



**Borough of Queenscliffe**  
Queenscliff & Point Lonsdale, Victoria, Australia

**annual report**  
**2014-15**

*lest we forget*

 **100**  
YEARS OF  
ANZAC

THE SPIRIT  
LIVES  
2014 - 2018



*Walking along the foreshore path towards Point Lonsdale.*



# Contents

## About this annual report

### The Borough of Queenscliffe Annual Report 2014–2015 highlights Council's performance against the second year of the Council Plan 2013–2017 and the 2014–15 Budget.

The Council Plan 2013–2017 sets out five strategic directions that Council's performance is measured against:

1. A healthy, involved and creative community
2. A vibrant local economy
3. A unique natural environment
4. A well-planned and attractive place to live and visit
5. A proactive and accountable Council

This Annual Report includes information about Council's performance, achievements and challenges for each of these strategic directions within the 2014–15 year, as well as an outline of Council services and operations. It also provides a comprehensive and externally audited Performance Statement and Financial Report.

This 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.

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.

### Feedback or questions relating to the annual report are welcome.

**Email:** [info@queenscliffe.vic.gov.au](mailto: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](http://www.queenscliffe.vic.gov.au).

*Cover image courtesy of the Australian War Memorial: P03027.002. Rear view of the Fortress Signals Troop marching through the main street of Queenscliff prior to their departure for Rabaul, 1941.*

<b>1</b>	<b>Year in review</b>	<b>5</b>
	Mayor's & CEO's report	6
	Highlights	8
	At a glance	10
	Our successes	13
	Financial overview	16
	Event highlights	20
<b>2</b>	<b>Your Council</b>	<b>23</b>
	Borough of Queenscliffe profile	24
	Your Councillors	28
<b>3</b>	<b>Our people</b>	<b>31</b>
	Organisation summary	32
	Executive team	33
	Organisation chart	34
	Staff management and culture	35
	Volunteers	37
	Awards and recognition	38
<b>4</b>	<b>Our performance</b>	<b>41</b>
	A healthy, involved and creative community	42
	A vibrant local economy	48
	A unique natural environment	51
	A well-planned, attractive place to live and visit	56
	A proactive and accountable Council	63
<b>5</b>	<b>Corporate governance</b>	<b>69</b>
	Council governance	70
	Organisational governance	76
	Governance and management checklist	86
	Victorian local government indicators	88
	Community satisfaction	89
<b>6</b>	<b>Performance Statement</b>	<b>91</b>
	Understanding the Performance Statement	92
	Sustainable Capacity Indicators	93
	Service Performance Indicators	94
	Financial Performance Indicators	96
	Other Information	98
	Certification of the Performance Statement	99
	VAGO Independent Auditor's Report on the Performance Statement	100
<b>7</b>	<b>Financials</b>	<b>103</b>
	Understanding the Financial Report	104
	Summary of Financial Performance	105
	Financial Report	112
	Certification of the Financial Report	149
	VAGO Independent Auditor's Report on the Financial Report	150
<b>8</b>	<b>References</b>	<b>153</b>
	Glossary	154
	Abbreviations	156
	Index	157





# Year in review

Mayor's & CEO's report	6
Highlights	8
At a glance	10
Our successes	13
Financial overview	16
Event highlights	20

# Mayor's and CEO's report

**It has been an exciting, productive and rewarding year, highlighted by the endorsement of the Fort Queenscliff Precinct Tourism Master Plan and the completion of major infrastructure projects at the Queenscliff Kindergarten and the Point Lonsdale Foreshore.**

## Improving our performance

Community engagement has been a primary focus for Council. A number of initiatives have been made to increase the variety of ways that Council engages and informs the community – an example of this has been an increase in alternative community engagement practices, the development of a comprehensive community engagement policy, and the use of listening posts, forums, e-newsletters and the monthly Borough Bulletin printed in the local media.

These initiatives have been reflected in the outstanding results achieved in the annual Local Government Community Satisfaction Survey. Highlights for the year included the following:

- The Borough of Queenscliffe continues to score higher than the State-wide and Small Rural averages on all core measures and in most cases, significantly so.
- The score for 'overall performance' was eight points higher than the state-wide average.
- The score for 'community consultation' was six points higher than the state-wide average.
- The score for 'advocacy' was two points higher than 2014 and eight points higher than the state-wide average.
- The score for 'overall Council direction' was five points higher than the state-wide average.

## Celebrating our volunteers

Council continues to recognise and celebrate the contribution of our volunteers. For us here in the Borough of Queenscliffe, valuing our volunteers is extremely important given the extent of our local population who actively volunteer, which is over 50 per cent.

Together, our volunteers partner with Council, many local service providers and agencies to form an amazing workforce powering many essential community, environmental, sporting, welfare, emergency services, education and cultural services.

We'd like to take this opportunity to thank the Borough's many volunteers for selflessly giving so much of their time and energy to the community's sporting clubs and community organisations.

Volunteers are the fabric of our society and without them the Borough would be a very different place to live. Our volunteers provide a strong foundation for our community-minded culture.

Council continues to support local organisations through donations and the Community Grants Program, which helps to facilitate new initiatives and projects that strengthen the governance, services and facilities of local organisations. A total of \$146,395 in grants and donations was paid to local organisations throughout the year, including community events \$85,813, contributions to community organisations \$35,164, community grants \$19,188, youth programs and education scholarships \$6,230.

## Delivering vital community services

The 2011 Census highlights the Borough's unique demographic trends, such as having the oldest age profile in Australia. Although we are older than the rest of Victoria, we are also healthier, with 62.9% of local residents reporting 'very good' or 'excellent' health, compared with the state average of 54.3% (source: Victorian Population Health Survey 2011-2012, Department of Health).

Overall our residents have rated their wellbeing at 81.5%, compared with the state average of 77.5% (source: VicHealth Indicators Survey 2011 Results).

This underlines the challenges associated with meeting the increasing demand for services and confirms the importance of Council's aged and disability services in supporting people to live independently in their own homes. Council's commitment to and continued achievement of a zero waiting list for access to home and community care services provides a level of comfort to residents.

## Maximising grant opportunities

Council has had significant success in attracting funds for community facilities and infrastructure from state and federal governments, thereby reducing the financial pressures on local ratepayers. A total of \$2,967,000 in grant funding has been received.

This has enabled Council to undertake larger-scale infrastructure upgrades to local roads, as well as undertake improvements to important community assets such as the Queenscliff Sports Club building (Monahan Centre), Point Lonsdale foreshore, the long awaited roundabout at Admans Street and the Queenscliff historic railway station precinct.

Central to the success in attracting grant funding has been:

1. Good planning – involving local residents, community organisations and Council to clarify needs and determine the best way to address the gaps in the standard of facilities and infrastructure.
2. Strategic advocacy - building a strong case to other levels of government for grants to enable Council and the local community to achieve facility and infrastructure improvements.

## Developing a sustainable financial position

Council ended the year in a healthy financial position despite an underlying deficit of (\$239,000) due to lower than expected levels of completed works carried forward from previous years. During 2014-15 a total of \$1,763,000 was spent on capital works across the Borough. This included a total of \$1,317,000 on renewals/ upgrades and \$445,000 on new assets.

Income sources available to Council to deliver its key services to the community include rates, user fees and charges, grants and community contributions, borrowings and interest on investments.

Council continued to seek to strike a balance in the funding sourced from each of these pools to meet the service needs and expectations of the community. A commitment to cost restraint and

provision of services of value to residents and ratepayers remains imperative to this Council and drove financial decisions in 2014-15.

## Future of Fort Queenscliff

The Fort Queenscliff Precinct Tourism Master Plan has been prepared to explore ways in which the Fort could be activated for tourism and attract visitors to Queenscliff and the region to support local businesses, strengthen the local community and stimulate the economy.

Community feedback, ideas and suggestions provided through the two project focus groups and the public submissions process for the draft Master Plan were across a broad range of areas of interest.

Whilst recognising the Federal Government as the key decision making agency, there is an opportunity to deliver a series of activation projects that will not impact the current Department of Defence operations and deliver a positive stimulus to the local economy.

The Fort activation projects would be a significant 'on the ground' step in unlocking Fort Queenscliff. The projects recommended in the Master Plan include the Fort Wall Walk, Fort Wall Lighting & Image Projections, Hesse Street South Activation and Outdoor Events.

## Harnessing tourism opportunities

Tourism is a key component of the local economy, contributing some \$41,000,000 per annum. Council pursued and was successful in obtaining significant funding opportunities from other levels of government to plan for the future of several important areas in the Borough.

Other economic development activities that have been conducted included facilitating business development seminars, convening a local tourism forum and hosting a number of television production companies that have profiled Queenscliff and Point Lonsdale.

The Queenscliffe Visitor Information Centre continues to provide excellent service to visitors and the local community. It has maintained its Level 2 Accreditation status and launched digital platforms on social media to promote our region as a destination of choice. Again, volunteers have contributed greatly to the success of this important service.

In summary 2014-15 has been an exceptionally rewarding year, with 95% of Business Plan Priority Actions completed and a further 5% in progress. A number of outstanding results have been achieved. We have successfully delivered major infrastructure priorities and the foundations have been laid for several exciting projects to progress in 2015-16.

The importance of good working relationships and project partnerships between community, Council and other levels of government continues to underpin everything we do.

Councillors and Council officers are committed to the ongoing improvement of the Borough of Queenscliffe. Their level of professionalism, dedication and enthusiasm is nothing short of brilliant and, for that, we sincerely thank them.



**Cr Helene Cameron**  
Mayor

**Lenny Jenner**  
Chief Executive Officer

## Highlights of 2014–15

- Council secured \$3,155,000 funding for the final stage of redevelopment of the Monahan Centre.
- The Borough of Queenscliffe won a Gold Award for the 2013–14 Annual Report and was also recognised by the Chairman's Award as the Best First Year Entry in the Australasian Reporting Awards.
- Council's 2013–14 Annual Report received the Institute of Chartered Accountants Australia and the Municipal Association of Victoria's Best Communications (Low Resource) Award.
- Council's commitment to improved consultation with the community was formalised in the Community Engagement Policy that was revised and then adopted on 24 September 2014. This incorporates the principles of the International Association for Public Participation (IAP2) framework and the requirements of the Local Government Act 1989.
- 20 partners joined the Community Environment Alliance, a partnership of individuals, businesses, schools and community groups united to reduce carbon emissions.
- The Borough of Queenscliffe's overall performance index score of 68 represents a three point decline on the 2014 result. This result however is significantly higher than both the Small Rural group average (index score of 59) and the State-wide average (60).
- Council successfully completed the \$350,000 Early Learning Facility Upgrade of the Queenscliff Kindergarten.
- Zero waiting list maintained for access to Aged Care & Disability Services.
- Completion of the Fort Queenscliff Precinct Tourism Master Plan.
- Total grant funding received by Council in 2014–15 was \$2,967,000.
- Improved coastal vegetation protection and weed reduction.
- Filming in the Borough by television production companies. This included the Channel 7 Sunrise broadcast, Rachel Khoo's Kitchen Notebook and Channel 7's new miniseries, *Molly*.

## Disappointments

- The development of a Footpath Strategy has been rescheduled to be completed in 2015–16.
- Queenscliffe Planning Scheme Review has not been finalised. In June 2015 Council resolved to seek Ministerial Authorisation to prepare the amendment documentation as a result of the Queenscliffe Planning Scheme Review. Ministerial authorisation has been received and preparation of documentation for the formal Planning Scheme Amendment process (including formal public exhibition) is well advanced.





*Pelicans enjoying sunset swim at the Queenscliff Harbour.*

## Fast facts

- 3,058 permanent residents
- 3,066 rateable properties
- 17,120 peak population over summer
- 14 birth notifications
- 95% of Council Plan actions completed
- 5% of Council Plan actions still in progress
- \$2,967,000 of grant funding received by Council
- 10 grants totalling \$19,188 were awarded to local Community Groups
- 9,110 hours of Aged Care & Disability Services provided
- 63 food safety audits conducted
- 168 planning applications received
- 29,273 visits to the Queenscliff Library
- 36,845 people assisted at the Queenscliffe Visitor Information Centre
- 152,706 'hits' on the Borough of Queenscliffe website
- 42 kilometres of local road network maintained
- 2,835 shrubs and ground covers planted
- 188 park and street trees planted
- 168 tonnes of environmental weeds removed
- 7,556kgs of e-waste was collected
- 1,302 tonnes of waste sent to landfill from kerbside bins
- 168 kilograms of household batteries were recycled
- 71 media releases issued
- 28 Mayor's columns published
- 5,012 items of incoming correspondence processed
- Volunteers contributed 5,747 hours of volunteer time to visitor servicing
- 42 Heritage Walks were coordinated totalling 464 participants
- The Visitor Information Centre Facebook account increased page likes from 330 to 465
- The Visitor Information Centre Twitter Account increased from 447 to 657 Twitter followers.

# At a glance

STRATEGIC DIRECTION	ACHIEVEMENTS
<p><b>A healthy, involved and creative community</b> (refer to page 44 for further information)</p>	<ul style="list-style-type: none"> <li>□ Maintained the zero waiting list status for access to Aged Care &amp; Disability Services.</li> <li>□ Completed feasibility study of preferred option into possible future uses of Point Lonsdale and Queenscliff Lighthouse Reserves.</li> <li>□ Completed the upgrade at the Queenscliff Kindergarten.</li> <li>□ Awarded 10 Community Grants, totalling \$19,188.</li> <li>□ Supported a diverse range of local community organisations, civic events and arts, cultural and sporting activities.</li> </ul>
<p><b>A vibrant local economy</b> (refer to page 48 for further information)</p>	<ul style="list-style-type: none"> <li>□ Showcased Queenscliff and Point Lonsdale through filming and media visits.</li> <li>□ Developed the Fort Queenscliff Precinct Tourism Master Plan.</li> <li>□ Promoted the Borough of Queenscliffe at the Regional Victoria Living Expo. Council received the Ministers Award for outstanding display in conjunction with Geelong and Surrounds participants.</li> <li>□ Supported local business through support of the Small Business Festival.</li> </ul>
<p><b>A unique natural environment</b> (refer to page 51 for further information)</p>	<ul style="list-style-type: none"> <li>□ Implemented a kerbside green waste collection service.</li> <li>□ Secured \$30,000 grant funding from Sustainability Victoria to upgrade bin enclosures and improve signage at Queenscliffe Recreation Reserve Caravan Park and Royal Park Caravan Park.</li> <li>□ 168 kilograms of household batteries recycled and saved from landfill.</li> <li>□ Expanded the weed management program in foreshore areas.</li> <li>□ Removal of 168 tonnes of environmental weeds.</li> </ul>
<p><b>A well-planned and attractive place to live and visit</b> (refer to page 56 for further information)</p>	<ul style="list-style-type: none"> <li>□ Completed the Point Lonsdale Foreshore Revitalisation Project, Stages 1 and 2.</li> <li>□ Secured \$3.15m funding for the Queenscliff Sport &amp; Recreation Precinct Development Project.</li> <li>□ Completed the Ferry to Pier Foreshore Development Project.</li> <li>□ 67% of planning permits were decided within the 60 day timeframe.</li> </ul>
<p><b>A proactive and accountable Council</b> (refer to page 63 for further information)</p>	<ul style="list-style-type: none"> <li>□ Total grant funding received of \$2,967,000.</li> <li>□ The adopted rate increase of 3.8% for 2015–16 remained one of the lowest rate increases (as a percentage) in the region and the state.</li> <li>□ 71 media releases issued and 28 Mayor’s Columns published in local newspapers.</li> <li>□ Won the MAV Annual Reporting Award for Best Communications – Low Resource.</li> <li>□ The Borough of Queenscliffe won a Gold Award for the 2013–14 Annual Report and was also recognised by the Chairman’s Award as the Best First Year Entry.</li> </ul>

DISAPPOINTMENTS	CHALLENGES	YEAR AHEAD
<ul style="list-style-type: none"> <li>❑ A suitable funding program was not identified to progress the Queenscliff / Hesse St Hub. This will become a focus for future funding opportunities in 2015–16.</li> </ul>	<ul style="list-style-type: none"> <li>❑ A suitable funding program has not yet become available to progress the Queenscliffe Park Project.</li> <li>❑ Complete the Footpath Strategy.</li> </ul>	<ul style="list-style-type: none"> <li>❑ Complete the Queenscliff Recreation Reserve Master Plan.</li> <li>❑ Secure funding for the Queenscliffe Park Project.</li> <li>❑ Secure funding for the Queenscliff / Hesse Street Hub.</li> <li>❑ Progress construction of the Queenscliffe Sport and Recreation Precinct Project.</li> </ul>
	<ul style="list-style-type: none"> <li>❑ A tourism industry forum discussed opportunities and challenges associated with improving tourism and economic development in the Borough.</li> </ul>	<ul style="list-style-type: none"> <li>❑ Implement the Tourism Master Plan for Fort Queenscliff in consultation with the Department of Defence, community and other stakeholders.</li> <li>❑ Advocate for funding to progress the Fort Activation Projects.</li> <li>❑ Council will support Tourism Greater Geelong and The Bellarine's (TGGB) targeted television advertising campaign to promote Queenscliff and Point Lonsdale, which will be televised in late 2015. 43 local businesses are contributing to the campaign.</li> </ul>
<ul style="list-style-type: none"> <li>❑ Several unanticipated tree failures required immediate removal, temporarily limiting public access to pathways and parks.</li> <li>❑ Council has had to manage several instances of tree vandalism.</li> </ul>	<ul style="list-style-type: none"> <li>❑ Continue working towards a solution to increase the green waste disposal capacity of the region.</li> </ul>	<ul style="list-style-type: none"> <li>❑ Increase community participation in the Community Environmental Alliance.</li> <li>❑ Secure funding to upgrade residential street lighting to energy-efficient alternatives.</li> </ul>
	<ul style="list-style-type: none"> <li>❑ Continue advocacy and efforts to secure funding to implement an Economic Development and Tourism Strategy.</li> </ul>	<ul style="list-style-type: none"> <li>❑ Complete the review of the Queenscliffe Planning Scheme.</li> <li>❑ Continue planning and construction of the Queenscliff Sport and Recreation Precinct Project.</li> <li>❑ Complete the refurbishment and upgrade of the shared Senior Citizens and Sea Scouts building.</li> </ul>
<ul style="list-style-type: none"> <li>❑ The State Government Country Roads and Bridges funding program concluded in June 2015.</li> </ul>	<ul style="list-style-type: none"> <li>❑ Working with relevant members of parliament and senior government officers from the Department of Defence, the state government to maximise use of Fort Queenscliff.</li> <li>❑ Continued to work with the MAV, RCV and State Government to understand the impacts of rate capping.</li> </ul>	<ul style="list-style-type: none"> <li>❑ Community engagement continues to be a key area of focus for both Council and the community.</li> <li>❑ Collect the Fire Services Property Levy on behalf of state government.</li> <li>❑ Implement a Professional Development Plan to maintain staff qualifications and enhance skills and knowledge.</li> </ul>

To realise the vision and achieve the strategic directions in the Council Plan, specific Business Plan Priority Actions were set for 2014–15. Below is a summary of the number of actions achieved for each strategic direction.

STRATEGIC DIRECTION	NUMBER OF ACTIONS	COMPLETED	IN PROGRESS	YET TO COMMENCE
A health , involved and creative community	7	6	1	0
A vibrant local economy	8	8	0	0
A unique natural environment	8	8	0	0
A well planned and attractive place to live and visit	6	5	1	0
A proactive and accountable Council	13	13	0	0
<b>2014–2015 overall result</b>	<b>42</b>	<b>40</b>	<b>2</b>	<b>0</b>

### Progress on strategic directions: 2014–15

Council's progress on the Business Plan Priority Actions is rated under one of three outcomes:

#### Completed

While these actions were fully implemented, some are ongoing in nature and, given their importance to the Borough, have been included in the Council Plan 2013–2017 and the Annual Implementation Plan 2015–2016.

#### In Progress

These actions were progressed but not completed. Any actions assessed as priorities for the future have been included in the Council Plan 2013–2017 and the Annual Implementation Plan 2015–2016.

#### Yet to commence

All Business Plan priority actions were commenced within 2014–15.



Kate, Leah and Shannon volunteer at the ANZAC Day services.

# Our successes

Considerable progress has been made on a number of projects that will have lasting benefit to the Borough of Queenscliffe community and visitors to the area. Here are some of the highlights.

## Reducing our carbon footprint together

We are fortunate indeed to call the Borough of Queenscliffe home with its majestic parkland, heritage buildings and bayside and ocean beaches.

The air we breathe is pure and clean and the scenery we look over is both grand and pristine. The great natural beauty of this place is an intrinsic part of our daily lives - it is a part of who we are. Our environment is both fragile and sensitive and something we should never take for granted.

It is a valuable asset that we must nurture and protect, not just for ourselves but for our children, their children and the generations that follow them. The good work we do today in safeguarding our environment will reap dividends through the ages.

That is why our Community Environment Alliance program is such an important new initiative for Queenscliff and Point Lonsdale. The Borough of Queenscliffe is committed to this initiative and the many community projects it will inspire.

Council encourages businesses, community groups and private individuals to consider joining as an Alliance partner to help reduce the Borough's carbon emissions.

## What is the Community Environment Alliance?

The Community Environment Alliance is a group of Queenscliff and Point Lonsdale locals who are working together to reduce carbon emissions. Our aspiration is for the Borough of Queenscliffe to be a carbon neutral community by 2020.

Carbon neutral is where emissions are effectively reduced to zero. Such reduction can happen through a combination of actions such as: reducing electricity and gas usage; using solar or wind power and offsetting any remaining emissions.

## Alliance highlights

### Electronic Waste Recycling

Residents across Point Lonsdale and Queenscliff put their e-waste to good use this year – disposing of their electronic waste in a safe and environmentally friendly way. More than seven-and-a-half tonnes of electrical waste was handed in; included were more than 5.8 tonnes of discarded television sets and almost 1.4 tonnes of household appliances.

A total of 205 cars were recorded passing through the temporary drop-off facility at Ocean View Car Park in



Community planting day with volunteers, Rob Hurley, Beth Nyland, Marie Harris, Claire Ziegler, Colin Bridges, Peter and Heather Williams with Matt Crawley of Bellarine Catchment Network.

# Our successes

Queenscliff. All e-waste will be recycled by Dandenong-based PGM Refiners, a social enterprise that employs disadvantaged workers. PGM specialises in recycling electronic waste and de-manufactures it into components including plastics, glass, metal wiring and circuit boards. These items can be then made into new products.

## Solar panel installations rollout across the Borough

The Community Environment Alliance will deliver 43 solar installations as part of the community solar bulk-buy initiative across Queenscliff and Point Lonsdale. The project is an initiative of the Community Environment Alliance, a partnership of residents, schools, community groups and businesses working together to protect our environment and reduce carbon emissions.

This idea was developed by the Power Savers Working Group, a group of locals with knowledge and experience in solar power. Members include Stuart Miller, Lorraine Golightly, Roel Wasterval, Rod Waythe and Jacqueline Wilson (Alliance facilitator) with strong support from Cr Sue Wasterval.

More than 98 inspections of homes, businesses and community facilities have been undertaken in Queenscliff and Point Lonsdale by the project's preferred suppliers, Radiant Energy Systems of Geelong since the community information sessions in early June.

The total solar generated by the bulk-buy initiative is 200 megawatt hours per annum. This could power 45 Victorian homes for a full year, based on the current State average electricity usage of 12 kilowatt hours per day. The 43 installations will reduce our community's carbon emissions by 270 tonnes per annum. That's the equivalent of taking 78 cars off the road for a year.

## Showcasing sustainable living in Point Lonsdale

People travelled from across Victoria in September 2014 to participate in a very successful Sustainable House Day (SHD) open house at Point Lonsdale.

Visitors from Narre Warren, Macedon, Bendigo, Melbourne, Ballarat, Torquay and Geelong flocked to the Moore Court home of Tony Baenziger (architect) and Sue Coles (interior designer) to learn more about sustainable design.

The event provided people with an opportunity to see a sustainable home in action and learn what they should consider if building a new home, or considering retrofitting their existing home. 132 people inspected the home and owners Tony and Sue hosted small groups of tours continuously throughout the day.

Entry to Sustainable House Day was via gold coin donation with all proceeds being donated to the Point Lonsdale Surf Life Saving Club (PLSLSC). A total of \$128 was collected.

Council has received wonderful feedback about participating in Sustainable House Day and this forms part of our Community Environment Alliance goal of becoming carbon neutral in the Borough by 2020.

## Future of Fort Queenscliff

The Fort Queenscliff Precinct Tourism Master Plan has been prepared to explore ways in which the Fort could be activated for tourism and attract visitors to Queenscliff and the region to



support local businesses, strengthen the local community and stimulate the economy.

Community feedback, ideas and suggestions provided through the two project focus groups and the public submissions process for the draft Master Plan were across a broad range of areas of interest. Whilst recognising the Federal Government as the key decision making agency, there is an opportunity to deliver a series of activation projects that will not impact the current Department of Defence Operations and deliver a positive stimulus to the local economy.

The Fort activation projects would be a significant 'on the ground' step in unlocking Fort Queenscliff. The projects recommended in the Master Plan include the Fort Wall Walk, Fort Wall Lighting & Image Projections, Hesse Street South Activation and Outdoor Events.

## Community feedback shapes the future of the lighthouse reserves

Council will progress future planning for the Point Lonsdale and Queenscliff lighthouse reserves after considering two detailed reports outlining extensive community feedback at the October 2014 Council meeting.



*Council considered a range of options for the future of the Point Lonsdale lighthouse reserve.*

Council approved the preparation of a detailed feasibility and financial analysis of both Option 2 (Landscape Improvements) and Option 3 (Eco-Accommodation) as presented in the Queenscliff Lighthouse Reserve Discussion Paper.

Council also approved the preparation of a detailed feasibility and financial analysis of Option 2 (Landscape Improvements) as presented in the Point Lonsdale Lighthouse Reserve Discussion Paper. The financial analysis will include a financial assessment of the possible sources of both capital funds and recurrent operating costs.

Planning for the future of our lighthouse reserves has unified our communities, encouraged genuine debate and discussion which has provided Council with a clear way forward. We greatly value our community's views and will ensure these are included and reflected in the next stages of both projects.

#### **Point Lonsdale kids set for playground boost**

Point Lonsdale families will soon have a new place to play thanks to an \$80,000 funding grant secured by Council to upgrade the Point Lonsdale Village Playground. The grant will help provide even more opportunities for the wider community to participate in active recreation.

The funding will be used to upgrade the town's main playground to provide new fully accessible play equipment, incorporating interactive and sensory activity pieces. The project will also establish a grassed area for informal recreation.

The playground upgrade benefits extend beyond local families and children who will be delighted with the new features proposed. Many visitors are attracted to Point Lonsdale's foreshore because of the attractive mix of beach, trail and playground recreation options.

# Financial overview

**Council has achieved significant improvements to community facilities in the Borough during 2014–15 due to a continued focus on maximising grant funding opportunities for capital works investment whilst at the same time minimising rate increases and maintaining Council's focus on capital renewal of infrastructure assets.**

Financial investment from state and federal governments has enabled Council to complete or make significant progress against a range of priorities in 2014–15. This is most evident in the majority of the following capital works and project initiatives:

- Completion of Stage 2 of the Point Lonsdale Foreshore Revitalisation project
- Upgrade of the Queenscliff Kindergarten
- Progress in redeveloping the Queenscliff Senior Citizens Centre to incorporate the Queenscliff Sea Scouts as part of the Queenscliff Heritage Railway Precinct upgrade
- Completion of the Queenscliff Ferry to Queenscliff Pier foreshore trail and improved access
- Upgrade of Springs car park to achieve safer pedestrian and vehicle movement, an uninterrupted beach promenade and improved amenity
- Improvements to local footpaths in Point Lonsdale Road, Point Lonsdale and Learmonth Street in Queenscliff
- Renewal of the Queenscliffe & District Neighbourhood House kitchen
- Secured funding from Sustainability Victoria towards green waste bin roll out
- Completion of Stage 1 of the Queenscliff Sports Club Monahan Centre enhancement
- Commenced planning for Murray Road Development Plan
- Completion of the Hesse / Symonds / Wharf Street roundabout in Queenscliff
- Completion of pavement and drainage renewal in Bay Street, Queenscliff
- Completion of Grimes Road / Fellows Road, Point Lonsdale pedestrian crossing

Successful funding allocations achieved in 2014–15 for future capital works projects in the Borough of Queenscliffe with a high level of support from the local community included:

- State Labor Government election commitment to upgrade the caravan park, improve the outdoor sporting facilities at Queenscliff Sport and Recreation Precinct and complete Stage 2 of the Monahan Centre
- State Government allocations to complete the final Stage 3 of the Point Lonsdale Foreshore Revitalisation project.

A commitment to cost restraint and provision of services of value to residents and ratepayers remains imperative to this Council and drives financial decisions.

## In brief

The following information relates to the Financial Statements contained in this Annual Report:

- an underlying deficit of (\$239,000), which is an improvement of \$197,000 compared to the budgeted underlying deficit of (\$436,000) due to lower than expected levels of completed works carried forward from previous years (funded from cash held in reserves on the Balance Sheet)
- \$11,578,000 in revenue with 53% coming from rates and charges
- \$1,763,000 capital works delivered, including \$1,317,000 in renewal/upgrade of existing assets
- \$10,914,000 expenditure with 32% attributable to employee costs and 55% due to materials and services
- \$67,225,000 in fixed assets, comprising community facilities (property, plant and equipment) and infrastructure
- \$5,076,000 in holdings of cash – \$766,000 more than last year
- \$539,000 in loans and borrowings – \$210,000 less than last year in accordance with scheduled loan repayments

Within the 'small shire councils' grouping of 21 councils across the state, the outcomes of VAGO's annual assessment of financial sustainability indicators for all councils indicates that the Borough of Queenscliffe Council remains in a sound financial position and is considered 'low' risk on all six financial sustainability indicators for the 2013–14 year. The results for the 2014–15 financial year audits are expected to be released by VAGO late in the 2015 calendar year.

Council achieved excellent results against all Local Government authorities in the 'small shire councils' grouping on the Financial Sustainability Index, which provides a score against six financial benchmarks including:

1. Adjusted underlying operating result as a percentage of total revenue – generate enough revenue to cover operating costs, including the cost of replacing assets reflected in depreciation expense
2. Current assets to current liabilities – have sufficient working capital to meet short-term commitments.
3. Net operating cashflows as a percentage of total revenue – generate enough operating cash-flow to invest in asset renewal and repay debt.
4. Non-current debt as a percentage of own source revenue – generate sufficient operating cash flows to invest in asset renewal and repay any debt incurred in the past.
5. Capital spend as a percentage of total depreciation – replacing assets at a rate consistent with consumption.
6. Asset renewal and upgrade as a percentage of depreciation over six years - maintaining existing assets at a consistent rate.

These results, which are either equal to or more favourable than the group average, highlight an overall continuing positive movement by Council towards long-term financial sustainability.



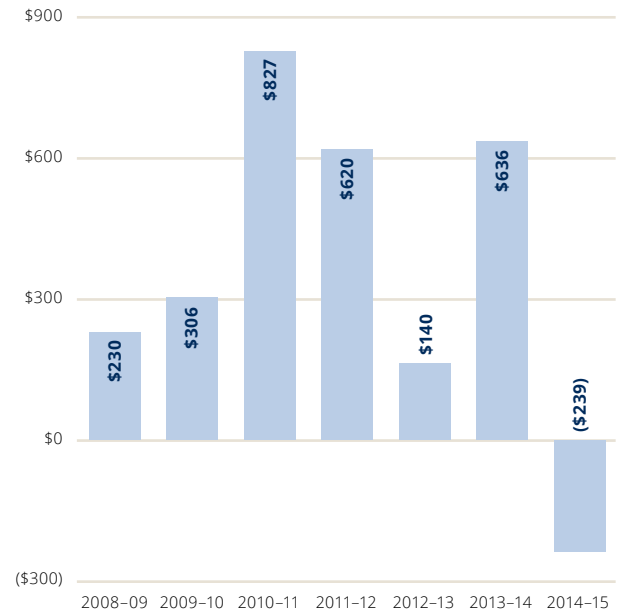
## Underlying operating result

A key measure of financial sustainability is the underlying operating result, which identifies whether the Borough of Queenscliffe is generating enough revenue to cover operating expenses and includes the cost of replacing our assets. Sustaining an underlying surplus result is a critical financial strategy and should remain relatively consistent from year to year. It best represents our ability to remain sustainable and continue with normal day-to-day operations.

In each of the previous six years, Council has maintained an underlying surplus greater than Budget. The deficit result is due to the delivery of carry forward capital projects from 2013–14 in relation to capital investment that Council has successfully attracted significant external grant funding in previous years.

Council's underlying deficit for 2014–15 is (\$239,000). This is a \$197,000 improvement on the budgeted underlying deficit of (\$436,000) and is due to lower than expected levels of completed carry forward works. Cash from government grant funding is set aside in previous years and held in reserves on the Balance Sheet to fund completion of works.

Underlying operating result, 2008–09 to 2014–15 (\$'000)

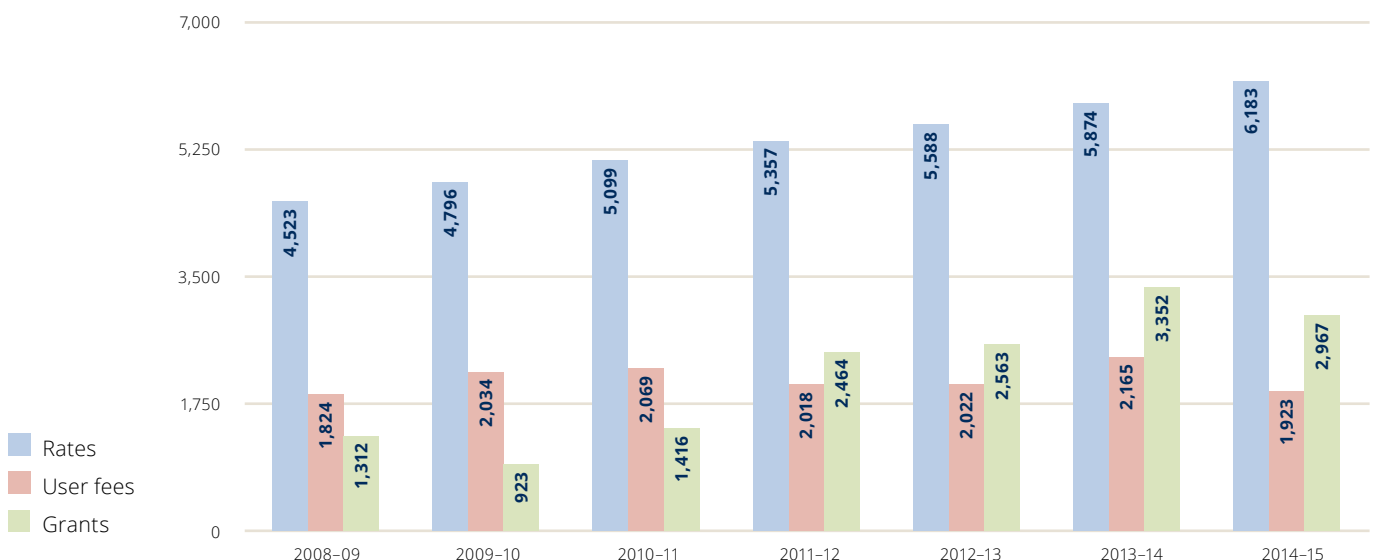


## Revenue streams

Income sources available to Council to deliver its key services to the community include rates, user fees and charges, grants and community contributions, borrowings and interest on investments. Council seeks to strike a balance in the funding sourced from each of these pools whilst still meeting the service level needs, means and expectations of the community.

Council has sought to actively minimise rate increases and continues to post one of the lowest increases in the state. It pursues alternative income streams such as fees for its caravan parks and camping grounds and has been highly successful in attracting external grant funding from all levels of government.

Rates, user fees and grant income, 2008–09 to 2014–15 (\$'000)



# Financial overview

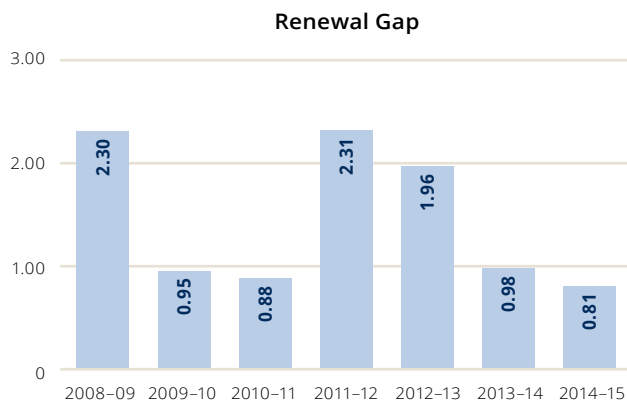
## Sustainable capital expenditure

Council aims to ensure that our assets can be maintained at the expected levels while continuing to deliver services needed by our community. During 2014–15 a total of \$1,763,000 was spent on capital works across the Borough. This includes a total of \$1,317,000 on renewals/upgrades and \$445,000 on new assets.

Council recognises the importance of asset renewal, so it actively programs this expenditure into its annual Budget. Council's rate of spending on existing infrastructure, property, plant and equipment compared to depreciation on its assets has been recognised by the Victorian Auditor-General's Office (VAGO) as in the top three councils in the 'small shire councils' grouping, based on the results of the local government audits for the 2013–14 financial year.

Ratios higher than 1.0 indicate that spending on existing assets is greater than the rate at which Council is consuming its assets. This long-term indicator is averaged over a number of years and Council continues to focus on its Asset Management Plan to ensure existing infrastructure, property, plant and equipment is renewed when required.

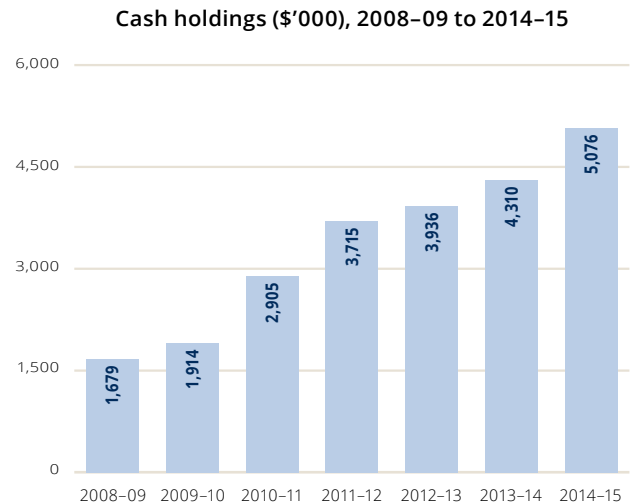
Renewal gap (expenditure on asset renewal and upgrade as a percentage of depreciation), 2008–09 to 2014–15



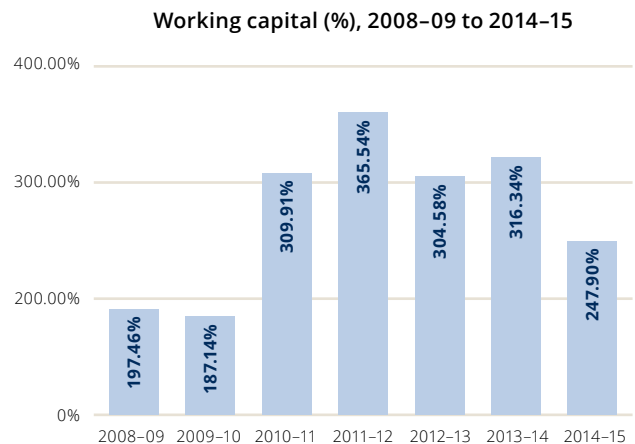
Council has been highly successful in attracting significant external funding from sources such as the Country Roads and Bridges Program and the Local Government Infrastructure Fund to support this investment.

