000	2020 \$'000
(d) Ageing of Receivables		
The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:		
Current (not yet due)	146	320
Past due by up to 30 days	-	-
Past due between 31 and 180 days	36	21
Past due between 181 and 365 days	0	7
Past due by more than 1 year	3	3
Total trade and other receivables	185	351

(e) Ageing of individually impaired Receivables

At balance date, other debtors representing financial assets with a nominal value of \$1,533 (2020: \$2,245) were impaired. The amount of the provision raised against these debtors was \$1,533 (2020: \$2,245). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with Council's debt collectors or are on payment arrangements.

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

Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	2	2
Total trade and other receivables	2	2

5.2 Non-financial assets

(a) Inventories

Inventories held for distribution	5	4
Total inventories	5	4

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

Prepayments	91	94
Accrued income	251	20
Total other assets	342	114

Notes to the Financial Report For the Year Ended 30 June 2021

Note 5 - Our financial position cont.

	2021 \$'000	2020 \$'000
5.3 Payables		
(a) Trade and other payables		
Net GST payable	468	504
Accrued expenses	179	150
Total trade and other payables	648	654
(b) Trust funds and deposits		
Refundable deposits	9	8
Fire services levy	2	2
Retention amounts	36	-
Other refundable deposits	-	6
Total trust funds and deposits	47	16
(c) Unearned income		
Grants received in advance - operating	153	155
Grants received in advance - capital	1,847	153
Other	117	131
Total unearned income	2,117	440

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

Purpose and nature of items

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

Retention Amounts - 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

Current

Borrowings - secured	-	19
	-	19

Non-current

Borrowings - secured	-	10
	-	10

Total

	-	29
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Borrowings are secured by rates income

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

Not later than one year	-	19
Later than one year and not later than five years	-	10
Later than five years	-	-
	-	29

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 2021

Note 5 - Our financial position cont.

	Annual Leave \$'000	Long Service Leave \$'000	Accrued days off \$'000	Total \$'000
5.5 Provisions				
2021				
Balance at beginning of the financial year	317	689	27	1,033
Additional provisions	253	88	9	350
Amounts used	(145)	(19)	(14)	(178)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(3)	(48)	-	(51)
Balance at the end of the financial year	422	710	23	1,154
2020				
Balance at beginning of the financial year	315	705	30	1,051
Additional provisions	138	126	15	279
Amounts used	(138)	(155)	(18)	(311)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	2	13	-	15
Balance at the end of the financial year	317	689	27	1,033

	2021 \$'000	2020 \$'000
(a) Employee provisions		
Current provisions expected to be wholly settled within 12 months		
Annual leave	119	41
Long service leave	29	-
Accrued days off	23	27
	170	68
Current provisions expected to be wholly settled after 12 months		
Annual leave	304	276
Long service leave	577	586
	881	862
Total current employee provisions	1,050	930
Non-current		
Long service leave	104	103
Annual leave	-	-
Total non-current employee provisions	104	103
Aggregate carrying amount of employee provisions:		
Current	1,050	930
Non-current	104	103
Total aggregate carrying amount of employee provisions	1,154	1,033

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

Notes to the Financial Report For the Year Ended 30 June 2021

Note 5 - Our financial position cont.

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.

	2021 \$'000	2020 \$'000
Key assumptions:		
- index rate	0.99% - 1.27%	1% - 1.16%
- discount rate	-0.015% - 1.58%	0% - 0.98%
- Wage inflation rate	2.950%	4.250%

5.6 Financing arrangements

The Council has the following funding arrangements in place as at 30/06/2021.

	2020 \$'000	2019 \$'000
Credit card facilities	26	26
Loan facilities	-	29
Total facilities	26	55
Used facilities	6	30
Unused facilities	20	25

Notes to the Financial Report For the Year Ended 30 June 2021

Note 5 - Our financial position cont.

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.

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2021					
Operating					
Roads, parks and reserves maintenance	912	-	-	-	912
Provision of Cleaning Services for Amenities Blocks & BBQ Facilities	82	-	-	-	82
Internal audit	17	-	-	-	17
Waste Collection Service	2	-	-	-	2
Total	1,013	-	-	-	1,013
Capital					
Queenscliffe Hub - construction	4,087	-	-	-	4,087
Queenscliff Boat Ramp - upgrade	3,747	-	-	-	3,747
Stormwater drainage Big 4 caravan park Bellarine Hwy	113	-	-	-	113
Pedestrian Crossing, Point Lonsdale Rd Point Lonsdale	62	-	-	-	62
Hesse St pedestrian crossing	59	-	-	-	59
Queenscliff Recreation Reserve Sport Precinct Civil Construction	53	-	-	-	53
Total	8,121	-	-	-	8,121
	9,133	-	-	-	9,133
2020					
Operating					
Roads, parks and reserves maintenance	878	878	-	-	1,757
Garbage collection	566	2	-	-	567
Cleaning Services for Amenities Blocks & BBQ Facilities	80	80	-	-	160
Sponsorship agreement - Queenscliff Music Festival	66	-	-	-	66
Review of Planning Scheme Heritage Provisions	47	-	-	-	47
Cleaning contract for council buildings	40	-	-	-	40
Information systems & technology	37	-	-	-	37
Internal Audit	17	17	-	-	34
Total	1,732	977	-	-	2,709
Capital					
Hesse Street South	855	-	-	-	855
Queenscliffe Hub	134	-	-	-	134
Architectural services for Point Lonsdale Tennis club	8	-	-	-	8
Total	997	-	-	-	997

Notes to the Financial Report For the Year Ended 30 June 2021

Note 5 - Our financial position cont.