## Cash holdings

In total, holdings of cash and cash equivalents and financial assets have increased to \$5,076,000 during 2014–15. Included in this amount is \$3,522,000 in reserve funds, \$2,566,000 of which is carried forward from previous years and earmarked for specific projects and \$231,000 of which is set aside for Council to respond to future capital works opportunities.



Council currently holds an appropriate level of cash to ensure that liquidity remains strong and is above forecast levels.



Council's liquidity has been assessed by VAGO as being low risk in future years. This is based on the assumption that all planned capital projects will be fully completed each year, which is not usually the case due to timing differences in external funding and project delivery. Thus, the actual resulting liquidity position will always be better than forecast.

## Future planning

Council has many current and future demands on funding. The economic situation highlights the need for strong long-term planning and the targeted allocation of resources. This is achieved through the preparation of the Council Plan, the Long Term Financial Plan (10-year outlook), the Strategic Resource Plan (four-year outlook), the annual Budget and Council's Rating Strategy.

The continued development of these documents enables Council to identify and analyse trends of significance and provide for sound financial planning and decision making.

It is important that Council reflects upon its financial performance, ensuring it is sound and the community's assets continue to be well managed, adequate cash reserves are held and satisfactory financial ratios are maintained.

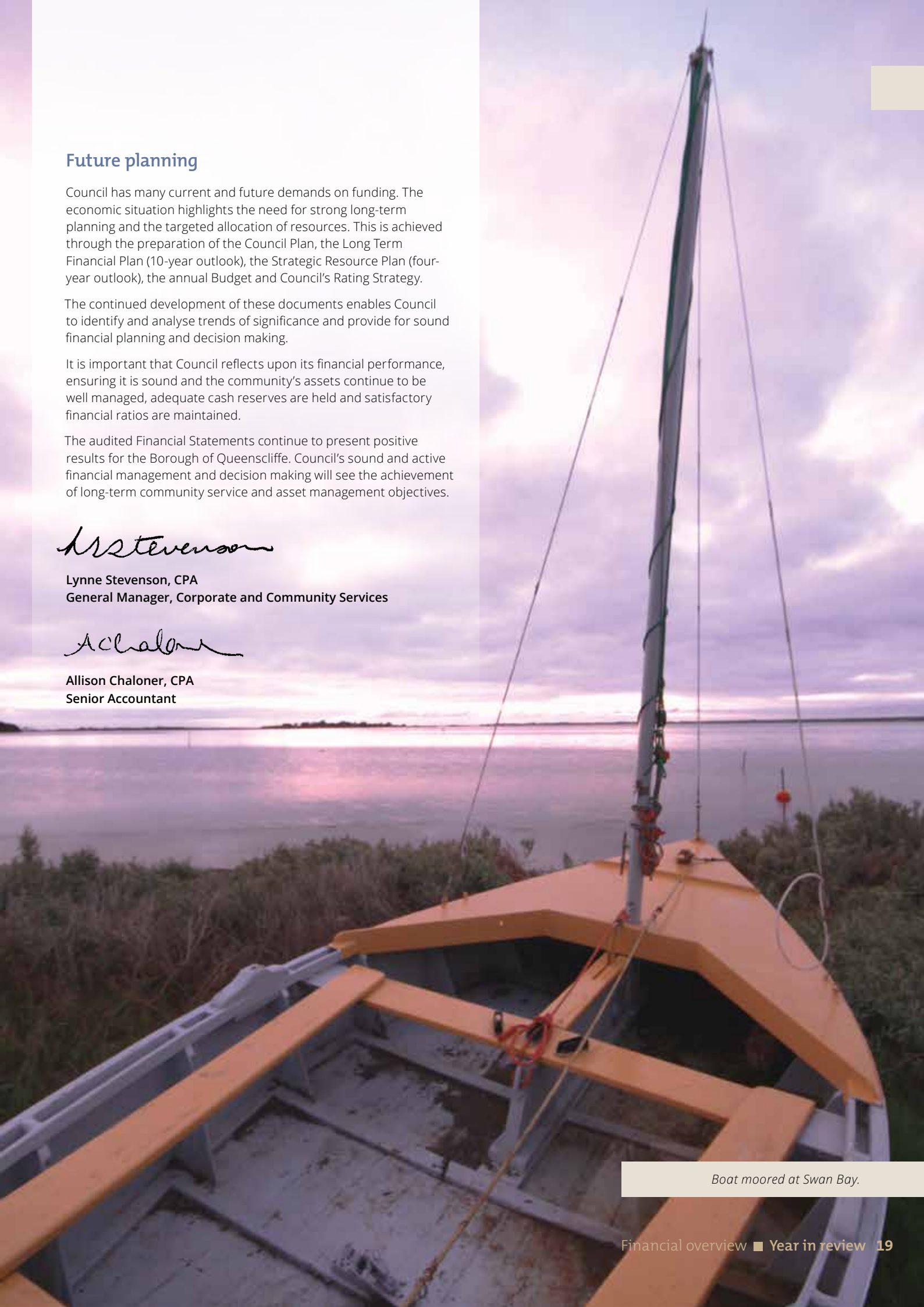
The audited Financial Statements continue to present positive results for the Borough of Queenscliffe. Council's sound and active financial management and decision making will see the achievement of long-term community service and asset management objectives.



Lynne Stevenson, CPA  
General Manager, Corporate and Community Services



Allison Chaloner, CPA  
Senior Accountant



Boat moored at Swan Bay.

# Event highlights

Council recognises that festivals and events bring a range of social, economic and cultural benefits to the community, and help to promote the Borough as a tourism and leisure destination on a local, national and international scale. In 2014–15 Council directly supported more than 30 local events and activities.

## July 2014

Bellarine Lighthouse Film Festival

## August 2014

Bellarine Rail Trail Fun Run

Small Business Festival

## September 2014

100 Steps Fun Run

## October 2014

Around the Bay in a Day

Victorian Seniors Festival

Interactive Children's Concert

FReeZA Youth Event

## November 2014

Queenscliff Music Festival

Walking Home

Walk to School

## December 2014

Point Lonsdale Lighting of the Christmas Tree

Annual Harley Riders Toy Run

Rip View Swim Classic

## January 2015

Rip to River Run

Sand Sculpture Contest

Australia Day Celebrations

Blue Water Swim Classic

## February 2015

Queenscliff Hot Rod Show

## March 2015

Maritime Weekend

## April 2015

Anzac Day commemorative services

Skate, Scoot and BMX event

Artists in Residence Project

## May 2015

Sea of Words

Volunteer Celebration

## June 2015

Refugee Welcome Zone Declaration

St Kilda Film Festival Regional Tour



*World's Longest Lunch on the Queenscliff Harbour.*





2014 Queenscliff Music Festival.

# Your Council

Borough of Queenscliffe profile 24

Your Councillors 28

Day	Time	Artist/Act
Friday	7:00-8:00	Hiatus Kaiyote
	8:45-10:00	Skunkhour
	10:45-12:00	Don Sultan
	11:30-12:30	The Little Steves
Saturday	1:00-2:00	Perfect Tripod Australian Songs
	2:30-3:30	Open Stringer Clothier
	4:00-5:15	Great Times Band feat: Darryl Braithwaite, Richard Clouton, Russell Morris
	5:45-6:45	Stonefield
	7:15-8:15	Nahko and Medicine for the People
	9:00-10:15	The Church
11:00-12:00	The Jegabets	
Sunday	11:45-12:40	Trevor Hall
	1:10-2:00	Musky
	2:30-3:30	The Waifs
	4:00-5:30	Xavier Rudd

# Borough of Queenscliffe profile

## Our Vision

A vibrant, safe and welcoming community that draws inspiration and life from our heritage, unique environment and connection to the sea.

The Borough of Queenscliffe comprises the coastal townships of Queenscliff and Point Lonsdale.

The Borough of Queenscliffe, the only Borough in Australia, was created in May 1863. In May 2013 the Borough of Queenscliffe Council and community celebrated its 150th anniversary.

Queenscliff was first and foremost built for government purposes. It provided postal, customs, health and telegraph services, lighthouse and signal services, military and defence establishments and the sea pilot's service.

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

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 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.

## Location

The Borough of Queenscliffe is located at the eastern tip of the Bellarine Peninsula and opposite Point Nepean at Port Phillip Heads in Victoria, Australia. It is bordered by water on three sides: Port Phillip, Swan Bay and Bass Strait. The only land border is the City of Greater Geelong on its west. It is approximately 105 kilometres south-west of Melbourne and 35 kilometres east of Geelong.

People are attracted to the Borough for its picture-perfect streetscapes; towering lighthouses; heritage buildings; contemporary living; vibrant coffee culture; great schools and kinder; maritime history; stylish new harbour; fashion boutiques and art galleries; fresh and gourmet produce; museums; live music; markets; the beach; and, most of all, its vibrant and inclusive community.



*Fishing along Queenscliff Pier.*



## The Borough of Queenscliffe name

In 1836, when the first permanent settlement started here, the area was known as Whale Head. It was later changed to Shortland's Bluff in honour of Lieutenant John Shortland, who took part in the surveying of Port Phillip.

In 1853, Lieutenant Governor La Trobe, who often holidayed here with his family, renamed the town 'Queenscliff' in recognition of Queen Victoria. At this time, Point Lonsdale was designated a battery reserve. It was not truly settled until the late 1880s once it became popular with holiday-makers.

In 1863 the Honourable TH Fellows forwarded to the Governor a hand-written memorial signed by 185 householders seeking declaration of a municipal area. The memorial called for proclamation of the locality by the name of 'The Municipal District of Queenscliffe'.

Later in 1863 the Victorian Parliament passed the Municipal Consolidation Act, and the Municipal District of Queenscliffe became the Borough of Queenscliffe.

The modern understanding of the spelling is that Queenscliffe with the 'e' refers to the municipality whereas Queenscliff without an 'e' refers to the township.

The corporate seal was designed in 1864. The Latin text in the corporate seal 'Statio Tutissima Nautis' is loosely translated as a 'safe harbour for seafarers'. 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.

## Community

The Borough of Queenscliffe has a unique demographic profile of permanent residents. The following data is sourced from the ABS 2012 and Census 2011:

- There are 3,091 permanent residents and 2,767 dwellings, with an average household size of 2.09.
- The 53% of private dwellings unoccupied during the 2011 Census is indicative of the large temporary population: many property owners only holiday or live part-time in the Borough.
- 53.2% of the permanent resident population live in Point Lonsdale.
- 43.3% of the population is aged over 60.
- The three largest ancestries are Australian, English and Irish.
- 1,051 people (35%) have a tertiary qualification.
- 1,153 people are employed. There is a high proportion of retirees and semi-retirees.
- 64% of homes in the Borough of Queenscliffe have a broadband internet connection.

The Borough's population fluctuates due to tourism and increases to 17,120 people over the summer period.

## Age structure

Age structure is an important indicator of an area's 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 2011.

	Borough of Queenscliffe	Victorian average
Babies and pre-schoolers (0–4)	4.2%	6.4%
Children (5–17)	12.8%	16.0%
Adults (18–59)	39.7%	57.7%
Mature adults and seniors (60–84)	38.5%	17.8%
Elderly (85 and over)	4.8%	2.0%

*Percentage of population by age group, comparison of Borough of Queenscliffe and Victorian average in 2011*  
(Source: [www.profile.id.com.au/queenscliffe](http://www.profile.id.com.au/queenscliffe))

## Our wellbeing

According to the VicHealth Indicators Survey 2011:

- Although we are older than the rest of Victoria, we are also healthier, with 62.9% of residents reporting 'very good' or 'excellent' health, compared with the state average of 54.3%.
- Our residents rated their wellbeing at 81.5 out of 100, compared with the state average of 77.5.
- When compared with the whole of Victoria, people living in the Borough have a significantly higher rating in the following areas:
  - volunteering (the highest in Victoria)
  - participation in citizen engagement
  - likelihood of attending arts activities and cultural events
  - feel safe walking alone during the day and at night (highest in Victoria)
  - likely to visit green spaces regularly (highest in Victoria)

When asked to describe the best thing about the Borough of Queenscliffe, top responses from residents themselves included:

- Location: 20%
- Pristine condition of public areas: 13%
- Beach / waterfront / foreshore areas: 12%
- Councillors work well and are approachable: 9%
- The community, particularly the small neighbourhood feeling: 8%

(Source: 2015 Local Government Community Satisfaction Survey, JWS Research.)

## Environment

The Borough of Queenscliffe is surrounded by coastal foreshore on three sides. The Port Phillip and Bass Strait coastlines of the Borough 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 Shortlands 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 and Crown land management, with a number of foreshore reserves under its management. These comprise approximately 8% of the total municipal area (27 reserves totalling around 104 hectares) – the highest proportion of any municipality 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, its Corporate Carbon Neutral Action Plan and the Community Environment Alliance.

## Economy

The Borough's economy is dependent on three major industry sectors. By annual economic output the largest contributors are:

- public administration and safety (\$155,000,000)
- tourism (\$41,000,000)
- construction (\$38,600,000).

At the time of the 2011 Census, 1,153 people living in the Borough of Queenscliffe were employed and there were 1,561 jobs located in the Borough of Queenscliffe.

The major industry contributors to local jobs are:

- health care and social assistance (14.3%)
- education and training (11.7%)
- public administration and safety (11.2%)
- accommodation and food services (10.3%)
- retail trade (8.7%).

There are three primary retail and business precincts: Hesse Street in Queenscliff, Queenscliff Harbour and Point Lonsdale Village.



# Your councillors

The current Council was elected to office in October 2012.



*L-R: Cr Sue Wasterval, Cr Graham J Christie, JP, Cr Helene Cameron (Mayor), Cr Susan Salter (Deputy Mayor), Cr Bob Merriman.*

## Cr Helene Cameron, Mayor

Cr Helene Cameron was first elected to Council in 2008 and was elected for a second term in 2012. She was elected Mayor for a third one-year term at the Statutory Meeting of Council in November 2014.

In her 17 years in the Borough, Cr Cameron has been actively involved with the Queenscliff Kindergarten, St Aloysius Catholic Primary School, Parents and Friends committees, fundraising auctions, playgroups and family groups, children's services network and the Queenscliff High School Site Steering Committee.

Her interests include spending time with her children and family, reading, handicrafts and listening to music.

**Portfolio:** Community Wellbeing and Amenity

### Delegation to Council committees and reference groups:

- Australia Day Awards Reference Group (Chair)
- Community Grants Reference Group (Chair)
- Point Lonsdale Lighthouse Reserve Project Reference Group (Chair)
- Queenscliff Lighthouse Reserve Project Reference Group (Chair)

### Delegations to external organisations:

- G21 Health and Wellbeing Pillar
- Geelong Region Library Corporation Board
- MAV Human Services sub committee
- Rural Councils Victoria
- Municipal Association of Victoria

Mobile: 0448 887 728

Email: [helene.cameron@queenscliffe.vic.gov.au](mailto:helene.cameron@queenscliffe.vic.gov.au)

## Cr Susan Salter (Deputy Mayor)

Cr Salter has lived in Queenscliff for nearly 30 years. She has been actively involved in or volunteered in a number of community organisations, book groups and community groups.

Cr Salter is a maths teacher at Bellarine Secondary College, Drysdale Campus, and is known to many community members through her various current and previous roles at the college.

Cr Salter was the president of the Queenscliff Neighbourhood House for 10 years. She has a particular interest in trees, especially historic and native, and has extensive experience in creating public gardens and managing public open spaces.

**Portfolio:** Planning, Heritage, Arts and Culture

### Delegation to Council committees and reference groups:

- Audit Committee
- Community Grants Reference Group
- Reconciliation Reference Group

### Delegations to external organisations:

- G21 Arts and Culture Pillar
- G21 Education and Training Pillar
- Geelong Regional Library Corporation Board (deputy)

Mobile: 0428 398 966

Email: [susan.salter@queenscliffe.vic.gov.au](mailto:susan.salter@queenscliffe.vic.gov.au)

## Cr Bob Merriman

Cr Merriman was first elected to Council in 2008 and was elected for a second term in 2012.

Cr Merriman is actively involved with the community, particularly sporting clubs and organisations.

He is a former Australian Industrial Relations Commissioner whose professional background includes the vehicle, building, electrical and civil construction industries. He is also a former chair of Cricket Australia, Councillor of Latrobe University and Trustee of the Bradman Foundation and Cats Foundation.

**Portfolio:** Governance and Finance

**Delegation to Council committees and reference groups:**

- Audit Committee
- Hesse Street Revitalisation Reference Group (Chair)
- Point Lonsdale Main Street and Foreshore Reference Group

**Delegations to external organisations:**

- G21 Region Alliance Board
- Municipal Association of Victoria (Deputy)
- Geelong Queenscliffe Coastal Mapping Project Strategic Partnership Group
- Rural Councils Victoria

Mobile: 0400 062 967

Email: bob.merriman@queenscliffe.vic.gov.au

## Cr Graham J Christie JP

Cr Christie relocated to the Borough in 2003 following a career in senior finance management roles with major corporations.

He has been heavily involved in driving business and tourism within the Borough. He has coached senior cricket teams and held senior roles within Probus, and the local RSL (as a Vietnam Veteran).

He is a registered Justice of the Peace and has served on many working parties for community projects and local clubs. Cr Christie enjoys spending time with his grandchildren and family.

**Portfolio:** Local Economy

**Delegation to Council committees and reference groups:**

- Hesse Street Revitalisation Reference Group
- Queenscliff Lighthouse Reserve Project Reference Group

**Delegations to external organisations:**

- G21 Economic Development Pillar
- G21 Sport and Recreation Pillar
- G21 Transport Pillar
- Association of Bayside Municipalities
- Tourism Greater Geelong and the Bellarine

Mobile: 0428 437 994

Email: graham.christie@queenscliffe.vic.gov.au

## Cr Sue Wasterval

Cr Wasterval is a long-term resident of the Borough and previously worked as a senior occupational therapist and mental health professional.

She has been an active community worker on Council reference groups, environment associations, the committee of the Neighbourhood House and Council's Australia Day Awards selection committee.

Cr Wasterval believes that the preservation of our beautiful bays, ocean beaches, open spaces, coastal vegetation, and historical buildings is essential for residents and visitors.

**Portfolio:** Sustainability and Local Environment

**Delegation to Council committees and reference groups:**

- Australia Day Awards Selection Reference Group
- Point Lonsdale Lighthouse Reserve Reference Group
- Point Lonsdale Main Street and Foreshore Reference Group

**Delegations to external organisations:**

- G21 Environment Pillar
- Barwon Region Waste Management Group Board

Mobile: 0428 395 784

Email: sue.wasterval@queenscliffe.vic.gov.au



*Leah enjoys the coffee and free wifi available at Belsize & Co café in Queenscliff.*



## Our people

Organisation summary	32
Executive team	33
Organisation chart	34
Staff management and culture	35
Volunteers	37
Awards and recognition	38

# Our People

The primary objective of Council is to endeavour to achieve the best outcomes for the local community, having regard to the long-term and cumulative effects of decisions.

In seeking to achieve its primary objective, Council manages a broad range of functions, activities and services that:

- promote the social, economic and environmental viability and sustainability of the municipal district
- ensure that resources are used efficiently and effectively and services are provided in accordance with the Best Value Principles to best meet the needs of the local community
- improve the overall quality of life of people in the local community
- promote appropriate business and employment opportunities
- ensure that services and facilities provided by the Council are accessible and equitable
- ensure the equitable imposition of rates and charges
- ensure transparency and accountability in Council decision making
- deliver the strategies and initiatives outlined in the Council Plan.

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 62 people; however, the full-time equivalent is only 38.04 positions.

This includes:

- 19 full-time, 37 part-time and 6 casual staff
- 14 male and 48 female staff
- 10 community care workers
- 8 school crossing supervisors
- 1.3 local laws officers
- 5 tourism, economic development and visitor information services staff.

Council and the local community also benefit from the services of approximately 35 volunteers at the Queenscliffe Visitor Information Centre and other volunteers who support Council events and activities.

Directorate	Primary areas of responsibility
Executive Services	Mayor and councillor support Governance Communications Citizenship and civic events Community engagement Organisational development Strategic advocacy
Planning and Infrastructure	Animal management Building control Building maintenance Caravan park management Coastal and crown land management Contract management Emergency management Engineering Environmental health Heritage advice Local law enforcement Powerline clearance Public amenities Road maintenance and works School crossings Strategic and statutory planning Street lighting Sustainability and environment Waste management.
Corporate and Community Services	Aged and disability services Arts, recreation and cultural services 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

## Executive Management 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 Corporate and Community Services. EMT meets on a fortnightly basis.



### Chief Executive Officer – Lenny Jenner

Lenny Jenner was appointed to the position of Chief Executive Officer in October 2008. His qualifications include a Master of Arts (Social Policy), Bachelor of Education and Bachelor of Arts (Recreation). As Chief Executive Officer (CEO), Lenny has overall responsibility for the operations of the Council. Under the Local Government Act 1989 the CEO is the only appointment made by the Council. All staffing responsibilities rest with the CEO.



### General Manager Planning and Infrastructure – Phil Josipovic

Phil Josipovic was appointed to the position in November 2011. Phil's qualifications include a Masters in Business Administration and a Certificate of Technology in Civil Engineering. As General Manager Planning and Infrastructure, Phil is responsible for overseeing the operations of the foreshore and caravan parks, planning, engineering, local laws, building surveying, environmental health services and the recently created sustainability functions of Council. In addition to the management of functions and resources, the role involves providing professional advice to Council on a range of statutory matters.



### General Manager Corporate and Community Services – Lynne Stevenson

Lynne Stevenson was appointed to the position in July 2014. Lynne has a Bachelor of Business (Accounting), is a Certified Practising Accountant (CPA) and has completed post-graduate studies in Local Government Law and Business Administration. As General Manager Corporate and Community Services, Lynne is responsible for several diverse portfolios including Corporate Services, Governance, Finance, Risk Management, Information Technology, Aged Care, Children and Family Services, Tourism & Community Development, Arts & Culture, Events, Customer Service and Records.

## Staff profile

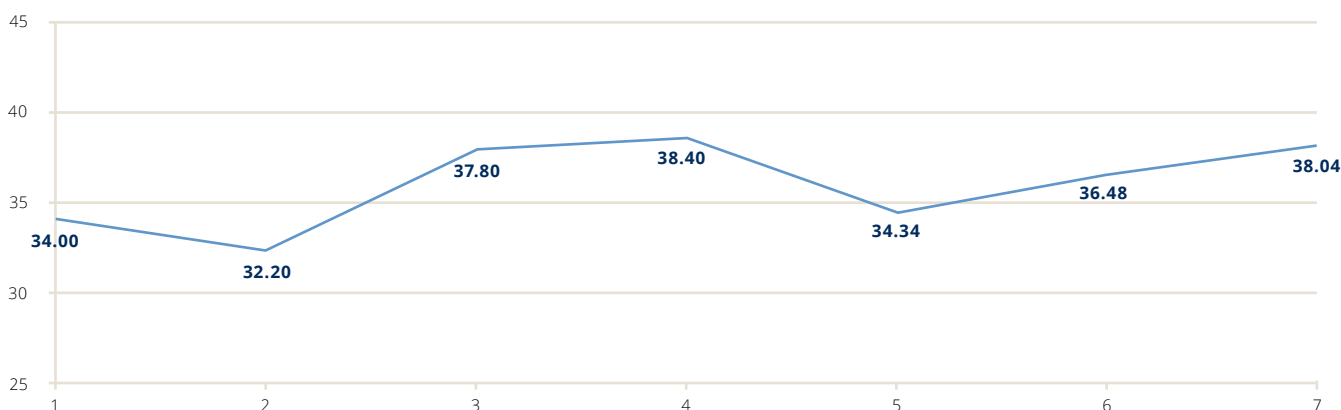
The Borough of Queenscliffe staff team comprises 62 people; however, the full-time equivalent is only 38.04 positions.

Type of Employment	Female	Male
Full Time	10	9
Part Time	33	4
Casual	5	1
<b>Total</b>	<b>48</b>	<b>14</b>
<b>Full Time Equivalent</b>	<b>27.23</b>	<b>10.81</b>

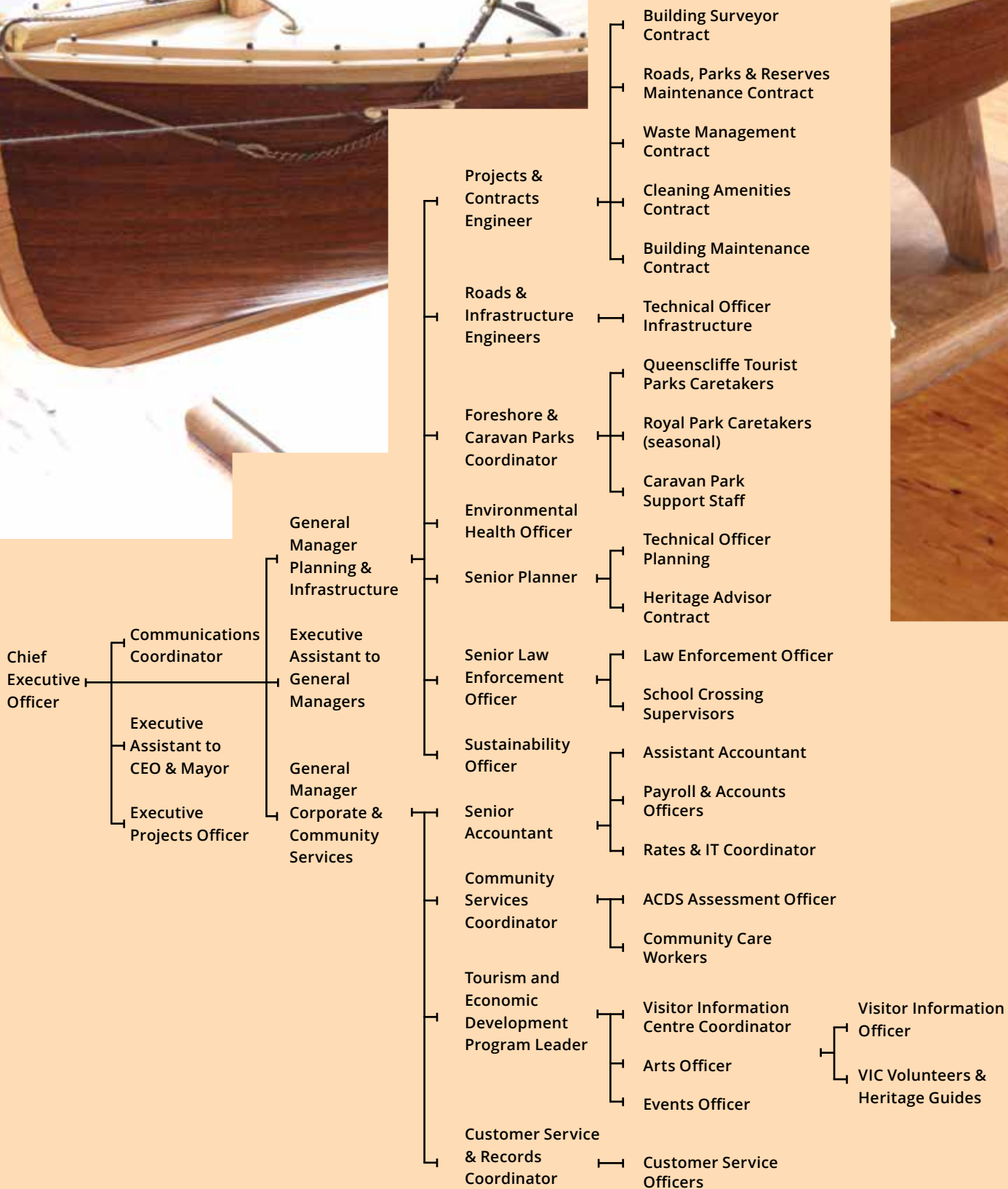
The trend over the past six years shows low levels of staffing fluctuation indicating a stable operating environment and low levels of staff turnover.

Type of Employment	2008/09		2009/10		2010/11		2011/12		2012/13		2013/14		2014/15	
	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Full Time	9	6	9	8	8	8	8	10	10	8	10	8	10	9
Part Time	27	2	28	1	25	1	26	2	22	2	32	4	33	4
Casual			3	1	10	5	10	5	10	3	7	1	5	1
<b>Total</b>	<b>36</b>	<b>8</b>	<b>40</b>	<b>10</b>	<b>43</b>	<b>14</b>	<b>44</b>	<b>17</b>	<b>42</b>	<b>13</b>	<b>49</b>	<b>13</b>	<b>48</b>	<b>14</b>
<b>Full Time Equivalent</b>	<b>34.00</b>		<b>32.20</b>		<b>37.80</b>		<b>38.40</b>		<b>34.34</b>		<b>36.48</b>		<b>38.04</b>	

Total staff (full time equivalent) employed by the Borough



# Organisation chart



# Staff management and culture

## Enterprise Bargaining Agreement

The current Enterprise Bargaining Agreement No 8, 2013, will be valid until 15 January 2016. The agreement relates to all staff not under a fixed term employment contract and provides general terms and conditions under which staff are employed. The agreement is underpinned by the Victorian Local Authorities Award 2001; therefore, any item not detailed in the agreement can be found in the award.

## Staff changes and recruitment

For a small Council, the turnover in staff in 2013–14 was moderate. The following positions were recruited in the 2013–14 financial year:

Caravan Park Caretakers (two positions)	Replacement of contract positions with staff
Visitor Information Centre officer	Replacement
Tourism and Economic Development Officer	Restructure following resignation
Seasonal Caravan Park Caretakers	Replacement
Roads & Infrastructure Engineer	Replacement of fixed term to ongoing position
Executive Assistant to the CEO and Mayor	Replacement due to resignation
Events Officer	Temporary maternity leave replacement
Executive Assistant to the CEO and Mayor	Replacement due to resignation

Positions were advertised in the Geelong Advertiser, Bellarine Echo and/or the Age, as well as on the Borough of Queenscliffe website. Extensive interview and selection processes were undertaken, with successful candidates being recruited to each position.

## Equal employment opportunity

Council has a strong commitment to promote a workplace free of discrimination where each person has the opportunity to progress to the extent of their ability. Equal Employment Opportunity, or EEO, means the absence of discrimination or less-favourable treatment with regards to a person's employment. Council is committed to upholding the principles of Equal Employment Opportunity in all Council activities.

In all policies and practices of the Council there shall be no discrimination relating to sex, marital status, parenthood, race, colour, national origin, physical or mental impairment, religious or political affiliation.

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.

## 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, identify achievements and discover where improvements are required.

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.

## Training and development

In 2014–15 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:

- Coastal Governance Workshop
- Business Writing
- Animal Management Workshop
- National Smart Communities Conference
- Induction to Local Government
- Essential Governance Workshop
- Local Economic Development & Changing Times Conference
- Special interest group meetings relevant to staff roles.

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

## Occupational health and safety

The Borough of Queenscliffe is committed to providing a safe and healthy workplace for our staff, contractors, volunteers and visitors. Council's occupational health and safety (OH&S) manual provides a clear framework with policies and procedures to guide the health, safety and welfare of all staff.

Council's internal Risk Management Committee meets bi-monthly and discusses matters relating to OH&S. Ongoing OH&S training is a key element 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 expected 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.

## 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 human resource 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
- provide a mechanism by which all employees may participate in the implementation of the Enterprise Bargaining Agreement and in changes to work practices brought about by the agreement
- consult on organisational matters affecting employees and their conditions of employment
- consult on organisational OH&S matters.

In 2014–15 the Staff Consultative Committee met on two occasions.

## 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.

Several employees reached service milestones with the Borough of Queenscliffe in 2014-15. One employee reached their five year anniversary, one employee reached 10 years and two employees achieved 15 years of continuous service with the Borough of Queenscliffe.

## Commitment to the Corporate Carbon Neutral Action Plan

Council team members are committed to upholding the principles of the Corporate Carbon Neutral Action Plan through proactively recycling and minimising energy use within the Council offices. A Staff Green Team promotes sustainability practices to staff. Initiatives have included:

- placing recycling bins at each workstation
- printing drafts documents on recycled paper
- having printers default to printing two-sided copies
- placing a recycling bin in the staff room for mixed recyclable products (i.e. paper, cans, plastic bottles, etc.) and a chook bin for food products (i.e. half-eaten apples, stale cake, etc.)
- having lights set to turn off after a period of inactivity within that area of the building
- where possible, encouraging staff to walk or ride (two bicycles are provided) to appointments
- where possible, purchasing stationery and cleaning supplies through environmentally responsible products and organisations
- collecting all polystyrene from deliveries for recycling
- using degradable, environmentally friendly dog poo bags.

## Staff flu vaccinations

Staff Flu Vaccinations were administered to 23 staff members under the Council's vaccination program. This was a decrease from 24 Flu vaccinations given in the previous year. Some staff also took up the option of having the Tetanus/Whooping Cough Boostrix.

## Contribution to charity

During 2014–15 staff participated in several fundraising activities to raise money for local and national charities. This included: Australia's Biggest Morning Tea, Daffodil Day, Geelong Animal Welfare, Give Where You Live, Movember, and Sids and Kids Red Nose Day.

# Volunteers

**Volunteers are the fabric of our society and without them our Borough would be a very different place to live in. Our volunteers provide a strong foundation for our community-minded culture.**

Council is very proud of the high rate of volunteerism within the Borough of Queenscliffe. Residents in the Borough of Queenscliffe are more likely to volunteer at least once a month (62.1%) than the state average (34.3%) (source: VicHealth Indicators Survey 2011).

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

There are a number of ways that people can volunteer within the Borough of Queenscliffe, including the Council managed activities described below.

## Visitor Information Centre Information officers

Volunteers at the Queenscliffe Visitor Information Centre facilitate customer service and share local knowledge of the community and tourism experiences with visitors. The Queenscliffe Visitor Information Centre offers volunteers a calendar of familiarisation tours, social functions, training opportunities and volunteer conferences. Currently there is a team of 35 volunteers who attend to over 48,000 visitor enquiries, 364 days of the year.

## Australia Day Awards and Community celebration

The annual Australia Day Awards and Community Celebration was held at the Queenscliff Town Hall. Volunteer tasks included helping to set up and pack down, serving refreshments and assisting with children's activities. Over 20 local volunteers assisted in the running of the event in January 2015.

## Volunteer celebration

In conjunction with National Volunteers Week in May 2015, Council hosted a civic function to applaud volunteers from across the community. Over 120 community volunteer representatives attended the function, where the Mayor formally said 'thank you' for the valuable contribution the volunteers make to the Borough of Queenscliffe community.



*Long time campaigner for sports facilities Bill Comerford at the Monahan Centre funding announcement.*

# Awards and recognition

In 2014-15 the Borough of Queenscliffe received two awards for the preparation of the 2013-14 Annual Report. The Institute of Chartered Accountants Australia and the Municipal Association of Victoria awarded the Borough of Queenscliffe with the "Best Communications Reporting – Low Resource Council" for the publication of our 2013 -2014 Annual Report.

The Borough of Queenscliffe Council also received two awards at the Australasian Annual Report Awards in June 2015. The Borough of Queenscliffe won a Gold Award for the 2013-14 Annual Report and was also recognised by the Chairman's Award as the Best First Year Entry. Feedback from the judges indicated that it was the first time that a first year entry had received a Gold Award.

This is a great outcome for the Borough Councillors, staff and community and demonstrates Council's commitment to enhancing its approach to annual reporting.

## Commemorating the ANZAC centenary

331 citizens from the Borough of Queenscliffe enlisted in the armed services in World War 1 along with other Australians.

The following is an extract from the service program held in the Borough of Queenscliffe on 25 April 2015 led by Graham Christie JP, President Queenscliff/Point Lonsdale RSL Sub-Branch.

Distinguished guests, ladies and gentlemen of Queenscliff and Point Lonsdale and all our visitors, I extend a most heartfelt welcome on behalf of the Queenscliff and Point Lonsdale RSL Sub Branch to this auspicious and compelling Anzac Centenary Commemoration.

Our Anzac requiem is being held on the traditional lands of the Wadawurrung people and I wish to acknowledge them as Traditional Owners. I would also like to pay my respects to their Elders, past and present, and the Elders from other communities who may be here today.

The service on this headland is redolent in the symbols of that other event a hundred years ago today: the lapping of the waves unseen in the darkness and the Point Nepean skyline with its crumbling sandstone cliffs and scrubby gullies frighteningly akin to that which the Anzac Division faced in 1915.

So let us think of the receding night on 25th April 1915. The moon had set at 3 AM. The dawn was nigh and the voices stilled as the soldiers neared the beach, each one silently contemplating their fate. At our location this morning we can sense the time – a moment that resonates across the hundred years and inflames our national pride. At this time in 1915 a generation of the nation's youth went to war, mostly fit and athletic young men seeking adventure and with little understanding of what was to confront them. Most had recently enlisted: the men into the 1st Australian Imperial Force and women into the Australian Army Nursing Service, which was a part of the 1st AIF. They sailed in troop ships many passing through the Port Phillip Heads where we stand, going to a world imperilled so far away. Firstly, they trained as soldiers in Egypt and then, tragically, many marched into history on the craggy cliffs of a peninsular, hitherto unknown, to them at least, but now burnt into the Australian and New Zealand national consciousness, Gallipoli.

We, like those who went before, embrace the peace of an enchanting new dawn and the rhythm of waves breaking on the shore, as we attend here in solemn reflection honouring a time passed. We attempt to comprehend that moment as the soldiers neared the shore and their senses were heightened to numbing levels, the fear of the unknown enveloping them, each alone with their thoughts even though they were in crowded landing boats. The keel of the barges grounded on the shingle and the soldiers jumped, adrenalin driving them forward with determination that was almost irrational as their mates fell around them. They charged on regardless of risk.

Their situation was cruel, tangible and unforgiving. The long, nervous silence in the boats was replaced in an instant by hearts pounding like hammers while the small world the soldiers occupied exploded around them, starting at 4.39 AM. Firstly there was the rattle of rifle fire, its intensity increasing with the emerging light accompanied by the staccato chattering of machine-guns, raking misery into the disembarking and scrambling troops. Then came the sinister crump of artillery fire and the detonation of high explosive shells. To this havoc was added the noise of men screaming orders, or yelling for help and the cries of the dying. They were little older than the nation they served; they faced



uncertainty with laconic stoicism, a long way from home, in the melting darkness and plunged into a world of inhuman brutality.

The garrison towns of Queenscliff and Point Lonsdale have been bastions for the defence of Melbourne since the Crimea War and take a proud position in the nation's military history. Fort Queenscliff, Popes Eye, HMVS Cerberus and the many gun emplacements facing the sea along our cliff line all date from the 1850s. They were strategically located to prevent incursion from the sea and were manned mainly by local volunteers. In World War One they defended our Nation from any intruder from that war that had broken out on the other side of the world and had spread its ominous influence to a new nation still trying to understand its own identity. Port Phillip Heads had now assumed a new and contradictory role: defence on the one hand and a launching point on the other; a place where our soldiers now left by ship to fight in the First World War.

331 young men enlisted from our towns, to whom must be added the great many women who enlisted in the Nursing Service and those who took up national military and economic tasks vacated by the men. Their deeds of courage and their service to community and country was made on the premise of defending their kith and kin and their homeland, their Australia.

Since those times many more servicemen and women have continued to set forth sadly by ship through these Heads and from other places to go in harm's way, to protect our shores from an aggressor, many never to return. Their courage enlightens this service, where we stand today, to commemorate the 25th of April every year and to acclaim all members of the Australian Defence Forces without hesitation; while also respecting the families that waited at home, past and present and who collectively have made a commitment to our nation's defence, security, freedom and future.

May we always honour their duty and continue to preserve our liberty, as they did on our behalf, by maintaining an eternal vigilance that preserves people's freedom. May we all prove worthy of their sacrifice. May we remember their service on this day and into the future by 'Wearing Their Medals' of any and every family member, distant or close, past or present, as a tangible recognition of relatives who served with pride, as a very special way to say to all Australians that we as a nation remember them and that we respectfully pay homage to all those who have served throughout our history. Lest We Forget.



*The Geelong Highland Pipe Band led the Anzac Day March at Point Lonsdale.*



*Heritage streetscape along Hesse Street, Queenscliff.*





# Our performance

A healthy, involved and creative community	42
A vibrant local economy	48
A unique natural environment	51
A well-planned and attractive place to live and visit	56
A proactive and accountable Council	63

# A healthy, involved and creative community

## PRIMARY FOCUS AREAS

- Promote community health and wellbeing
- Facilitate access to a range of sport and recreation activities
- Protect, enhance and promote public health
- Support local clubs and community organisations
- Encourage and recognise volunteers
- Facilitate access to child and family services and life-long learning opportunities
- Invest in activities and events that respond to the needs of young people
- Support older residents and people with disabilities to access services and live independently
- Promote shared use of community facilities
- Promote community safety

## 2014-15 SUCCESSES

- 72% of residents are members of the Queenscliff Library. This is the highest membership per capita of all libraries within the region.
- 10 grants totalling \$19,188 were awarded to local Community Groups.
- 9,110 hours of Aged Care & Disability Services were provided.
- The zero waiting list for access to Aged Care & Disability Services was maintained.
- 147 food safety inspections and assessments were conducted.

## 2014-15 COUNCIL PLAN INITIATIVES

## COUNCIL'S PERFORMANCE

Administer a community grants and sponsorship program to support local clubs and community organisations	Completed
Conduct public events that recognise the contribution of volunteers	Completed
Support local organisations plan and implement community recreation, sport, and civic activities and events	Completed
Produce and implement the Borough of Queenscliffe Municipal Health & Wellbeing Plan 2013-2017	Completed
Provide an accredited, responsive aged and disability support service with a 'zero waiting' list	Completed
Ensure statutory obligations with respect to the Food Act 1984 and Public Health & Wellbeing Act 2008 are met	Completed
Establish a joint use agreement and shared facility management arrangements between Queenscliff Senior Citizens and Queenscliff Sea Scouts	In progress



Visitors enjoying the festivities at the Point Lonsdale Community Market.



Jennifer from Funky Scarves and Creations.

The following statement provides information in relation to the services funded in the 2014–15 budget and the persons or sections of the community who are provided the service.

SERVICE	DESCRIPTION	NET COST ACTUAL
		NET COST BUDGET
		VARIANCE \$'000
Aged and Disability Services	This service provides a range of aged and disability services including home care, personal care and respite care, home maintenance and senior citizens centre.	110
		146
		<b>36</b>
Community Development	Council's role in Community Development is to assist the different Borough communities to join together to enhance social health and wellbeing of all the communities within the Borough. In particular, the Community Development program area is responsible for leading the development and implementation of policies and projects that support social inclusion, access and equity within the Borough.	164
		129
		<b>(35)</b>
Events	Council works with local community organisations and clubs to plan and implement events that contribute to the health and wellbeing and build on the social fabric of the Borough community. Council's role in events can cover: leading, facilitating, supporting or permit administration, depending on the nature of the event and the level of community responsibility for the specific event.	68
		79
		<b>11</b>
Maternal and Child Health	Maternal and child health services are externally provided and funded by Council grant income.	20
		21
		<b>1</b>
Environmental Health	This service protects the community's health and well-being by coordinating food safety support programs, Tobacco Act activities and smoke free dining venues. The service also works to rectify any public health concerns relating to unreasonable noise emissions, housing standards and pest controls.	28
		57
		<b>29</b>
TOTAL	Actual	<b>390</b>
	Budget	<b>432</b>
	Variance	<b>42</b>

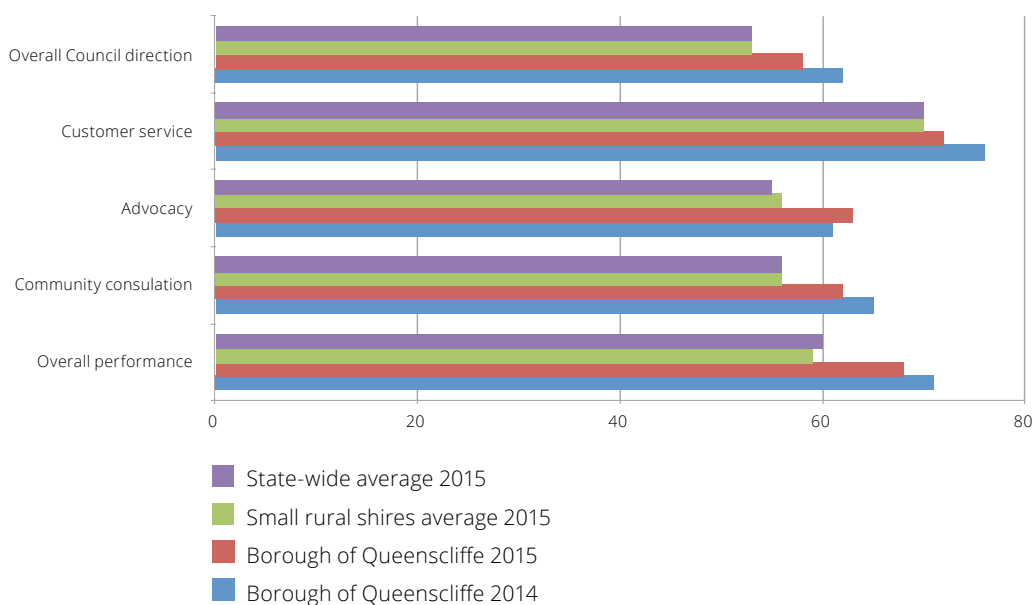
# A healthy, involved and creative community

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

Service/Indicator/Measure	Result	Material Variations
<b>Aged and Disability Services</b>		
Home and Community Care (HACC)		
<b>Timeliness</b>		
<i>Time taken to commence the HACC service</i>	<b>10.39</b>	
[Number of days between the referral of a new client and the commencement of HACC service / Number of new clients who have received a HACC service]		
<b>Service standard</b>		
<i>Compliance with Community Care Common Standards</i>	<b>94.44%</b>	
[Number of Community Care Common Standards expected outcomes met / Number of expected outcomes under the Community Care Common Standards] x100		
<b>Participation</b>		
<i>Participation in HACC service</i>	<b>44.86%</b>	Queenscliffe's population aged 65 years and older is 33% (State average 14.2%), hence the significant emphasis placed on the provision of aged services. Queenscliffe maintains a zero waiting list for HACC services.
[Number of people that received a HACC service / Municipal target population for HACC services] x100		
<b>Participation</b>		
<i>Participation in HACC service by CALD people</i>	<b>35.71%</b>	
[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100		
<b>Maternal and Child Health (MCH)</b>		
<b>Satisfaction</b>		
<i>Participation in first MCH home visit</i>	<b>114.29%</b>	16 first MCH home visits, comprising of 14 from birth notifications received in the 2014–15 year and 2 from birth notifications received in the 2013–14 year.
[Number of first MCH home visits / Number of birth notifications received] x100		
<b>Service standard</b>		
<i>Infant enrolments in the MCH service</i>	<b>100.00%</b>	
[Number of infants enrolled in the MCH service (from birth notifications received) / Number of birth notifications received] x100		
<b>Service cost</b>		
<i>Cost of the MCH service</i>	<b>\$145.25</b>	
[Cost of the MCH service / Hours worked by MCH nurses]		
<b>Participation</b>		
<i>Participation in the MCH service</i>	<b>100.00%</b>	
[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100		
<b>Participation</b>		
<i>Participation in the MCH service by Aboriginal children</i>	<b>0.00%</b>	NIL Aboriginal children enrolled/attending the MCH service in the 2014/15 year.
[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		

Service/Indicator/Measure	Result	Material Variations
<b>Environmental Health</b> Food Safety		
<b>Timeliness</b> <i>Time taken to action food complaints</i> [Number of days between receipt and first response action for all food complaints / Number of food complaints]	2.00	
<b>Service standard</b> <i>Food safety assessments</i> [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	100.00%	
<b>Service cost</b> <i>Cost of food safety service</i> [Direct cost of the food safety service / Number of food premises registered or notified in accordance with the Food Act 1984]	\$699.83	Cost reflects a small number of registered premises and a high number of additional food safety compliance inspections undertaken.
<b>Health and safety</b> <i>Critical and major non-compliance outcome notifications</i> [Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100	100.00%	

## Level of community satisfaction



(Source: Local Government Community Satisfaction Survey 2015, prepared by JWS Research.)

## Australia Day Awards

The annual Australia Day Awards were held in conjunction with community Australia Day celebrations on 26 January 2015. Award recipients in 2015 were as follows.

### Citizen of the Year – Jane Wager

Jane's contribution to the local community has been consistently outstanding over an extended period of time. She has selflessly volunteered invaluable time and effort to a number of local organisations, including the Queenscliffe Neighbourhood House Committee of Management, Queenscliff Community Market, Queenscliff Primary School Board, and Queenscliff Music Festival. Jane was also Chairperson of the Borough of Queenscliffe Playspace Working Group and has been a member of the Bellarine Secondary School Council.

### Young Citizen of the Year – Huw Joyce

Huw Joyce has been recognised for his services to the Point Lonsdale Surf Lifesaving Club, Point Lonsdale Christmas Tree Committee, Queenscliff Seafood feast and Australian Army Cadet Corp.

### Community Service of the Year – 1st Queenscliff Sea Scouts

The 1st Queenscliff Sea Scouts have been recognised for its extraordinary contribution to the community. This year the group has increased its membership from 9 youth members to 32 youth members. The Scouts have had a busy year, coordinating a 3225 bush dance – a free event with over 50 attendees.

The Scouts have also been involved in many community activities such as ANZAC Day, Queenscliffe Maritime weekend, QLYC Open day and Sailing days. The Scouts donated supplies for fundraising activities such as CFA Christmas Tree BBQ and the St Aloysius BBQ.

The leaders of the 1st Queenscliff Scouts are recognised within the scouting movement for their leadership and provide a number of mentoring roles for developing scout leaders from other groups in the Bellarine District.

### Community Environment Project of the Year – Sea All Dolphins for A new life for an old wetsuit recycling program

'A new life for old wet suits' Recycling Program operated by local business Sea All Dolphins has been recognised for its contribution to the environment. The project has been set up where old wetsuits can be recycled and locals and visitors can now drop off their old wetsuits in the specially marked collection bin located near the Sea All Dolphins shopfront at Queenscliff Harbour. The wetsuits are recycled into rubber matting for playgrounds, tree guards, footpaths and factory floors.

### Community Event of the Year – Queenscliff Bowling, Tennis and Croquet Association Easter Eggstravaganza

The Easter Eggstravaganza was held on Good Friday 18th April 2014 to raise funds for the Royal Children's Hospital Appeal. The initial fundraising goal was \$2000 and the hugely successful event raised \$16,000 on the day. The event brought many different community members and groups together and sparked a united approach to fundraise for a very worthy cause. The combined efforts of the Queenscliff Bowling, Tennis and Croquet Association members and volunteers are to be commended.

## Achievements

### Supporting local events

During 2014–15 Council supported a range of community, sporting and cultural events. The key events included the following:

- **Civic events**  
Australia Day Awards and Community Celebration | Community Grants Reception | Volunteer Celebration | Refugee Welcome Zone Signing Declaration | Anzac Day services
- **Arts and cultural events**  
Seniors Week celebrations | Sea of Words Festival | Lighthouse Film Festival | St Kilda Film Festival | Queenscliff Music Festival | Queenscliff Rod Run
- **Sporting activities**  
Skate, Scoot and BMX competition | Rip View Swim Classic | Rip to River Run | Nippers Carnival | Blue Water Swim Challenge | Round the Bay in a Day
- **Community organisation events**  
Rotary Club of Queenscliffe – Queenscliffe Bricks | Lighting of the Christmas Tree | Queenscliff Maritime Museum's Maritime Weekend | International Lighthouse Weekend | Children's Week

### Community Grants

Administration and allocation of the 2014-15 Community Grants program was completed in August 2014 with 10 grants totalling \$19,188 awarded to local Community Groups. The projects included support of community events, better equipment for events and local community groups.

### Aged Care & Disability Services

Council has maintained a 'zero waiting list' to June for all aged care and disability services within the Borough. In the 2014/15 financial year, the Aged Care & Disability Service has provided 9,110 hours of service.

Clients have accessed 450 hours for assessment, re-assessment and care coordination. 36 new clients were assessed for service, 13 clients departed (deceased) the service and seven clients transferred into permanent care.

### Environmental health activities

Key activities undertaken in 2013–14 as part of Council's environmental health service included the following:

- A high level of food safety compliance was achieved through the completion of 147 Food Safety Assessments (mandatory, non compliance, routine and transfer) during the financial year.
- 34 food recalls actioned.
- 26 Prescribed Accommodation Assessments (mandatory and non compliance inspections).
- 4 Beauty Treatment Business Assessments (mandatory inspections).

- 28 Tobacco Inspections (retail and drinking and dining locations)
- Food sampling compliance rate 95%.
- Caravan parks were inspected in relation to health and emergency management plan requirements.
- A staff flu vaccination program was delivered.
- Education was provided to schools and children's services regarding the changes to the Tobacco Act. No smoking signage was provided to these facilities within the Borough.
- A community asbestos awareness program was completed in November 2014.
- The the annual mosquito control program was completed. This involved the monitoring and treatment of public sites, as well as trapping and identifying mosquito species during August 2014 to March 2015 (Coordinated by the City of Greater Geelong).

## Disappointments

### Footpath Strategy

The development of a Footpath Strategy has been rescheduled to be completed in 2015–16.

## Challenges

### Proposed Queenscliffe Park

A suitable funding program has not yet become available to progress the Queenscliffe Park Project.

### Proposed Queenscliff / Hesse St Hub

A suitable funding program has not yet become available to progress the Queenscliffe Park Project.

## Year ahead

- Complete the Queenscliff Recreation Reserve Master Plan.
- Progress construction of the Queenscliffe Sport and Recreation Precinct Project.
- Progress the Footpath Strategy.



*Australia Day awards recipients pictured with Cr Helene Cameron and Pete Smith.*

# A vibrant local economy

## PRIMARY FOCUS AREAS

- Manage and operate an accredited and vibrant Visitor Information Centre service
- Increase tourism visitation to the Borough
- Support local businesses and new business investment
- Work with local, regional and state tourism organisations to promote Queenscliffe as a holiday, events and festivals destination
- Advocate for improved public transport
- Increase access and occupancy of Council managed holiday accommodation

## 2014-15 SUCCESSES

- A part-time Tourism Information Officer was appointed.
- A base of 35 volunteers was maintained, including 6 Heritage Guides.
- Volunteers contributed 5,747 hours of volunteer time to visitor servicing.
- 42 Heritage Walks were coordinated totalling 464 participants.
- Mobile visitor servicing was trialled at Point Lonsdale throughout January 2015 and an outreach post was established in Field Park during Easter.
- The Visitor Information Centre maintains a Facebook account and increased page likes from 330 to 465 followers.
- The Visitor Information Centre Twitter Account increased from 447 to 657 Twitter followers.

## 2014-15 COUNCIL PLAN INITIATIVES

## COUNCIL'S PERFORMANCE

Maintain the accreditation of the Visitor Information Centre service	Completed
Actively engage volunteers in the delivery of Visitor Information Centre (VIC) services	Completed
Improve the level of Council, community, business and visitor information available through Council's electronic media	Completed
Work with local, regional and state tourism organisations to increase the profile of tourism products and services in the Borough	Completed
Facilitate local businesses access to information and professional development opportunities	Completed
Support local organisations to effectively plan and promote major public participation events in the Borough	Completed
Support local fundraising initiatives associated with the Royal Children's Hospital Good Friday Appeal	Completed
Work with neighbouring municipalities, G21 and the State Government to develop the G21 Public Transport Plan	Completed



*Crowds of visitors enjoy the live entertainment at the Queenscliff Music Festival.*

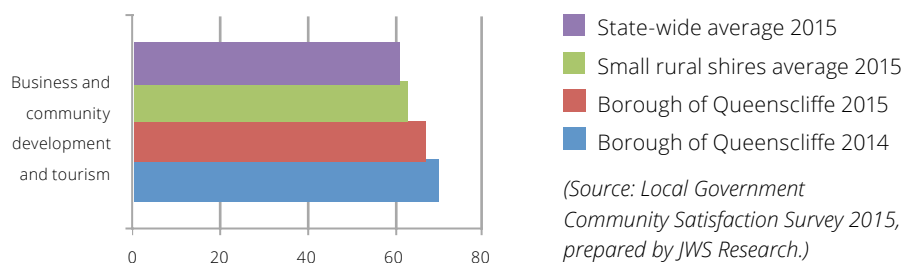


The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

SERVICE	DESCRIPTION	NET COST ACTUAL
		NET COST BUDGET
		VARIANCE \$'000
Caravan parks and boat ramp	This service provides approximately 400 camping sites and associated facilities, which provide the revenue to fund the bulk of Council's foreshore activities. The boat ramp service provides a two lane sheltered access to the region's fishing grounds.	(896)
		(837)
		<b>59</b>
Visitor information centre	This service provides a state accredited tourist information service year round. Professional and friendly advice from paid and volunteer staff ensure that visitors have a positive experience in the seaside townships of Queenscliff and Point Lonsdale.	167
		157
		<b>(10)</b>
Tourism promotion	This service is integrated with the activities of regional and local tourism organisations. Marketing and promoting the Borough and its attractions is key to increasing the number of day trippers and visitors who choose to stay in the Borough.	212
		225
		<b>13</b>
TOTAL	Actual	<b>(517)</b>
	Budget	<b>(455)</b>
	Variance	<b>62</b>

There are no mandatory performance indicators to be reported for this Strategic Objective.

## Level of community satisfaction



## Achievements

### Small Business Festival events

Council hosted a business breakfast at Point Lonsdale Golf Club with the Australian Retail Institute, focusing on thinking global and innovating local to drive productivity. A business networking dinner was held at The Esplanade Hotel in August with guest speaker, celebrity interior designer Shayna Blaze. Shayna shared the challenges of being self-employed and inspired the guests with stories of how she has transformed commercial, private and retail premises with the most modest budgets to million dollar projects.

### Regional Victoria Living Expo

In May 2015, the Regional Victoria Living Expo attracted 10,156 visitors, up 6.5% on previous year. The Borough of Queenscliffe was represented in the Geelong and Surrounds region and actively promoted a free family fun pass and other special offers to attract people to visit the region. The Geelong and Surrounds stand received the Ministers Award for outstanding display.

### Televised Media Highlights

Council worked with a number of media organisations to ensure that opportunities were maximised during media visits. This included a live broadcast from Channel 7's morning show "Sunrise", filming at The Bellarine Railway as part of the new TV mini series on Molly Meldrum and a low impact television shoot for "Rachel Khoo's Kitchen Notebook - Melbourne", a cooking/travel program encompassing regional Victoria's culture, art, fashion and food.

## Local Events Calendar

During 2014–15 Council improved and promoted the calendar of events via:

- **Social media** – The Borough of Queenscliff Visitor Information Centre actively promoted local events with regular posts on its Facebook site. The Visitor Centre Facebook regularly ‘shared’ detail of local events with its followers as well as the Visit Geelong Bellarine Facebook site.
- **Borough of Queenscliff website** – event content was regularly updated and an improved searchable calendar of events was introduced.
- **Industry communication** – regular event details were provided to local businesses via email and in the monthly e-Business bulletin.

## Borough After Five

The first “Borough After Five” event was held in March, a quarterly initiative that seeks to engage the local business community with networking opportunities and information sharing on business-related events.

The first event was attended by 33 local business representatives and the second event held in July attracted 30 attendees. Feedback Council received from the event was very positive with all responses indicating the event was well structured and worthy of attendance.

## Fort Queenscliff

The Fort Queenscliff Precinct Tourism Master Plan was unanimously endorsed by Council in June 2015 following a public consultation process held in April 2015. The Master Plan explores ways in which the Fort could be activated for tourism and attract visitors to Queenscliff and the region to support local businesses, strengthen the local community and stimulate the economy.

## Queenscliff Visitor Information Centre

The accreditation status of the Queenscliff Visitor Information Centre through the Australian Tourism Accreditation Programme has been maintained. Key activities at the Visitor Information Centre in 2014-15 included:

- 36,845 walk-in visitors were assisted
- a part-time Tourism Information Officer was appointed
- a base of 35 volunteers was maintained, including 6 Heritage Guides
- Volunteers contributed 5,747 hours of volunteer time to visitor servicing
- 42 Heritage Walks were coordinated totalling 464 participants
- Mobile visitor servicing was trialled at Point Lonsdale throughout January 2015 and an outreach post was established in Field Park during Easter
- staff and volunteers undertook three half-day, three full-day and one overnight local and regional familiarisation tours

- staff and volunteers undertook a half day Facebook Orientation seminar
- The Visitor Information Centre maintains a Facebook account and increased page likes from 330 to 465 followers end June 2015
- The Visitor Information Centre Twitter Account increased from 447 to 657 Twitter followers.

## Challenges

### Tourism Forum

An industry forum was held in May following feedback from the business community to Lisa Neville MP and Council to discuss opportunities and challenges associated with improving tourism and economic development in the Borough.

Over 60 local traders and industry representatives attended and the forum identified four key areas for improvement:

1. A significant level of funding is required for advertising and promotion
2. Development of an identifiable brand – “who are we?”
3. Improved connection between the three main precincts – the Harbour, Hesse Street and Point Lonsdale
4. General appeal and usability all year round.

## Year Ahead

- Council established a Tourism and Economic Development Advisory Committee (TEDAC) in 2014-15, including relevant industry and skills based members, to provide strategic advice to Council on tourism and economic development related issues on behalf of the Borough’s tourism industry. Council is looking forward to working with the Committee to develop an effective long-term tourism strategy to achieve sustainable growth in the Borough.
- Council will support Tourism Greater Geelong and The Bellarine’s (TGGB) targeted television advertising campaign to promote Queenscliff and Point Lonsdale, which will be televised in late 2015. 43 local businesses are contributing to the campaign.

# A unique natural environment

PRIMARY FOCUS AREAS	2014-15 SUCCESSES
<ul style="list-style-type: none"> <li>• Protect the natural environment and significant vegetation</li> <li>• Limit the spread of noxious weeds</li> <li>• Promote recycling and minimise waste</li> <li>• Work with the community to reduce carbon emissions</li> <li>• Actively respond to climate change</li> <li>• Improve access to parks and beaches</li> <li>• Enhance walking and cycling routes to encourage use by the community and visitors</li> </ul>	<ul style="list-style-type: none"> <li>• 7,556 kilograms of televisions, computers and other household electronic items collected at the e-waste collection event and diverted from landfill.</li> <li>• 1,302 tonnes of waste sent to landfill from kerbside bins compared to 1,299 in 2013-14, which is indicative of the success of recycling campaigns.</li> <li>• 168 kilograms of household batteries recycled and saved from landfill.</li> <li>• 168 tonnes of environmental weeds removed compared with 129.36 tonnes in 2013-14.</li> <li>• Completion of the Ferry to Pier project including construction of a shared path as well as weed removal and revegetation.</li> </ul>

2014-15 COUNCIL PLAN INITIATIVES	COUNCIL'S PERFORMANCE
Collaborate with local and regional organisations to implement weed reduction programs	Completed
Support local organisations and volunteers undertaking projects designed to protect and enhance the natural environment	Completed
Develop and implement a tree planting program that reflects the character of Queenscliffe and Point Lonsdale	Completed
Work with local and regional organisations and neighbouring Councils to reduce waste and promote recycling in the Borough and enhance the green waste disposal capacity of the region	Completed
Implement the Council's Corporate Carbon Neutral Action Plan	Completed
Facilitate community participation in the implementation of the Community Environment Alliance	Completed
Seek State Government funding to enable Council to implement recommendations from the Geelong Queenscliffe Coastal Mapping Project;	Completed
Work towards the development of a network of connected walking and cycling routes	Completed
Work with neighbouring municipalities, G21 and the State Government to develop the G21 Public Transport Plan	Completed



Vegetation management and limiting the spread of noxious weeds is a high priority of Council.

The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

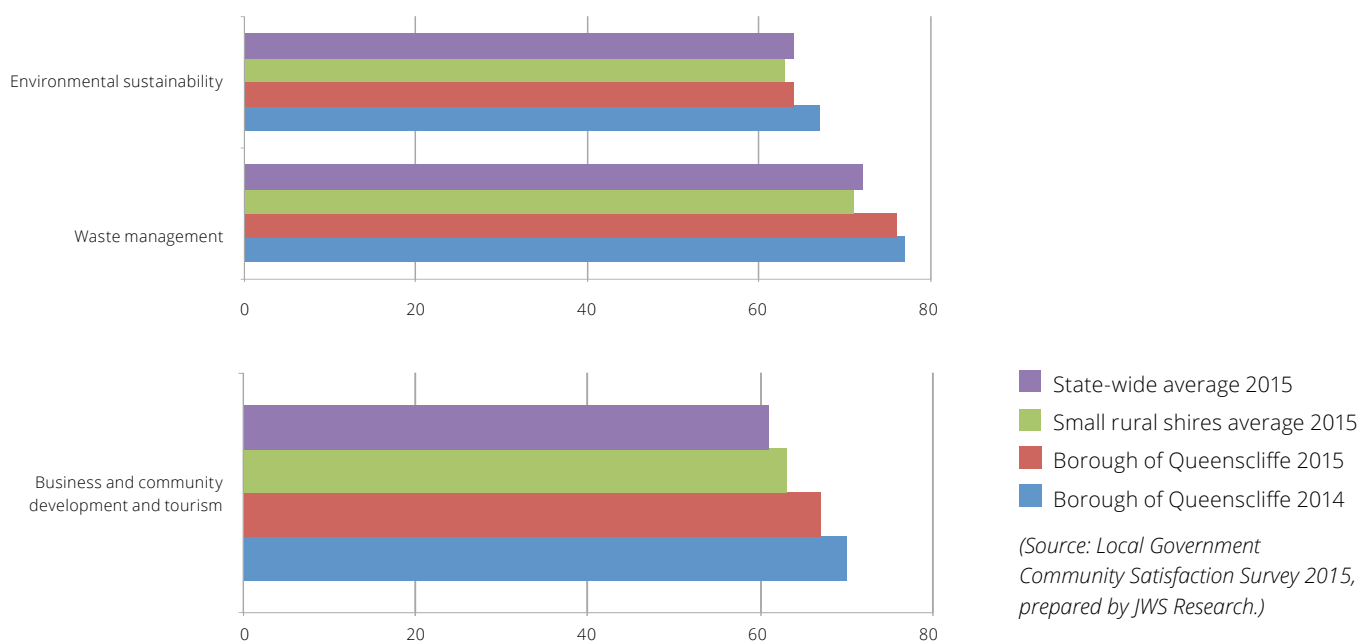
SERVICE	DESCRIPTION	NET COST ACTUAL
		NET COST BUDGET
		VARIANCE \$'000
<b>Sustainability and environment</b>	This program area has carriage of the sustainability policy and facilitates community projects and works with other services to improve Council's environmental performance. Reducing greenhouse gas emissions within Council operations and the community are a key priority, as is dealing with Climate Change.	141
		176
		<b>35</b>
<b>Coastal and environment</b>	This service implements State government coastal management policy and plans and implements environmental projects and works with other services to improve Council's management of Coastal Crown Land. <i>Major variance explanation: Grant funded projects carried forward to 2015/16, including cliff stability and coastal tender works.</i>	329
		615
		<b>286</b>
<b>Waste disposal</b>	This service includes regular bin based collection of garbage and recycling as well as a cyclic hard rubbish collection and e-waste. Council also works with the Barwon Region Waste Management Group to increase community awareness and promote behaviours that minimise waste and increase recycling.	584
		580
		<b>(4)</b>
<b>TOTAL</b>	<b>Actual</b>	<b>1,054</b>
	<b>Budget</b>	<b>1,371</b>
	<b>Variance</b>	<b>317</b>



Community Solar Bulk Buy initiative.

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

Service/Indicator/Measure	Result	Material Variations
<b>Waste Disposal</b> Waste Collection		
<b>Satisfaction</b> <i>Kerbside bin collection requests</i> [Number of kerbside garbage and recycling bin collection requests / Number of kerbside bin collection households] x1000	<b>74.84</b>	
<b>Service standard</b> <i>Kerbside collection bins missed</i> [Number of kerbside garbage and recycling collection bins missed / Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000	<b>3.32</b>	
<b>Service cost</b> <i>Cost of kerbside garbage bin collection service</i> [Direct cost of the kerbside garbage bin collection service / Number of kerbside garbage collection bins]	<b>\$102.73</b>	Cost of disposal (which includes a landfill disposal levy and gate fees) equates to 50% of cost of kerbside garbage collection service.
<b>Service cost</b> <i>Cost of kerbside recyclables collection service</i> [Direct cost of the kerbside recyclables bin collection service / Number of kerbside recyclables collection bins]	<b>\$45.68</b>	
<b>Waste diversion</b> <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	<b>36.66%</b>	This result is expected to improve with the introduction of a new green waste service commencing in the 2015/16 year.



## Achievements

### Environmental Weed Management

Council has land management responsibility for significant areas of coastal and natural environments within the Borough. In some cases these environments contain important remnant stands of vegetation, such as the coastal Moonah woodlands and other coastal vegetation classes. Weed invasion has long been recognised as a threat to these environments and are targeted for weed reduction programs.

In partnership with key stakeholders the Borough of Queenscliffe undertook priority conservation projects at key sites including primary dune and foreshore areas adjacent to Port Phillip Bay and Swan Bay.

Council hosted a federally funded Green Army project that included:

- Weed removal and revegetation at Queenscliff “front beach”,
- Constructing beach access points from Princess Park and adjoining reserves through the dunes to the beach front.

In addition to this, partnership arrangements with local and regional organisations saw the following weed removal activities undertaken during the year:

- Vegetation management within the remnant Coastal Moonah Woodland sites at the “Narrows” in Queenscliff, and in the dune system at Point Lonsdale as part of an ongoing project with the Corangamite Catchment Management Authority
- Foreshore works within the Borough to ensure the sustainability of urban habitation adjoining the environment utilising volunteers, school and community groups,
- Foreshore weed removal undertaken by Conservation Volunteers Australia work teams,
- Ongoing environmental projects utilising labour resources available through the Department of Justice, Community Corrections services.

Weed reduction activities resulted in excess of 168 tonnes of weeds being removed from coastal environment sites throughout the year.

### Tree Planting

Council's tree management program continues to be a high priority. More than 188 park and street trees, together with 2,835 indigenous shrubs and ground covers were planted in 2014-15 as part of Council's proactive planting program. In the same period a total of 25 trees that were dead or high risk were removed.

### Waste Reduction and Recycling

In the 2014/15 year Council has implemented a range of actions designed to reduce waste and promote recycling within the Borough including:

- Preparing for the introduction of the kerbside green waste bin service that commenced in July 2015. Actions included organising audits of rubbish and recycling bins in June 2015 to obtain accurate data regarding the levels of green waste currently going to landfill, implementing an education and communications program to promote the introduction of the new service including fact sheets and advertisements in local press and updates to the ‘Your Green Waste Bin’ page on Council's website as well as a calendar showing collections dates for green waste bins and a four-page brochure that was delivered with the green waste bins.
- Hosting the annual e-waste drop-off event at the Ocean View carpark in May 2015. A total of 7,556kgs of e-waste was collected including televisions, computer equipment and household electrical equipment. The e-waste was recycled through PGM Refiners in Dandenong, a for-profit social enterprise which employs disadvantaged workers. PGM Refiners specialises in recycling e-waste. The e-waste is de-manufactured into components including plastic, glass, metal wiring and circuit boards. These components are then sent to recyclers and manufacturers to be made into new products. This is the fourth e-waste collection event organised by Council with a total 31 tonnes of e-waste collected during the four events.
- Working with Sustainability Victoria to promote the ‘Detox Your Home’ event in February 2015. The event enables residents to drop-off household chemicals for safe disposal at a temporary collection site in Geelong.
- Organising and promoting the ‘Clean-Up Australia Day’ sites at Queenscliff Front Beach and Burnt Point in March 2015 that was implemented with a small band of local volunteers.
- Promoting Council's annual hard waste collection event in March 2015 that collected 72 tonnes of waste.
- Recycling a total of 168kgs of household batteries during 2014/15 from collection containers located in businesses and schools across Queenscliff and Point Lonsdale. Collection containers were also introduced to the Beacon BIG4 Caravan Park this year to provide a recycling point for park visitors.
- Completing the installation of new waste and recycling bin enclosures and signage in Royal Park Caravan Park, Queenscliffe Recreation Reserve Caravan Park and Ocean View Carpark. The ‘Don't waste it. RECYCLE IT’ project was funded through Sustainability Victoria's Public Place Recycling grants and aimed to increase recycling during the peak tourist season.
- Continuing to work with City of Greater Geelong, Golden Plains Shire, Surf Coast Shire and Colac Otway Shire to develop education materials for the regional ‘Think Recycle’ kerbside recycling project. This project aims to increase the amount of recycling by residents and visitors.

## Carbon Neutral Action Plan

In 2014/15 Council completed a range of actions that link to Council's Corporate Carbon Neutral Action Plan. These included:

- Continuing to investigate options for an upgrade to energy efficient streetlights in residential areas by building knowledge and awareness of best practice across other local government areas and the range of new technologies.
- Beginning to apply this knowledge to possible regional street light replacement programs being undertaken in the G21 region.
- Working with electricity distributor, Powercor, to plan a small installation of energy efficient LED streetlights in Point Lonsdale.
- Continuing to investigate the installation of a solar system being applied to Council offices and the Town Hall. Council is working with an energy management consultant to finalise a technical report that defines the size and required features of a solar system that would best meet the energy requirements.

## Geelong Queenscliff Coastal Mapping Project

Council and City of Greater Geelong have successfully applied for funding to undertake adaptation planning related to the Geelong Queenscliff Coastal Mapping Project. The application resulted in a grant of \$500k to be spent over two years to fund a suitably qualified officer to be shared between the two councils. The officer's role will include undertaking risk assessments, community consultation and adaptation planning. Recruitment for the role has commenced by the City of Greater Geelong.

## Ferry to Pier Shared Path

Construction of a shared path linking the Queenscliff ferry terminal and the Queenscliff pier was completed in September 2014. The exposed aggregate concrete path replaced an existing unsealed gravel track. The new path that is 2.5 metres wide completes the all ability access from the Ferry terminal to the Queenscliff town centre.

## Challenges

### Regional waste arrangements

In preparation for the introduction of the kerbside green waste bin service a green organics waste acceptance agreement has been negotiated with the City of Greater Geelong. Presently the capacity to process green organics within the region is limited and due to this uncertainty the Borough's agreement with The City of Greater Geelong is for a relatively short period to two years.

Council will continue to work collaboratively with neighbouring councils to enhance the green organic waste disposal capacity within the region to secure a long term solution to address this challenge.

## Year Ahead

- Facilitate community participation in the implementation of the Community Environment Alliance.
- Continue working towards a solution to increase the green waste disposal capacity of the region.
- Secure funding to upgrade residential street lighting to energy-efficient alternatives.