5.8 Leases

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

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

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.

- Lease signed with the State Transport Authority commencing 1 Jan 1985 (Lots 26, 27, 28, 29). No term mentioned. One months' notice required to terminate the lease. Annual lease rental \$104 ex GST.
- Lease signed with the Victorian Railways Commissioners 5 May 1959 (Lot 1). For 33 years. Expired but allows for a week to week rental indefinitely. Annual lease rental \$114 ex GST.
- Lease signed with the Victorian Railways board 1 Oct 1973 (Lot 18). For 50 years. Expiring 2023. Annual lease rental \$104 ex GST.
- Lease signed with Vic Track 1 March 2009 (Lot 41). No term mentioned. One months' notice required to terminate the lease. Annual lease rental \$139.05 ex GST.

There are no restrictions on use of these assets. However, Council is not generating any income from the above properties (land) and some have been provided for community use through various community organisations.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 5 - Our financial position cont.

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.

	2021 \$'000
Expenses relating to:	
Short-term leases	14
Leases of low value assets	1
Total	<u>15</u>
Variable lease payments (not included in measurement of lease liabilities)	-

Note 6 - Assets we manage

6.1 Non current assets classified as held for sale

	2021 \$'000	2020 \$'000
Cost of acquisition	-	-
Land - At fair value	2,075	2,075
Total	<u>2,075</u>	<u>2,075</u>

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 2021

Note 6 - Assets we manage cont.

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2020	Additions	Contributions	Revaluation	Depreciation	Disposal	Write-off	Transfers	At Fair Value 30 June 2021
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Property	109,202	53	-	-	(432)	(543)	-	-	108,281
Plant and equipment	475	157	-	-	(132)	(17)	-	-	483
Infrastructure	21,226	975	-	-	(789)	-	-	780	22,193
Work in progress	1,853	1,689	-	-	-	-	-	(780)	2,762
Total	132,757	2,875	-	-	(1,353)	(559)	-	-	133,720

Summary of Work in Progress

	Opening WIP	Additions	Write-off	Transfers	Closing WIP
	\$'000	\$'000	\$'000	\$'000	\$'000
Property	617	1,243	-	(74)	1,786
Plant and equipment	-	-	-	-	-
Infrastructure	1,237	446	-	(707)	976
Total	1,853	1,689	-	(780)	2,762

(a) Total 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 2020	73,227	22,588	-	95,815	351	20,880	2,496	-	-	23,376	616	120,158
Accumulated depreciation at 1 July 2020	-	-	-	-	(174)	(9,345)	(820)	-	-	(10,339)	-	(10,339)
	73,227	22,588	-	95,815	176	11,535	1,676	-	-	13,388	616	109,819

Movements in fair value

Additions	-	-	-	-	-	53	-	-	-	53	1,243	1,296
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	(543)	-	-	-	(543)	-	(543)
Prior period error	-	-	-	-	-	-	-	-	-	-	(74)	(74)
Write-off	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	(489)	-	-	-	(489)	1,170	680

Movements in accumulated depreciation

Depreciation and amortisation	-	-	-	-	(6)	(366)	(42)	-	-	(414)	-	(414)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-	-	-	-
Prior period error	-	-	-	-	-	(18)	-	-	-	(18)	-	(18)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	(6)	(384)	(42)	-	-	(432)	-	(432)

At fair value 30 June 2021	73,227	22,588	-	95,815	351	20,391	2,496	-	-	23,237	1,786	120,838
Accumulated depreciation at 30 June 2021	-	-	-	-	(180)	(9,729)	(862)	-	-	(10,771)	-	(10,771)
	73,227	22,588	-	95,815	170	10,662	1,634	-	-	12,466	1,786	110,067

Notes to the Financial Report For the Year Ended 30 June 2021

Note 6 - Assets we manage cont.

(b) Plant and Equipment

	Heritage plant and equipment	Plant machinery and equipment \$'000	Fixtures fittings and furniture \$'000	Computers and telecomms \$'000	Work in Progress \$'000	Total plant and equipment \$'000
At fair value 1 July 2020	-	502	342	596	-	1,439
Accumulated depreciation at 1 July 2020	-	(298)	(300)	(366)	-	(964)
	-	203	42	230	-	476
Movements in fair value						
Additions	-	42	-	115	-	157
Contributions	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-
Disposal	-	(17)	-	-	-	(17)
Write-off	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
Impairment losses recognised in operating result	-	-	-	-	-	-
	-	25	-	115	-	140
Movements in accumulated depreciation						
Depreciation and amortisation	-	-	-	-	-	-
Accumulated depreciation of disposals	-	(65)	(16)	(44)	-	(126)
Prior period error	-	(69)	68	(5)	-	(6)
Impairment losses recognised in operating result	-	-	-	-	-	-
Transfers	-	-	-	-	-	-
	-	(135)	51	(49)	-	(132)
At fair value 30 June 2021	-	527	342	711	-	1,580
Accumulated depreciation at 30 June 2021	-	(433)	(249)	(415)	-	(1,096)
	-	94	93	296	-	484

Notes to the Financial Report For the Year Ended 30 June 2021

Note 6 - Assets we manage cont.