*The Ferry to Pier path links the Queenscliff ferry terminal and the Queenscliff pier.*

# A well-planned and attractive place to live and visit

PRIMARY FOCUS AREAS	2014-15 SUCCESSES
<ul style="list-style-type: none"> <li>• Preserve and value the Borough's significant history and heritage</li> <li>• Manage Council infrastructure in accordance with the Borough's asset management plans and annual capital works program</li> <li>• Enhance the main streets of Queenscliff and Point Lonsdale</li> <li>• Maintain road and pedestrian safety</li> <li>• Maintain shared pathways and improve walking and cycling routes</li> <li>• Promote arts and cultural activity</li> </ul>	<ul style="list-style-type: none"> <li>• 67% of planning permits were decided within the 60 day timeframe.</li> <li>• Completion of the Hesse Street – Symonds Street roundabout construction.</li> </ul>

2014-15 COUNCIL PLAN INITIATIVES	COUNCIL'S PERFORMANCE
Complete review of the Queenscliffe Planning Scheme and commence statutory amendment process	Completed
Develop a Heritage Strategy to increase community awareness of and provide direction to the Council regarding the Borough's significant heritage	In progress
Use Council's Planning Scheme, Policies and Local Laws to protect significant vegetation	Completed
Implement Council's asset renewal and maintenance program for Council owned and managed community buildings and open space	Completed
Implement Council's asset renewal and maintenance program for Council infrastructure including roads, paths and drainage	Completed
Promote and support a range of arts, cultural and reconciliation activities and events	Completed

The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

SERVICE	DESCRIPTION	NET COST ACTUAL
		NET COST BUDGET
		VARIANCE \$'000
<b>Road Maintenance and Works</b>	Provided by an external contractor, this service includes maintenance of local roads, kerb and channel, footpaths and shared use trails, drainage, street cleaning and sweeping, parks and gardens and sports ovals.  <i>Major variance explanation:</i> <i>Country Roads &amp; Bridges funded projects carried forward from 2013-14 were completed in 2014-15.</i>	1,351
		832
		<b>(519)</b>
<b>Coastal and environment</b>	This service undertakes design, tendering, contract management and supervision of various works within Council's capital works program. The service also approves and supervises private development activities such as build over easement, legal point of discharge, vehicle point of access and infrastructure associated with unit developments.	169
		217
		<b>48</b>
<b>Planning and Development Control</b>	This service processes all planning applications, provides advice and makes decisions about development proposals which require a planning permit, as well as representing Council at the Victorian Civil and Administrative Tribunal where necessary. It monitors Council's Planning Scheme as well as preparing major policy documents shaping the future of the Borough. It also processes amendments to the Council Planning Scheme and carries out research on demographic, economic and social issues affecting Council.	196
		257
		<b>61</b>





*Sophie and Sharon enjoy rock pooling in the shallows at Point Lonsdale.*

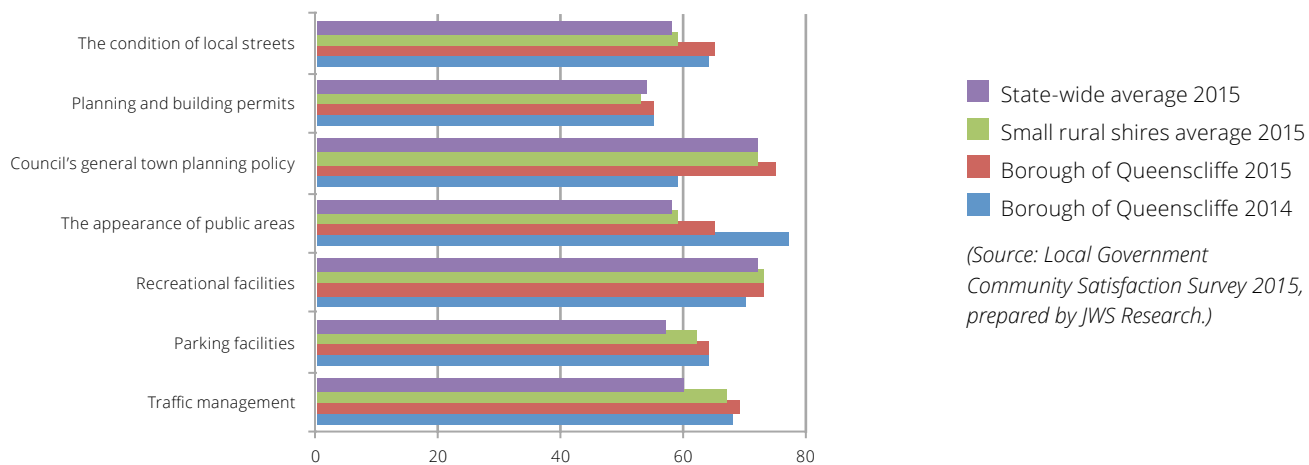
SERVICE	DESCRIPTION	NET COST ACTUAL
		VARIANCE \$'000
Local Law Enforcement	This service provides staff at school crossings throughout the municipality to ensure that all pedestrians, but mainly school aged children, are able to cross the road safely. It maintains and improves the health and safety of people, animals and the environment in Council by providing services including a dog and cat collection service, a lost and found notification service, a registration and administration service, an after hours service and an emergency service. This service also facilitates the smooth flow of traffic and parking throughout the municipality through the provision of safe, orderly and equitable parking enforcement and education. It also provides education, regulation and enforcement of the General Local Law and relevant State legislation.	137
		149
		<b>12</b>
Public Conveniences	Maintenance, cleaning and renewal of 13 public conveniences is required to maintain a level of service acceptable to the general community as well as tourists.	97
		105
		<b>8</b>
Street Lighting	Operation, maintenance and renewal plus energy costs associated with the Borough's street lights.	45
		64
		<b>19</b>
Powerline Clearance	This is to maintain the legislative clear zones around powerlines to ensure safety and prevention of fire.	25
		25
		<b>0</b>
Building Maintenance	This service prepares long term maintenance management programs for Council's buildings in an integrated and prioritised manner in order to optimise their strategic value and service potential.	51
		62
		<b>11</b>
Heritage Assets	Advice is provided via an external contractor regarding Council's heritage assets, in order to maintain the Borough's heritage values.	41
		57
		<b>16</b>
Building Control	This service provides statutory building services to the Council community including processing of siting variation consent, emergency management responsibilities, building safety inspections/audits and investigations of complaints and illegal works. Provided by way of a part time external contractor.	32
		31
		<b>(1)</b>
Library	A public library service is provided in Queenscliff, operated by the Geelong Regional Library Corporation, for which Council contributes to the cost of the service.	221
		216
		<b>(5)</b>
Arts, Recreation and Culture	This service provides a varied ongoing program of arts and cultural events.	30
		28
		<b>(2)</b>
TOTAL	Actual	<b>2,395</b>
	Budget	<b>2,043</b>
	Variance	<b>(352)</b>

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

Service/Indicator/Measure	Result	Material Variations
<b>Roads Maintenance and Works</b> Satisfaction of use <i>Sealed local road requests</i> [Number of sealed local road requests / Kilometres of sealed local roads ] x100	188.10	
<b>Condition</b> <i>Sealed local roads below the intervention level</i> [Number of kilometres of sealed local roads below the renewal intervention level set by Council / Kilometres of sealed local roads] x100	100.00%	
<b>Service Cost</b> <i>Cost of sealed local road reconstruction</i> [Direct cost of sealed local road reconstruction / Square metres of sealed local roads reconstructed]	\$59.40	
<b>Service Cost</b> <i>Cost of sealed local road resealing</i> [Direct cost of sealed local road resealing / Square metres of sealed local roads resealed]	\$20.61	
<b>Satisfaction</b> <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	65.00	Queenscliffe's result of 65 is above the Small Rural council group average of 52 and the State-wide average of 55.
<b>Planning and Development Control</b> Statutory Planning <b>Timeliness</b> <i>Time taken to decide planning applications</i> [The median number of days between receipt of a planning application and a decision on the application]	71.00	
<b>Service standard</b> <i>Planning applications decided within 60 days</i> [Number of planning application decisions made within 60 days / Number of planning application decisions made] x100	67.38%	Queenscliffe's result was impacted on by a number of complex applications and undertaking a review of the Queenscliffe Planning Scheme during 2014-15 with limited planning resources available.
<b>Service cost</b> <i>Cost of statutory planning service</i> [Direct cost of the statutory planning service / Number of planning applications received]	\$1,560.73	
<b>Decision making</b> <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	0.00%	Two application decisions were subject to review by VCAT, neither were upheld.

Service/Indicator/Measure	Result	Material Variations
<b>Local Law Enforcement</b> Animal Management <b>Timeliness</b> <i>Time taken to action animal management requests</i> [Number of days between receipt and first response action for all animal management requests / Number of animal management requests]	1.00	
<b>Service standard</b> <i>Animals reclaimed</i> [Number of animals reclaimed / Number of animals collected] x100	100.00%	
<b>Service cost</b> <i>Cost of animal management service</i> [Direct cost of the animal management service / Number of registered animals]	\$82.93	Queenscliffe provides services for high levels of visitors with animals to Queenscliffe (i.e. not registered with Queenscliffe). Over 50% of houses in the Borough are holiday homes. It is estimated that the number of animals in the Borough doubles during peak holiday periods which results in peak demand and additional resources allocated to animal management matters.
<b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0.00	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 reduced likelihood of penalties being issued.
<b>Library</b> Libraries <b>Utilisation</b> <i>Library collection usage</i> [Number of library collection item loans / Number of library collection items]	3.58	
<b>Resource standard</b> <i>Standard of library collection</i> [Number of library collection items purchased in the last 5 years / Number of library collection items] x100	67.19%	
<b>Service cost</b> <i>Cost of library service</i> [Direct cost of the library service / Number of visits]	\$7.06	This indicator represents in-person visits only and does not capture the use of online resources by library users.
<b>Participation</b> <i>Active library members</i> [Number of active library members / Municipal population] x100	37.12%	Active library members are those who have borrowed from the lending collection only. It excludes e-book loans and other library activity, including children and youth programs, digital literacy programs and literary events, the use of public internet personal computers and facilities such as meeting rooms and study areas, wifi and in-library use of collections.

## Level of community satisfaction



Queenscliff Railway Station platform marker.

## Achievements

### Queenscliffe Planning Scheme Review

Council has received Ministerial Authorisation to prepare the amendment documentation as a result of the Queenscliffe Planning Scheme Review. Preparation of documentation for the formal Planning Scheme Amendment process (including formal public exhibition) is well advanced. The documents are anticipated to be completed by the end of August / early September 2015. Council was successful in receiving financial assistance from the Department of Transport, Planning and Local Infrastructure's 'Rural Flying Squad' for this stage of the works. Formal exhibition of the Queenscliffe Planning Scheme amendment will take place in 2015/16.

### Bellarine Peninsula Localised Planning Statement

The State Government, in partnership with Council, established a Localised Planning Statements for the Bellarine Peninsula.

The Localised Planning Statement is to be incorporated into the State Planning Policy Framework of Victorian Planning Schemes. Once implemented into the State Planning Policy Framework, all planning decisions will need to have regard to the relevant policies as appropriate.

### Planning Application Processing Rate

In 2014-15, 67% of planning permits were decided within the 60 day timeframe compared to 55% in 2012-13.

### Asset Management Plan Implementation

During 2014-15, the implementation of Council's asset renewal and maintenance program targeted priorities based on the condition assessment of all Council owned and / or managed buildings. This also included two significant building renewals, Queenscliff Kindergarten and the Queenscliff Senior Citizens Centre. Specific items actioned within this financial year included:

- Refurbishment and extension to the Queenscliff Kindergarten. Construction works commenced in February 2015 and are progressing well with a scheduled completion in late July 2015. The Kindergarten is scheduled to resume service in the new building on 3 August 2015.

- Demolition of the Sea Scouts building and the refurbishment and upgrade of the Senior Citizens building. Construction work commenced on 1 June 2015 and the project is scheduled for completion in October 2015. The facility will be a shared facility when completed that will be home to both the Sea Scouts and the Senior Citizens.
- Renewal of the Queenscliffe & District Neighbourhood House kitchen, as well as painting of the main program room. This was completed in the first quarter of 2014-15.
- Replacement of aged park furniture in Princess Park, Queenscliff and along the Point Lonsdale Foreshore was undertaken throughout the financial year.

Council did not implement a road reseal program in 2014/15 due to the quantity of sealing works achieved in the three previous years under the Victorian Government's Country Roads and Bridges funding program. Routine inspection and maintenance of all Council roads continued to address potholes, road cracking and line marking requirements.

In addition to Council's footpath inspection and maintenance program, sectional renewal of concrete, asphalt and unsealed footpaths was completed in the following streets:

- Point Lonsdale Road, Point Lonsdale completed in April 2015;
- Learmonth Street, Queenscliff completed in April 2015.

The State Government Country Roads and Bridges funding program concluded in June 2015. Council received its final allocation of \$1,000,000 in the 2014-15 financial year. Council undertook the following projects during 2014-15

Hesse Street Roundabout, Queenscliff

Ferry to Pier footpath, Queenscliff.

### Year ahead

- Continue planning and construction of the Queenscliff Sport and Recreation Precinct Project.
- Complete the refurbishment and upgrade of the shared Senior Citizens and Sea Scouts building.

# A proactive and accountable Council

PRIMARY FOCUS AREAS	2014-15 SUCCESSES
<ul style="list-style-type: none"> <li>• Value and draw on the skills, knowledge and views of the local community</li> <li>• Provide transparent, open and accountable governance and ensure compliance with relevant legislation</li> <li>• Ensure sustainable financial management and maximise external funding opportunities</li> <li>• Minimise rate increases</li> <li>• Maximise return on Council assets</li> <li>• Increase revenue sources by developing Council managed Caravan Parks</li> <li>• Foster partnerships with community organisations, business, our municipal neighbours and other levels of Government</li> <li>• Provide a high standard of Customer Service</li> <li>• Increase residents' access to information</li> <li>• Advocate to other levels of Government on issues of key concern to the local community</li> <li>• Ensure the continuing independence of the Borough</li> </ul>	<ul style="list-style-type: none"> <li>• The adopted rate increase of 3.8% for 2015-16 remained one of the lowest rate increases (as a percentage) in the region and the state</li> <li>• The 2015 Community Satisfaction Survey results highlight that the Borough of Queenscliffe scored higher . . .</li> <li>• 71 media releases issued and 28 Mayor's Columns published in local newspapers.</li> <li>• Council's rate of spending on existing infrastructure, property, plant and equipment compared to depreciation on its assets has been recognised by the Victorian Auditor-General's Office (VAGO) as in the top 3 councils in the 'small shire councils' grouping in Victoria, based on the results of the local government audits for the 2013-14 financial year.</li> <li>• Council has achieved a 'low' risk rating against all of the Financial Sustainability Indicators assessed by the Victorian Auditor-General in 2013-14.</li> </ul>

2014-15 COUNCIL PLAN INITIATIVES	COUNCIL'S PERFORMANCE
Develop and implement a 'Community Information and Engagement' policy to increase public participation and access to information	Completed
Establish reference groups to advise Council on major community projects as determined by Council	Completed
Participate in the annual Local Government Community Satisfaction Survey	Completed
Minimise municipal rates applied to local sporting clubs that have limited revenue sources	Completed
Review lease arrangements with organisations occupying Council owned or managed land	Completed
Ensure that Councillor and staff behaviour complies with the respective Codes of Conduct	Completed
Build collaborative relationships with local organisations, neighbouring Councils and other levels of Government	Completed
Ensure adherence to guidelines on prudent management of debt, cash and asset renewal	Completed
Review Council assets to improve return on investment	Completed
Produce and forward the Council Plan, Strategic Financial Plan, Performance Statement and Annual Budget to the Minister for Local Government	Completed
Complete an annual review of its Strategic Financial Plan and long term budget as part of its annual Budget preparation process	Completed
Implement the Fire Services Property Levy (FSPL) in accordance with legislative requirements	Completed
Effectively manage public and organisational risk and meet all legislative requirements	Completed

The following statement provides information in relation to the services funded in the 2014-15 budget and the persons or sections of the community who are provided the service.

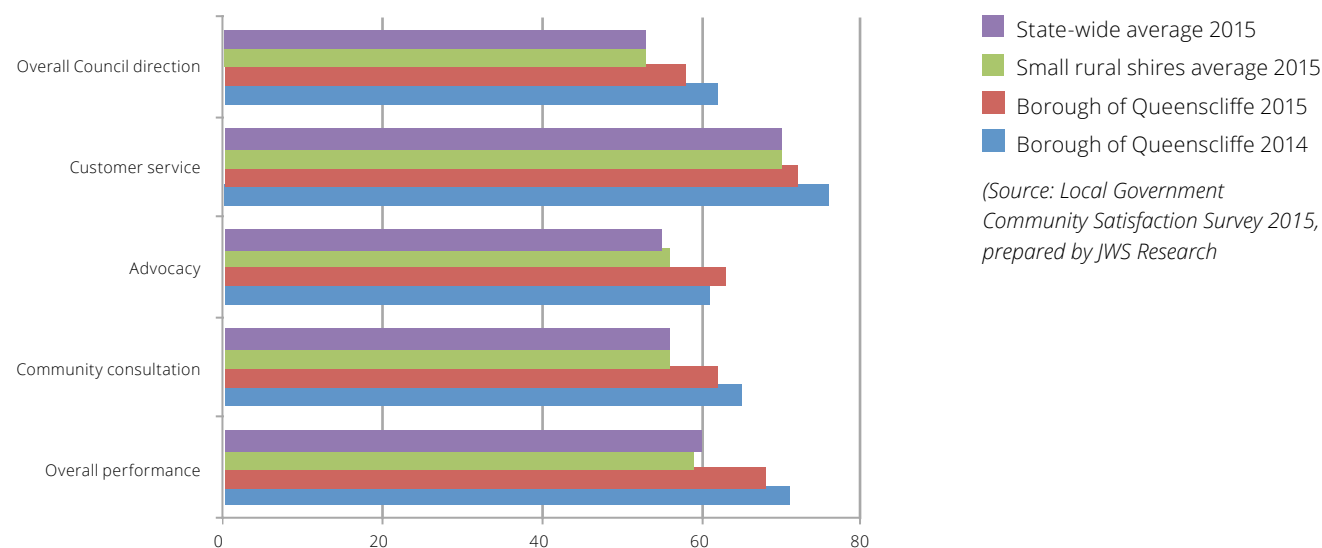
SERVICE	DESCRIPTION	NET COST ACTUAL
		NET COST BUDGET
		VARIANCE \$'000
<b>Governance</b>	This relates predominantly to the Mayor and Councillors, also governance items such as the community satisfaction survey and membership of various organisations including the MAV and the G21 alliance.	231
		248
		<b>17</b>
<b>Coastal and environment</b>	This area includes the Chief Executive Officer, Executive Management Team and associated support which cannot be easily attributed to direct service provision areas. Major variance explanation: 50% of Victoria Grants Commission funding allocation for 2015/16 was prepaid to Council in the 2014-15 year.	1,080
		1,213
		<b>133</b>
<b>Customer Service</b>	Included here is customer and civic services, providing a range of governance, statutory and corporate support services, and acting as the main customer interface with the community. Services include the coordination of council and committee meetings, records and information management and office support services. Legislative requirements under Privacy and Freedom of Information Acts are also administered here.	268
		267
		<b>(1)</b>
<b>Finance, risk and audit</b>	This service predominantly provides financial based services to both internal and external customers including the management of Council's finances, payment of salaries and wages to Council employees, procurement and contracting of services, fleet management, insurance and risk management. Depreciation expense for all Council assets is included in this program area. Audit services include those provided by external and internal auditors, insurance auditors and Council's Audit Committee.	1,451
		1,384
		<b>(67)</b>
<b>Rates and information technology</b>	This service is responsible for the raising and collection of rates and charges, and the maintenance of property information for both Council and Land Victoria databases. Expenditure related to external provision of both valuation and information technology services is also included.	88
		82
		<b>(6)</b>
<b>TOTAL</b>	<b>Actual</b>	<b>3,118</b>
	<b>Budget</b>	<b>3,194</b>
	<b>Variance</b>	<b>76</b>



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

Service/Indicator/Measure	Result	Material Variations
<b>Governance</b> <b>Transparency</b> <i>Council decisions made at meetings closed to the public</i> [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	16.67%	
<b>Consultation and engagement</b> <i>Satisfaction with community consultation and engagement</i> Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement	62.00	Queenscliffe's result of 62 is above the Small Rural council group average of 56 and the State-wide average of 56.
<b>Attendance</b> <i>Councillor attendance at council meetings</i> [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	92.86%	Reduced attendance is due to an approved Councillor leave of absence.
<b>Service Cost</b> <i>Cost of governance</i> [Direct cost of the governance service / Number of Councillors elected at the last Council general election]	\$33,285.80	
<b>Satisfaction</b> <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	62.00	Queenscliffe's result of 62 is above the Small Rural council group average of 56 and the State-wide average of 55.

## Level of community satisfaction



## Achievements

### Rate Increase Minimised

The adopted rate increase of 3.8% for 2015-16 was consistent with one of the lowest rate increases (as a percentage) in the region and the state.

### State and Federal Grant Revenue Maximised

Total grant funding received by Council in 2014-15 was \$2,967,000

Successful funding programs are particularly noteworthy:

- Completion of Stage 2 of the Point Lonsdale Foreshore Revitalisation project
- Upgrade of the Queenscliff Kindergarten
- Progress in redeveloping the Queenscliff Senior Citizens Centre to incorporate the Queenscliff Sea Scouts as part of the Queenscliff Heritage Railway Precinct upgrade
- Completion of the Queenscliff Ferry to Queenscliff Pier foreshore trail and improved access
- Upgrade of Springs car park to achieve safer pedestrian and vehicle movement, an uninterrupted beach promenade and improved amenity
- Improvements to local footpaths in Point Lonsdale Road, Point Lonsdale and Learmonth Street in Queenscliff
- Renewal of the Queenscliffe & District Neighbourhood House kitchen

Refer to page 82 for an overview of the grants and subsidies received.

### Increasing Information to Residents

A number of significant improvements were made to Council's

community engagement practices. New activities include the Borough Bulletin, a monthly insert into a local newsletter, listening posts, community forums and new e-newsletters for sustainability and business.

Other avenues that Council used to provide information to residents included:

- Borough Bites – four editions of the Borough Bites quarterly newsletter were published and sent to ratepayers in 2014-15.
- Mayor's Columns in local newspapers – 28 Mayor's Columns were published in local newspapers.

### Long-Term Financial Sustainability

Council continues to achieve excellent results against all local government areas (LGAs) in the 'small councils group' on the Financial Sustainability Index. The Financial Sustainability Index provides a score against five financial benchmarks:

1. Adjusted underlying operating result as a percentage of total revenue
2. current assets to current liabilities
3. non-current debt as a percentage of own source revenue
4. capital spend as a percentage of total depreciation
5. asset renewal and upgrade as a percentage of depreciation over six years

The results, which are more favourable than the group average, highlight the overall continuing financial sustainability of the Borough of Queenscliffe over the long term.

Within this 'small councils group', the Borough is one of eight councils that have been assessed as low risk on all five indicators of financial sustainability. This is a very positive result.



Point Lonsdale foreshore pathways and accessible ramps installed to link the promenade to the beach.



*Point Lonsdale sea wall.*



*Birdlife is a prominent feature of the Swan Bay nature reserve.*

# Corporate governance

Council governance	70
Organisational governance	76
Governance and Management Checklist	86
Victorian local government indicators	88
Community satisfaction	89

# Council governance

## The value of good governance

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.

It encompasses making clear the legislation and regulations under which we operate, along with: those 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

The Borough of Queenscliffe is one of 79 Victorian councils that derive their roles, powers and functions primarily from the Local Government Act 1989.

Under section 3D of the Act:

1. A council is elected to provide leadership for the good governance of the municipal district and the local community.
2. The role of a council includes:
  - a. acting as a representative government by taking into account the diverse needs of the local community in decision making
  - b. providing leadership by establishing strategic objectives and monitoring their achievement
  - c. maintaining the viability of the council by ensuring that resources] are managed in a responsible and accountable manner
  - d. advocating the interests of the local community to other communities and governments
  - e. acting as a responsible partner in government by taking into account the needs of other communities
  - f. fostering community cohesion and encouraging active participation in civic life.

The Borough of Queenscliffe performs this role by setting the strategic direction of the municipality through the development of the Council Plan, establishing and guiding policies, setting

service delivery standards and monitoring the performance of the organisation on behalf of our community.

## Decision making

Council decisions are made in one of two ways:

1. by resolution at Council meetings and Special Committees of Council
2. by Council officers under delegated authority.

Most decisions of an operational nature have been delegated to officers through the Chief Executive Officer (CEO). This system recognises the CEO's responsibility under the Local Government Act 1989 in managing the day-to-day operations of the organisation.

## Conflict of interest

During the course of dealing with matters that come before Council for decision, individual councillors and members of staff may find that they, or their immediate family, have a financial or some other advantage that could be interpreted as having undue influence on the outcome.

To ensure transparency in the decision-making processes of Council, both councillors and staff are required to declare and document their interest in a matter.

Where councillors have declared an interest, they take no part in the decision-making process.

Copies of the document 'Conflict of Interest: A Guide for Councillors, October 2012', published by the Department of Planning and Community Development, has been provided to councillors for their reference.

## Elected representatives

### Councillor elections

Victorian local government councils held councillor elections on 27 October 2012. At the Borough of Queenscliffe elections, the following councillors were elected:

- Councillor Bob Merriman (second term)
- Councillor Helene Cameron (second term)
- Councillor Susan Salter
- Councillor Sue Wasterval
- Councillor Graham J Christie JP

An induction program for the new Council was delivered early in the Council's new term.

### Code of Conduct

Council has a Code of Conduct, which was last revised on 18 September 2013. The code aims to embrace the principles of good governance and guide behaviour, accountability and dispute resolution amongst councillors. The existing code is available on Council's website.

## Council meetings

Council conducts its business in open and publicly advertised meetings. Ordinary meetings of Council are usually held on the fourth Wednesday of each month in the Queenscliff Town Hall.

Ordinary meetings of Council were held on:

- Wednesday 23 July 2014
- Wednesday 27 August 2014
- Wednesday 24 September 2014
- Wednesday 22 October 2014
- Wednesday 26 November 2014
- Wednesday 17 December 2014
- No meeting in January 2015
- Wednesday 11 February 2015
- Wednesday 25 March 2015
- Wednesday 22 April 2015
- Wednesday 27 May 2015
- Wednesday 24 June 2015

During the 2014–15 year, additional public meetings were held for the purpose of providing information to the community on the draft Council Plan, Budget and Rating Strategy. These meetings were held on:

- 13 April 2015 in Queenscliff
- 14 April 2015 in Camberwell

In accordance with Section 71 of the Local Government Act 1989, at the Ordinary Meeting of Council held on 27 November 2013 Councillors set the Mayoral term for one year, and elected the Mayor and Deputy Mayor for this period.

The statutory meeting at which the current Council took the Oath of Office and were elected was held on 14 November 2012.

## Council Meeting Attendance

Councillor	Number of Council and statutory meetings		Number of special meetings	
	Eligible to attend	Attended	Eligible to attend	Attended
Cr Helene Cameron (Mayor)	11	11	4	4
Cr Susan Salter (Deputy Mayor)	11	11	4	4
Cr Bob Merriman	11	11	4	4
Cr Graham Christie*	11	8	4	1
Cr Sue Wasterval	11	11	4	4

\* Approved leave of absence

## Meeting conduct

Council meeting dates, agendas and minutes are available on Council's website. The meeting dates are also promoted through the Borough Bites quarterly newsletter and the Mayor's Columns in local newspapers.

Meetings are conducted in accordance with Local Law No. 1 2010 – Process of Municipal Government and reports are prepared independently by staff for both the decision and information of the Council. Councillors and officers are required to disclose any conflict of interest in any item to be discussed at Council meetings. Councillors and officers who disclose any conflict of interest are subsequently precluded from any discussion and voting on an item.

Members of the public have the opportunity to ask questions on issues in which Council has a direct interest or responsibility. Question time is held at the start of each Council meeting.

## Committees of Council

The Local Government Act 1989 acknowledges the need for Advisory and Special Committees of Council. These committees may include councillors, Council staff and other persons as deemed necessary. The Act also allows for Council, by Instrument of Delegation, to delegate any of its functions, duties or powers to a Special Committee.

The Borough of Queenscliffe has one Advisory Committee of Council: the Audit Committee. The Audit Committee's role is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a

Councillor	Allowance	Expenses	Total
Cr Helene Cameron	\$51,728	\$40	\$51,768
Cr Bob Merriman	\$20,540	\$33	\$20,573
Cr Sue Wasterval	\$20,540	\$0	\$20,540
Cr Susan Salter	\$20,540	\$0	\$20,540
Cr Graham Christie	\$20,540	\$0	\$20,540
<b>TOTAL</b>	<b>\$133,888</b>	<b>\$73</b>	<b>\$133,961</b>

reliable system of internal controls and facilitating the organisation's ethical development.

Council also has a number of reference groups to provide advice and direction on specific projects. These reference groups consist of community members, councillors and Council staff. Reference groups as at 30 June 2015 include:

- Australia Day Awards Selection Reference Group
- Queenscliffe Park Project Reference Group
- Community Grants Advisory Reference Group
- Governance & Finance Portfolio Reference Group
- Point Lonsdale Main Street and Foreshore Reference Group
- Reconciliation Reference Group

New committees and reference groups are established as required.

## Councillor allowances and expenses

The Local Government Act 1989 (section 75) provides for the reimbursement of necessary out-of-pocket expenses incurred while performing the duties of a councillor.

The Borough of Queenscliffe 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 sets out the allowances paid to councillors for the reporting period.

## Interstate and overseas travel

The Local Government Act 1989 requires councillors to register their interstate and overseas travel and associated expenses. In the 2014–15 financial year the Mayor, Cr Helene Cameron, registered travel expenses of \$2,589.50 to attend the 2015 National General Assembly of Local Government in Canberra in June.

## Audit Committee

The Audit Committee is an advisory and supervisory committee to Council that forms part of Council's overall governance framework.

The primary objective of the Audit Committee is to assist Council in the effective conduct of its responsibilities for financial reporting, management of risk, maintaining a reliable system of internal controls and facilitating the organisation's ethical development.

During the year two of the four independent Audit Committee members were reconfirmed as members of the Committee for the following periods:

- Mr Richard Bull and Mr Graeme Phipps for a further three year period to 31 December 2017.

As at 30 June 2015, the members of the Committee are:

- Mr Roland 'Barney' Orchard (Chair)
- Mr Richard Bull
- Mr Graeme Phipps
- Mr David Shaw
- Cr Bob Merriman
- Cr Susan Salter

Council officers (including the Chief Executive Officer, General Manager Corporate and Community Services and the Senior Accountant) attend meetings but are not formally part of the committee.

During the 2014–15 financial year the Audit Committee met three times:

- 15 September 2014
- 8 December 2014
- 15 June 2015

The meetings covered a number of standing items that address Council's audit and risk evaluations and functions. Audit reports presented to the Audit Committee were 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.

Internal audit topics for the 2014–15 year include:

- Value for Money on Major Contracts
- Corporate Governance / Council Reporting
- Budget / Budgeting
- Review of Compliance Culture
- ongoing review of risk management (including OH&S)
- status of outstanding actions from previous internal audit reports

Council officers also presented the following documents to the committee for scrutiny:

- the quarterly Financial Reports
- the draft annual Council Plan Implementation, Budget and presentation to the public

- the year end Standard Statements, Financial Statements and Performance Statement prior to 'in principle' adoption by Council and sign-off by VAGO.

Other significant items received by the committee included:

- Other significant items received by the Committee included:
- VAGO reports on emerging issues, with Council officers providing comment on the Borough's position. The topics reviewed included heatwave management, information and communications technology controls, effectiveness of support for Local Government and results of the 2013–14 Local Government audits.
- biannual reports from Council officers on the Risk Management Committee's activities, including incident reporting, emergency response management, progress regarding outstanding audit recommendations, an update of Council's review of the Risk Register, rollout of the risk management training for staff and Business Continuity Management Planning.
- revised Council policies, including Investment of Available Funds, Rates Assistance, Fraud Prevention, Procurement, Risk Management, Local Government Performance Reporting Framework, Credit Management and Business Continuity Management policies.

The independent members of the committee are paid a sitting fee for each meeting attended. The remuneration of members is set out in the following table.

### Audit Committee Attendance

Member	Eligible to Attend	Meetings Attended	Total sitting fees paid/accrued
Mr Roland 'Barney' Orchard	3	3	\$1,500
Mr Richard Bull	3	3	\$1,200
Mr David Shaw	3	3	\$1,200
Mr Graeme Phipps	3	3	\$1,200
Cr Bob Merriman	3	3	\$0
Cr Susan Salter	3	3	\$0
<b>TOTAL</b>			<b>\$5,100</b>



- review of the annual Local Government Community Satisfaction Survey, which compares performance across all Victorian councils.
- Local Government Performance Reporting Framework (LGPRF).
- Review of the Victorian Government's proposed Rate Capping Framework.

## 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 Council's risk plan and, where potential liability is identified or incidents occur, these are referred to Council's insurers or to the relevant government department.

Incident reporting is included in Council's quarterly finance reports during the year. An average of 3–4 incidents is reported each quarter and followed up in line with Council's risk management policies and procedures.

Council has an internal Risk Management Committee which regularly meets to ensure Council's risk management practices operate within appropriate frameworks, relevant legislation and Council strategy.

Members of the Committee are:

- General Manager Corporate & Community Services
- Senior Accountant
- Foreshore & Caravan Parks Coordinator
- Projects & Contracts Engineer
- Community Services Coordinator
- Tourism & Economic Development Program Leader
- Executive Assistant to the General Managers (minute taker)

The Committee met on seven occasions during the 2014–15 year and six monthly reports on risk management activities of the Committee, and the organisation as a whole, were provided to the Audit Committee in December 2014 and June 2015.

The standing agenda for this Committee comprises:

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

During the year, training was provided to staff to reacquaint Program Leaders with Council's risk management framework. This training aims to assist the organisation to review current practice and improve Council's Risk Register, risk ratings and control. First aid training was also conducted during the year.

Risk-related policies considered by the Committee and subsequently adopted by Council during the year include: risk management, fraud prevention, procurement and business continuity management.

### Insuring our risks

JLT Municipal Asset Protection Plan Discretionary Trust (JMAPP) provides Council's building and contents insurance and 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 & sickness (employees & Councillors)
- commercial crime (fidelity)

Insurance premiums have decreased by 4% (\$7,000) compared with the 2013–14 year, noting this is a result of insurance premium savings distributed in 2014–15 by the insurer that were achieved in the 2013–14 year, factoring in the claims experience of each Council.

Whereas Council was previously subjected to biannual insurance audits, the industry is moving away from audits and towards targeted workshops and other information sessions instead. Officers continue to attend regular Best Practice Forums conducted by Council's insurance brokers and attended by other Councils within the region. This is an important source of information in helping to manage Council's risks in the most appropriate manner.

### Business continuity

Further work is required in the area of Business Continuity Management (BCM) to ensure documentation is up to date and in line with current good practice guidelines and standards. This will also maximise the resilience and capability of Council to respond to a business interruption event in a controlled and methodical manner and significantly reduce prolonged periods of interruption in service provision to the Community. A review of Council's Business Continuity Plan has commenced and is anticipated to be completed in the second half of 2015.

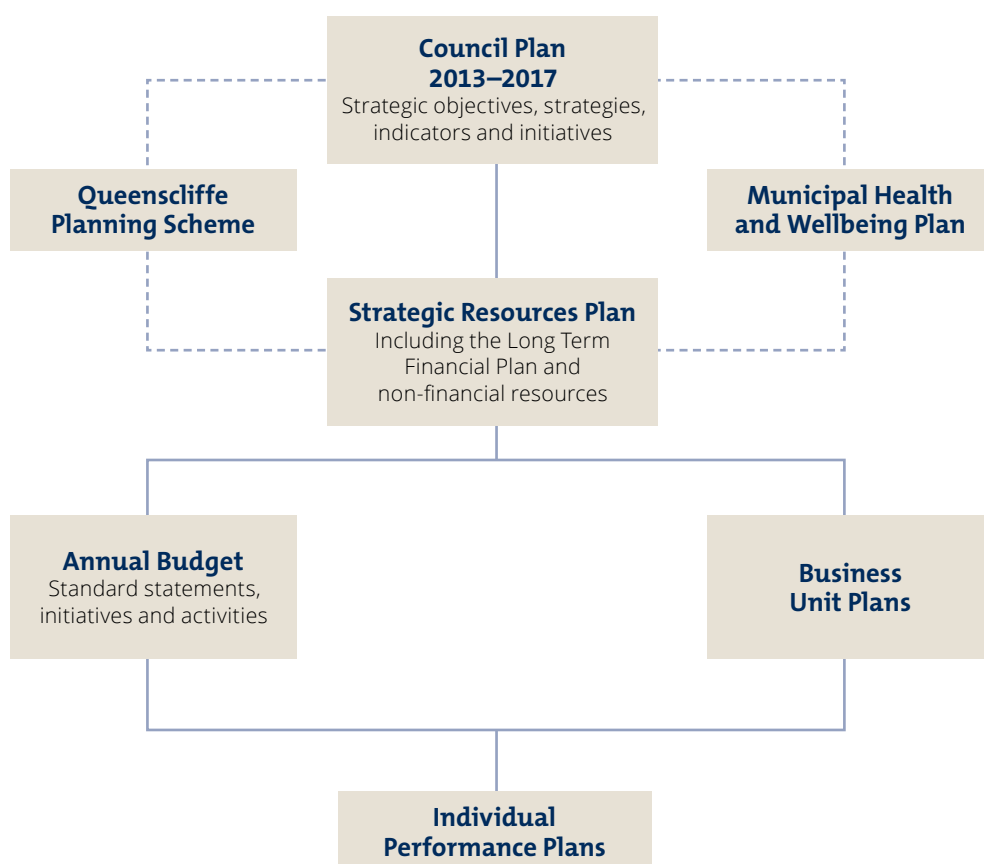
## Business planning framework

The Council Plan is the key strategic document guiding the direction of the Council for its elected term. It is available on Council's website.

The Borough of Queenscliffe's Council Plan 2013–2017 was produced after a comprehensive process that included extensive strategic research on the key drivers and trends affecting the current and future growth and welfare of our community, inputs from councillors and Council staff, community consultation and consideration of statutory and contractual requirements.

The diagram (right) depicts Council's strategic planning framework.

The timing of each component of the planning framework is critical to the successful achievement of the planned outcomes. The Council Plan, including the Strategic Resource Plan, is required to be completed by 30 June in the year following the local government elections. The Council Plan is reviewed each year to inform the annual budget.



## Policies, strategies and plans

The following policies, strategies and key planning documents were reviewed and/or adopted by Council during 2014–15.

Title	Date adopted
CP001 Asset Management (Reviewed)	23/07/2014
CP030 Asset Disposal (New)	23/07/2014
Victorian Local Government Women's Charter	23/07/2014
CP012 Events (Reviewed)	24/09/2014
Borough of Queenscliffe 2013-14 Annual Financial Report	24/09/2014
Bellarine Peninsula Localised Planning Statement (September 2014)	24/09/2014
CP003 Community Engagement (New)	24/09/2014
G21 Regional Economic Development Strategy	22/10/2014
2013-14 Borough of Queenscliffe Annual Report	22/10/2014
CP011 Investment (Reviewed)	17/12/2014
CP031 Rates Assistance (New)	25/03/2015
CP008 Fraud Prevention (Reviewed)	29/04/2015
CP013 Procurement (Reviewed)	29/04/2015
CP017 Risk Management (Reviewed)	29/04/2015
CP032 Local Government Reporting Framework (New)	29/04/2015
CP033 Creditor Management (New)	29/04/2015
CP007 Equal Employment Opportunity (Reviewed)	27/05/2015
CP034 Business Continuity Management (New)	27/05/2015
G21 and ALF Barwon Regional Strategy	27/05/2015
G21 Regional Tennis Strategy	27/05/2015
Fort Queenscliff Precinct Tourism Master Plan (June 2015)	24/06/2015
2015–16 Borough of Queenscliffe Implementation Plan	24/06/2015
2015–16 Borough of Queenscliffe Budget, including Strategic Resource Plan	24/06/2015

*These documents and other Council policies and key planning documents are available for viewing on Council's website.*

## Legislative compliance

### Information privacy

Council is committed to protecting the personal privacy of residents and ratepayers. Council 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. Council's Information Privacy Policy is available on Council's 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 Council's Privacy Officer on 5258 1377 or via email: [privacy@queenscliffe.vic.gov.au](mailto:privacy@queenscliffe.vic.gov.au)

### Information and records management

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

### Freedom of information

The *Freedom of Information Act 1982* establishes a legally enforceable right for individuals or organisations to access information from certain records held by Council.

At the commencement of 2013 the Borough of Queenscliffe produced an Information Statement in accordance with Part II of the *Freedom of Information Act 1982*. This outlines the role of the Council and its key services, functions and reports, and how a person can access the information they require.

Council received no requests for information during the financial year 2014–15.

Council's Freedom of Information Part II Information Statement is available on Council's website.

### Protected disclosures (formerly whistleblower protection)

The *Protected Disclosures Act 2012* repealed the Whistleblower Protection Act 2001 and is the new legislative framework for receiving protected disclosures and protecting those who make them.

The main objective of the Protected Disclosures Act is to encourage and facilitate the making of disclosures about improper conduct by public officers and public bodies and to establish a system for matters to be investigated. The Act provides protection from detrimental action to any person affected by a protected disclosure, whether it is the person who makes a disclosure, a witness or the person who is the subject of an investigation.

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 the financial year 2014–15 no disclosures were made to the Borough of Queenscliffe.

### Road management

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. No directions were received from the Minister in 2014–15.

### 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 evaluate its implementation in the annual report.

The Domestic Animal Management Plan was first adopted by Council on 21 October 2008. It was prepared in accordance with the requirements and responsibilities under the following legislation and guiding documents:

- *Domestic Animals Act 1994*
- *Impounding of Livestock Act 1994*
- Borough of Queenscliffe Local Law No. 2, 2010 – Community Amenity
- 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 micro-chipping and de-sexing pets, and the need for a strategic approach to manage domestic animals in the community. Refer to page 90 for the number of animals registered within the Borough of Queenscliffe.

Reviews of the Domestic Animal Management Plan are carried out on a yearly basis to ensure that any changes in circumstances may be reflected. (i.e. Domestic Animal Businesses, even though Queenscliff does not have any at this time).

### Fire prevention

Under the Country Fire Authority Act Council is required to have a Municipal Fire Prevention Plan and to evaluate its implementation in its annual report. Council's Fire Prevention Plan 2012–2015 was adopted by Council on 19 December 2012.

Council's 2014–15 Annual Fire Prevention Inspection Program has been undertaken in line with the 2009 Victorian Bushfire Royal Commission Recommendations. In total 11 properties were issued with a Schedule 15 Fire Prevention Notice (FPN), with 100% compliance rate. This reflects the increase in awareness and may be attributed to the substantial advertising campaign implemented by the State Government. The number of vacant allotments within the Borough is being reduced due to new home construction activity which has also impacted the numbers of notices issued.

# Organisation governance

## Best Value Principles

The Local Government (Best Value Principles) Act 1999 requires all Victorian councils to review their services against key principles to ensure that they are providing value for money to their communities. 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.

Council's Best Value Program has been completed in accordance with its legislative requirements. Council still derives learning from the ongoing review applied to all Council services. This is achieved by adherence to the procurement requirements of the Local Government Act 1989 and Council's Procurement Policy.

## Procurement

Council has a Procurement Policy that outlines the core principles that apply to all purchases made and contracts entered into. This is available on Council's website.