(c) Infrastructure

	Roads	Bridges	Footpaths and cycleways	Drainage	Recreational, leisure and community	Waste Management	Parks open spaces and streetscapes	Aerodromes	Off street car parks	Other Infrastructure	Work In Progress	Total Infrastructure
	\$'000			\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
At fair value 1 July 2020	18,807	-	1,809	4,881	3,894	221	1,861	-	923	527	1,236	34,160
Accumulated depreciation at 1 July 2020	(6,294)	-	(695)	(2,255)	(1,311)	(127)	(550)	-	(299)	(167)	-	(11,698)
	12,513	-	1,114	2,626	2,583	94	1,311	-	624	360	1,236	22,462
Movements in fair value												
Additions	235	-	200	238	221	-	81	-	-	-	446	1,421
Contributions	-	-	-	-	-	-	-	-	-	-	-	-
Revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Disposal	-	-	-	-	-	-	-	-	-	-	-	-
Prior period error	-	-	-	-	-	-	-	-	-	-	74	74
Write-off	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	253	-	144	176	207	-	-	-	-	-	(780)	-
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-
	488	-	344	414	428	-	81	-	-	-	(261)	1,495
Movements in accumulated depreciation												
Depreciation and amortisation	(249)	-	(34)	(53)	(220)	(18)	(131)	-	(15)	(44)	-	(764)
Accumulated depreciation of disposals	-	-	-	-	-	-	-	-	-	-	-	-
Prior period error	(9)	-	(0)	(2)	(3)	(1)	(8)	-	(0)	(2)	-	(25)
Impairment losses recognised in operating result	-	-	-	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-	-	-	-
	(259)	-	(34)	(54)	(223)	(19)	(140)	-	(15)	(45)	-	(789)
At fair value 30 June 2021	19,296	-	2,153	5,295	4,322	221	1,943	-	923	527	976	35,655
Accumulated depreciation at 30 June 2021	(6,553)	-	(729)	(2,310)	(1,534)	(146)	(689)	-	(314)	(212)	-	(12,486)
	12,743	-	1,424	2,986	2,788	75	1,253	-	609	315	976	23,169

Notes to the Financial Report For the Year Ended 30 June 2021

Note 6 - Assets we manage cont.

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
<i>Asset recognition thresholds and depreciation periods</i>		
Land & land improvements		
land	-	5
land under roads	-	5
land improvements	-	5
Buildings	25 - 200 years	10
Plant and Equipment		
Plant, machinery and equipment	2 - 10 years	0.5
Fixtures, fittings and furniture	3 - 10 years	0.5
Computers and telecommunications	3 - 10 years	0.5
Infrastructure		
Roads	12 - 80 years	10
Footpaths and cycleways	20 - 50 years	10
Drainage	15 - 100 years	5
Recreation, leisure and community facilities	10 - 100 years	5
Waste management	5 - 15 years	5
Parks, open space and streetscapes	5 - 25 years	5
Off-street car parks	12 - 80 years	5
Other infrastructure	5 - 100 years	5
	5 - 100 years	5

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

Land under roads

Council recognises land under roads it controls at fair value.

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.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 6 - Assets we manage cont.

Valuation of land and buildings

Valuation of land and buildings were undertaken by a qualified independent valuer from Opteon Property Group (Victoria) ("Opteon") valuer registration number 63379. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the comprehensive income statement.

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

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

The date of the current valuation is detailed in the following table. An index-based revaluation was conducted in the current year, this valuation was based on Valuer General Victoria (VGV) land indexation factors for commercial properties and estimated building cost Indexation factors for commercial properties. There has not been a significant movement on these factors since the last valuation (cumulative movement is less than 10%). As a result, the carrying value of land and buildings has not been adjusted to reflect index-based valuation. A full revaluation of these assets will be conducted in 2021–22.

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

	Level 1	Level 2	Level 3	Date of Valuation
Freehold Land	-	22,588	-	March 2018
Crown Land (specialised land)	-	-	59,065	March 2018
Land under roads (specialised land)	-	-	16,237	March 2018
Buildings	-	1,717	-	June 2019
Buildings Specialised	-	-	10,615	June 2019
Total	-	24,305	85,917	

Valuation of infrastructure

Valuation of road network infrastructure assets (roads including kerb and channel, footpaths and cycleways) and off street car parks was conducted by Council's engineer, Mr. Stuart Hansen, during the current financial year using the condition assessment work of Mr Peter Moloney, Dip C.E.C.E.MIE Aust conducted in November 2019. The drainage valuation was conducted by Council's engineer, Mr. Stuart Hansen, in 2019–20. All other infrastructure assets are currently based at cost.

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 2021 are as follows:

	Level 1	Level 2	Level 3	Date of Valuation
Roads	-	-	12,513	June 2020
Footpaths and cycleways	-	-	1,114	June 2020
Drainage	-	-	2,626	June 2020
Off street car parks	-	-	624	June 2020
Total	-	-	16,877	

Notes to the Financial Report For the Year Ended 30 June 2021

Note 6 - Assets we manage cont.

Description of significant unobservable inputs into level 3 valuations

Specialised land and land under roads is valued using a market based direct comparison technique. Significant unobservable inputs include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 5% and 95%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$43 and \$2,335 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 are calculated on a square metre basis and ranges from \$451 to \$4,644 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 0 years to 107 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 5 years to 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 infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

	2021 \$'000	2020 \$'000
Reconciliation of specialised land		
Crown Land	59,065	59,065
Land under roads	16,237	16,237
Total specialised land	<u>75,302</u>	<u>75,302</u>

6.3 Investments in associates, joint arrangements and subsidiaries

(a) Investments in associates

Geelong Regional Library Corporation	165	240
Fair value of Council's Investment in Geelong Regional Library	<u>165</u>	<u>240</u>

Geelong Regional Library Corporation

Council recognises its interest in the Geelong Regional Library Corporation by recording an investment in its financial statements at a value based on Council's underlying interest in the net assets of the service disclosed in its audited financial statements for the year ended 30 June 2021. Council's share of the net assets (1.58%) is calculated on the same ratio as it contributes to the operating costs of the service. Annual contributions to the library service are included in the Comprehensive Income Statement.

Council's share of accumulated surplus/(deficit)

Council's share of accumulated surplus(deficit) at start of year	240	207
Reported surplus(deficit) for year	(75)	33
Council's share of accumulated surplus(deficit) at end of year	<u>165</u>	<u>240</u>

Movement in carrying value of investment

Carrying value of investment at start of year	240	207
Share of surplus(deficit) for year	(75)	33
Carrying value of investment at end of year	<u>165</u>	<u>240</u>

Associates are all entities over which Council has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 7 - People and relationships

7.1 Council and key management remuneration

(a) Related Parties 2021
No. 2020
No.

Parent entity

Borough of Queenscliffe 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

Councillor Ross Ebbels - Mayor from 28 Nov 2019	1	1
Councillor Donnie Grigau - from 18 Nov 2020	1	
Councillor Michael Grout - from 18 Nov 2020	1	
Councillor Fleur Hewitt - from 18 Nov 2020	1	
Councillor Susan Salter	1	1
Councillor Bob Merriman - up to 24 Oct 2020	1	1
Councillor Rob Minty - up to 24 Oct 2020	1	1
Councillor Boyce Pizzey - up to 24 Oct 2020	1	1
Councillor Tony Francis - up to 01 July 2019		1
Chief Executive Officer	1	1
General Manager, Organisational Performance & Community Services	1	1
General Manager Planning & Infrastructure	1	1
Total Number of Councillors	8	6
Total of Chief Executive Officer and other Key Management Personnel	3	3
Total Number of Key Management Personnel	11	9

(c) Remuneration of Key Management Personnel

	2021 \$'000	2020 \$'000
Total remuneration of key management personnel was as follows:		
Short-term benefits	723	721
Long-term benefits	9	15
Post employment benefits	53	46
Termination benefits	-	-
Total	784	782

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

	2021 No.	2020 No.
\$0 - \$9,999	3	1
\$10,000 - \$19,999	3	1
\$20,000 - \$29,999	1	2
\$30,000 - \$39,999	-	1
\$40,000 - \$49,999	-	1
\$50,000 - \$59,999	1	-
\$160,000 - \$169,999	-	1
\$170,000 - \$179,999	2	1
\$250,000 - \$259,999	-	1
\$270,000 - \$279,999	1	-
Total	11	9

Notes to the Financial Report For the Year Ended 30 June 2021

Note 7 - People and relationships cont.

(d) Senior Officer Remuneration

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

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

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

	2021	2020
Income Range:	No.	No.
\$130,000 - 139,000	-	1
\$140,000 - 149,000	1	-
	<u>1</u>	<u>1</u>
	2021	2020
	\$'000	\$'000
Total Remuneration for the reporting year for Senior Officers included above, amounted to:	<u>144</u>	<u>135</u>

7.2 Related party disclosure

(a) Transactions with related parties

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

	2021	2020
	\$	\$
Geelong Regional Library Corporation - contribution	239,898	205,978
Planting Ideas - horticultural consultancy services	3,060	-
Laguna Pastoral - catering services	-	340

(b) Outstanding balances with related parties

No balances are outstanding at the end of the reporting period in relation to transactions with related parties (2019–20: nil).

(c) Loans to/from related parties

No loans have been made, guaranteed or secured during the reporting period by Council to a related party (2019–20: nil).

(d) Commitments to/from related parties

No commitments are in existence at balance date that have been made, guaranteed or secured during the reporting period by Council to a related party (2019–20: nil).