Procurement of goods, services and works must be done in a way that is beyond reproach. To ensure this, Council employees are required to perform their duties and conduct themselves in a manner that ensures that they maintain a reputation for being fair and unbiased when dealing with suppliers.

## Continuous service improvements

The Best Value provisions outlined in the Local Government Act 1989 require Council to review its services against a number of principles including that of 'continuous improvement'.

## Contract management

During 2013-15, it was identified that a group of civil works across different projects could be combined into a single tender, with the intention of achieving best possible value. These works including, the Hesse/Symonds/Wharf Street roundabout construction and the pedestrian crossing component of the Hesse Street revitalisation works, were completed in 2014-15. Combining these civil works into the one contract has provided not only financial savings through scale but also reduced the inconvenience to residents and trading impact to retailers in Hesse Street.

## Documents for inspection

A range of public information that is available for public inspection is not included on Council's website. Information is contained in large documents or registers from which specific detail can be sourced. This includes:

1. Current allowances fixed for the Mayor and councillors under section 74 or 74A of the Local Government Act 1989.
2. Details of senior officers' total salary packages for the current financial year and the previous year.
3. Details of overseas or interstate travel.
4. Names of Council officers who were required to submit a return of interest during the financial year and the dates the returns were submitted.
5. Names of councillors who submitted returns of interest during the financial year and the dates the returns were submitted.
6. Agendas for and minutes of ordinary and special meetings held in the previous 12 months (except if closed to members of the public under section 89 of the Act).
7. List of all special committees established by Council and the purpose for which each committee was established.

8. List of all special committees established by Council which were abolished or ceased to function during the financial year.
9. Minutes of meetings of special committees established under section 86 of the Act and held in the previous 12 months (except if closed to members of the public under section 89 of the Act).
10. The register of delegations kept under sections 87, 88 and 98 of the Act.
11. List of submissions received in accordance with section 223 of the Act during the previous 12 months.
12. Agreements to establish regional libraries under section 196 of the Act.
13. List of property, finance and operating leases involving land, buildings, plant, computer equipment or vehicles entered into by the Council.
14. The register of authorised officers appointed under section 224 of the Act.
15. List of donations and grants made by the Council during the financial year.
16. List of the names of the organisations of which the Council was a member during the financial year.
17. Contracts required to be listed valued at \$100,000 or more.

The above information is available for public inspection at Council offices during normal office hours; however, for practical reasons, you may require a prior appointment.

## Property revaluation

The date of the latest general revaluation of land for rating purposes within the municipality was 1 January 2014. The revaluation will apply in the rating year commencing 1 July 2014.

## Local laws

Council has two local laws that aim to protect and enhance the community's general way of life and wellbeing. They provide for peace, order and good government. The Council's power to make these local laws is contained in sections 91 and 111 of the Local Government Act 1989. The current local laws were adopted on 24 December 2010.

### Local Law No. 1 2010 – Process of Municipal Government

The objectives of this local law are 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
- repeal any redundant local laws

### Local Law No. 2 2010 – Community Amenity

The objectives of this local law are 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
- repeal any redundant local laws

### Infringements, registrations and permits issued

In 2014-15 a number of infringement notices, registrations and permits were issued under these local laws. These are summarised below.

Infringement notices	2014-15	2013-14	2012-13	2011-12
Parking infringements	263	243	321	308
Animal infringements	1	4	9	7
Local law infringements	2	4	1	12
Fire prevention	0	0	0	0
Planning	0	0	3	0
<b>Total</b>	<b>266</b>	<b>251</b>	<b>334</b>	<b>327</b>

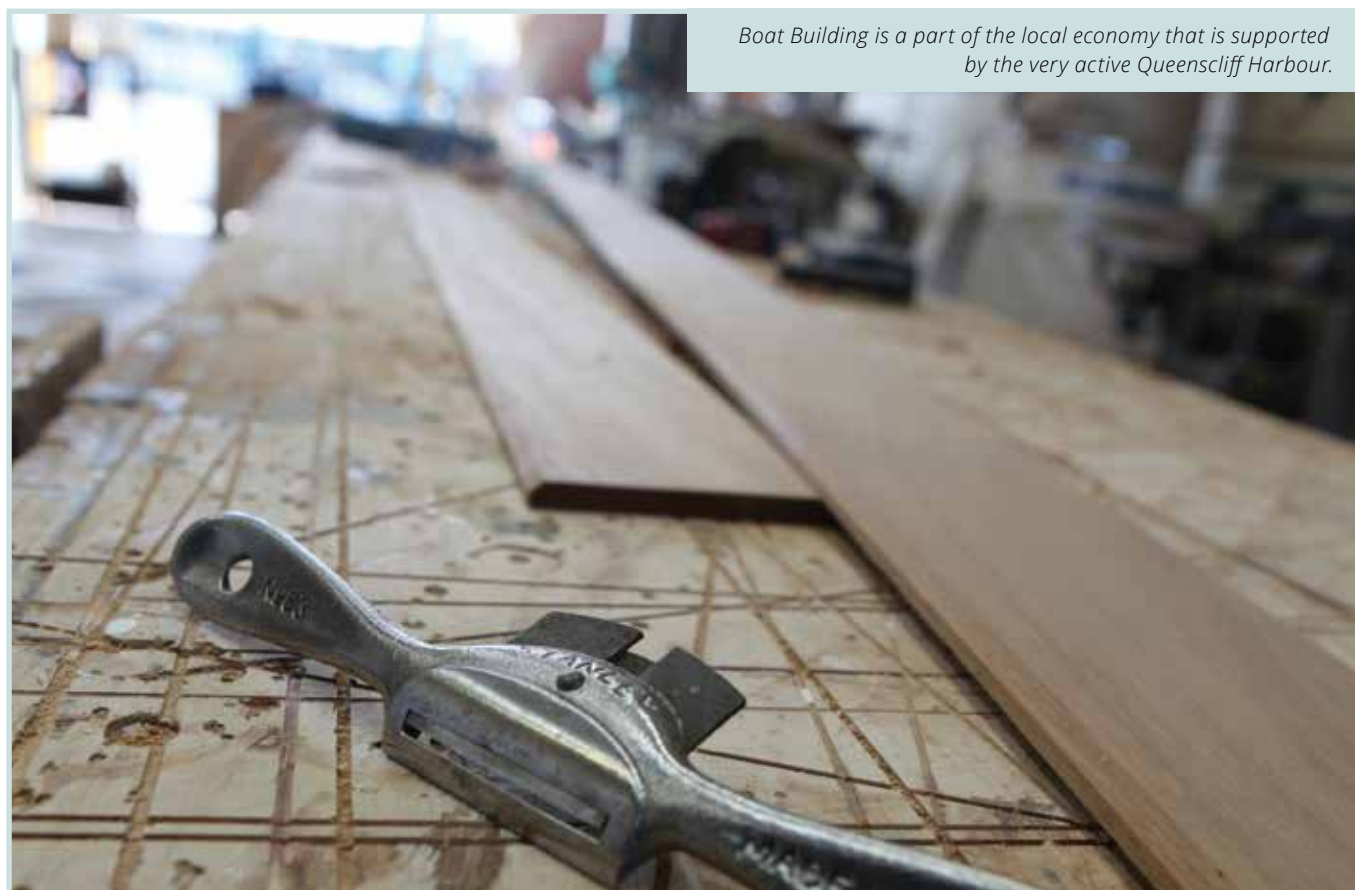
Court briefs	2014-15	2013-14	2012-13	2011-12
Court briefs	0	0	0	25
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>25</b>

Local law permits	2014-15	2013-14	2012-13	2011-12
Consume alcohol	17	10	27	18
Weddings	20	25	16	36
Major events	29	24	21	18
Bulk rubbish bins	12	9	14	15
Disabled parking	168	219	66	14
Outdoor eating facilities	14	12	7	11
Goods for sale	8	8	12	13
A-frames	25	25	44	47
Residential parking	0	0	0	2
Boat ramp	252	265	260	281
Other	39	38	64	9
<b>Total</b>	<b>584</b>	<b>635</b>	<b>531</b>	<b>464</b>

<b>Animal management</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>	<b>2012-13</b>
Animals registered	758	728	708	801
- Dogs	629	595	576	646
- Cats	129	133	132	155
Impounded animals	33	25	14	6
Door knocks (streets)	74	67	47	38
Animal warning notices	178	159	172	127
Native animal responses	39	29	34	27
<b>Total</b>	<b>1,082</b>	<b>1,008</b>	<b>1,683</b>	<b>1,800</b>

<b>Notices</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
Fire prevention	11	11	19	28
Non-compliance of notices	0	0	0	2
<b>Total</b>	<b>11</b>	<b>11</b>	<b>19</b>	<b>30</b>

<b>Outside hours</b>	<b>2014-15</b>	<b>2013-14</b>	<b>2012-13</b>	<b>2011-12</b>
After hours calls	98	87	74	58
After hours call-outs	34	24	18	14
<b>Total</b>	<b>132</b>	<b>111</b>	<b>92</b>	<b>72</b>



*Boat Building is a part of the local economy that is supported by the very active Queenscliff Harbour.*

## Grants and donations to local organisations

To assist our community to undertake cultural, recreational, environmental and community support projects and activities, Council provides grants and donations to community groups and organisations. In 2014–15, Council gifted a total of \$146,395 to the Borough community and represents a substantial investment in our volunteers, the social fabric of this community.

Recipient	Purpose of community grants and donations		2014–15	2013–14
<b>Community events</b>				
Queenscliff Music Festival (QMF)	Support of the event (cash donation and in-kind support)		\$20,725	\$21,375
150 Years of the Borough	Celebrating 150 Years of the Borough		\$6,655	\$12,130
Point Lonsdale Christmas Tree	Point Lonsdale Christmas Tree festivities		\$5,846	\$6,092
Australia Day	Australia Day celebrations		\$5,180	\$3,655
Senior Citizens Week	Senior Citizens Week activities		\$4,100	\$3,662
Sea of Words	Sea of Words event		\$3,515	\$2,767
Volunteer Day	Volunteer Day celebrations		\$3,393	\$2,354
Artists in Residence	Arts event		\$3,344	\$4,000
Maritime Weekend	Maritime Weekend activities		\$2,000	\$1,948
Films	Films event		\$1,098	\$916
Children's Week	Support of the event (in-kind support)		\$695	\$2,003
Musical Mornings	Music events		\$0	\$131
Other event support	Other event support including ANZAC Dawn Service, Red Cross High Tea, Small Business Festival & QMF clean-up		\$29,261	\$14,866
Easter Weekend	Support of the event (in-kind support)		\$0	\$8,830
<b>Sub Total: Community events</b>			<b>\$85,813</b>	<b>\$75,901</b>
<b>Contribution to operating costs</b>				
Point Lonsdale Life Saving Club	Lifeguard services		\$27,896	\$26,568
Australian Volunteer Coastguard Association	Coastguard services		\$5,000	\$5,000
Queenscliff Reconciliation Week	Reconciliation activities		\$2,200	\$1,616
Point Lonsdale Tennis Club	Water usage		\$68	\$1,628
<b>Sub Total : Contribution to operating costs</b>			<b>\$35,164</b>	<b>\$34,812</b>
Recipient	Purpose of community grants and donations		2014–15	2013–14
<b>Arts &amp; Cultural Development Grants</b>				
	<b>2014–15 Year</b>	<b>2013–14 Year</b>		
Queenscliff & District Men's Shed	Improvements to safety, accessibility and viability of Men's Shed.	Restore and repair disused and unwanted bicycles for people unable to afford them – some already provided to the Queenscliff Retirement Lodge and Afghan Refugees - would like to expand the program to Cottage by the Sea and schools.	\$5,000	\$1,000
Bellarine State Emergency Service	Community outreach equipment.		\$2,000	\$0

Recipient	Purpose of community grants and donations		2014-15	2013-14
Friends of the Marine Discovery Centre	Rangers program for local school students.	Sustainable seafood cookbook – develop and produce a community sustainable seafood cookbook.	\$2,000	\$1,300
Queenscliff Football Netball Club	Netball equipment.		\$2,000	\$0
Queenscliff/Point Lonsdale RSL Sub Branch	Anzac Day 2015 Dawn Service audio equipment.		\$2,000	\$0
St. Aloysius Catholic Primary School	St. Aloysius fun run.	Funding assistance for the timing at the 100 Steps Fun Run.	\$2,000	\$2,000
YMCA Camp Wyuna	Purchase of a beach access wheelchair.		\$2,000	\$0
Queenscliff Toy Library	Celebration of 30 years.		\$900	\$0
Point Lonsdale/Queenscliff Unit of the Red Cross	Purchase of plaque and tree for commemoration of Centenary of Red Cross in Queenscliffe		\$798	\$0
Swan Bay Environment Association Inc.	Purchase and installation of two Hungry bins for compost production.		\$490	\$0
Boroughcoutas Swimming Club		Assist with increased cost of the Point Lonsdale Surf Lifesaving Club providing water safety for the annual Blue Water Challenge event.	\$0	\$2,000
Point Lonsdale Bowls Club		Contribution towards the annual training costs of coaches, umpires, measurers, referees and first aid personnel.	\$0	\$2,000
Queenscliff Community Sports Club		Purchase of a lectern and portable stage that will complete the presentation equipment available for groups to use in the redeveloped Monahan Centre.	\$0	\$2,000
Queenscliff Maritime Museum		Website and social media development – develop a new website for the museum that will be compatible with mobile phones/iPads.	\$0	\$2,000
Queenscliff-Point Lonsdale Congregation of the Uniting Church in Australia		Illuminating art – installing improved light fittings in the Community Hall for community art displays.	\$0	\$2,000
St George the Martyr Anglican Church		Improve the kitchen in the old school hall to encourage and enable wider community use.	\$0	\$2,000
St James Anglican Church		Purchase of folding chairs and stacking trolley for use by groups hiring Gill Hall for meetings, weddings and other functions/events.	\$0	\$2,000



Recipient	Purpose of community grants and donations		2014-15	2013-14
Point Lonsdale Surf Lifesaving Club		Portable shelter for Lifesaving Emergency Response Team.	\$0	\$1,545
Combined Probus Club of Queenscliff		Lapel microphones for guest speakers to enable all members at meetings to hear the speakers.	\$0	\$200
<b>Sub Total: Arts &amp; Cultural Development Grants</b>			<b>\$19,188</b>	<b>\$20,045</b>
<b>Youth Cultural Program</b>				
Youth Cultural Program	Youth week		\$5,130	\$4,500
<b>Sub Total : Youth Cultural Program</b>			<b>\$5,130</b>	<b>\$4,500</b>
<b>Education Awards</b>				
Bellarine Secondary College	Scholarship	Scholarship	\$1,000	\$1,000
St. Aloysius Primary School	Scholarship		\$100	\$0
<b>Sub Total: Education Awards</b>			<b>\$1,100</b>	<b>\$1,000</b>
<b>Total grants and donations paid to local organisations</b>			<b>\$146,395</b>	<b>\$136,258</b>



*Hustle and bustle of the foreshore cafés at Point Lonsdale.*

## Grants and subsidies received

In 2014–15 Council received a total of \$2,966,882 in grants and subsidies from external sources.

Purpose	Type	Period	Funding	Source	2014–15 Actual	2013–14 Actual
Aged Care – Community Aged Care Packages	Operating	Recurrent	Federal	Department of Health & Ageing	\$49,188	\$78,037
Fort Queenscliff Development Plan	Operating	Non-recurrent	Federal	Austrade	\$25,000	\$30,000
Point Lonsdale Foreshore Revitalisation Stage 2	Capital	Non-recurrent	Federal	Regional Development Australia Fund	\$0	\$295,000
Energy Efficient Hot Water Systems	Capital	Non-recurrent	Federal	Department of Resources, Energy & Tourism	\$0	\$10,528
Roads to Recovery	Capital	Recurrent	Federal	Department of Infrastructure	\$0	\$560
<b>Sub total: Federal funding</b>					<b>\$74,188</b>	<b>\$414,125</b>
Country Roads & Bridges Program	Operating	Non-recurrent	State	Department of Transport, Planning & Local Infrastructure	\$513,055	\$768,062
Country Roads & Bridges Program	Capital	Non-recurrent	State	Department of Transport, Planning & Local Infrastructure	\$486,945	\$231,938
General Purpose	Operating	Recurrent	State	Victoria Grants Commission	\$305,976	\$97,884
Point Lonsdale Foreshore Revitalisation Stage 2 – Underground Power	Operating	Non-recurrent	State	Regional Development Victoria	\$263,320	\$0
Point Lonsdale Foreshore Revitalisation Stage 2 – Underground Power	Operating	Non-recurrent	State	Regional Development Australia Fund	\$205,000	\$0
Aged Care – Domestic Assistance	Operating	Recurrent	State	Department of Health	\$138,105	\$135,588
Ferry to the Pier	Operating	Non-recurrent	State	Regional Development Victoria	\$125,000	\$0
Point Lonsdale Foreshore Revitalisation Stage 3 – Village Park Upgrade	Capital	Non-recurrent	State	Regional Development Victoria	\$120,000	\$0
Queenscliff Historic Railway Precinct – Senior Citizens & Sea Scouts Buildings	Capital	Non-recurrent	State	Department of State Development, Business & Innovation	\$100,000	\$100,000
Green Waste Bins	Capital	Non-recurrent	State	Sustainability Victoria	\$100,000	\$0
Local Roads	Operating	Recurrent	State	Victoria Grants Commission	\$77,440	\$25,568
Aged Care – Personal Care	Operating	Recurrent	State	Department of Health	\$60,480	\$59,364
Maternal and Child Health	Operating	Recurrent	State	Department of Education & Early Childhood Development	\$48,240	\$47,455
Aged Care – Assessments	Operating	Recurrent	State	Department of Health	\$44,940	\$41,901
Aged Care – Home Maintenance	Operating	Recurrent	State	Department of Health	\$39,071	\$38,351
Fort Queenscliff Development Plan	Operating	Non-recurrent	State	Regional Development Victoria	\$35,000	\$0
Fire Services Levy Implementation	Operating	Recurrent	State	State Revenue Office – Department of Treasury & Finance	\$34,819	\$54,006
Community Development Officer	Operating	Recurrent	State	Department of Health	\$32,488	\$32,003

Purpose	Type	Period	Funding	Source	2014-15 Actual	2013-14 Actual
Fort Queenscliff Development Plan	Operating	Non-recurrent	State	Tourism Greater Geelong and the Bellarine	\$20,000	\$0
School Crossing Supervisors	Operating	Recurrent	State	Department of Transport, Planning & Local Infrastructure	\$16,372	\$15,290
Aged Care - Respite Care	Operating	Recurrent	State	Department of Health	\$15,345	\$15,066
Regional Public Place Recycling	Operating	Non-recurrent	State	Sustainability Victoria	\$14,962	\$15,000
Beach Cleaning	Operating	Recurrent	State	Department of Sustainability & Environment	\$12,372	\$13,379
ANZAC Day 2015	Operating	Non-recurrent	State	Department of Veteran Affairs	\$11,091	\$0
Regional Victoria Living Expo	Operating	Recurrent	State	Regional Development Victoria	\$10,000	\$10,000
Aged Care - Minor Works	Capital	Recurrent	State	Department of Health	\$8,822	\$4,634
Senior Citizens Centre	Operating	Recurrent	State	Department of Health	\$8,122	\$7,856
Walk to School	Operating	Recurrent	State	Vic Health	\$8,085	\$10,000
Lighthouse Reserves Development Plan	Capital	Non-recurrent	State	Department of State Development, Business & Innovation	\$5,500	\$49,500
G21 Tennis Strategy	Operating	Non-recurrent	State	Sport & Recreation Victoria - Department of Planning and Community Development	\$5,000	\$25,000
Tobacco Activity Program – No Smoking Signs	Operating	Non-recurrent	State	Department of Health	\$5,000	\$5,000
Community Environment Alliance	Operating	Non-recurrent	State	Department of Environment & Primary Industries	\$3,648	\$16,352
Victorian Seniors Festival – Senior Citizens Week	Operating	Recurrent	State	Department of Health	\$2,600	\$2,600
Emergency Management	Capital	Non-recurrent	State	Department of Health	\$2,358	\$0
Youth Obstacle Course	Operating	Non-recurrent	State	Department of Health	\$2,000	\$0
Childrens Week	Operating	Recurrent	State	Department of Education & Early Childhood Development	\$500	\$500
Kindergarten Redevelopment Stage 1	Capital	Non-recurrent	State	Department of Education & Early Childhood Development	\$0	\$350,000
Point Lonsdale Foreshore Revitalisation Stage 2	Capital	Non-recurrent	State	Regional Development Victoria	\$0	\$300,000
Queenscliff Historic Railway Precinct	Operating	Non-recurrent	State	Department of State Development, Business & Innovation	\$0	\$200,000
Queenscliff Sports Club Enhancement Project	Capital	Non-recurrent	State	Sport & Recreation Victoria - Department of Planning and Community Development	\$0	\$50,000
Point Lonsdale Foreshore Revitalisation Stage 1	Capital	Non-recurrent	State	Department of Planning and Community Development	\$0	\$40,000

Purpose	Type	Period	Funding	Source	2014-15 Actual	2013-14 Actual
Localised Planning Statement	Operating	Non-recurrent	State	Department of Transport, Planning & Local Infrastructure	\$0	\$25,000
Fellows Road School Crossing and Pedestrian Path along Grimes Road, Point Lonsdale	Capital	Non-recurrent	State	Department of Transport, Planning & Local Infrastructure	\$0	\$20,000
Heritage Advisor	Operating	Recurrent	State	Department of Planning & Community Development	\$0	\$7,000
Maternal and Child Health - transitional	Operating	Non-recurrent	State	Department of Education & Early Childhood Development	\$0	\$7,000
Support Small Business Day	Operating	Non-recurrent	State	Department of State Development, Business & Innovation	\$0	\$5,000
Aged Care - Traineeship	Operating	Non-recurrent	State	Department of Training & Workforce Development	\$0	\$1,500
<b>Sub total : State funding</b>					<b>\$2,881,656</b>	<b>\$2,827,797</b>
Tobacco Activity Program	Operating	Recurrent	Other	Municipal Association Victoria	\$10,376	\$12,471
BPay View Implementation	Operating	Non-recurrent	Other	Bendigo and Adelaide Bank	\$4,545	\$0
WISE Return to Work Scheme	Operating	Non-recurrent	Other	Worksafe Victoria	(\$3,883)	\$14,219
Coastal Tender (Ocean Road)	Operating	Non-recurrent	Other	Corangamite Catchment Management Authority	\$0	\$46,816
Coastal Tender (The Narrows)	Operating	Non-recurrent	Other	Corangamite Catchment Management Authority	\$0	\$36,563
<b>Sub total : Other funding</b>					<b>\$11,038</b>	<b>\$110,068</b>
<b>Total grants and subsidies received by Council</b>					<b>\$2,966,882</b>	<b>\$3,351,990</b>

## Memberships of organisations

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

Organisation	Membership contribution		
	2014-15	2013-14	Notes
Tourism Greater Geelong & Bellarine	\$15,803	\$15,433	
Bellarine Catchment Network	\$11,520	\$11,520	
Municipal Association of Victoria (MAV) – Membership	\$7,186	\$6,910	
Municipal Association of Victoria (MAV) – Step Asset Management Program	\$7,000	\$7,000	
G21 Regional Alliance	\$7,000	\$6,500	
Association of Bayside Municipalities (ABM)	\$4,824	\$4,594	
Victorian Caravan Parks Association (Vic Parks)	\$3,269	\$3,113	
Municipal Association of Victoria (MAV) – Small Rural Councils of Victoria	\$3,000	\$2,182	
Tourism Greater Geelong – Tourism Excellence Professional Development Program	\$2,500	\$2,500	
Local Government Professionals (LGPro)	\$1,842	\$1,414	1
CPA Australia	\$1,231	\$1,191	
Tourism Greater Geelong – Caravan Parks Membership	\$628	\$628	
Revenue Management Association (RMA)	\$570	\$378	2
Star Ratings Australia	\$411	\$0	3
Municipal Association of Victoria (MAV) – LG Information Communications Technology	\$267	\$255	
Waste Management Association of Australia	\$250	\$304	
Local Government Finance Professionals (FinPro)	\$220	\$90	1
Mainstreet Australia	\$159	\$0	3
School Crossings Victoria	\$95	\$68	
ANSTAT	\$86	\$84	
Barwon Region Waste Management Group	\$0	\$2,730	4
Caravan, RV & Accommodation Industry of Australia	\$0	\$500	4
<b>Total membership contributions</b>	<b>\$67,861</b>	<b>\$67,393</b>	

### Notes:

1. Additional membership fees associated with GM Corporate & Community Services (role vacant for 6 months in 2013-14).
2. Additional membership fees, increased from 2 to 3 staff, with respect to the management of rates revenue.
3. New memberships commenced in the 2014-15 financial year.
4. Memberships ceased at the end of the 2013-14 financial year

# 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 Items	Assessment	Tick
1	<b>Community engagement policy</b> (policy outlining Council's commitment to engaging with the community on matters of public interest)	Current policy in operation Date of operation of current policy: 16/09/2014	<input checked="" type="checkbox"/>
2	<b>Community engagement guidelines</b> (guidelines to assist staff to determine when and how to engage with the community)	Current guidelines in operation Date of operation of current guidelines: 16/09/2014	<input checked="" type="checkbox"/>
3	<b>Strategic Resource Plan</b> (plan under section 126 of the Act outlining the financial and non-financial resources required for at least the next 4 financial years)	Plan adopted in accordance with section 126 of the Act Date adopted in accordance with section 126 of the Act: 24/06/2015	<input checked="" type="checkbox"/>
4	<b>Annual budget</b> (plan under section 130 of the Act setting out the services to be provided and initiatives to be undertaken over the next 12 months and the funding and other resources required)	Budget adopted in accordance with section 130 of the Act Date adopted in accordance with section 130 of the Act: 24/06/2015	<input checked="" type="checkbox"/>
5	<b>Asset management plans</b> (plans that set out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)	Current plans in operation Date of operation of current plans: General information 18/09/2007 Road Network 18/09/2007 Buildings & Facilities 18/09/2007 Open Space 16/09/2008 Urban Stormwater Drainage 16/09/2008	<input checked="" type="checkbox"/>
6	<b>Rating strategy</b> (strategy setting out the rating structure of Council to levy rates and charges)	Current strategy in operation Date of operation of current strategy: 26/06/2013	<input checked="" type="checkbox"/>
7	<b>Risk policy</b> (policy outlining Council's commitment and approach to minimising the risks to Council's operations)	Current policy in operation Date of operation of current policy: 29/04/2015	<input checked="" type="checkbox"/>
8	<b>Fraud policy</b> (policy outlining Council's commitment and approach to minimising the risk of fraud)	Current policy in operation Date of operation of current policy: 29/04/2015	<input checked="" type="checkbox"/>
9	<b>Municipal emergency management plan</b> (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)	Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> : 17/08/2011	<input checked="" type="checkbox"/>
10	<b>Procurement policy</b> (policy under section 186A of the <i>Local Government Act 1989</i> outlining the matters, practices and procedures that will apply to all purchases of goods, services and works)	Prepared and approved in accordance with section 186A of the <i>Local Government Act 1989</i> Date prepared and approved in accordance with section 186A of the <i>Local Government Act 1989</i> : 29/04/2015	<input checked="" type="checkbox"/>
11	<b>Business continuity plan</b> (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 Reason for no plan: Revised plan scheduled to be operational in 2015/16 following a completed review and testing of the current plan, which is underway	<input checked="" type="checkbox"/>
12	<b>Disaster recovery plan</b> (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 Reason for no plan: Disaster Recovery Plan to be developed and incorporated into the Business Continuity Plan following priority implementation of the revised Business Continuity Plan in 2015/16	<input checked="" type="checkbox"/>
13	<b>Risk management framework</b> (framework outlining Council's approach to managing risks to the Council's operations)	Current framework in operation Date of operation of current framework: 29/04/2015	<input checked="" type="checkbox"/>

#	Governance and Management Items	Assessment	Tick
14	<b>Audit Committee</b> (advisory committee of Council under section 139 of the Act whose role is to oversee the integrity of a Council's financial reporting, processes to manage risks to the Council's operations and for compliance with applicable legal, ethical, and regulatory requirements)	Committee established in accordance with section 139 of the Act Date Committee was established in accordance with section 139 of the Act: 30/10/2013	<input checked="" type="checkbox"/>
15	<b>Internal audit</b> (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 Date of engagement of Internal auditor: 08/12/2014	<input checked="" type="checkbox"/>
16	<b>Performance reporting framework</b> (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Act)	Current framework in operation Date of operation of current framework: 04/06/2014	<input checked="" type="checkbox"/>
17	<b>Council Plan reporting</b> (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 Dates of performance reporting review: Quarter 1 Council Plan Progress Report 22/10/2014 Quarter 2 Council Plan Progress Report 11/02/2015 Quarter 3 Council Plan Progress Report 29/04/2015	<input checked="" type="checkbox"/>
18	<b>Financial reporting</b> (quarterly statements to Council under section 138 of the Act comparing budgeted revenue and expenditure with actual revenue and expenditure)	Quarterly statements presented to Council in accordance with section 138(1) of the Act Dates of Quarterly statements presented to Council in accordance with section 138(1) of the Act: Quarter 1 Finance Report 22/10/2014 Quarter 2 Finance Report 11/02/2015 Quarter 3 Finance Report 29/04/2015	<input checked="" type="checkbox"/>
19	<b>Risk reporting</b> (six-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)	Reports prepared and presented Dates of presentation of reports: Rolling Program of Internal Audit Topics 15/06/2015 Internal Audit Report Semester 2 2014 Internal Audit Report Semester 1 2015 Audit Committee Meeting 08/12/2014 Audit Committee Meeting 15/06/2015 Ordinary Council Meeting 23/07/2014 Ordinary Council Meeting 17/12/2014	<input checked="" type="checkbox"/>
20	<b>Performance reporting</b> (six-monthly reports of indicators measuring the results against financial and non-financial performance, including performance indicators referred to in section 131 of the Act)	Reports prepared and presented Date of presentation of report: 25/03/2015	<input checked="" type="checkbox"/>
21	<b>Annual report</b> (annual report under sections 131, 132 and 133 of the Act 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 Act Date of consideration of Annual report at a meeting of Council in accordance with section 134 of the Act: 22/10/2014	<input checked="" type="checkbox"/>
22	<b>Councillor Code of Conduct</b> (Code under section 76C of the Act setting out the conduct principles and the dispute resolution processes to be followed by Councillors)	Code of conduct reviewed in accordance with section 76C of the Act Date of review of code in accordance with section 76C of the Act: 18/09/2013	<input checked="" type="checkbox"/>
23	<b>Delegations</b> (a document 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 98(6) of the Act Date of review of delegations in accordance with section 98(6) of the Act: 03/06/2014	<input checked="" type="checkbox"/>
24	<b>Meeting procedures</b> (a local law governing the conduct of meetings of Council and special committees)	Meeting procedures local law made in accordance with section 91(1) of the Act Date local law was made in accordance with section 91(1) of the Act: 14/12/2010	<input checked="" type="checkbox"/>

# Victorian local government indicators

The Minister for Local Government, under the authority of the *Local Government Act 1989*, requires every council to present a report on this set of indicators to allow comparisons between municipalities across the state.

Indicators	2012-13	2013-14	2014-15	Note
<b>Affordability / Cost of Governance</b>				
Average Rates and Charges per Assessment	\$1,844.90	\$1,936.18	\$2,024.01	1
Average Rates and Charges per Residential Assessment	\$1,792.90	\$1,899.44	\$1,988.95	1
<b>Sustainability</b>				
Average Liabilities per Assessment	\$758.07	\$762.14	\$923.16	2
Underlying Operating Result per Assessment	\$54.38	\$0.00	(\$78.24)	3
<b>Services</b>				
Average Operating Expenditure per Assessment	\$2,997.13	\$3,147.25	\$3,572.49	4
Community Satisfaction Rating for Overall Performance generally of the Council	68	71	68	5
<b>Infrastructure</b>				
Average Capital Expenditure per Assessment	\$661.07	\$738.98	\$577.14	6
Renewal Gap	185%	90%	81%	7
Renewal and Upgrade Gap	196%	98%	123%	8
Renewal and Maintenance Gap	153%	83%	83%	9
<b>Governance</b>				
Community Satisfaction Rating for Council's Advocacy and Community Representation on Key Local Issues	61	61	63	
Community Satisfaction Rating for Council's Engagement in Decision Making on Key Local Issues	63	65	62	10
<b>Additional Sustainability Data</b>				
Operating Surplus per Income Statement	\$1,666,371	\$1,733,866	\$664,466	11
Underlying Operating Surplus / (Deficit) – (Capital Income and other abnormals removed)	\$164,723	\$0	(\$239,025)	3

## Notes to the Performance Snapshot:

- Reflects the 4.5% rate increase adopted by Council, as well as supplementary rates and charges raised, for the 2014-15 financial year.
- Increase in trade payables (largely due to Queenscliff Kindergarten and Lawrence Road Car Park capital works), offset by scheduled loan redemption payments.
- The underlying deficit result reflects a number of projects for which budgets and grant funding were received in prior years (and held in cash reserves), for projects which are completed (or underway) during the 2014-15 year.
- Additional materials and services expenditure in the 2014-15 year is largely due to the completion of operating projects carried forward from previous years, including the Country Roads & Bridges Program (completion of the Hesse/Symonds/Wharf Street roundabout).
- Queenscliff's result of 68 is higher than the State-wide and Small Rural Council group averages on all core measures and in most cases significantly so.
- Council has been successful in securing significant capital investment in previous years to progress priority capital projects with a number of projects carried forward from 2013-14, which are now completed.
- The renewal gap ratio measures the rate of capital spending on asset renewal compared with the value of the assets used (depreciation) during the year. Although the 2014-15 outcome is below 100%, Council has maintained an average in excess of 100% over the past nine years.
- The renewal and upgrade gap ratio measures the rate of capital spending on renewal and upgrade of existing assets (as opposed to the creation of new assets) compared to the value of the assets used (depreciation) during the year. This outcome has averaged in excess of 100% over the past nine years.
- The renewal and maintenance gap ratio measures the rate of capital and maintenance spending on the renewal of assets compared with the value of the assets used (depreciation) and planned maintenance during the year. The 2014-15 outcome remains lower than 100% due to the carry forward of some projects to future years.
- Queenscliff's result of 62 is significantly higher than the State-wide and Small Rural Council group averages.
- The decrease in operating result reflects a number of projects funded in prior years (and held in cash reserves) and completed (or underway) during the 2014-15 year. In contrast to the underlying deficit at Note 3, the operating result includes capital grants and contributions (which are excluded from the calculation of underlying result).



## Community satisfaction

Results from the Local Government Community Satisfaction Survey are included as key performance indicators in the 2013–2017 Council Plan and are reported in the Borough of Queenscliffe Council's Annual Report.

Across the 20 services where performance was evaluated in 2015, the Borough of Queenscliffe received positive ratings (index score of 60 or higher) on 18.

Council performs best on the appearance of public areas (78), waste management (76) and recreational facilities (75). While these have traditionally been strong performing service areas for Council, the average performance rating has improved significantly on both waste management and recreational facilities over the last 12 months.

The 2015 Community Satisfaction Survey service areas results are summarised in the following table and include the Borough of Queenscliffe Council score against the average score statewide and within the 'small Shires grouping' and a comment on the comparative results.

Service	BoQ Score	Statewide Score	Small Shires Score	BoQ Comparative Results
Overall Council Direction	58	53	53	Significantly higher than statewide and LGA grouping
Community Consultation & Engagement	62	56	56	Significantly higher than statewide and LGA grouping
Lobbying on behalf of the Community	63	55	56	Significantly higher than statewide and LGA grouping
Decisions in the interest of the Community	62	55	56	Significantly higher than statewide and LGA grouping
Informing the Community	65	61	60	Significantly higher than statewide and LGA grouping
Customer Service	72	70	70	Higher than statewide and LGA grouping
Sealed local roads	65	55	52	Significantly higher than statewide and LGA grouping
Streets and footpaths	65	58	59	Significantly higher than statewide and LGA grouping
Parking facilities	64	57	62	Significantly higher than statewide
Traffic Management	69	60	67	Significantly higher than statewide
Law Enforcement	66	66	66	Same as statewide and LGA grouping
Family Support Services	68	67	67	Higher than statewide and LGA
Elderly Support Services	72	69	72	Higher than statewide and same as LGA grouping
Recreational facilities	75	70	70	Significantly higher than statewide and LGA grouping
Public areas	78	72	74	Significantly higher than statewide and LGA grouping
Arts Centres & Libraries	71	73	69	Lower than statewide and higher than LGA grouping
Community activities	71	69	68	Higher than statewide and LGA grouping
Waste management	76	72	71	Significantly higher than statewide and LGA grouping
Business/development and tourism	67	61	63	Significantly higher than statewide and higher than LGA grouping
General Town Planning	57	54	53	Higher than statewide and LGA grouping
Planning & Building Permits	55	54	53	Similar to both statewide and LGA grouping
Environmental sustainability	64	64	63	Same as statewide and higher than LGA grouping



*Sunrise captured at dawn at the iconic Queenscliff Pier.*



# Performance Statement

<b>Understanding the Performance Statement</b>	<b>92</b>
<b>Sustainable Capacity Indicators</b>	<b>93</b>
<b>Service Performance Indicators</b>	<b>94</b>
<b>Financial Performance Indicators</b>	<b>96</b>
<b>Other Information</b>	<b>98</b>
<b>Certification of the Performance Statement</b>	<b>99</b>
<b>VAGO Independent Auditor's Report on the Performance Statement</b>	<b>100</b>

# Understanding the 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.

In 2012, the Victorian Government introduced a mandatory system of performance reporting for councils which prescribes performance information to be included in councils' annual reports 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 86)
- other prescribed indicators and measures of service performance, results achieved and an explanation of material variances (page 94)
- 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 41)

This performance information in the report of operations along with that in the performance statement forms part of the Local Government Performance Reporting Framework with quarterly reporting of performance results to senior management, the Audit Committee and councillors. 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 their 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 100 for the Certification of the Performance Statement and page 150 for the VAGO Independent Auditor's Report.

## Description of municipality

The Borough of Queenscliffe is located to the 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 1990's.

The estimated resident population as at 30 June 2013 was 3,058 (2012: 3,085). 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. In the 2011 Census, the population aged 65 years and older was 33.7%, compared with the Victorian average of 14.2%. The Borough's population aged 65 years and older is estimated to be 40% in 2016 and 45% by 2031. For this reason, there is significant emphasis on the need to provide aged services.

The Census population of the Borough of Queenscliffe in 2011 was 2,999, living in 2,777 dwellings with an average household size of 1.08 compared with the average household size of 1.40 in regional Victoria. Property values in the Borough are generally high with the top quartile averaging \$1,297,950 and the overall median house price being \$664,000.

Council has in recent years attracted significant levels of government grant funding, particularly under the Country Roads & Bridges Program (\$1,000,000 p.a. over four years to 2014/15) and the Local Government Infrastructure Fund (\$813,000 over four years to 2014/15). Both these important sources of government funding came to an end in the 2014/15 financial year, placing pressure back 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.