Notes to the Financial Report For the Year Ended 30 June 2021

Note 8 - Managing uncertainties

8.1 Contingent assets and liabilities

(a) Contingent assets

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.

Operating lease receivables

The Council has entered into commercial property leases on 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:

	2021 \$'000	2020 \$'000
Not later than one year	139	112
Later than one year and not later than five years	570	526
Later than five years	864	865
	<u>1,573</u>	<u>1,503</u>

(b) Contingent liabilities

There is Nil contingent liabilities as at 30 June 2021 that could have a material impact on future operations (30 June 2020: \$Nil).

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Future superannuation contributions

There were \$Nil contributions outstanding and \$Nil loans issued from or to the defined benefit superannuation scheme as at 30 June 2021 (30 June 2020: \$Nil).

Insurance claims

There is Nil insurance claims as at 30 June 2021 that could have a material impact on future operations.

Legal matters

There is Nil legal matters as at 30 June 2021 that could have a material impact on future operations.

Liability Mutual Insurance

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

MAV WorkCare

Council is a participant of the MAV WorkCare Scheme. The MAV WorkCare scheme provides workers compensation insurance. The MAV WorkCare Scheme states that each participant will remain liable to make further contributions to the scheme in respect of any insurance year in which it was a participant to the extent of its participant's share of any shortfall in the provision set aside in respect of that insurance year, and such liability will continue whether or not the participant remains a participant in future insurance years.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 8 - Managing uncertainties cont.

(c) Guarantees for loans to other entities

The amount disclosed for financial guarantee in this note is the nominal amount of the underlying loan that is guaranteed by the Council, not the fair value of the financial guarantee.

Financial guarantee contracts are not recognised as a liability in the balance sheet unless the lender has exercised their right to call on the guarantee or Council has other reasons to believe that it is probable that the right will be exercised. Borough of Queenscliff (Council) transferred land to Point Lonsdale Surf Life Saving Club (PLSLSC) for one dollar (\$1) consideration in April 2015. Subsequently, the PLSLSC has secured a line of credit of up to \$150,000 providing the land as a part of the mortgage.

As per an agreement under section 173 of the Planning and Environments Act 1987 (Vic), between the Council and the PLSLSC, the Council is liable to service the repayments and discharge the mortgage if the PLSLSC is unable to do so. In a very unlikely scenario (current assessment of the management), if Council decide to exercise step in rights, the mortgagee will consent to transfer of the subject land and the adjoining land to Council for nil consideration subject to the terms of the agreement.

8.2 Change in accounting standards

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

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables) and payables (excluding statutory payables). 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.

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.

Though the loss of income from interest has been a material amount in comparison to Council's other own source revenue, interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 8 - Managing uncertainties cont.

(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.

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.

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.

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 + 0.5% and -0.0% in market interest rates (AUD) from year-end rates of 0.1%.

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 2021

Note 8 - Managing uncertainties cont.

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 three years for buildings, roads, footpaths and cycleways, off street car parks to four years for land and drainage assets. 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.

8.5 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 9 - Other matters

9.1 Reserves	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
(a) Asset revaluation reserves			
2021			
Property			
Land			
- Freehold land	20,923	-	20,923
- Crown land	4,664	-	4,664
- Land under roads	3,129	-	3,129
Buildings	8,482	-	8,482
Total Property	37,198	-	37,198
Infrastructure			
Roads	5,485	-	5,485
Footpaths and cycleways	333	-	333
Drainage	482	-	482
	6,300	-	6,300
Total asset revaluation reserves	43,498	-	43,498
2020			
Property			
Land			
- Freehold land	20,923	-	20,923
- Crown land	4,664	-	4,664
- Land under roads	3,129	-	3,129
Buildings	8,482	-	8,482
Total Property	37,198	-	37,198
Infrastructure			
Roads	4,667	818	5,485
Footpaths and cycleways	192	141	333
Drainage	509	(27)	482
	5,368	932	6,300
Total asset revaluation reserves	42,566	932	43,498

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 2021

Note 9 - Other matters cont.

(b) Other reserves	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
2021				
Asset Replacement Reserve - Allocated	576	358	(25)	909
Asset Replacement Reserve - Unencumbered	397	50	-	447
Future Calls on Defined Benefits Superannuation	40	-	-	40
Funds carried forward to future years				
Grant funding not yet expended - Operating	602	127	(441)	288
Grant funding not yet expended - Capital	1,518	22	(1,228)	312
Incomplete works - Operating	837	325	(189)	972
Incomplete works - Capital	1,955	183	(458)	1,680
Total funds carried forward to future years	4,911	658	(2,317)	3,252
Waste management reserves				
Kerbside waste	(21)	43	-	22
Public waste	(24)	36	-	12
Green waste	18	-	(37)	(20)
Total waste management reserves	(27)	79	(37)	15
Total Other reserves	5,897	1,146	(2,379)	4,663
2020				
Asset Replacement Reserve - Allocated	297	298	(19)	576
Asset Replacement Reserve - Unencumbered	124	273	-	397
Future Calls on Defined Benefits Superannuation	40	-	-	40
Funds carried forward to future years				
Grant funding not yet expended - Operating	398	379	(175)	602
Grant funding not yet expended - Capital	1,724	340	(546)	1,518
Incomplete works - Operating	537	304	(4)	837
Incomplete works - Capital	2,345	297	(687)	1,955
Total funds carried forward to future years	5,004	1,319	(1,412)	4,912
Waste management reserves				
Kerbside waste	(7)	-	(14)	(21)
Public waste	10	-	(34)	(24)
Green waste	18	-	(0)	18
Total waste management reserves	21	-	(48)	(27)
Total Other reserves	5,486	1,890	(1,479)	5,897

Notes to the Financial Report For the Year Ended 30 June 2021

Note 9 - Other matters cont.

	2021 \$'000	2020 \$'000
9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)		
Surplus/(deficit) for the year	(118)	551
Depreciation	1,353	1,331
Profit/(loss) on disposal of property, infrastructure, plant and equipment	540	(7)
Assets written off	-	609
Borrowing costs	(0)	1
Change in assets and liabilities:		
(Increase)/decrease in trade and other receivables	218	408
(Increase)/decrease in inventories	(1)	2
(Increase)/decrease in prepayments	2	123
(Increase)/decrease in accrued income	(231)	24
(Increase)/decrease in regional library equity	75	(33)
Increase/(decrease) in trade and other payables	-	-
Increase/(decrease) in accrued expenses	(28)	(333)
Increase/(decrease) in accrued wages	30	44
Increase/(decrease) in trust funds and deposits	30	(84)
Increase/(decrease) in income received in advance	1,678	230
Increase/(decrease) in provisions	121	(17)
Net cash provided by/(used in) operating activities	3,668	2,848

9.3 Superannuation

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

Accumulation

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

Defined Benefit

Council does not use defined benefit accounting for its defined benefit obligations under 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 the Borough of Queenscliffe in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119 Employee Benefits.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 9 - Other matters cont.

Funding arrangements

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

A triennial actuarial review for the Defined Benefit category as at 30 June 2020 was conducted and completed by the due date of 31 December 2020.

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 104.6%. The financial assumptions used to calculate the VBI were:

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

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

Vision Super has advised that the VBI at 30 June 2021 was 109.7%. The financial assumptions used to calculate this VBI were:

- Net investment returns 4.8% pa
- Salary information 2.75% pa
- Price inflation (CPI) 2.25% pa.

The VBI is used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2020 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

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.

On the basis of the results of the 2020 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2021, this rate was 9.5% of members' salaries (9.5% in 2019/2020). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

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

Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

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.

Notes to the Financial Report For the Year Ended 30 June 2021

Note 9 - Other matters cont.

The 2020 triennial actuarial investigation surplus amounts

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

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

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

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2020.

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

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

Council was notified of the 30 June 2020 VBI during August 2020 (2019: August 2019).

Notes to the Financial Report For the Year Ended 30 June 2021

Note 9 - Other matters cont.

The 2021 interim actuarial investigation

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

Superannuation contributions

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

Scheme	Type of Scheme	Rate	2021 \$,000	2020 \$,000
Vision super	Defined benefit	9.50%	3	3
Vision super	Accumulation fund	9.50%	234	215

Unfunded liability payments to Vision Super is \$Nil during the 2020—21 year (2019—20 \$Nil).

Unfunded liability payments to Vision Super is \$Nil during the 2020—21 year (2019—20 \$Nil).

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 is \$240,000.

Note 10 - Change in accounting policy

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

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

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

It is not expected that these standards will have any significant impact on council.





“Our volunteers were pleased to continue working with the Borough of Queenscliffe during a difficult year. After seven months locked down at the museum, we were grateful to be able to re-connect many of our volunteers and members through a program of Heritage Discovery Days funded as part of the Borough’s Community Activation and Social Isolation Initiative.”

Carolyn McKinnon
Queenscliffe Maritime Museum





References

Glossary	197
Abbreviations	201
Index	202

Glossary

Annual Report 2020—21 Glossary

Accrual accounting	System of accounting where items are brought to account and included in the Financial Statements as they are earned or incurred, rather than as they are received or paid.
Assets	Future economic benefits controlled by Council as a result of past transactions or other past events.
Bad and doubtful debts expenditure	Bad debts written off and the movement in the bad debt provision for infringement debtors, caravan park debtors and sundry debtors.
Balance sheet	A quantitative summary of Council's financial position at 30 June, including assets, liabilities and net equity.
Borrowing costs	Interest incurred on loan borrowings.
Cash and cash equivalents assets	Cash and investments readily convertible to cash, including cash on hand, cash held in the bank, deposits at call and highly liquid investments.
Comprehensive Income Statement	A financial statement highlighting the accounting surplus or deficit of Council. It provides an indication of whether the Council has sufficient revenue (including grants - capital) to meet expenses (other than capital expenditure) in the current year, including non-cash costs such as depreciation and amortisation expenditure. It also includes other comprehensive income items including net asset revaluation increment (decrements) reversals and share of other comprehensive income of associates and joint ventures accounted for by the equity method to arrive at a 'comprehensive result'. The comprehensive result equates to the movement in net assets or total equity from the prior year.
Contributions income	Contributions received by Council for the purpose of providing and improving public open space, provision / improvement of the drainage system and in relation to specific projects.
Current assets	Assets for which Council expects to receive the future economic benefit within the next twelve months unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
Current liabilities	Liabilities for which Council expects to fulfil its obligation within the next twelve months unless the Council does not have an unconditional right to defer settlement of the liability for at least twelve months after reporting date.
Depreciation and amortisation expenditure	An expense which recognises the value of a fixed asset as it is used up over time.
Employee benefits expenditure	Relates to wages and salaries, casual staff payments, annual leave, long service leave, superannuation, fringe benefits tax and WorkCover.
Equity	The residual interest in the assets of Council after deduction of its liabilities, which is made up of accumulated surplus and reserves. Total equity is also equal to net assets.