# Sustainable Capacity Indicators

For the Year Ended 30 June 2015

<i>Indicator/measure</i>	<b>Results 2014/15</b>	<b>Material Variations</b>
<b>Own-source revenue</b> <i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	<b>\$2,781</b>	Rate revenue represents 73% of own-source revenue. In addition, BOQ attracts significant user fees and charges income, particularly with respect to fees from caravan parks and camping.
<b>Recurrent grants</b> <i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	<b>\$302</b>	Council receives minimal funding from the Victoria Grants Commission (\$250k compared to the nearest Council, which receives in excess of \$2m), noting 50% of the 2015/16 Victoria Grants Commission allocation was prepaid in June 2015.
<b>Population</b> <i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	<b>\$3,569</b>	Queenscliffe has a very small population base, with the average household size being 1.08 (compared with an average of 1.40 in regional Victoria). Over 50% of rateable properties in Queenscliffe are non-permanent residences and not reflected in municipal population.
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	<b>\$10,893</b>	No material variations.
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	<b>71</b>	No material variations.
<b>Disadvantage</b> <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	<b>9</b>	No material variations.

## Definitions

**adjusted underlying revenue** means total income other than:

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

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

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

**population** means the resident population estimated by council

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

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

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

**unrestricted cash** means all cash and cash equivalents other than restricted cash

# Service Performance Indicators

For the Year Ended 30 June 2015

Service/Indicator/measure	Results 2014/15	Material Variations
<b>Governance</b> <b>Satisfaction</b> <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	62	Queenscliffe's result of 62 is above the Small Rural council group average of 56 and the State-wide average of 55.
<b>Statutory Planning</b> <b>Decision making</b> <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	0%	Two VCAT Council decisions during the 2014/15 year, of which neither was upheld.
<b>Roads</b> <b>Satisfaction</b> <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	65	Queenscliffe's result of 65 is above the Small Rural council group average of 52 and the State-wide average of 55.
<b>Libraries</b> <b>Participation</b> <i>Active library members</i> [Number of active library members / Municipal population] x100	37%	Active library members are those who have borrowed from the lending collection only. It excludes e-book loans and other library activity, including children and youth programs, digital literacy programs and literary events, the use of public internet personal computers and facilities such as meeting rooms and study areas, wifi and in-library use of collections.
<b>Waste Collection</b> <b>Waste diversion</b> <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	37%	This result is expected to improve with the introduction of a new green waste service commencing in the 2015/16 year.
<b>Aquatic Facilities</b> <b>Utilisation</b> <i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	N/A	Queenscliffe does not provide this service.
<b>Animal Management</b> <b>Health and safety</b> <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	0	No material variations.
<b>Food Safety</b> <b>Health and safety</b> <i>Critical and major non-compliance notifications</i> [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%	No material variations.

Service/Indicator/measure	Results 2014/15	Material Variations
<b>Home and Community Care (HACC) Participation</b> <i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	45%	Queenscliffe's population aged 65 years and older is 33% (State average 14.2%), hence the significant emphasis placed on the provision of aged services. Queenscliffe maintains a zero waiting list for HACC services.
<b>Participation</b> <i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100	36%	No material variations.
<b>Maternal and Child Health (MCH) Participation</b> <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	100%	No material variations.
<b>Participation</b> <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	0%	NIL Aboriginal children enrolled/attending the MCH service in the 2014/15 year.

## Definitions

**Aboriginal child** means a child who is an Aboriginal person

**Aboriginal person** has the same meaning as in the *Aboriginal Heritage Act 2006*

**active library member** means a member of a library who has borrowed a book from the library

**annual report** means an annual report prepared by a council under sections 131, 132 and 133 of the Act

**class 1 food premises** means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 1 food premises under section 19C of that Act

**class 2 food premises** means food premises, within the meaning of the *Food Act 1984*, that have been declared as class 2 food premises under section 19C of that Act

**Community Care Common Standards** means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth

**critical non-compliance outcome notification** means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorised 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*

**HACC program** means the Home and Community Care program established under the Agreement entered into for the purpose of the *Home and Community Care Act 1985* of the Commonwealth

**HACC service** means home help, personal care or community respite provided under the HACC program

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

**major non-compliance outcome notification** means a notification received by a council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorised officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

**MCH** means the Maternal and Child Health Service provided by a council to support the health and development of children within the municipality from birth until school age

**population** means the resident population estimated by council  
**target population** has the same meaning as in the Agreement entered into for the purposes of the *Home and Community Care Act 1985* of the Commonwealth

**WorkSafe reportable aquatic facility safety incident** means an incident relating to a council aquatic facility that is required to be notified to the Victorian WorkCover Authority under Part 5 of the *Occupational Health and Safety Act 2004*.

# Financial Performance Indicators

For the Year Ended 30 June 2015

Dimension/indicator/measure	Results 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Material Variations
<b>Operating position</b>						
<b>Adjusted underlying result</b>						
Adjusted underlying surplus (or deficit)	(2%)	(7%)	2%	2%	3%	Underlying deficit forecast in the 2015/16 year reflects the expected completion of carry forward works. Cash from government grant funding and Council contributions is set aside in previous years and held in reserves on the Balance Sheet to fund completion of works.
[Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100						
<b>Liquidity</b>						
<b>Working capital</b>						
Current assets compared to current liabilities	218%	120%	143%	150%	157%	The higher ratio outcome for the 2014/15 year reflects a number of projects carried forward to the 2015/16 year for completion.
[Current assets / Current liabilities] x100						
<b>Unrestricted cash</b>						
Unrestricted cash compared to current liabilities	84%	89%	103%	108%	111%	The improvement in forecast trend, for unrestricted cash compared to current liabilities, reflects the scheduled repayment of debt over time.
[Unrestricted cash / Current liabilities] x100						
<b>Obligations</b>						
<b>Loans and borrowings</b>						
Loans and borrowings compared to rates	9%	11%	6%	5%	3%	The result for this measure is expected to increase in 2015/16, with new loans budgeted for specific capital projects, noting the decreasing forecast trend from 2017/18 onward reflects the scheduled repayment of debt over time.
[Interest bearing loans and borrowings / Rate revenue] x100						
Loans and borrowings repayments compared to rates	4%	4%	4%	2%	1%	The result for this measure is expected to decrease over the period to 2018/19, reflecting the scheduled repayment of debt.
[Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100						
<b>Indebtedness</b>						
Non-current liabilities compared to own source revenue	1%	4%	3%	3%	2%	The result for this measure is expected to increase in 2015/16, with new loans budgeted for specific capital projects, noting the decreasing forecast trend from 2017/18 onward reflects the scheduled repayment of debt over time.
[Non-current liabilities / Own source revenue] x100						
<b>Asset renewal</b>						
Asset renewal compared to depreciation	81%	124%	110%	120%	119%	The lower ratio outcome for the 2014/15 year is the result of renewal projects being carried forward to the 2015/16 year for completion.
[Asset renewal expenses / Asset depreciation] x100						
<b>Stability</b>						
<b>Rates concentration</b>						
Rates compared to adjusted underlying revenue	58%	66%	68%	68%	69%	Rates concentration is lower in the 2014/15 year due to significant one-off grants received for operating projects, including undergrounding of power in Point Lonsdale and the final year of the Country Roads & Bridges Program funding for completion of the Hesse/Symonds/Wharf Street roundabout.
[Rate revenue / Adjusted underlying revenue] x100						



Dimension/indicator/measure	Results 2014/15	Forecast 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Material Variations
<b>Rates effort</b>						
<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.27%	0.28%	0.29%	0.31%	0.32%	No material variations.
<b>Efficiency</b>						
<b>Expenditure level</b>						
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,572	\$3,471	\$3,249	\$3,369	\$3,426	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.
<b>Revenue level</b>						
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,989	\$2,109	\$2,201	\$2,299	\$2,400	Council funds waste collection and disposal services from rate revenue, not a separate service charge, increasing Queenscliffe's comparative result. Rate revenue represents a high proportion of Queenscliffe's revenue with the majority of expenditure non-discretionary and spread across a very small ratepayer base. Rate revenue forecasts are indicative and based on information available at the time of budget preparation.
<b>Workforce turnover</b>						
<i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	8%	3%	1%	0%	0%	Council has budgeted for two temporary staff contracts which conclude in 2015/16 and one in the 2016/17 year.

## Definitions

**adjusted underlying revenue** means total income other than:

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

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

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

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

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

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

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

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

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

**population** means the resident population estimated by council

**rate revenue** means revenue from general rates and service charges

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

**residential rates** means revenue from general rates and service charges levied on residential properties

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

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

# Other Information

## Basis of preparation

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

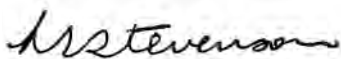
Where applicable the results in the performance statement have been prepared on accounting bases consistent with those reported in the Financial Statements. The other results are based on information drawn from council information systems or from third parties (e.g. Australian Bureau of Statistics).

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The *Local Government (Planning and Reporting) Regulations 2014* require 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 draft strategic resource plan on 24 June 2015 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 Report

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



Lynne Stevenson CPA

**Principal Accounting Officer**

Date: 23 September 2015

Queenscliff

In our opinion, the accompanying performance statement of the Borough of Queenscliffe for the year ended 30 June 2015 presents fairly the results of council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

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

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

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



Councillor Helene Cameron

**Councillor**

Date: 23 September 2015

Queenscliff

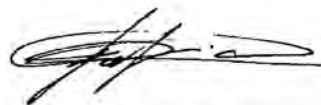


Councillor Susan Salter

**Councillor**

Date: 23 September 2015

Queenscliff



Phil Josipovic

**Acting Chief Executive Officer**

Date: 23 September 2015

Queenscliff



Victorian Auditor-General's Office

Level 24, 35 Collins Street  
Melbourne VIC 3000

Telephone 61 3 8601 7000

Facsimile 61 3 8601 7010

Email [comments@audit.vic.gov.au](mailto:comments@audit.vic.gov.au)

Website [www.audit.vic.gov.au](http://www.audit.vic.gov.au)

## INDEPENDENT AUDITOR'S REPORT

To the Councillors, Borough of Queenscliffe

### *The Performance Statement*

The accompanying performance statement for the year ended 30 June 2015 of the Borough of Queenscliffe which comprises the statement, the related notes and the certification of the performance statement has been audited.

### *The Councillors' Responsibility for the Performance Statement*

The Councillors of the Borough of Queenscliffe are responsible for the preparation and fair presentation of the performance statement in accordance with the *Local Government Act 1989* and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the performance statement that is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

As required by the *Local Government Act 1989*, my responsibility is to express an opinion on the performance statement based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the performance statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the performance statement. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the performance statement, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the performance statement 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 entity's internal control. An audit also includes evaluating the overall presentation of the performance statement.

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

## Independent Auditor's Report (continued)


### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

### *Auditor's Opinion*

In my opinion, the performance statement of the Borough of Queenscliffe in respect of the 30 June 2015 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE  
25 September 2015



Dr Peter Frost  
Acting Auditor-General



*Enjoying the new facilities and lookout at the Queenscliff Kindergarten.*

# Financials

Understanding the Financial Report	104
Summary of Financial Performance	105
Financial Report	112
Certification of the Financial Report	149
VAGO Independent Auditor's Report on the Financial Report	150

# Understanding the Financial Report

## Introduction

Financial viability or sustainability is reviewed and assessed using many different tools. The most important tools in understanding Council's financial performance for the period are the financial performance indicators disclosed in the Performance Statement (page 91) and the Financial Report (page 110).

The Financial Statements show how Council performed financially during the 2014/15 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 four statements and 37 notes. These are prepared by council staff, examined by Council and Council's Audit Committee and audited by the Victorian Auditor-General.

The four 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. Cash Flow Statement

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 and shows if a surplus or a deficit has been made in delivering services. The surplus or deficit is the same as a profit or loss.

This statement includes all sources of income, less all operating expenses incurred in delivering Council services. This includes depreciation, or the consumption, of the value of buildings, roads, footpaths, drains and all other assets that are used to deliver Council services. These assets are depreciated over the life of the asset as they are consumed – in other words, we measure how much of an asset we have consumed. Capital costs or new assets acquired or created during the year are excluded from the statement but, as indicated above, are depreciated as they are used.

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.

The key figure to look at is the surplus/(deficit) for the year. A surplus means that the revenue was greater than expenses.

### Balance Sheet

The Balance Sheet is an important financial statement. This one-page summary is a snapshot of the financial situation as at 30 June 2015. It shows what the Council controls as assets and what it owes as liabilities. The bottom line of this statement is net assets. This is the net worth of Council, which has been 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

During the course of the year, the value of total equity as set out in the Balance Sheet changes. The Statement of Changes in Equity shows the values of such changes and how these changes arose. The main reason for a change in equity stems from:

- 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
- revaluation of assets – this takes place in a staggered fashion every two years for land and building assets and every three years for road network and drainage infrastructure assets.

### Cash Flow Statement

The Cash Flow Statement summarises Council's cash payments and cash receipts for the year. This statement is presented according to a very specific Accounting Standard and needs some care in analysis. The values may differ from those shown in the Comprehensive Income Statement because this statement is prepared on an accrual accounting basis. In addition, the amounts disclosed in the Cash Flow Statement are at gross value including GST where applicable. Cash in this statement refers to bank deposits and other forms of highly liquid investments that can readily be converted to cash.

### Notes to the Financial Statements

The Notes are a very important and informative section of the report. The Australian Accounting Standards are not prescriptive on a lot of issues. Therefore, to enable the reader to understand the basis on which the values shown in the statements are established, it is necessary to provide details of Council's accounting policies. These are described in Note 1. Apart from the accounting policies, the Notes also give details behind many of the summary figures contained in the statements.

The Note numbers are shown beside the relevant items in the Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity and the Cash Flow Statement. Where Council wishes to disclose other information that cannot be incorporated into the statements, it is shown in the Notes. The Notes should be read in conjunction with the other parts of the Financial Statements to get a clear picture of the accounts.

## Certification by Principal Accounting Officer and Councillors

The Certification of the Principal Accounting Officer is made by the person responsible for the financial management of Council and confirms that in her/his opinion, the financial statements have met all the statutory and professional reporting requirements.

The Certification of Councillors is made by two councillors on behalf of Council and confirms that, in their opinion, the financial statements are fair and not misleading. The Chief Executive Officer also endorses and signs the certification.

## 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 continue to deliver current services and maintain existing facilities in the longer term.

In brief, Council:

- achieved an underlying deficit of (\$239,000) for the period, which was \$197,000 compared to the budgeted underlying deficit of (\$436,000) due to lower than expected levels of completed works carried forward from previous years (funded from cash held in reserves on the Balance Sheet).
- ended the 2014/15 financial year with a cash balance of \$5,076,000.
- increased fixed assets (property, infrastructure, plant and equipment) by \$576,000 as a result of programmed renewal and grant-funded capital expenditure.

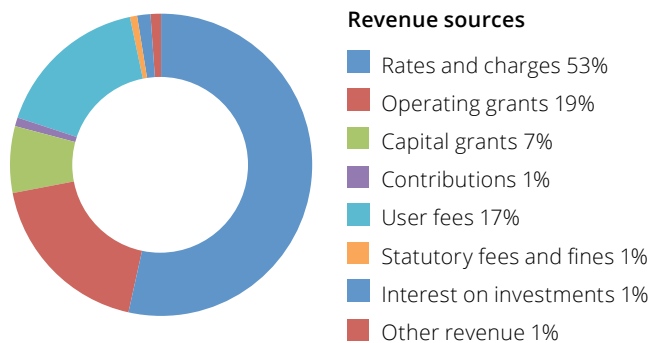
## Underlying result

Council achieved an underlying deficit of (\$239,000) for the 2014/15 financial year. In each of the previous six years, Council has maintained an underlying surplus greater than Budget. The decrease in the result is due to the delivery of carry forward capital projects from 2013/14 in relation to capital investment that Council has successfully attracted significant external grant funding in previous years.

## Revenue

Council's total revenue for the 2014/15 year was \$11,578,000 (down slightly from \$11,649,000 in 2013/14). The lower income is mainly due to decreased capital grant revenue in 2014/15.

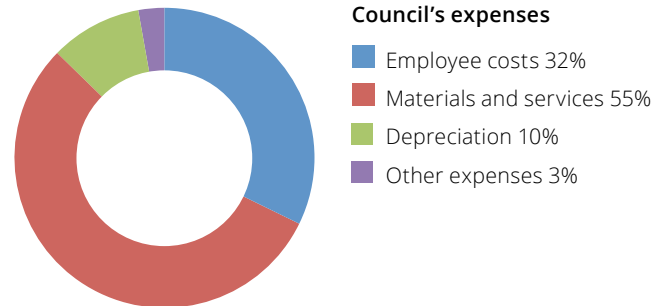
Council's revenue is sourced as follows.



## Expenditure

Council's total expenses for the 2014/15 year was \$10,914,000 (an increase of \$1,363,000 above the 2013/14 year). Additional expenditure largely reflects Council and grant-funded projects carried forward from the previous financial year for completion in 2014/15, including \$516,000 underground power in Point Lonsdale Road, \$349,000 Country Roads & Bridges Program relating mainly to the construction of the Hesse/Symonds/Wharf St roundabout and \$145,000 for the Fort Queenscliff Tourism Development Plan.

Council's expenses are categorised as follows:



## Assets

Council's total asset base is \$73,490,000 – an increase of \$1,172,000 over the previous year. The major components of assets are:

- property, infrastructure, plant and equipment
- cash and financial assets (cash investments < 12 months).

Together these asset categories account for 98.4% of all assets.

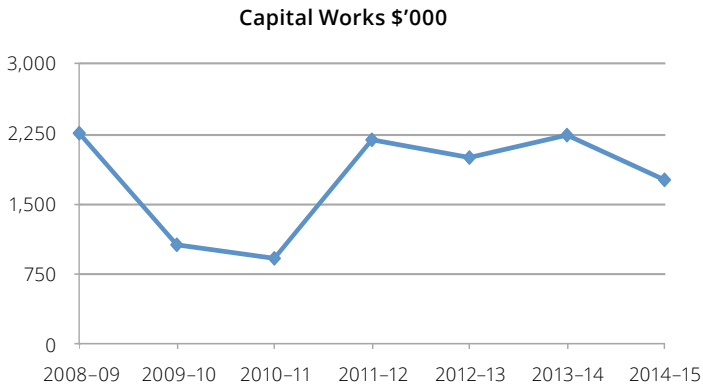
## Capital works

During the financial year, Council invested \$1,763,000 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.

Key projects undertaken during the year included:

- Completion of Stage 2 of the Point Lonsdale Foreshore Revitalisation project
- Upgrade of the Queenscliff Kindergarten
- Progress in redeveloping the Queenscliff Senior Citizens Centre to incorporate the Queenscliff Sea Scouts as part of the Queenscliff Heritage Railway Precinct upgrade
- Upgrade of Springs car park to achieve safer pedestrian and vehicle movement, an uninterrupted beach promenade and improved amenity
- Improvements to local footpaths in Point Lonsdale Road, Point Lonsdale and Learmonth Street in Queenscliff
- Renewal of the Queenscliffe & District Neighbourhood House kitchen

Capital works seven-year comparison, 2008-09 to 2014-15:

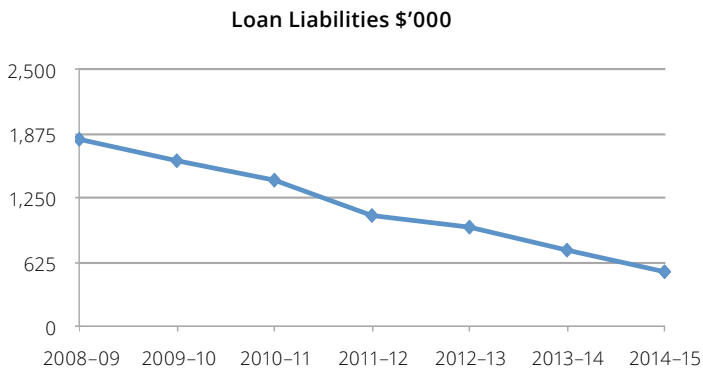


## Liabilities

Council's liabilities include loans, amounts owed to suppliers and amounts owed to employees for leave entitlements. Council's total liabilities are \$2,820,000 as at 30 June 2015.

The overall level of liabilities has increased by \$489,000 from 2013/14 due to an increase in trade payables (for significant projects completed in 2014/15), offset by the active repayment of debt in accordance with agreed loan schedules. Current debt levels mean that Council is operating well within the Victorian Government prudential ratio limits.

Liabilities seven-year comparison, 2008-09 to 2014-15:



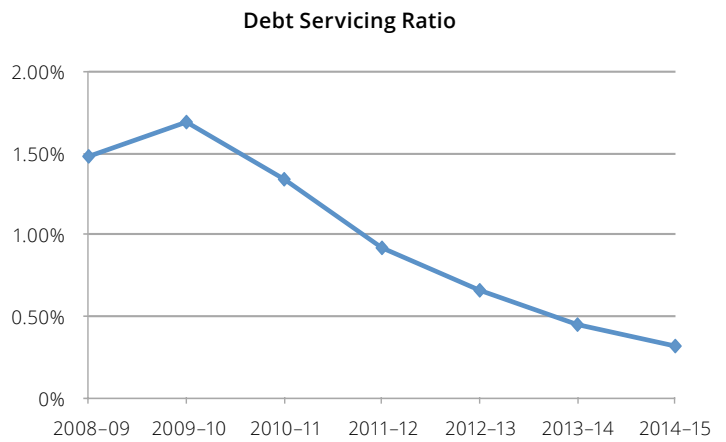
## Financial indicators

The financial indicators included in this report provide information on the trends developing over time in our performance. The following indicators show that Council continues to be in a strong financial position.

### Debt Servicing Ratio

The Debt Servicing Ratio identifies the capacity of Council to service its outstanding debt – that is, how much Council spends on maintaining its outstanding debts (the payment of interest on loan borrowings) compared with how much revenue is earned. The lower the ratio, the better off Council is. Council's ratio is well within the prudential limit of 5% set by the Victorian Government and continues to improve over time.

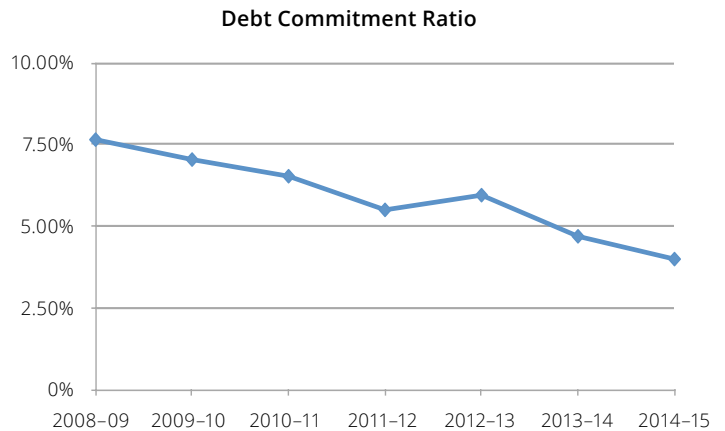
Debt Servicing Ratio seven-year comparison, 2008-09 to 2014-15:



### Debt Commitment Ratio

The Debt Commitment Ratio illustrates how much of Council's revenue is used to fund existing debt for the year (including the payment of both loan principal and interest). The lower the ratio, the better off Council is. Council's ratio is well within the prudential limit of 10% set by the Victorian Government and reflects Council's commitment to continued loan redemption.

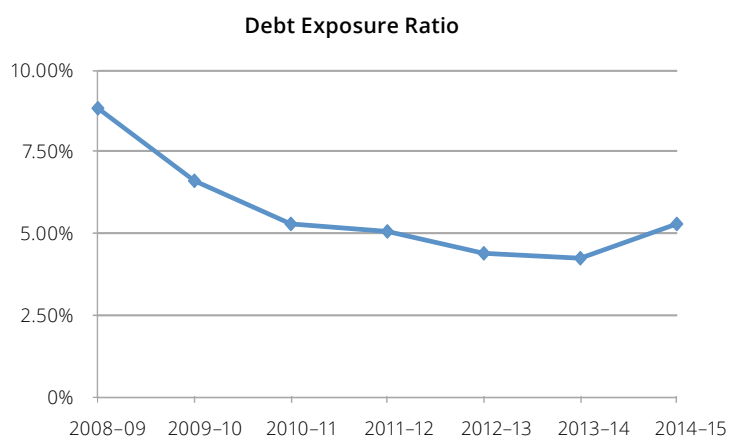
Debt Commitment Ratio seven-year comparison, 2008-09 to 2014-15:



## Debt Exposure Ratio

The Debt Exposure Ratio enables an assessment of Council's solvency and exposure to debt. A low ratio means that Council's realisable assets (those which can be sold and are not subject to restrictions on realisation or use) such as land, buildings, plant and equipment exceed its overall liabilities. Council has a significant holding of crown land assets, which have been excluded from the calculation of realisable assets, as have road infrastructure assets. Council's ratio has increased in 2014/15 due to an increase in trade payables (for significant projects completed in 2014/15), offset by the active repayment of debt in accordance with agreed loan schedules.

Debt Exposure Ratio seven-year comparison, 2008-09 to 2014-15:



Financial sustainability is defined and assessed in a number of different ways. The generally accepted definition of financial sustainability is whether councils have sufficient current and prospective financial capacity (inflows) to meet their current and prospective financial requirements (outflows).

To be sustainable, councils need to have some excess capacity at any point in time to be able to manage future financial risks and shocks without having to radically adjust their current revenue or expenditure policies.

The indicators utilised by the Victorian Auditor-General's Office (VAGO) to assess the financial viability of councils are as follows:

- Underlying result – whether enough revenue is generated to cover operating costs including depreciation
- Liquidity – whether sufficient working capital exists to meet short-term commitments
- Self-financing – whether sufficient operating cash flows are generated to invest in assets and repay debt
- Indebtedness – whether there is an over-reliance on debt to fund capital works expenditure
- 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 table shows figures for the Borough of Queenscliffe as included in the VAGO report published in February 2015, with regard to the results of the Local Government Audits 2013-14. It illustrates where Council sits in terms of the level of risk for each of the above six financial sustainability indicators.

Sustainability indicators	BOQ Result	Risk levels		
		High	Medium	Low
<b>Income</b>				
Underlying Result (%)	17.92%	Negative 10% or less	Between negative 10% and zero	Greater than zero
Liquidity Ratio	2.39	Equal to or less than 1.0	Between 1.0 and 1.5	Greater than 1.5
Indebtedness (%)	0.59%	Greater than 60%	Between 40% and 60%	Less than 40%
Self-financing (%)	20.18%	Less than 10%	Between 10% and 20%	Greater than 20%
Capital Replacement Ratio	2.43	Equal to or less than 1.0	Between 1.0 and 1.5	Greater than 1.5
Renewal Gap Ratio	0.98	Equal to or less than 0.5	Between 0.5 and 1.0	Greater than 1.0

Council officers review the VAGO report and provide commentary to Council each year, discussing the above indicators and in some cases making adjustments to provide more relevant and meaningful indicators/results.

The following charts indicate the Borough's trend over the past seven years on the above financial sustainability indicators. Note that the 2014/15 results are those calculated by the Borough for each of these ratios, as the final VAGO figures will not be released until late in the 2015 calendar year.

## Underlying Result Ratio

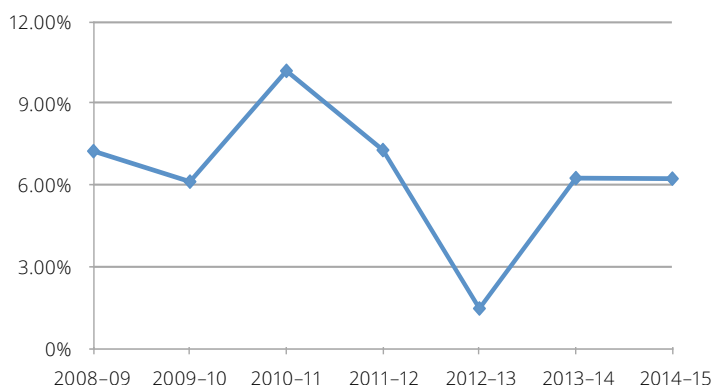
VAGO includes capital grants within the Underlying Result Ratio, hence the ratio result of 17.92% in the table on the preceding page appears more favourable than that which the Borough deems to be the underlying result and has included in the chart below.

The underlying result ratio, as measured by VAGO, differs from the comprehensive result due to the following adjustments:

- capital grant income and community contributions are deducted, given that capital expenditure is not reflected in the Income Statement but, rather, it forms part of the Balance Sheet (property, infrastructure, plant and equipment)
- asset revaluation adjustments are deducted as they are an abnormal/one-off item.
- Council has experienced underlying surpluses in each of the past six years. The underlying result achieved for 2014/15 of (\$239,000) was an improvement of \$197,000 compared to the budgeted underlying deficit of (\$436,000) due to lower than expected levels of completed works carried forward from previous years (funded from cash held in reserves on the Balance Sheet).

Underlying Result Ratio seven-year comparison, 2008-09 to 2014-15:

### Underlying Result Ratio

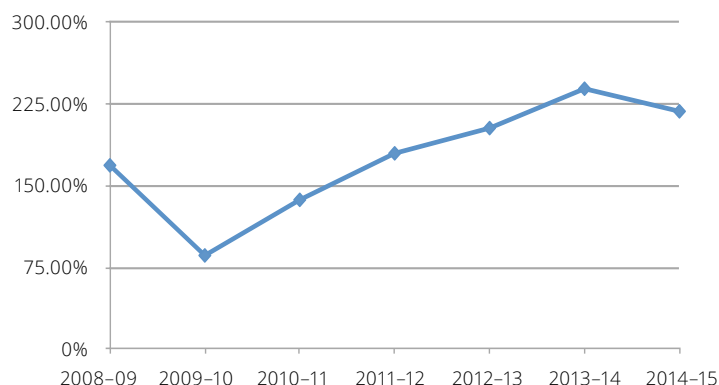


The Liquidity Ratio or Working Capital Ratio expresses the level of current assets, such as cash and financial assets (investments), that Council has available to meet its current liabilities, including outstanding creditors, loan liabilities and employee entitlements.

The target in Council's Strategic Resource Plan and Council Plan is to maintain a ratio of at least 100%. Council's current ratio continues to be well over the recommended level of 150% indicated by VAGO. This is a positive result, as it places Council in the 'low' risk category, indicating that there is no immediate issue with repaying liabilities when they fall due.

Liquidity Ratio / Working Capital Ratio seven-year comparison, 2008-09 to 2014-15:

### Working Capital Ratio



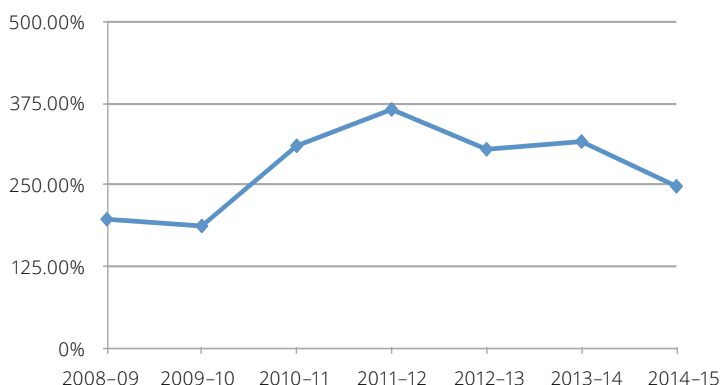
Council recognises both the Working Capital Ratio (as above) and an Adjusted Working Capital Ratio (below) in its annual financial report, in line with the Victorian City Council Model Financial Report, which is used as the main reference point for Council's financial report.

The Adjusted Working Capital Ratio illustrated below has two key adjustments:

- current liabilities have been reduced to reflect the long service leave that is shown as a current liability, as Council does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, but it is not likely to fall due within 12 months after the end of the period
- current liabilities have also been reduced to reflect bank loans, which are shown as a current liability as the terms and conditions of each bank loan contains a review clause giving the bank the ability to demand payment, should they elect to do so, but which do not fall due and are not likely to be fully repaid within 12 months after the end of the period.

Adjusted Working Capital Ratio seven-year comparison, 2008-09 to 2014-15:

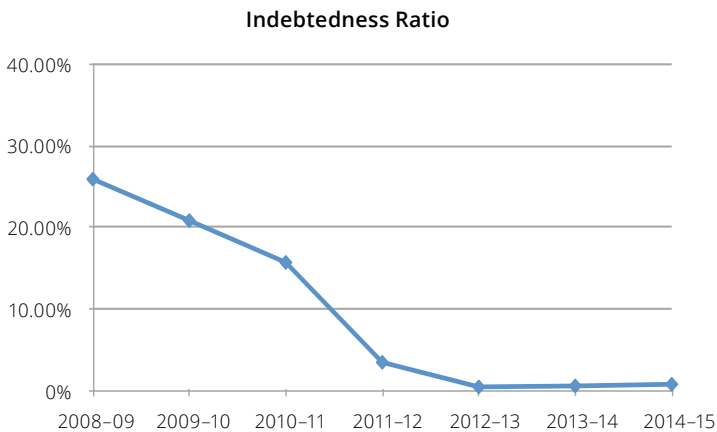
### Adjusted Working Capital Ratio



**Indebtedness Ratio**

The Indebtedness Ratio indicates Council's ability to repay debt from its own sources of revenue, such as rates and charges. The higher the percentage, the less able Council is to cover non-current liabilities from revenues generated from its own sources, excluding government grants. Council's ratio continues to improve each year, which is a reflection of the fact that its bank loans are reaching maturity whilst own-source revenue is increasing at the same time.

Indebtedness Ratio five-year comparison, 2008-09 to 2014-15:

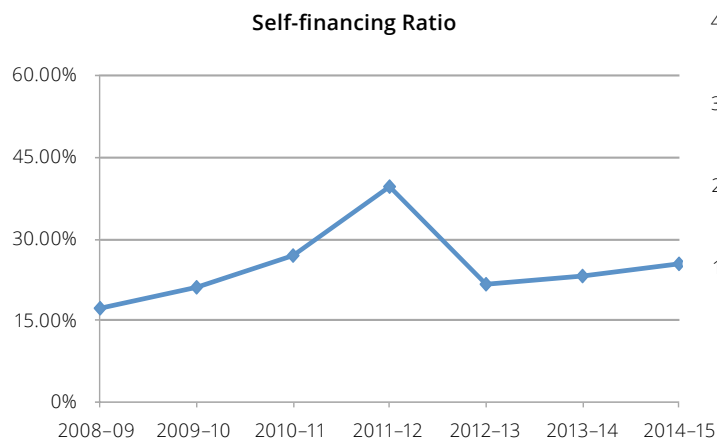


**Self-financing Ratio**

The Self-financing Ratio measures the ability of Council to replace assets using cash generated by operations. The higher the percentage, the more effectively this can be achieved. Results indicate that Council is generating enough cash from operations to fund its capital works expenditure (and predominantly the renewal of existing assets).

As Council adjusts its underlying result, as detailed earlier (page 108), and because this is the denominator used in the calculation of the self-financing ratio, Council arrives at a slightly different result for this ratio than VAGO. It should be noted that both the VAGO and Council results for this ratio generally fall within the 'low' risk category.

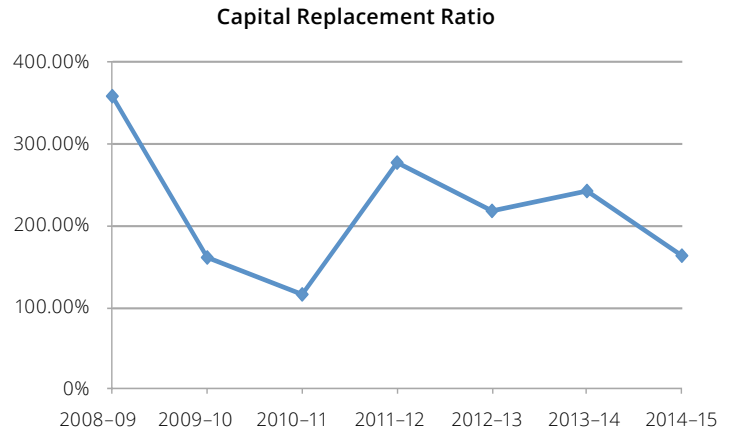
Self-financing Ratio seven-year comparison, 2008-09 to 2014-15:



**Capital Replacement Ratio**

The Capital Replacement Ratio relates to the total capital expenditure payments made in a year and draws a comparison of the rate of spending on property, plant, equipment and infrastructure, with the level of depreciation expense.

Capital Replacement Ratio seven-year comparison, 2008-09 to 2014-15:



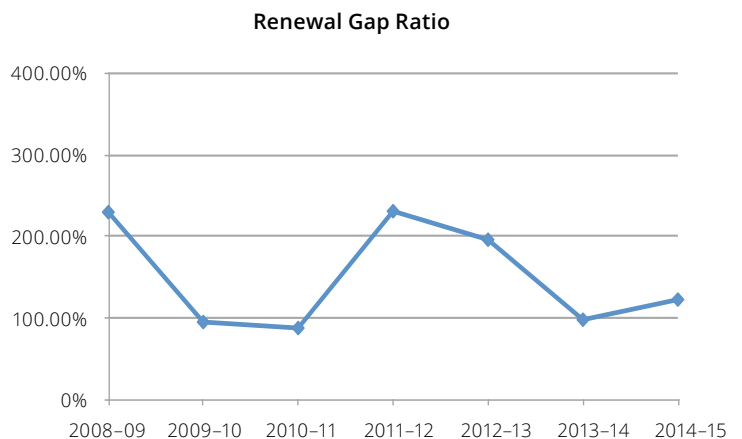
Whilst the above Capital Replacement Ratio may have some benefit in assessing financial sustainability, Council prefers to focus on the Renewal Gap Ratio (below), as it more clearly demonstrates Council's commitment to capital spending on asset renewal as compared to capital expenditure, including new assets.

**Renewal Gap Ratio**

The Renewal Gap Ratio is concerned with the renewal and upgrade of Council's existing assets (i.e. replacing an asset with another that will do the same job). It is a comparison of the rate of spending on existing property, plant equipment and infrastructure with the level of depreciation expense. Ratios higher than 100% indicate that spending on existing assets is greater than the rate that Council is consuming those assets.

This is a long-term indicator, as capital expenditure compared to depreciation needs to be averaged over a number of years as the peaks and troughs of asset replacement requirements occur. Council has averaged well over 100% for the trend period, demonstrating Council's commitment to maintaining and renewing its assets.

Renewal Gap Ratio seven-year comparison, 2008-09 to 2014-15:



In summary, the outcomes for the financial sustainability indicators in the 2014/15 financial year, in conjunction with the indicators assessed by VAGO in 2013/14, continues to illustrate the Borough of Queenscliffe Council's sound financial position and shows that Council is considered 'low' risk on all five financial sustainability indicators in the 2013/14 year.