Equity method	A method of assessing profits earned by joint venture investments. The reported income value is based on Council's share of joint venture assets.
Expense	An outgoing payment made by Council.
Financial Performance Indicator	A prescribed indicator measuring the effectiveness of financial management in Council covering operating position, liquidity, obligations, stability and efficiency.
Fixed assets	See Property, infrastructure, plant and equipment.
G21 Geelong Region Alliance	A formal alliance of government, business and community organisations working together to improve the lives of people within the Geelong region across five member municipalities – Colac Otway Shire, Golden Plains Shire, City of Greater Geelong, Borough of Queenscliffe and Surf Coast Shire.
Governance and Management Checklist	An outline of Council's performance against a set of policies, plans and strategies (e.g. annual Budget, community engagement policy, disaster recovery plan).
Grants – recurrent income	Grant income received on a regular basis (e.g. quarterly or annually) and granted to Council by another entity for specific or general purposes.
Indicator	A measure to demonstrate Council's performance across a variety of areas.
Infringement Court	Refers to Penalty Enforcement by Registration of Infringement Notice. A system established under Schedule 7 of the <i>Magistrates Court Act 1989 (Vic)</i> to deal with unpaid fines.
Interest bearing loans and borrowings	Council's borrowings.
Interest income	Includes interest earned on all cash and investment balances, interest earned on rates and unrealised gains on managed fund investments.
Inventories	A complete listing of merchandise or stock on hand, work in progress, finished goods on hand, etc.
Land – non-specialised	Includes freehold land, where Council is the owner of the land.
Land – specialised	Includes Crown land assets, where Council is the Committee of Management, and land under roads, where Council has operational control of the land.
Liabilities	Future sacrifices of economic benefits that Council is presently obliged to make to other entities as a result of past transactions or other past events.
Materials and services expenditure	Expenditure incurred in relation to contract payments and trade services, building maintenance, general maintenance, plant and equipment maintenance, utilities, consultants, office and administration, insurance, financial and legal costs and information technology costs.
Measure	A unit or set of units against which to determine whether Council has achieved set targets.

Movement in equity for the period	The change in the net surplus (deficit), asset revaluation increments (decrements) and movement in other reserves. This is also equal to the change in equity.
Net assets	The difference between total assets and total liabilities, which represents Council's net worth. Net assets are also equal to total equity.
Net asset revaluation increment (decrement)	This represents the increase (decrease) between the old valuation and new valuation of property and infrastructure asset classes, which were re-valued during the year.
Net gain (loss) on disposal of property, plant and equipment, infrastructure	The net income received in relation to the sale of assets and the carrying amount of assets sold, replaced or disposed of during the year.
Non-current assets	Assets where the future economic benefit is not expected to be received within the next twelve months or where the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.
Non-current assets classified as held for sale	Non-current assets that Council intends to sell within the next twelve months.
Non-current liabilities	Liabilities where the obligation is not expected to be fulfilled within the next twelve months or where Council has a right to defer settlement of the liability for at least 12 months after reporting date.
Other expenses	Includes auditors' remuneration, Councillors' allowances, operating lease rentals, cost of volunteers' contribution, impairment losses and asset write-offs.
Other income	Income received from investment property rental, other rental income, interest income, value of volunteers' contribution and reimbursements.
Prepayments	Payments made by Council in advance of receiving the goods or services.
Property, infrastructure, plant and equipment assets	Often referred to as Fixed Assets, this is the largest component of Council's asset base or worth. It represents the value of all land, buildings, roads, footpaths, drains, vehicles, plant and equipment and so on, which are recorded on Council's asset register.
Provisions	Includes accrued long service leave, annual leave, time in lieu and rostered days off owing to employees at reporting date.
Ramsar Convention	Also known as the Convention on Wetlands of International Importance. It is an intergovernmental treaty that provides the framework for national action and international cooperation for the conservation and wise use of wetlands and their resources.
Rate cap	An annual limit set each year by the Minister for Local Government. The rate cap applies to general rate increases for all councils during a particular financial year. It does not apply to waste management charges or the Fire Services Property Levy. The rate cap for 2020–21 was 2.00%.
Rates and charges	Income received from ratepayers in relation to general rates, waste management charges and special rate schemes.