# Contents of the Financial Report

## Financial Statements

Comprehensive Income Statement	112
Balance Sheet	113
Statement of Changes in Equity	114
Statement of Cash Flows	115
Statement of Capital Works	116
Notes to Financial Report	118

## Notes to the Financial Report

Introduction	118
Note 1 Significant accounting policies	118
Note 2 Budget comparison	122
Note 3 Rates and charges	127
Note 4 Statutory fees and fines	127
Note 5 User fees	127
Note 6 Grants	128
Note 7 Contributions	130
Note 8 Other income	130
Note 9 Employee costs	130
Note 10 Materials and services	131
Note 11 Bad and doubtful debts	133
Note 12 Depreciation	133
Note 13 Borrowing costs	133
Note 14 Other expenses	133
Note 15 Net gain / (loss) on disposal of property, infrastructure, plant and equipment	133
Note 16 Investment in an associate	133
Note 17 Cash and cash equivalents	134
Note 18 Trade and other receivables	134
Note 19 Other financial assets	135
Note 20 Inventories	135
Note 21 Other assets	135
Note 22 Property, infrastructure, plant and equipment	136
Note 23 Trade and other payables	139
Note 24 Trust funds and deposits	139
Note 25 Provisions	139
Note 26 Interest bearing loans and borrowings	141

Note 27 Other liabilities	141
Note 28 Reserves	141
Note 29 Reconciliation of cash flows from operating activities to surplus / (deficit)	143
Note 30 Reconciliation of cash and cash equivalents	143
Note 31 Financing arrangements	143
Note 32 Commitments	144
Note 33 Operating leases	145
Note 34 Contingent liabilities	145
Note 35 Financial instruments	147
Note 36 Related party transactions	148
Note 37 Events occurring after balance date	148
<hr/>	
Certification of the Financial Report	149
VAGO Independent Auditor's Report on the Financial Report	150

# Comprehensive Income Statement

For the Year Ended 30 June 2015

	Note	2015 \$'000	2014 \$'000
<b>Income</b>			
Rates and charges	3	6,183	5,874
Statutory fees and fines	4	89	81
User fees	5	1,923	1,975
Grants – operating	6	2,143	1,900
Grants – capital	6	824	1,452
Contributions	7	109	10
Other income	8	295	352
Net gain on disposal of property, infrastructure, plant and equipment	15	15	2
Share of net (losses) / profits of an associate	16	(3)	3
<b>Total income</b>		<b>11,578</b>	<b>11,649</b>
<b>Expenses</b>			
Employee costs	9(a)	(3,503)	(3,286)
Materials and services	10	(5,995)	(5,017)
Bad and doubtful debts	11	(3)	(10)
Depreciation	12	(1,074)	(924)
Borrowing costs	13	(37)	(52)
Other expenses	14	(302)	(261)
<b>Total expenses</b>		<b>(10,914)</b>	<b>(9,551)</b>
<b>Surplus for the year</b>		<b>664</b>	<b>2,098</b>
<b>Other comprehensive income</b>			
<i>Items that will not be reclassified to surplus or deficit in future periods:</i>			
Net asset revaluation increment / (decrement)	28(a)	–	(364)
<b>Total comprehensive result</b>		<b>664</b>	<b>1,734</b>

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



# Balance Sheet

As at 30 June 2015

	Note	2015 \$'000	2014 \$'000
<b>Assets</b>			
<b>Current assets</b>			
Cash and cash equivalents	17	1,436	1,936
Trade and other receivables	18	487	480
Other financial assets	19	3,640	2,374
Inventories	20	4	4
Other assets	21	443	618
<b>Total current assets</b>		<b>6,010</b>	<b>5,412</b>
<b>Non-current assets</b>			
Investment in an associate	16	255	258
Property, infrastructure, plant and equipment	22	67,225	66,648
<b>Total non-current assets</b>		<b>67,480</b>	<b>66,906</b>
<b>Total assets</b>		<b>73,490</b>	<b>72,318</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	23	1,269	702
Trust funds and deposits	24	53	62
Provisions	25	790	699
Interest-bearing loans and borrowings	26	539	749
Other liabilities	27	101	51
<b>Total current liabilities</b>		<b>2,752</b>	<b>2,263</b>
<b>Non-current liabilities</b>			
Provisions	25	68	49
<b>Total non-current liabilities</b>		<b>68</b>	<b>49</b>
<b>Total liabilities</b>		<b>2,820</b>	<b>2,312</b>
<b>Net Assets</b>		<b>70,670</b>	<b>70,006</b>
<b>Equity</b>			
Accumulated surplus		33,245	32,386
Reserves	28	37,425	37,620
<b>Total Equity</b>		<b>70,670</b>	<b>70,006</b>

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

# Statement of Changes in Equity

For the Year Ended 30 June 2015

2015	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		70,006	32,386	33,903	3,717
Surplus / (deficit) for the year		664	664	-	-
Transfers to other reserves	28(b)	-	(1,641)	-	1,641
Transfers from other reserves	28(b)	-	1,836	-	(1,836)
<b>Balance at end of the financial year</b>		<b>70,670</b>	<b>33,245</b>	<b>33,903</b>	<b>3,522</b>

2014	Note	Total \$'000	Accumulated Surplus \$'000	Asset Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		68,272	30,972	34,267	3,033
Surplus / (deficit) for the year		2,098	2,098	-	-
Net asset revaluation increment / (decrement)	28(a)	(364)	-	(364)	-
Transfers to other reserves	28(b)	-	(2,421)	-	2,421
Transfers from other reserves	28(b)	-	1,737	-	(1,737)
<b>Balance at end of the financial year</b>		<b>70,006</b>	<b>32,386</b>	<b>33,903</b>	<b>3,717</b>

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

# Statement of Cash Flows

For the Year Ended 30 June 2015

	Note	2015 Inflows/ (Outflows) \$'000	2014 Inflows/ (Outflows) \$'000
<b>Cash flows from operating activities</b>			
Rates and charges		6,173	5,866
Statutory fees and fines		88	82
User fees		2,055	1,877
Grants - operating		2,143	1,900
Grants - capital		1,031	1,130
Contributions - monetary		80	10
Interest received		168	146
Trust funds and deposits taken		69	90
Other receipts		114	41
Net GST (payment) / refund		(75)	105
<b>Total operating receipts</b>		<b>11,846</b>	<b>11,247</b>
Employee costs		(3,376)	(3,189)
Materials and services		(5,432)	(4,918)
Trust funds and deposits repaid		(78)	(54)
Other payments		(245)	(270)
<b>Total operating payments</b>		<b>(9,131)</b>	<b>(8,431)</b>
<b>Net cash provided by operating activities</b>	29	<b>2,715</b>	<b>2,816</b>
<b>Cash flows from investing activities</b>			
Payments for property, infrastructure, plant and equipment	22	(1,763)	(2,243)
Proceeds from sale of property, infrastructure, plant and equipment		62	68
Payments for investments		(1,265)	(416)
Payment of loans and advances		-	14
<b>Net cash used in investing activities</b>		<b>(2,966)</b>	<b>(2,576)</b>
<b>Cash flows from financing activities</b>			
Finance costs		(40)	(56)
Repayment of borrowings		(209)	(224)
<b>Net cash used in financing activities</b>		<b>(249)</b>	<b>(280)</b>
Net decrease in cash and cash equivalents		(500)	(40)
Cash and cash equivalents at the beginning of the financial year		1,936	1,976
<b>Cash and cash equivalents at the end of the financial year</b>	30	<b>1,436</b>	<b>1,936</b>
Financing arrangements	31		
Restrictions on cash assets	17		

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 2015

	Note	2015 \$'000	2014 \$'000
<b>Property</b>			
Land improvements		40	26
<b>Total land</b>		<b>40</b>	<b>26</b>
Buildings		873	205
<b>Total property</b>		<b>912</b>	<b>231</b>
<b>Plant and equipment</b>			
Plant, machinery and equipment		109	140
Fixtures, fittings and furniture		9	9
Computers and telecommunications		22	28
<b>Total plant and equipment</b>		<b>140</b>	<b>177</b>
<b>Infrastructure</b>			
Roads		155	476
Footpaths and cycleways		65	17
Drainage		45	8
Recreational, leisure and community facilities		115	54
Waste management		9	-
Parks, open space and streetscapes		85	1,279
Off street car parks		237	-
Other infrastructure		-	-
<b>Total infrastructure</b>		<b>711</b>	<b>1,834</b>
<b>Total capital works expenditure</b>		<b>1,763</b>	<b>2,242</b>
<b>Represented by:</b>			
New asset expenditure		445	1,336
Asset renewal expenditure		865	834
Asset upgrade expenditure		453	72
<b>Total capital works expenditure</b>		<b>1,763</b>	<b>2,242</b>

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 2015

## Introduction

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

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

## Statement of Compliance

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

### Note 1 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 1(j))
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to note 1(k))
- the determination of employee provisions (refer to note 1(p))

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.

#### (b) Change in accounting policies

There have been no changes in accounting policies from the previous period.

#### (c) Accounting for investments in associates

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.

### Note 1 Significant accounting policies (continued)

#### (d) Revenue recognition

Income is recognised when the Council obtains control of the contribution or the right to receive the contribution, it is probable that the economic benefits comprising the contribution will flow to the Council and the amount of the contribution can be measured reliably.

#### Rates and charges

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

#### Statutory fees and fines

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.

#### User fees

User fees are recognised as revenue when the service has been provided or the payment is received, whichever first occurs.

#### Grants

Grant income is recognised when Council obtains control of the contribution. This is normally obtained upon their receipt (or acquittal) or upon earlier notification that a grant has been secured, and are valued at their fair value at the date of transfer.

Where grants or contributions recognised as revenues during the financial year were obtained on condition that they be expended in a particular manner or used over a particular period and those conditions were undischarged at balance date, the unused grant or contribution is disclosed in Note 6. The note also discloses the amount of unused grant or contribution from prior years that was expended on Council's operations during the current year.

#### Contributions

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

#### Sale of property, infrastructure, plant and equipment

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

#### Interest

Interest is recognised as it is earned.

#### Rental Income

Rental income is recognised as revenue when Council obtains control over the right to receive the income, which is in accordance with invoice arrangements included in lease agreements.

#### Other Income

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

**Note 1 Significant accounting policies (continued)****(e) Fair value measurement**

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.

AASB13 defines fair value as 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. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

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.

**(f) Cash and cash equivalents**

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

**(g) Trade and other receivables**

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

**(h) Other financial assets**

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

**(i) Inventories**

Inventories 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.

**(j) Recognition and measurement of property, infrastructure, plant and equipment****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 amount for which the asset could be exchanged between knowledgeable willing parties in an arm's length transaction.

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 detailed in Note 1(k) have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

**Revaluation**

Subsequent to the initial recognition of assets, non-current physical assets comprising land, buildings, roads, footpaths and cycleways and drainage assets 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 on an asset result in changes to the permissible or practicable highest and best use of the asset. Further details regarding the fair value hierarchy are disclosed at Note 22 Property, infrastructure, plant and equipment.

In addition, Council undertakes a formal revaluation of land, buildings, roads, footpaths and cycleways and drainage assets on a regular basis ranging from two years for land and buildings to three years for roads and footpaths and cycleways assets and four years for 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.

**Land under roads**

Council recognises land under roads it controls at fair value.

# Notes to the Financial Report

For the Year Ended 30 June 2015

## Note 1 Significant accounting policies (continued)

### (k) Depreciation of property, infrastructure, plant and equipment

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 below and are consistent with the prior year unless otherwise stated.

Asset recognition thresholds and depreciation periods	Depreciation Period	Threshold Limit \$'000
<b>Property</b>		
Land		
Land	–	5
Land under roads	–	5
Land improvements	–	5
Buildings	15–200 years	10
<b>Plant and Equipment</b>		
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
<b>Infrastructure</b>		
Roads	12–80 years	10
Footpaths and cycleways	20–50 years	10
Drainage	20–100 years	5
Recreation, leisure and community facilities	10–100 years	5
Waste management	5–10 years	5
Parks, open space and streetscapes	5–25 years	5
Other infrastructure	5–100 years	5

### (l) Repairs and maintenance

Routine maintenance, repair costs and minor renewal costs are expensed as incurred. Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold, the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

### (m) 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 to sell 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.

### (n) Trust funds and deposits

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 (refer to Note 24).

### (o) Borrowings

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 rate 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.

#### Borrowing costs

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. Except where specific borrowings are obtained for the purpose of specific asset acquisition, the weighted average interest rate applicable to borrowings at balance date, excluding borrowings associated with superannuation, is used to determine the borrowing costs to be capitalised.

Borrowing costs refers to the interest expense incurred on borrowings.



## Note 1 Significant accounting policies (continued)

### (p) Employee costs and benefits

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

#### **Wages and salaries, annual leave, rostered days off and time-in-lieu**

Liabilities for wages and salaries, including non-monetary benefits, annual leave, rostered days off and time-in-lieu 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 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.

#### **Classification of employee costs**

Current liability – unconditional LSL is disclosed as a current liability even when the Council does not expect to settle the liability within 12 months because it will not have the unconditional right to defer settlement of the entitlement should an employee take leave within 12 months.

The components of this current liability are measured at:

- present value – component that is not expected to be wholly settled within 12 months.
- nominal value – component that is expected to be wholly settled within 12 months.

Non-current liability - conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability. There is an unconditional right to defer settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value.

### (q) Leases

#### **Operating leases**

Lease payments for operating leases are required by the accounting standard to be recognised on a straight line basis, rather than expensed in the years in which they are incurred.

### (r) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of GST, except where the amount of GST incurred is not recoverable from the Australian Tax Office. In these circumstances the GST is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the Balance Sheet are shown inclusive of GST.

Cash flows are presented in the Statement of Cash Flows on a gross basis, except for the GST component of investing and financing activities, which are disclosed as operating cash flows.

### (s) Financial guarantees

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 this right will be exercised. Council has not provided any bank guarantees as at balance date.

### (t) Contingent assets and contingent liabilities and commitments

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

Commitments are not recognised in the Balance Sheet. Commitments are disclosed at their nominal value by way of a note and are presented inclusive of the GST payable.

### (u) Pending accounting standards

Certain new AAS's have been issued that are not mandatory for the 30 June 2015 reporting period. Council has assessed these pending standards and has identified that no material impact will flow from the application of these standards in future reporting periods.

### (v) Rounding

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

# Notes to the Financial Report

For the Year Ended 30 June 2015

## Note 2 Budget comparison

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

The budget figures detailed below are those adopted by Council on 25 June 2014. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for revenue and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

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

### (a) Income and Expenditure

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	Ref
<b>Income</b>				
Rates and charges	6,149	6,183	34	
Statutory fees and fines	86	89	3	
User fees	2,054	1,923	(132)	1
Grants – operating	1,365	2,143	779	2
Grants – capital	4,400	824	(3,576)	3
Contributions – monetary	75	109	34	4
Contributions – non monetary	150	–	(150)	5
Other income	170	295	125	6
Share of net profits / (losses) of an associate	5	(3)	(8)	7
<b>Total income</b>	<b>14,454</b>	<b>11,564</b>	<b>(2,890)</b>	
<b>Expenses</b>				
Employee costs	3,402	3,503	(101)	8
Materials and services	5,386	5,995	(609)	9
Bad and doubtful debts	5	3	2	10
Depreciation	1,028	1,074	(46)	
Borrowing costs	40	37	3	
Other expenses	399	302	97	11
Net (gain) / loss on disposal of property, infrastructure, plant and equipment	5	(15)	20	12
<b>Total expenses</b>	<b>10,265</b>	<b>10,899</b>	<b>(634)</b>	
<b>Surplus / (deficit) for the year</b>	<b>4,189</b>	<b>664</b>	<b>(3,524)</b>	

**Note 2 Budget comparison (continued)****(i) Explanation of material variations**

Variance		
Ref	Item	Explanation
1	User fees	\$134k lease income budgeted as User fees compared to an actual result of \$131k, which was reclassified as Other income.
2	Grants – operating	The increase is mainly due to: 1) \$468k funding for underground power in Point Lonsdale Road, originally budgeted in 2013/14, was received in 2014/15; 2) \$313k funding toward Hesse/Symonds/Wharf Street roundabout (a Vic Roads asset) originally budgeted as capital expenditure; 3) \$129k Victoria Grants Commission funding was prepaid in June 2015, being 50% of the 2015/16 financial year allocation; 4) \$125k funding for Ferry to Pier project, originally budgeted in 2013/14, was received in 2014/15; 5) (\$200k) funding for Queenscliff Historic Railway Precinct project, budgeted in 2014/15, was received in 2013/14; and 6) (\$45k) funding for Tourism and Economic Development Strategy, budgeted in 2014/15, is now forecast in the 2015/16 year.
3	Grants – capital	The decrease to mainly due to: 1) (\$2.55m) budgeted for Queenscliff Sports and Recreation Precinct in 2014/15 compared to confirmed funding of \$3.155m in 2015/16; 2) (\$350k) funding for the Queenscliff Kindergarten development, originally budgeted in 2014/15, was received in 2013/14; 3) (\$313k) of Country Roads and Bridges funding redirected to Hesse/Symonds/Wharf Street roundabout as detailed in Note 2; 4) (\$300k) budgeted for Queenscliff Park in 2014/15, however funding has not yet been secured for this project; 5) (\$280k) Point Lonsdale Foreshore Stage 3 budgeted at \$400k compared to \$120k received and the balance expected in 2015/16; 6) \$100k new grant received in 2014/15 (total project funding \$123k) for Council's green waste service to commence on 01/07/15; and 7) \$100k for Queenscliff Senior Citizens and Sea Scouts building upgrade, originally budgeted in 2013/14, was received in 2014/15.
4	Contributions – monetary	The increase is due to: 1) \$20k contribution to the Ferry to Pier project, originally budgeted in 2013/14, was received in 2014/15; and 2) \$13k additional contribution to the Neighbourhood House upgrade not budgeted, was received for the cost of additional work.
5	Contributions – non monetary	Nil expenditure compared to \$150k originally budgeted for the Queenscliff Sports and Recreation Precinct, which is fully funded by government grant with no matching Council or community contribution.
6	Other income	The increase is due to \$134k lease income budgeted as User fees, compared to an actual result of \$131k, which was reclassified as Other income.
7	Share of net profits / (losses) of an associate	The decrease is due to Council's share of the investment in the Geelong Regional Library Corporation being budgeted as an increase of \$5k in equity, compared to an actual decrease of \$3k.
8	Employee costs	The increase is mainly due to: 1) (\$147k) originally budgeted as contract staff and replaced with employed staff in caravan parks operations and home and community care services; 2) \$60k customer service and administration position vacancies temporarily filled by contract staff; and 3) (\$17k) increase in personal care hours to home and community care clients, which is externally funded by an increase in government grant revenue.

# Notes to the Financial Report

For the Year Ended 30 June 2015

## Note 2 Budget comparison (continued)

Variance		
Ref	Item	Explanation
9	Materials and services	<p>The increase is mainly due to:</p> <ol style="list-style-type: none"> <li>1) (\$697k) Hesse/Symonds/Wharf Street roundabout (a Vic Roads asset) was originally budgeted as capital expenditure;</li> <li>2) (\$516k) underground power in Point Lonsdale Road, originally budgeted in 2013/14, was incurred in 2014/15;</li> <li>3) (\$158k) landfill disposal levy, originally budgeted as Other expenses, now reclassified as Materials and services;</li> <li>4) (\$115k) Ferry to Pier project, originally budgeted in 2013/14, was undertaken in 2014/15;</li> <li>5) \$218k Queenscliff Historic Railway Precinct, originally budgeted in 2014/15, is now expected to be completed in 2015/16;</li> <li>6) \$165k Point Lonsdale Cliff Stability project, originally budgeted in 2014/15, is now expected to be completed in 2015/16;</li> <li>7) \$147k originally budgeted as contract staff and replaced with employed staff in caravan parks operations and home and community care services;</li> <li>8) \$70k Queenscliff Planning Scheme Panel, originally budgeted in 2014/15, is now expected to be completed in 2015/16;</li> <li>9) \$67k coastal works at Ocean Road and The Narrows, originally budgeted in 2014/15, is now expected to be completed in 2015/16; and</li> <li>10) \$60k Tourism and Economic Development Strategy, originally budgeted in 2014/15, is now expected to be completed in 2015/16.</li> </ol>
10	Bad and doubtful debts	The increase is due to the provision for bad and doubtful debts, originally budgeted at \$5k, compared to an actual result of \$2k.
11	Other expenses	<p>The increase is mainly due to:</p> <ol style="list-style-type: none"> <li>1) \$158k landfill disposal levy, originally budgeted as Other expenses, reclassified as Materials and services; and</li> <li>2) (\$65k) asset write offs in the 2014/15 year in relation to expenditure previously recorded as Work in progress.</li> </ol>
12	Net (gain) / loss on disposal of fixed assets	The increase is due to improved outcomes from trade-in of motor vehicles.



**Note 2 Budget comparison (continued)**

## b) Capital works

	Budget 2015 \$'000	Actual 2015 \$'000	Variance 2015 \$'000	Ref
<b>Property</b>				
Land improvements	25	40	(15)	1
Buildings	2,641	873	1,768	2
<b>Total property</b>	<b>2,666</b>	<b>912</b>	<b>1,754</b>	
<b>Plant and equipment</b>				
Plant, machinery and equipment	185	109	76	3
Fixtures, fittings and furniture	5	9	(4)	4
Computers and telecommunications	106	22	84	5
<b>Total plant and equipment</b>	<b>296</b>	<b>140</b>	<b>156</b>	
<b>Infrastructure</b>				
Roads	1,032	155	877	6
Footpaths and cycleways	117	65	52	7
Drainage	35	45	(10)	8
Recreational, leisure and community facilities	1,874	115	1,759	9
Waste management	20	9	11	10
Parks, open space and streetscapes	435	85	350	11
Off street car parks	-	237	(237)	12
Other infrastructure	10	-	10	13
<b>Total infrastructure</b>	<b>3,523</b>	<b>711</b>	<b>2,812</b>	
<b>Total capital works expenditure</b>	<b>6,485</b>	<b>1,763</b>	<b>4,722</b>	

# Notes to the Financial Report

For the Year Ended 30 June 2015

## Note 2 Budget comparison (continued)

### (i) Explanation of material variations

Variance		
Ref	Item	Explanation
1	Land improvements	The increase is due to land improvements, originally budgeted at \$20k operating and \$25k capital expenditure, now fully capitalised to work in progress.
2	Buildings	The decrease is mainly due to: 1) \$1.6m Queenscliff Sports and Recreation Precinct buildings, originally budgeted in 2014/15, expected to commence in 2015/16 following confirmation of government grant funding; 2) \$177k Point Lonsdale Foreshore Stage 3 buildings, originally budgeted in 2014/15, to be carried forward for completion in 2015/16; 3) \$153k Queenscliff Senior Citizens and Sea Scouts building upgrade, originally budgeted to be completed in 2014/15, to be carried forward for completion in the 2015/16 year; and 4) (\$176k) Queenscliff Kindergarten redevelopment expenditure higher than budgeted, with \$100k funded from Council's Asset Replacement Reserve.
3	Plant, machinery and equipment	The decrease is due to motor vehicles purchased at lower cost and motor vehicles not requiring replacement until 2015/16.
4	Fixtures, fittings and furniture	The increase is mainly due to allocation of funds for the purchase of a new portable PA system for use by community groups.
5	Computers and telecommunications	The decrease is mainly due to delayed implementation of a new corporate finance system, originally budgeted as \$75k in 2013/14 and \$75k in 2014/15, to be carried forward to the 2015/16 year.
6	Roads	The decrease is mainly due to \$800k of Country Roads and Bridges funding, originally budgeted as capital expenditure, with \$697k redirected to Hesse/Symonds/Wharf Street roundabout (Vic Roads asset expensed as operating expenditure) and \$200k redirected to Lawrence Road Car Park (Off street car parks).
7	Footpaths and cycleways	The decrease is mainly due to: 1) \$40k Footpath strategy, originally budgeted in 2014/15, to be carried forward for completion in 2015/16; 2) \$40k Bike path renewal, originally budgeted in 2014/15, to be carried forward for completion in 2015/16; and 3) (\$20k) other footpath renewal projects completed in 2014/15 and carried forward from 2013/14.
8	Drainage	The increase is mainly due to Bay Street drainage works, for which Country Roads and Bridges funding was allocated in 2013/14 and carried forward for completion in 2014/15.
9	Recreational, leisure and community facilities	The decrease is mainly due to: 1) \$1.6m Queenscliff Sports and Recreation Precinct recreation, leisure and community facilities, originally budgeted in 2014/15, to commence in 2015/16 following confirmation of government grant funding for this project; and 2) \$177k Point Lonsdale Foreshore Stage 3 recreation, leisure and community facilities, originally budgeted in 2014/15, to be carried forward for completion in 2015/16.
10	Waste management	The decrease is mainly due to: 1) \$20k staged introduction of recycling bins, originally budgeted in 2014/15 and completed in 2013/14 as part of the Hesse Street revitalisation project, which was funded from the Country Roads and Bridges Program; and 2) (\$9k) early purchase of bins for the new green waste service, budgeted to commence in 2015/16.
11	Parks, open space and streetscapes	The decrease is mainly due to: 1) \$400k originally budgeted for Queenscliff Park in 2014/15, delayed due to funding not yet secured for this project, resulting in expenditure carried forward to 2015/16 subject to availability of grant funding; and 2) (\$40k) Lighthouse Reserves development plan, originally budgeted in 2013/14, carried forward and completed in the 2014/15 year.
12	Off street car parks	The increase is mainly due to \$200k allocation from the Country Roads and Bridges funding, originally budgeted under Roads, redirected to Lawrence Road Car Park (allocated from Roads).
13	Other infrastructure	Nil expenditure compared to \$10k originally budgeted in 2014/15, due to minor works being expensed as operating expenditure.

2015  
\$'000

2014  
\$'000

**Note 3 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 2014/15 was \$2,319 million (2013/14: \$2,288 million). The 2014/15 cents in the CIV dollar was 0.259423 (2013/14: 0.250418).

Residential	5,146	5,053
Tourist accommodation	592	405
Commercial	411	390
Garbage charge	15	14
Supplementary rates and rate adjustments	15	8
Cultural and recreational	4	4
<b>Total rates and charges</b>	<b>6,183</b>	<b>5,874</b>

The date of the latest general revaluation of land for rating purposes within the municipal district was 1 January 2014 and the valuation was first applied in the rating year commencing 1 July 2014.

**Note 4 Statutory fees and fines**

Town planning fees	50	46
Infringements and costs	17	15
Permits	10	13
PERIN court recoveries	7	3
Land information certificates	5	4
<b>Total statutory fees and fines</b>	<b>89</b>	<b>81</b>

**Note 5 User fees**

Caravan park fees	1,624	1,624
Boat ramp fees – ticket machines	93	89
Aged services	80	99
Registration and other permits	58	49
Building services	16	15
Tourism	16	21
Recycling disposal income	15	16
Road occupancy charges	9	7
Valuation fees/supplementary charges	-	44
Other fees and charges	12	11
<b>Total user fees</b>	<b>1,923</b>	<b>1,975</b>

# Notes to the Financial Report

For the Year Ended 30 June 2015

## Note 6 Grants

	2015 \$'000	2014 \$'000
Grants were received in respect of the following:		
<b>Summary of grants</b>		
Commonwealth funded grants	74	413
State funded grants	2,882	2,829
Other grants	11	110
<b>Total</b>	<b>2,967</b>	<b>3,352</b>
<b>Operating grants</b>		
<b>Recurrent – Commonwealth Government</b>		
Aged and disability services	49	78
<b>Recurrent – State Government</b>		
Victoria Grants Commission	383	124
Aged and disability services	309	300
Maternal and child health	48	48
Community development	41	43
Rates and information technology	35	54
Road maintenance and works	12	13
Other	26	25
<b>Recurrent – Other</b>		
Environmental health	10	12
<b>Total recurrent operating grants</b>	<b>914</b>	<b>697</b>
<b>Non-recurrent – Commonwealth Government</b>		
Tourism and economic development	25	30
<b>Non-recurrent – State Government</b>		
Road maintenance and works	981	768
Coastal and environment	130	25
Tourism and economic development	55	205
Sustainability and environment	19	32
Other	18	20
Planning and development control	–	25
<b>Non-recurrent – Other</b>		
Other	1	14
Coastal and environment	–	84
<b>Total non-recurrent operating grants</b>	<b>1,229</b>	<b>1,204</b>
<b>Total operating grants</b>	<b>2,143</b>	<b>1,900</b>



**Note 6 Grants (continued)**

	2015 \$'000	2014 \$'000
<b>Capital grants</b>		
<b>Recurrent – Commonwealth Government</b>		
Roads to Recovery	–	1
<b>Recurrent – State Government</b>		
Plant and equipment	9	4
<b>Total recurrent capital grants</b>	<b>9</b>	<b>5</b>
<b>Non-recurrent – Commonwealth Government</b>		
Recreation, leisure and community facilities	–	295
Buildings	–	10
<b>Non-recurrent – State Government</b>		
Roads	487	232
Recreation, leisure and community facilities	120	340
Buildings	100	500
Waste management	100	–
Parks, open space and streetscapes	6	50
Computers and telecommunications	2	–
Roads	–	20
<b>Total non-recurrent capital grants</b>	<b>815</b>	<b>1,447</b>
<b>Total capital grants</b>	<b>824</b>	<b>1,452</b>
<b>Conditions on grants</b>		
Grants recognised as revenue during the year that were obtained on condition that they be expended in a specified manner that had not occurred at balance date were:	472	1,268
Grants which were recognised as revenue in prior years and were expended during the current year in the manner specified by the grantor were:	1,162	946
<b>Net (decrease) / increase in restricted assets resulting from grant revenues for the year</b>	<b>(690)</b>	<b>322</b>

# Notes to the Financial Report

For the Year Ended 30 June 2015

	2015 \$'000	2014 \$'000
<b>Note 7 Contributions</b>		
Monetary – operating	20	–
Monetary – capital	89	10
<b>Total contributions</b>	<b>109</b>	<b>10</b>
<b>Note 8 Other income</b>		
Interest – investment of surplus cash	145	137
Interest – rates	20	20
Other rent – lease of Crown Land properties	94	69
Other rent – lease of Council properties	36	40
Asset recognition	–	45
Reimbursements	–	41
<b>Total other income</b>	<b>295</b>	<b>352</b>
<b>Note 9(a) Employee costs</b>		
Wages and salaries	2,832	2,593
Superannuation	275	256
Annual leave and long service leave	205	183
Overtime	91	99
Fringe benefits tax	55	52
Workcover premium	45	65
Workcover payments	1	39
<b>Total employee costs</b>	<b>3,503</b>	<b>3,286</b>
<b>Note 9(b) Superannuation</b>		
Council made contributions to the following funds:		
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	27	15
<b>Total employer contributions to defined benefit fund</b>	<b>27</b>	<b>15</b>
Employer contributions payable at reporting date	–	–
<b>Accumulation funds</b>		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	184	175
Employer contributions – other funds	59	70
<b>Total employer contributions to accumulation funds</b>	<b>242</b>	<b>245</b>
Employer contributions payable at reporting date	18	–

## Note 9 Superannuation (continued)

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

### Accumulation

The Fund's accumulation categories, Vision MySuper/Vision Super Saver, receives both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2015, this was 9.5% required under Superannuation Guarantee legislation (2013/14: 9.25%)).

### 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 Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

	2015 \$'000	2014 \$'000
<b>Note 10 Materials and services</b>		
<b>Contract payments</b>		
Road maintenance and works	756	745
Waste disposal	408	372
Labour (Information technology, engineering, health, building, planning, heritage, caravan parks)	249	271
Public conveniences	85	89
Maternal and child health	65	66
Home maintenance	45	48
Cleaning services	42	44
Rate valuations	34	36
<b>Total contract payments</b>	<b>1,684</b>	<b>1,671</b>
<b>Recurrent expenditure</b>		
Materials and services	444	426
Utilities	288	284
Foreshore and open space maintenance	227	229
Contribution to Geelong Regional Library Corporation	217	243
Building, works, plant and equipment maintenance	216	288
Landfill disposal levy	166	128
Insurance	165	171
Grants and donations paid to local organisations	99	106
Information technology software and maintenance agreements	95	95
Membership of organisations	74	68
Legal expenses	71	21
Fuel and travel expenses	54	59
Sustainability / carbon neutral program	49	27
Telephone and internet charges	46	45
Powerline and sundry tree clearance	25	51
Motor vehicle expenses	21	22
Security	15	17
Recruitment costs	11	34
Fire Services Property Levy (Council properties) including administration costs	9	12
<b>Total recurrent expenditure</b>	<b>2,292</b>	<b>2,326</b>

# Notes to the Financial Report

For the Year Ended 30 June 2015

	2015 \$'000	2014 \$'000
<b>Note 10 Materials and services (continued)</b>		
<b>Grant-funded expenditure</b>		
Country roads and bridges program	897	548
Point Lonsdale Road underground power	516	-
Ferry to the pier	196	128
Fort Queenscliff development plan	148	3
Queenscliff historic railway precinct	47	13
Regional public place recycling	30	-
Point Lonsdale cliff stability	25	3
Coastal tender	25	32
G21 tennis strategy	7	44
Community environment alliance	3	13
Kindergarten planning	-	33
Small business day	-	10
Point Lonsdale foreshore revitalisation	-	10
Other	17	24
<b>Total grant-funded expenditure</b>	<b>1,911</b>	<b>861</b>
<b>Non-recurrent expenditure</b>		
Materials and services	59	43
Additional roadside green waste services	18	17
Review of the planning scheme	17	27
Celebrating 150 Years of the Borough	7	12
Queenscliff burn site	-	31
Building condition survey	-	19
Other	7	10
<b>Total non-recurrent expenditure</b>	<b>108</b>	<b>159</b>
<b>Total materials and services</b>	<b>5,995</b>	<b>5,017</b>

	2015 \$'000	2014 \$'000
<b>Note 11 Bad and doubtful debts</b>		
Caravan park debtors	(3)	8
Parking fine debtors	2	1
Other debtors	4	1
<b>Total bad and doubtful debts</b>	<b>3</b>	<b>10</b>
<b>Note 12 Depreciation</b>		
Property	400	309
Plant and equipment	150	148
Infrastructure	523	467
<b>Total depreciation</b>	<b>1,074</b>	<b>924</b>
Refer to note 22 for a more detailed breakdown of depreciation charges.		
<b>Note 13 Borrowing costs</b>		
Interest – Borrowings	37	52
<b>Total borrowing costs</b>	<b>37</b>	<b>52</b>
<b>Note 14 Other expenses</b>		
Councillors' allowances	134	130
Auditors' remuneration – VAGO – audit of the financial statements, performance statement and grant acquittals	30	29
Auditors' remuneration – Internal	20	24
Operating lease rentals	37	41
Asset write offs	65	8
Other	16	29
<b>Total other expenses</b>	<b>302</b>	<b>261</b>
<b>Note 15 Net gain on disposal of property, infrastructure, plant and equipment</b>		
Proceeds of sale	61	69
Write down value of assets disposed	(46)	(67)
<b>Total net gain on disposal of property, infrastructure, plant and equipment</b>	<b>15</b>	<b>2</b>
<b>Note 16 Investment in an associate</b>		
Investment in an associate accounted for by the equity method is:		
Geelong Regional Library Corporation	255	258
<b>Geelong Regional Library Corporation</b>		
<b>Background</b>		
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 unaudited financial statements for the year ended 30 June 2015. Council's share of the net assets 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.		
<b>Fair value of Council's investment in Geelong Regional Library Corporation</b>	<b>255</b>	<b>258</b>

# Notes to the Financial Report

For the Year Ended 30 June 2015

	2015 \$'000	2014 \$'000
<b>Note 16 Investment in an associate (continued)</b>		
<b>Council's share of accumulated surplus</b>		
Council's share of accumulated surplus at start of year	258	255
Reported (deficit) / surplus for year	(3)	3
<b>Council's share of accumulated surplus at end of year</b>	<b>255</b>	<b>258</b>
<b>Note 17 Cash and cash equivalents</b>		
Cash on hand	1	2
Cash at bank	739	1,142
Money market at call accounts	2	42
Term deposits	694	750
<b>Total cash and cash equivalents</b>	<b>1,436</b>	<b>1,936</b>
Council's cash and cash equivalents (note 17) and other financial assets – term deposits (note 19) are subject to external restrictions that limit amounts available for discretionary use. These include:		
Trust funds and deposits (Note 24)	53	62
<b>Total restricted funds</b>	<b>53</b>	<b>62</b>
<b>Total unrestricted cash and cash equivalents and other financial assets – term deposits</b>	<b>5,023</b>	<b>4,248</b>
<b>Intended allocations</b>		
Although not externally restricted, the following amounts have been allocated for specific future purposes by Council:		
• Cash held to fund carried forward capital works (Note 28(b))	1,344	1,255
• Cash held to fund carried forward operating projects (Note 28(b))	1,222	1,586
• Cash held to fund future asset replacement requirements (Note 28(b))	936	876
• Cash held to fund future calls on the defined benefits superannuation fund (Note 28(b))	20	-
<b>Total funds subject to intended allocations</b>	<b>3,522</b>	<b>3,717</b>
<b>Note 18 Trade and other receivables</b>		
<b>Current</b>		
Rates debtors	212	209
Pensioner rebate	23	23
Caravan park debtors	10	17
Provision for doubtful debts – caravan park income	-	(4)
Parking infringement debtors	10	8
Provision for doubtful debts – parking infringements	(4)	(3)
Government grants	77	92
Community contributions	22	-
Rechargeables – electricity costs	21	-
Other rent – lease of Council properties	3	67
Other debtors	25	40
Provision for doubtful debts – other debtors	(3)	-
Long Service Leave provision transferred from other public authorities	-	16
Net GST receivable	91	16
<b>Total current trade and other receivables</b>	<b>487</b>	<b>480</b>
<b>Total trade and other receivables</b>	<b>487</b>	<b>480</b>

**Note 18 Trade and other receivables (continued)**

**a) Ageing of receivables**

At balance date, other debtors representing financial assets were past due but not impaired. These amounts relate to a number of independent customers for whom there is no recent history of default. The ageing of the Council's trade and other receivables (excluding statutory receivables) was:

Current (not yet due)	118	215
Past due by up to 30 days	3	6
Past due between 31 and 180 days	16	29
Past due between 181 and 365 days	8	-
Past due by more than 1 year	16	5
<b>Total trade and other receivables</b>	<b>161</b>	<b>255</b>

**b) Movement in provisions for doubtful debts**

Balance at the beginning of the year	8	11
New provisions recognised during the year	6	6
Amounts already provided for and written off as uncollectible	(4)	(3)
Amounts provided for but recovered during the year	(3)	(6)
<b>Balance at end of year</b>	<b>7</b>	<b>8</b>

**c) Ageing of individually impaired receivables**

At balance date, debtors (including caravan park, parking infringements and other debtors) representing financial assets with a nominal value of \$7,268 (2014: \$7,887) were impaired and a provision was raised against these debtors for the amounts impaired. They individually have been impaired as a result of their doubtful collection. These long outstanding past due amounts may be lodged with Council's debt collectors if a payment arrangement is not agreed.