Reserves	Includes the asset revaluation reserve and discretionary reserves. The asset revaluation reserve includes the net revaluation increments and decrements arising from the revaluation of fixed assets. Discretionary reserves, which are funds Council wishes to separately identify as being set aside to meet a specific purpose in the future and for which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council and separately disclosed.
Revenue	The amount of money that Council actually receives from its activities, mostly from rates and services provided to customers and ratepayers.
Service performance indicator	A prescribed indicator measuring the effectiveness and efficiency of Council services covering appropriateness, quality, cost and service outcomes.
Statutory fees and fines income	Includes parking infringements and costs, Infringement Court recoveries, town planning fees, land information certificates, etc.
Surplus (deficit)	Represents the difference between total revenues (including grants – capital), expenses (other than capital expenditure), net gain (loss) on disposal of property, plant and equipment, infrastructure and share of net profits (losses) of associates and joint ventures accounted for by the equity method.
Sustainable capacity indicator	A prescribed indicator measuring whether Council has 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.
Trade and other payables	Monies owed by Council to other entities / individuals.
Trade and other receivables	Monies owed to Council by ratepayers and other parties less the provisions for doubtful debts.
Trust funds and deposits	Monies received by Council for a specific purpose, which are to be refunded upon a specific event occurring (e.g. Council assets are not damaged).
User fees	Income received by Council from a variety of fees and charges such as aged and health services fees, animal and local law fines and registrations, building permits and other charges, debt collection recovery charges and caravan and camping fees.

Abbreviations

AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
ABS	Australian Bureau of Statistics
AM	Member of the Order of Australia
APES	Accounting Professional and Ethical Standards
AUD	Australian dollars
BoQ	Borough of Queenscliffe
CA	Chartered Accountant
CALD	Culturally and Linguistically Diverse
CEO	Chief Executive Officer
CHSP	Commonwealth Home Support Programme
CIV	Capital Improved Value
CPA	Certified Practising Accountant
CPI	Consumer price index
CPR	Cardiopulmonary resuscitation
Cr	Councillor
DELWP	Department of Environment, Land, Water and Planning
E-waste	Electronic waste
EBA	Enterprise Bargaining Agreement
EMT	Executive Management Team
ERP	Estimated resident population
FCCA	Fellow of Chartered Certified Accountants
FTE	Full-time equivalent
G21	Geelong Region Alliance
GRLC	Geelong Regional Library Corporation
GST	Goods and Services Tax
HACC	Home and Community Care
HR	Human Relations
IT	Information Technology
JMAPP	JLT Municipal Asset Protection Plan Discretionary Trust
JP	Justice of the Peace
LMI	Liability Mutual Insurance
LSL	Long service leave
MAV	Municipal Association of Victoria
MCH	Maternal and Child Health
NA	Not applicable
NDIS	National Disability Insurance Scheme
NES	National Employment Standards
OAM	Medal of the Order of Australia
OHS	Occupational Health and Safety
PC	Personal computer
PS	Primary school
SEIFA	Socio-Economic Indexes for Areas
TGGB	Tourism Greater Geelong and the Bellarine
WDV	Written down value
WIP	Work in progress
VAGO	Victorian Auditor-General's Office
VBI	Vested benefit index
VCAT	Victorian Civil and Administrative Tribunal
VGC	Victoria Grants Commission
VIC	Visitor Information Centre

Index

A

Aged care 68
Animal management 95, 97
Australia Day awards 56
Avenue of Honour 75, 85

C

Charities 49
Climate change
 Carbon Neutral Action Plan 51
 Climate Emergency Response Plan 3, 19, 74, 75
Coastal Marine Management Plan 3, 84–85
Committees 39–41
Community satisfaction 109
Conflict of interest 35–36
Council meetings 34–35
Councillors
 Allowances 38
 Expenses 38
 Travel 39
 Profiles 29–31
COVID-19 5, 47–48, 55, 69, 75, 80, 85

D

Demographics 10
Documents for inspection 94

E

Electronic waste 19
Enterprise Bargaining Agreement 51
Equal employment 51
Events 26
Executive team 44

F

Financial overview 20, 92–93, 133–136
Financial report 131–132, 141–193
Fire prevention 95
Freedom of Information 95

G

Governance and management checklist 105–108, 114
Grants, donations and subsidies 98–103, 114

H

Heritage 84–85

I

Indicators
 Sustainable capacity 119–120
 Financial performance 125–128
 Service performance 121–122

L

Local law 33, 92, 96

M

Memberships 104

O

Occupational health and safety 50
Organisation chart 42

P

Performance statement 113–115
Planning framework 52
Policies, strategies and plans 37
Privacy and data protection 96
Procurement 54
Public interest disclosures 96
Public question time 21

R

Recruitment 49
Renewable energy 19, 74
Risk management 52

S

Staff profile 44–45
Stakeholder engagement 21, 23–25

T

Tourism 80

V

VAGO 40–41, 92–93, 117–118, 135–136, 139–140
Volunteers 55, 80

W

Waste and recycling 55, 75