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

Past due between 181 and 365 days	4	4
Past due by more than 1 year	3	4
<b>Total trade and other receivables</b>	<b>7</b>	<b>8</b>

**Note 19 Other financial assets**

Term deposits	3,640	2,374
<b>Total other financial assets</b>	<b>3,640</b>	<b>2,374</b>

**Note 20 Inventories**

Inventories held for sale	4	4
<b>Total inventories</b>	<b>4</b>	<b>4</b>

**Note 21 Other assets**

**Current**

Prepayments	87	74
Accrued income	356	544
<b>Total other assets</b>	<b>443</b>	<b>618</b>

# Notes to the Financial Report

For the Year Ended 30 June 2015

## Note 22 Property, infrastructure, plant and equipment

	Land - specialised \$'000	Land - non specialised \$'000	Total Land \$'000	Buildings - specialised \$'000	Buildings - non specialised \$'000	Total Buildings \$'000	Work in progress \$'000	Total Property \$'000
<b>Land and Buildings</b>								
At fair value 1 July 2014	13,457	20,456	33,913	21,298	3,021	24,319	77	58,309
Accumulated depreciation at 1 July 2014	-	-	-	(9,421)	(586)	(10,008)	-	(10,008)
	<b>13,457</b>	<b>20,456</b>	<b>33,913</b>	<b>11,877</b>	<b>2,434</b>	<b>14,311</b>	<b>77</b>	<b>48,301</b>
<b>Movements in fair value</b>								
Acquisition of assets at fair value	-	-	-	44	23	67	845	912
Asset write-offs	-	-	-	-	-	-	(43)	(43)
Transfers	-	-	-	-	1	1	(1)	-
	-	-	-	<b>44</b>	<b>24</b>	<b>68</b>	<b>801</b>	<b>869</b>
<b>Movements in accumulated depreciation</b>								
Depreciation	-	-	-	(348)	(52)	(400)	-	(400)
	-	-	-	<b>(348)</b>	<b>(52)</b>	<b>(400)</b>	-	<b>(400)</b>
At fair value 30 June 2015	13,457	20,456	33,913	21,342	3,044	24,387	878	59,178
Accumulated depreciation at 30 June 2015	-	-	-	(9,769)	(639)	(10,408)	-	(10,408)
	<b>13,457</b>	<b>20,456</b>	<b>33,913</b>	<b>11,573</b>	<b>2,406</b>	<b>13,979</b>	<b>878</b>	<b>48,770</b>

	Plant, machinery and equipment \$'000	Fixtures, fittings and furniture \$'000	Computers and telecommunications \$'000	Total Plant and Equipment \$'000
<b>Plant and Equipment</b>				
At fair value 1 July 2014	424	301	277	1,002
Accumulated depreciation at 1 July 2014	(139)	(154)	(192)	(485)
	<b>285</b>	<b>147</b>	<b>85</b>	<b>517</b>
<b>Movements in fair value</b>				
Acquisition of assets at fair value	109	9	22	140
Fair value of assets disposed	(106)	(1)	(12)	(119)
Asset write-offs	-	-	(2)	(2)
	<b>3</b>	<b>8</b>	<b>8</b>	<b>19</b>
<b>Movements in accumulated depreciation</b>				
Depreciation	(79)	(28)	(44)	(151)
Accumulated depreciation of disposals	61	1	11	73
Asset write-offs	-	-	1	1
	<b>(18)</b>	<b>(27)</b>	<b>(32)</b>	<b>(77)</b>
At fair value 30 June 2015	427	309	285	1,021
Accumulated depreciation at 30 June 2015	(157)	(181)	(224)	(562)
	<b>270</b>	<b>128</b>	<b>61</b>	<b>459</b>



**Note 22 Property, infrastructure, plant and equipment (continued)**

	Roads \$'000	Footpaths and cycleways \$'000	Drainage \$'000	Recreational, leisure and community facilities \$'000	Waste management \$'000	Parks, open spaces and streetscapes \$'000	Off street car parks \$'000	Other infrastructure \$'000	Work in progress \$'000	Total Infrastructure \$'000
<b>Infrastructure</b>										
At fair value 1 July 2014	16,643	1,496	3,973	2,039	37	1,172	-	216	745	26,321
Accumulated depreciation at 1 July 2014	(5,331)	(561)	(1,884)	(596)	(37)	(23)	-	(60)	-	(8,492)
	<b>11,312</b>	<b>936</b>	<b>2,089</b>	<b>1,443</b>	<b>-</b>	<b>1,149</b>	<b>-</b>	<b>156</b>	<b>745</b>	<b>17,830</b>
<b>Movements in fair value</b>										
Acquisition of assets at fair value	142	65	45	53	-	18	237	-	151	711
Asset write-offs	-	-	-	-	-	-	-	-	(21)	(21)
Transfers	426	-	16	-	-	153	-	25	(621)	-
	<b>568</b>	<b>65</b>	<b>62</b>	<b>53</b>	<b>-</b>	<b>171</b>	<b>237</b>	<b>25</b>	<b>(490)</b>	<b>690</b>
<b>Movements in accumulated depreciation</b>										
Depreciation	(273)	(39)	(59)	(89)	-	(57)	(1)	(5)	-	(524)
	<b>(273)</b>	<b>(39)</b>	<b>(59)</b>	<b>(89)</b>	<b>-</b>	<b>(57)</b>	<b>(1)</b>	<b>(5)</b>	<b>-</b>	<b>(524)</b>
At fair value 30 June 2015	17,211	1,561	4,035	2,092	37	1,343	237	241	255	27,011
Accumulated depreciation at 30 June 2015	(5,604)	(600)	(1,943)	(685)	(37)	(80)	(1)	(65)	-	(9,016)
	<b>11,607</b>	<b>961</b>	<b>2,092</b>	<b>1,407</b>	<b>-</b>	<b>1,263</b>	<b>236</b>	<b>176</b>	<b>255</b>	<b>17,996</b>
<b>Summary</b>										
At fair value 1 July 2014						58,309	1,002	26,321		85,632
Accumulated depreciation at 1 July 2014						(10,008)	(485)	(8,492)		(18,985)
						<b>48,301</b>	<b>517</b>	<b>17,829</b>		<b>66,647</b>
<b>Movements in fair value</b>										
Acquisition of assets at fair value						912	140	711		1,763
Fair value of assets disposed						-	(119)	-		(119)
Asset write-offs						(43)	(2)	(21)		(66)
Transfers						-	-	-		-
						<b>869</b>	<b>19</b>	<b>690</b>		<b>1,578</b>
<b>Movements in accumulated depreciation</b>										
Depreciation						(400)	(151)	(524)		(1,075)
Accumulated depreciation of disposals						-	73	-		73
Asset write-offs						-	1	-		1
						<b>(400)</b>	<b>(78)</b>	<b>(524)</b>		<b>(1,001)</b>
At fair value 30 June 2015						59,178	1,021	27,011		87,210
Accumulated depreciation at 30 June 2015						(10,408)	(563)	(9,016)		(19,987)
						<b>48,770</b>	<b>458</b>	<b>17,995</b>		<b>67,225</b>

# Notes to the Financial Report

For the Year Ended 30 June 2015

## Note 22 Property, infrastructure, plant and equipment (continued)

### Valuation of land and buildings

Valuation of land (including land under roads) and buildings was undertaken by a qualified independent valuer from Opteon Property Group (Victoria) ("Opteon"), valuer registration number 63379.

The valuation of land 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.

Land under roads (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 latest valuation of buildings was undertaken by Opteon on 30 June 2014, with the fit-out component undertaken by CT Management on 1 January 2014, in line with Rawlinsons Australia Construction Handbook as a guide for building costs. The valuation of buildings, excluding fitout, is at fair value, being current replacement cost or market value based highest and best use.

Details of the Council's land and buildings and information about the fair value hierarchy as at 30 June 2015 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Land	-	20,456	-
Land under roads (specialised land)	-	-	13,457
Buildings	-	2,406	-
Buildings (specialised)	-	-	11,573
<b>Total</b>	<b>-</b>	<b>22,862</b>	<b>25,030</b>

### Valuation of infrastructure

Valuation of road network infrastructure assets (roads including kerb and channel, footpaths and cycleways) was conducted by Council's engineer, Mr. Stuart Hansen, during 2013/14 using the condition assessment work of Mr Peter Moloney, Dip C.E.C.E.MIE Aust conducted in December 2012.

The valuation is at fair value based on the cost approach which utilises the current replacement cost, adjusted for the condition of the asset. The current replacement cost has been based on a combination of recently tendered work, benchmarking of costs against other councils and Rawlinson's Australia Construction Handbook. The drainage valuation was conducted by Council's engineer, Mr. Stuart Hansen, during 2011/2012. The next scheduled revaluation of road network infrastructure and drainage infrastructure assets will occur in the 2016/17 financial year.

Details of the Council's road network and drainage infrastructure and information about the fair value hierarchy as at 30 June 2015 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Roads	-	-	11,607
Footpaths and cycleways	-	-	961
Drainage	-	-	2,092
<b>Total</b>	<b>-</b>	<b>-</b>	<b>14,660</b>

### 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 cost is calculated on a square metre basis and ranges from \$120 to \$4,680 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary from 0 year to 115 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.

	2015 \$'000	2014 \$'000
<b>Reconciliation of specialised land</b>		
Land under roads	13,457	13,457
<b>Total specialised land</b>	<b>13,458</b>	<b>13,457</b>

	2015 \$'000	2014 \$'000
<b>Note 23 Trade and other payables</b>		
Trade payables	974	476
Accrued expenses	179	102
Accrued wages and salaries	117	124
<b>Total trade and other payables</b>	<b>1,269</b>	<b>702</b>
<b>Note 24 Trust funds and deposits</b>		
Fire services property levy	4	-
Community nursery	11	11
Retention amounts	11	43
Other refundable deposits	27	8
<b>Total trust funds and deposits</b>	<b>53</b>	<b>62</b>

**Purpose and nature of items**

**Fire services property levy** – Council is the collection agent for fire services property 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.

**Community nursery** – Council holds monies in trust on behalf of the Queenscliff Indigenous Plant Nursery and arranges for the payment of appropriate nursery expenditure from this trust account during the year at the request of the community nursery.

**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.

**Other refundable deposits** – Deposits are taken by Council as a form of surety in a number of circumstances including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

<b>Note 25 Provisions</b>				
	Annual leave \$'000	Long service leave \$'000	Accrued days off \$'000	Total \$'000
<b>2015</b>				
Balance at beginning of the financial year	256	480	12	748
Additional provisions	47	154	14	215
Amounts used	(40)	(62)	(6)	(108)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	3	-	-	3
<b>Balance at the end of the financial year</b>	<b>266</b>	<b>572</b>	<b>20</b>	<b>858</b>
<b>2014</b>				
Balance at beginning of the financial year	256	409	13	678
Additional provisions	56	125	7	188
Amounts used	(58)	(54)	(8)	(120)
Increase in the discounted amount arising because of time and the effect of any change in the discount rate	2	-	-	2
<b>Balance at the end of the financial year</b>	<b>256</b>	<b>480</b>	<b>12</b>	<b>748</b>

# Notes to the Financial Report

For the Year Ended 30 June 2015

## Note 25 Provisions (continued)

	2015 \$'000	2014 \$'000
<b>Employee provisions</b>		
<i>Current provisions expected to be settled within 12 months</i>		
Annual leave	39	129
Long service leave	13	11
Accrued days off	20	12
<b>Total current provisions expected to be settled within 12 months</b>	<b>72</b>	<b>152</b>
<i>Current provisions expected to be settled after 12 months</i>		
Annual leave	227	127
Long service leave	491	420
<b>Total current provisions expected to be settled after 12 months</b>	<b>718</b>	<b>547</b>
<b>Total current provisions</b>	<b>790</b>	<b>699</b>
<i>Non-current</i>		
Long service leave	68	49
<b>Total non-current provisions</b>	<b>68</b>	<b>49</b>
<i>Aggregate carrying amount of employee provisions:</i>		
Current	790	699
Non-current	68	49
<b>Total aggregate carrying amount of employee provisions:</b>	<b>858</b>	<b>748</b>
<i>The following assumptions were adopted in measuring the present value of employee provisions:</i>		
Weighted average increase in employee costs	4.438%	4.438%
Weighted average discount rates	2.48%	3.06%
Weighted average settlement period	15	15

	2015 \$'000	2014 \$'000
<b>Note 26 Interest-bearing loans and borrowings</b>		
<i>Current</i>		
Borrowings – secured	539	749
<b>Total current loans and borrowings</b>	<b>539</b>	<b>749</b>
<b>Total loans and borrowings</b>	<b>539</b>	<b>749</b>
<i>The maturity profile for Council's borrowings is:</i>		
Not later than one year	225	208
Later than one year and not later than five years	287	492
Later than five years	27	49
<b>Total loans and borrowings</b>	<b>539</b>	<b>749</b>

<b>Note 27 Other liabilities</b>		
Income received in advance	101	51
<b>Total other liabilities</b>	<b>101</b>	<b>51</b>

<b>Note 28 Reserves</b>	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
<b>(a) Asset revaluation surplus</b>			
<b>2015</b>			
<b>Property</b>			
Land			
land	18,791		18,791
land under roads	349		349
Buildings	10,031		10,031
<b>Total property</b>	<b>29,171</b>	<b>-</b>	<b>29,171</b>
<b>Infrastructure</b>			
Roads	4,084		4,084
Footpaths and cycleways	395		395
Drainage	253		253
<b>Total infrastructure</b>	<b>4,732</b>	<b>-</b>	<b>4,732</b>
<b>Total asset revaluation surplus</b>	<b>33,903</b>	<b>-</b>	<b>33,903</b>
<b>2014</b>			
<b>Property</b>			
Land			
land	19,568	(777)	18,791
land under roads	1,240	(891)	349
Buildings	8,793	1,238	10,031
<b>Total property</b>	<b>29,601</b>	<b>(429)</b>	<b>29,171</b>
<b>Infrastructure</b>			
Roads	4,025	59	4,084
Footpaths and cycleways	389	6	395
Drainage	253	-	253
<b>Total infrastructure</b>	<b>4,667</b>	<b>65</b>	<b>4,732</b>
<b>Total asset revaluation surplus</b>	<b>34,268</b>	<b>(364)</b>	<b>33,903</b>

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 2015

<b>Note 28 Reserves (continued)</b>		Balance at beginning of reporting period	Transfer from accumulated surplus	Transfer to accumulated surplus	Balance at end of reporting period
		\$'000	\$'000	\$'000	\$'000
<b>2015</b>	<b>(b) Other reserves</b>				
	Asset Replacement Reserve – Allocated	412	470	(177)	705
	Asset Replacement Reserve – Unencumbered	464	–	(233)	231
	Future Calls on Defined Benefits Superannuation	–	20	–	20
	<b>Funds carried forward to future years</b>				
	Grant funding not yet expended – Operating	1,207	137	(687)	657
	Grant funding not yet expended – Capital	575	335	(475)	435
	Incomplete works – Operating	379	293	(107)	565
	Incomplete works – Capital	680	386	(157)	909
	<b>Total funds carried forward to future years</b>	<b>2,841</b>	<b>1,151</b>	<b>(1,426)</b>	<b>2,566</b>
	<b>Total other reserves</b>	<b>3,717</b>	<b>1,641</b>	<b>(1,836)</b>	<b>3,522</b>
<b>2014</b>		<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
	Asset Replacement Reserve – Allocated	417	430	(435)	412
	Asset Replacement Reserve – Unencumbered	371	343	(250)	464
	General Reserve	50	–	(50)	–
	<b>Funds carried forward to future years</b>				
	Grant funding not yet expended – Operating	972	595	(360)	1,207
	Grant funding not yet expended – Capital	406	575	(406)	575
	Incomplete works – Operating	384	194	(199)	379
	Incomplete works – Capital	433	284	(37)	680
	<b>Total funds carried forward to future years</b>	<b>2,195</b>	<b>1,648</b>	<b>(1,002)</b>	<b>2,841</b>
	<b>Total other reserves</b>	<b>3,033</b>	<b>2,421</b>	<b>(1,737)</b>	<b>3,717</b>

**Asset Replacement Reserve (allocated)** – represents funds set aside for specific building and infrastructure renewal projects.

**Asset Replacement Reserve (unencumbered)** – represents funds set aside for future building and infrastructure renewal needs, not yet allocated to specific projects.

**Future Calls on Defined Benefits Superannuation** – Council resolved to set aside \$20k p.a. from the 2014/15 budget year onward, as a provision for future calls on the defined benefits superannuation fund. No call was made on the fund during the 2014/15 year.

**General Reserve** – previously used to hold funds set aside for future grant matching funds requirements, particularly with regards to coastal risk management and coastal environment grant funding opportunities. This account was closed during the 2013/14 financial year.

**Funds carried forward to future years** (capital and operating, grant funded and Council own source funds) represent those projects which are not complete at year end and funding is reserved from current year operations to be carried forward into the following year. Some of the capital projects are recorded as Works in Progress in Note 22, whilst details of each project for which grants were received in the financial year and which remain unexpended at balance date are included at Note 6.

	2015 \$'000	2014 \$'000
<b>Note 29 Reconciliation of cash flows from operating activities to surplus / (deficit)</b>		
Surplus for the year	664	2,098
Depreciation	1,074	924
Profit on disposal of property, infrastructure, plant and equipment	(15)	(2)
Asset recognition reported in profit or loss	-	(45)
Asset write-offs	66	-
Borrowing costs	37	52
<b><i>Change in assets and liabilities:</i></b>		
(Increase)/decrease in trade and other receivables	(7)	(130)
(Increase)/decrease in inventories	-	4
(Increase)/decrease in prepayments	(13)	107
(Increase)/decrease in accrued income	188	(430)
(Increase)/decrease in regional library equity	3	(3)
Increase/(decrease) in trade and other payables	498	169
Increase/(decrease) in accrued expenses	76	(77)
Increase/(decrease) in accrued wages	(7)	31
Increase/(decrease) in trust funds and deposits	(9)	36
Increase/(decrease) in income received in advance	50	10
Increase/(decrease) in provisions	110	70
<b>Net cash provided by operating activities</b>	<b>2,715</b>	<b>2,816</b>
<b>Note 30 Reconciliation of cash and cash equivalents</b>		
Cash and cash equivalents (see note 17)	1,436	1,936
Less bank overdraft	-	-
<b>Total reconciliation of cash and cash equivalents</b>	<b>1,436</b>	<b>1,936</b>
<b>Note 31 Financing arrangements</b>		
Bank overdraft	5	5
Used facilities	-	-
<b>Unused facilities</b>	<b>5</b>	<b>5</b>

# Notes to the Financial Report

For the Year Ended 30 June 2015

## Note 32 Commitments

The Council has entered into the following commitments.

2015	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
<b>Operating</b>					
Roads, parks and reserves maintenance	870	-	-	-	870
Home maintenance services	3	-	-	-	3
Internal audit	22	11	-	-	33
Provision of valuation services	25	-	-	-	25
Open Space Strategy	12	-	-	-	12
Avenue of Honour Tree Replacement Plan	4	-	-	-	4
<b>Total operating commitments</b>	<b>936</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>947</b>
<b>Capital</b>					
Development Plan of Murray Road	7	-	-	-	7
Queenscliff Heritage Railway Station Precinct Upgrade Senior Citizens building upgrade works	346	-	-	-	346
Queenscliff Kindergarten building upgrade works	100	-	-	-	100
Pt Lonsdale Foreshore Revitalisation Stage 3 Village Park Upgrade Design Services	19	-	-	-	19
<b>Total capital commitments</b>	<b>472</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>472</b>
<b>Total commitments</b>	<b>1,408</b>	<b>11</b>	<b>-</b>	<b>-</b>	<b>1,419</b>
<b>2014</b>					
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
<b>Operating</b>					
Roads, parks and reserves maintenance	849	870	-	-	1,719
Home maintenance services	13	3	-	-	16
Lawn mowing & minor garden home maintenance	46	46	-	-	92
Internal audit	22	-	-	-	22
Information systems & technology	15	-	-	-	15
Review of the Queenscliff Planning Scheme	40	-	-	-	40
Powerline & sundry tree clearance	25	-	-	-	25
Provision of valuation services	6	53	-	-	59
Construction of roundabout Hesse Street	914	-	-	-	914
Fort Queenscliff Precinct Tourism Plan	115	-	-	-	115
Planning for the future of the Queenscliff and Point Lonsdale Lighthouse Reserves	39	-	-	-	39
<b>Total operating commitments</b>	<b>2,084</b>	<b>972</b>	<b>-</b>	<b>-</b>	<b>3,056</b>
<b>Capital</b>					
Development Plan of Murray Road	46	-	-	-	46
<b>Total capital commitments</b>	<b>46</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>46</b>
<b>Total commitments</b>	<b>2,130</b>	<b>972</b>	<b>-</b>	<b>-</b>	<b>3,102</b>



	2015 \$'000	2014 \$'000
<b>Note 33 Operating leases</b>		
<b>(a) Operating lease commitments</b>		
At the reporting date, the Council had the following obligations under non-cancellable operating leases for the lease of land and photocopier equipment for use within Council's activities (these obligations are not recognised as liabilities):		
Not later than one year	36	36
Later than one year and not later than five years	6	39
Later than five years	2	-
<b>Total operating lease commitments</b>	<b>44</b>	<b>75</b>
<b>(b) Operating lease receivables</b>		
The Council has entered into commercial property leases on its surplus property. These properties held under operating leases have remaining non-cancellable lease terms of between 1 and 50 years. All leases include a CPI based revision of the rental charge annually. Future minimum rentals receivable under non-cancellable operating leases are as follows:		
Not later than one year	112	112
Later than one year and not later than five years	485	487
Later than five years	1,230	1,360
<b>Total operating lease receivables</b>	<b>1,827</b>	<b>1,959</b>

#### **Note 34 Contingent liabilities**

##### **Superannuation**

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme to ensure that the liabilities of the Fund are covered by the assets of the Fund. As a result of the volatility in financial markets, the likelihood of making such contributions in future periods exists. At this point in time, it is not known if additional contributions will be required, their timing or potential amount.

##### **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's Actuary.

The Fund's latest actuarial investigation was held as at 30 June 2014 and it was determined that the vested benefit index (VBI) of the defined benefit category of which Council is a contributing employer was 103.4%. To determine the VBI, the fund Actuary used the following long-term assumptions:

Net investment returns	7.50% p.a.
Salary information	4.25% p.a.
Price inflation (CPI)	2.75% p.a.

Vision Super has advised that the VBI at 30 June 2015 was 105.8%.

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

##### **Employer contributions**

###### **Regular contributions**

On the basis of the results of the most recent full actuarial investigation conducted by the Fund's Actuary as at 30 June 2014, 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 2015, this rate was 9.5% of members' salaries. This rate will increase in line with any increase to the Superannuation Guarantee (SG) contribution rate.

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

# Notes to the Financial Report

For the Year Ended 30 June 2015

## Note 34 Contingent liabilities (continued)

### Superannuation (continued)

#### Funding calls

If the defined benefit category is in an unsatisfactory financial position at 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.

#### Latest actuarial investigation surplus amounts

The Fund's latest actuarial investigation as at 30 June 2014 identified the following in the defined benefit category of which Council is a contributing employer:

A VBI surplus of \$77.1 million; and

A total service liability surplus of \$236 million.

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 2014.

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.

Council was notified of the results of the actuarial investigation during January 2015.

#### Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2015 are detailed below:

Scheme	Type of scheme	Rate	2015 \$'000	2014 \$'000
Vision Super	Defined benefits	9.50%	27	15
Vision Super	Accumulation	9.50%	184	175
Other Funds	Accumulation	9.50%	59	70
<b>Total superannuation contributions</b>			<b>270</b>	<b>260</b>

There were \$27,000 contributions outstanding (and accrued) at balance date, which were paid over to the funds in July 2015 in accordance with statutory timeframes (2013/14: \$Nil).

The expected contributions to be paid to the defined benefit category of Vision Super for the year ending 30 June 2016 is \$29,000.

#### Guarantees for loans to other entities

Council has no obligation as guarantor for loans to other entities.

## Note 35 Financial Instruments

### (a) Objectives and policies

The Council's principal financial instruments comprise cash assets, money market at call accounts, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in Note 1 of the financial report. 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 our 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. Our interest rate liability risk arises primarily from long term loans and borrowings which are currently at variable rates and this exposes Council to upward movements in interest rates. These rates are monitored and fluctuations assessed to determine if and when a change to the current strategy of variable rates is required.

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 rate.

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

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

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

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

### (c) Credit Risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause us to make a financial loss. We have exposure to credit risk on some financial assets included in our Balance Sheet. To help manage this risk:

- we have a practice for establishing credit limits for the entities we deal with;
- we may require collateral where appropriate; and
- we only invest surplus funds with financial institutions which have a recognised credit rating specified in our 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.

We may also be subject to credit risk for transactions which are not included in the Balance Sheet, such as when we provide a guarantee for another party. Details of our contingent liabilities are disclosed in note 34.

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 Report. Council does not hold any collateral.

### (d) Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements or we will not have sufficient funds to settle a transaction when required, we 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:

- has a liquidity practice of establishing minimum working capital requirements when developing cash flow budgets;
- has readily accessible standby facilities and other funding arrangements in place;
- has 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
- sets 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 is deemed insignificant based on prior periods' data and current assessment of risk.

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

With the exception of borrowings, all financial liabilities are expected to be settled within normal terms of trade. Details of the maturity profile for borrowings are disclosed at Note 26.

### (e) Fair value

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

#### **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.

### (f) 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 +1% and -2% in market interest rates (AUD) from year-end rates of 1.35%.

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 2015

## Note 36 Related party transactions

### (i) Responsible Persons

Names of persons holding the position of a Responsible Person at the Council at any time during the year are:

#### Councillors

Councillor Helene Cameron (Mayor)  
Councillor Bob Merriman  
Councillor Sue Wasterval  
Councillor Susan Salter  
Councillor Graham Christie

#### Chief Executive Officer

Leonard Jenner

### (ii) Remuneration of Responsible Persons

The numbers of Responsible Persons whose total remuneration from Council and any related entities, excluding retirement benefits, fall within the following bands:

	2015 \$'000	2014 \$'000
\$10,000 – \$19,999	–	4
\$20,000 – \$29,999	4	–
\$50,000 – \$59,999	1	1
\$220,000 – \$229,999	–	1
\$230,000 – \$239,999	1	–
\$240,000 and above	–	–
	<b>6</b>	<b>6</b>
Total Remuneration for the reporting year for Responsible Persons included above amounted to:	367	351

### (iii) Senior Officers Remuneration

A Senior Officer other than a Responsible Person, is an officer of Council who:

- (a) has management responsibilities and reports directly to the Chief Executive Officer; or
- (b) whose total annual remuneration exceeds \$136,000 (2013/14: \$133,000).

The number of Senior Officers, other than the Responsible Persons, are shown below in their relevant income bands:

Income range	2015 \$'000	2014 \$'000
\$120,000 – \$129,999	–	1
\$130,000 – \$139,999	1	–
\$140,000 – \$149,999	–	1
\$150,000 – \$159,999	1	–
\$160,000 and above	–	–
	<b>2</b>	<b>2</b>
Total Remuneration for the reporting year for Senior Officers included above amounted to:	285	268

### (iv) Responsible persons retirement benefits

No retirement benefits have been paid during the reporting period by Council in connection with the retirement of responsible persons (2013/14, nil).

### (v) Loans to responsible persons

No loans have been made, guaranteed or secured during the reporting period by Council to a responsible person of the Council or a related party of a responsible person (2013/14: nil).

### (vi) Transactions with responsible persons

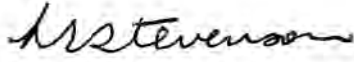
No transactions, other than remuneration payments or the reimbursement of approved expenses, were entered into during the reporting period by Council with a responsible person of Council or a related party of a responsible person (2013/14: nil).

## Note 37 Events occurring after balance date

No matters have occurred after balance date that require disclosure in the financial report.

# 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*, Australian Accounting Standards and other mandatory professional reporting requirements.



Lynne Stevenson CPA

**Principal Accounting Officer**

Date: 23 September 2015

Queenscliff

In our opinion the accompanying financial statements present fairly the financial transactions of the Borough of Queenscliff for the year ended 30 June 2015 and the financial position of the Council as at that date.

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

We have been authorised by the Council on 23 September 2015 to certify the financial statements in their final form.



Councillor Helene Cameron

**Councillor**

Date: 23 September 2015

Queenscliff



Councillor Bob Merriman

**Councillor**

Date: 23 September 2015

Queenscliff



Phillip Josipovic

**Acting Chief Executive Officer**

Date : 23 September 2015

Queenscliff



Victorian Auditor-General's Office

Level 24, 35 Collins Street  
Melbourne VIC 3000

Telephone 61 3 8601 7000

Facsimile 61 3 8601 7010

Email [comments@audit.vic.gov.au](mailto:comments@audit.vic.gov.au)

Website [www.audit.vic.gov.au](http://www.audit.vic.gov.au)

## INDEPENDENT AUDITOR'S REPORT

### To the Councillors, Borough of Queenscliffe

#### *The Financial Report*

The accompanying financial report for the year ended 30 June 2015 of the Borough of Queenscliffe which comprises the comprehensive income statement, balance sheet, statement of changes in equity, statement of cash flows, statement of capital works, notes comprising a summary of the significant accounting policies and other explanatory information, and the certification of the financial statements has been audited.

#### *The Councillors' Responsibility for the Financial Report*

The Councillors of the Borough of Queenscliffe are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

The Councillors are responsible for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibility*

As required by the *Audit Act 1994* and the *Local Government Act 1989*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The audit procedures selected depend on judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, consideration is given to the internal control relevant to the entity's preparation and fair presentation of the financial report 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 entity's internal control.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the Councillors, as well as evaluating the overall presentation of the financial report.

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

## Independent Auditor's Report (continued)

### *Independence*

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

### *Opinion*

In my opinion the financial report presents fairly, in all material respects, the financial position of the Borough of Queenscliffe as at 30 June 2015 and of its financial performance and its cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Local Government Act 1989*.

MELBOURNE  
25 September 2015



Dr Peter Frost  
Acting Auditor-General



*The historic Queenscliff Railway Station.*





# References

Glossary	154
Abbreviations	156
Index	157

# Glossary

<b>Accrual accounting</b>	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.
<b>Assets</b>	Future economic benefits controlled by Council as a result of past transactions or other past events.
<b>Bad and doubtful debts expenditure</b>	Bad debts written off and the movement in the bad debt provision for infringement debtors and sundry debtors.
<b>Balance sheet</b>	A quantitative summary of Council's financial position at 30 June, including assets, liabilities and net equity.
<b>Borrowing costs</b>	Interest incurred on loan borrowings.
<b>Cash and cash equivalents assets</b>	Cash and investments readily convertible to cash, including cash on hand, cash held in the bank, deposits at call and highly liquid investments.
<b>Comprehensive Income Statement</b>	A financial statement highlighting the accounting surplus or deficit of Council. It provides an indication of whether the Council has sufficient revenue to meet expenses 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 to arrive at a 'comprehensive result'. The comprehensive result equates to the movement in net assets or total equity from the prior year.
<b>Contributions income</b>	Contributions received by Council are received for the purpose of providing and improving public open space, provision/improvement of the drainage system and in relation to specific projects.
<b>Current assets</b>	Assets where 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.
<b>Current liabilities</b>	Liabilities where Council expects to fulfill 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.
<b>Depreciation and amortisation expenditure</b>	An expense which recognises the value of a fixed asset as it is used up over time.
<b>Employee benefits expenditure</b>	Relates to wages and salaries, casual staff payments, annual leave, long service leave, superannuation, fringe benefits tax and WorkCover.
<b>Equity</b>	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.
<b>Expense</b>	An outgoing payment incurred by Council.
<b>Financial performance indicator</b>	A prescribed indicator measuring the effectiveness of financial management in Council covering operating position, liquidity, obligations, stability and efficiency.
<b>Fixed assets</b>	See Property, infrastructure, plant and equipment.
<b>G21 Regional Alliance</b>	G21 is the 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, Golden Plains, Greater Geelong, Queenscliffe and Surf Coast.
<b>Governance and management checklist</b>	The Governance and Management Checklist is one of the dimensions of the Sustainability Framework component of the Local Government Performance Reporting Framework (LGPRF).
<b>Grants – recurrent income</b>	Grant income received on a regular basis (i.e. quarterly, annually) and granted to Council by another entity for specific or general purposes.
<b>Indicator</b>	What will be measured to assess performance.
<b>Intangible assets</b>	Represent non-current assets held by Council that are not tangible (such as computer software and licences).
<b>Interest and investment income</b>	Includes interest earned on all cash and investment balances, interest earned on rates and unrealised gains on managed fund investments.
<b>Interest bearing loans and borrowings</b>	Council's borrowings.
<b>Inventories</b>	A complete listing of merchandise or stock on hand, work in progress, finished goods on hand, etc.
<b>Investment property assets</b>	Represents land or buildings held to earn rentals or for capital appreciation or both, rather than for use in the supply of services or for administrative purposes.
<b>Liabilities</b>	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.
<b>Materials and services expenditure</b>	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.
<b>Measure</b>	How an indicator will be measured and takes the form of a computation, typically including a numerator and denominator.
<b>Movement in equity for the period</b>	The net movement in the net surplus (deficit) and asset revaluation increments (decrements). This is also equal to the change in net assets.

<b>Net asset revaluation increment (decrement)</b>	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.
<b>Net assets</b>	The difference between total assets and total liabilities, which represents Council's net worth. Net assets are also equal to total equity.
<b>Net gain (loss) on disposal of property, plant and equipment, infrastructure</b>	The net of income received in relation to the sale of assets and the carrying amount of assets sold, replaced or disposed of during the year.
<b>Non-current assets</b>	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.
<b>Non-current assets classified as held for sale</b>	Non-current assets that Council intends to sell within the next twelve months.
<b>Non-current liabilities</b>	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 twelve months after reporting date.
<b>Other expenses</b>	Includes auditors' remuneration, Councillors' allowances, operating lease rentals, impairment losses, asset write-off and contract settlement expenditure.
<b>Other income</b>	Income received from investment property rental, other rental income, net assets recognised in new entity and reimbursements.
<b>Infringement Court</b>	Refers to Penalty Enforcement by Registration of Infringement Notice. A system established under Schedule 7 of the <i>Magistrates Court Act 1989</i> (Vic) to deal with unpaid fines.
<b>Prepayments</b>	Payments made by Council in advance of receiving the goods or services.
<b>Property, infrastructure, plant and equipment assets</b>	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.
<b>Provisions</b>	Includes accrued long-service leave, annual leave and accrued days off owing to employees at reporting date.
<b>Ramsar Convention</b>	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.
<b>Rate and charges</b>	Income received from ratepayers in relation to general rates, garbage fees and special rate schemes.
<b>Reserves</b>	Includes the asset revaluation reserve, asset replacement, future calls or defined benefits superannuation fund and funds carried forward for grants received in advance and incomplete works. The asset revaluation reserve includes the net revaluation increments and decrements arising from the revaluation of fixed assets in accordance with AASB 1041 'Revaluation of Non-Current Assets'.
<b>Revenue</b>	Revenue is the amount of money that Council actually receives or has the right to receive from its activities, mostly from rates and services provided to customers and ratepayers.
<b>Service</b>	Assistance, support, advice and other actions undertaken by Council for the benefit of the local community.
<b>Service performance indicator</b>	A prescribed indicator measuring the effectiveness and efficiency of council services covering appropriateness, quality, cost and service outcomes.
<b>Statutory fees and fines income</b>	Includes parking infringements and costs, Infringement Court recoveries, town planning fees, land information certificates, etc.
<b>Surplus (deficit)</b>	Represents the difference between total revenues, expenses, 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.
<b>Sustainable capacity indicator</b>	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.
<b>Trade and other payables</b>	Monies owed by Council to other entities/individuals.
<b>Trade and other receivables</b>	Monies owed to Council by ratepayers and other parties less the provisions for doubtful debts.
<b>Trust funds and deposits</b>	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). If that specific event does not occur, Council is entitled to recognise these monies as income.
<b>User fees</b>	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, ticket machine fees, and caravan and camping fees.

# Abbreviations

<b>AASB</b>	Australian Accounting Standards Board
<b>ABM</b>	Association of Bayside Municipalities
<b>ABS</b>	Australian Bureau of Statistics
<b>ASU</b>	Australian Services Union
<b>AUD</b>	Australian dollars
<b>BCN</b>	Bellarine Catchment Network
<b>BOQ</b>	Borough of Queenscliffe
<b>CA</b>	Chartered Accountants
<b>BRWMG</b>	Barwon Regional Waste Management Group
<b>CCMA</b>	Corangamite Catchment Management Authority
<b>CEEP</b>	Community Energy Efficiency Program
<b>CEO</b>	Chief Executive Officer
<b>CFL</b>	Compact fluorescent lamps
<b>CI</b>	Continuous improvement
<b>CIV</b>	Capital Improved Value
<b>CNAP</b>	Carbon Neutral Action Plan
<b>CPA</b>	Certified Practising Accountant
<b>Cr</b>	Councillor
<b>CVA</b>	Conservation Volunteers Australia
<b>DEPI</b>	Department of Environment and Primary Industries
<b>DPCD</b>	Department of Planning and Community Development
<b>DSE</b>	Department of Sustainability and Environment
<b>EEO</b>	Equal employment opportunity
<b>EMT</b>	Executive Management Team
<b>E-waste</b>	Electronic waste
<b>FBT</b>	Fringe benefits tax
<b>FinPro</b>	Finance Professionals in Local Government
<b>GIS</b>	Geographic Information System
<b>GST</b>	Goods and services tax
<b>HACC</b>	Home and Community Care
<b>IASB</b>	International Accounting Standards Board
<b>LASF</b>	Local Authorities Superannuation Fund
<b>LGAs</b>	Local Government Associations
<b>LGPro</b>	Local Government Professionals
<b>MAV</b>	Municipal Association of Victoria
<b>NA</b>	Not applicable
<b>OHS</b>	Occupational Health and Safety
<b>QLBTA</b>	Queenscliff Lonsdale Business & Tourism Association
<b>RSL</b>	Returned and Services League of Australia
<b>SES</b>	State Emergency Service
<b>TGGB</b>	Tourism Greater Geelong and the Bellarine
<b>VAGO</b>	Victorian Auditor-General's Office
<b>VCAT</b>	Victorian Civil and Administrative Tribunal
<b>VIC</b>	Visitor Information Centre
<b>VLGA</b>	Victorian Local Government Association

# Index

## A

Abbreviations 156  
About this annual report 3  
Achievements 10  
Appreciating our people 36  
At a glance 10  
Audit Committee 72  
Auditor General's Report 100, 151  
Awards and recognition 38

## B

Balance sheet 113  
Best value 76  
Borough of Queenscliffe profile 24  
Borough of Queenscliffe name 25  
Business and tourism 48  
Business planning framework 74

## C

Cash flow statement 115  
Certification 99, 149  
Challenges 11  
Committees of Council 70  
Community grants and donations 79  
Community satisfaction ???  
Conflict of interest 70  
Continuous service improvements 76  
Corporate governance 69  
Council 70  
Council meetings 70  
Councillor attendance at meetings 71  
Councillor Code of Conduct 38  
Councillors 28  
Councillor allowances and expenses 71  
Council's role 70

## D

Decision making 70  
Disappointments 8  
Documents for inspection 76  
Domestic (feral and nuisance) animals 77

## E

Economy 26  
Environment 26  
Equal employment opportunity 35  
Events highlights 20  
Executive Management Team 38

## F

Fast facts 9  
Financials 105  
Financial indicators 106  
Financial overview 16  
Financial performance indicators 96  
Fire prevention 75  
Freedom of information 75

## G

Glossary 154  
Governance and management checklist 86  
Grants and donations 79  
Grants and subsidies received 82

## H

Highlights 8

## I

Income statement 12  
Information and records management 75  
Information privacy 75

## L

Legislative compliance 75  
Local government performance reporting framework 92  
Local laws 77

## M

Mayor's and CEO's report 6  
Memberships 85

## N

Notes to the financials 118

## O

Occupational health and safety 35  
Organisation chart 34  
Organisation summary 32  
Our people 32  
Our successes 13

## P

Performance statement 92  
Policies, strategies and plans 74  
Procurement 76  
Progress on Council Plan actions 12  
Protected disclosures 75

## R

Recruitment 35  
Risk management 73  
Road management 75

## S

Service performance indicators 94  
Staff changes 35  
Staff consultative committee 36  
Staff management and culture 35  
Staff profile 33  
Standard capital works statement 116  
Statement of changes in equity 114  
Sustainable capacity indicators 93

## T

Tourism 48  
Training and development 35

## U

Understanding the Financial Report 104

## V

Victorian local government performance indicators 88  
Vision 24  
Volunteers 37

## Y

Year ahead 11  
Year in review 5



*Queenscliff Harbour at dawn.*



## **Borough of Queenscliffe**

Queenscliff & Point Lonsdale, Victoria, Australia

50 Learmonth Street (PO Box 93)  
Queenscliff VIC 3225

T 03 5258 1377

F 03 5258 3315

E [info@queenscliffe.vic.gov.au](mailto:info@queenscliffe.vic.gov.au)

W [www.queenscliffe.vic.gov.au](http://www.queenscliffe.vic.gov.au)

### **Acknowledgements:**

**Adcell Group**

**Australian War Memorial**

**Michael Chambers Photography**

**Queenscliff Music Festival**

