

WYNDHAM CITY
PERFORMANCE STATEMENT

For the Year Ended 30 June 2015

Performance Statement

For the year ended 30 June 2015

Description of municipality

The City of Wyndham is located on the western edge of Melbourne, between the metropolitan area and Geelong. Wyndham covers an area of 542km and features 27.4km of coastline bordering Port Phillip to the east. As a meeting place for people of the Kulin nations, Wyndham City has an extremely rich and diverse Aboriginal cultural heritage.

As the fastest growing municipality in Victoria, Wyndham is characterised by its strategically placed location with excellent logistic connections to air and sea ports. The city also offers intensive agriculture at Werribee South, major retail precincts and the Werribee Park tourism precinct – one of the largest and most frequently visited tourism destinations in metropolitan Melbourne.

Sustainable Capacity Indicators

For the year ended 30 June 2015

<i>Indicator/measure</i>	Results 2015	Material Variations
Population		
<i>Expenses per head of municipal population</i> [Total expenses / Municipal population]	\$1,235	No material variation
<i>Infrastructure per head of municipal population</i> [Value of infrastructure / Municipal population]	\$11,229	No material variation
<i>Population density per length of road</i> [Municipal population / Kilometres of local roads]	155	No material variation
Own-source revenue		
<i>Own-source revenue per head of municipal population</i> [Own-source revenue / Municipal population]	\$962	No material variation
Recurrent grants		
<i>Recurrent grants per head of municipal population</i> [Recurrent grants / Municipal population]	\$211	No material variation
Disadvantage		
<i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	7	No material variation

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 according to the Australian Bureau of Statistics – Catalogue 3218.0 Estimates by Local Government Area – 3218.0

"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 2015	Material Variations
Aquatic facilities		
Utilisation		
<i>Utilisation of aquatic facilities</i> [Number of visits to aquatic facilities / Municipal population]	0	The utilisation of the aquatic facilities was 0.3 during the year as the only aquatic facility available was the Werribee Olympic Outdoor Pool and there was no indoor aquatic facility. The utilisation is expected to increase next financial year with the commencement of AquaPulse.
Animal management		
Health and safety		
<i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	21	Council has a very high success rate in dealing with and resolving matters that would otherwise require prosecution in a Court of Law. This year there were 22 cases that proceeded to Court with 21 cases successful.
Food safety		
Health and safety		
<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 food premises] x100	100%	There were seven reports of critical and major non-compliances which were all investigated and actioned. All issues identified have been rectified at the premises.
Governance		
Satisfaction		
<i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]	64	Community satisfaction with Council decisions has increased to 64 from last year of 61. This result may be partly attributed to Council's focus on engaging the community more closely to inform decision making.
Home and community care		
Participation		
<i>Participation in HACC service</i> [Number of people that received a HACC service / Municipal target population for HACC services] x100	14%	Council services are meeting funded activity targets as per our funding agreements with State and Commonwealth governments.
Participation		
<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	14%	CALD service provision is equivalent to the participation for general community indicating Council is performing well in supporting access to HACC service for CALD residents.
Libraries		
Participation		
<i>Active library members</i> [Number of active library members / Municipal population] x100	10%	This indicator only reports those members that have borrowed a physical item, excluding those members that have used a PC, WiFi, borrowed an eBook/eAudio or accessed the online database eLibrary. A membership campaign will occur in 2015/16 to increase library membership.
Maternal and child health		
Participation		
<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	71%	Council is implementing engagement strategies to increase the number of children actively participating in the MCH service including offering Outreach MCH service for families who have no transport and offering Key Ages & Stages (KA&S) checks in playgroups and childcare centres.

Service/indicator/measure	Results 2015	Material Variations
Participation <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	73%	Council is implementing the Koolin Balit Project to ensure the service is culturally safe for Aboriginal & Torres Strait Islander families. Other strategies to increase participation include establishing Koori playgroups, partner with VACCA and other Aboriginal agencies in Wyndham to better engage with the community in a place where they feel safe and offer the MCH service there.
Roads Satisfaction <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]	66	2014 Annual Community Survey rating for the satisfaction with the maintenance and repairs of sealed local roads.
Statutory Planning Decision making <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	60%	Council makes planning application decisions which are consistent with the local planning scheme and when challenged at VCAT, VCAT have supported Council's decision 60%. This number excludes consent orders issued by VCAT when Council and an applicant have agreed on an outcome prior to or at a hearing.
Waste Collection Waste diversion <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%	Council is developing a new Waste Management Strategy, due for adoption in 2015/16, with a targeted focus on improving waste diversion rates in our kerbside recycling and waste bins.

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 authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

"food premises" has the same meaning as in the *Food Act 1984*

"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 authorized officer under that Act, of a deficiency that does not pose an immediate serious threat to public health but may do so if no remedial action is taken

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

"population" means the resident population according to the Australian Bureau of Statistics – Catalogue 3218.0 Estimates by Local Government Area – 3218.0

"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	Forecasts				Material Variations
	2015	2016	2017	2018	2019	
Efficiency						
Expenditure level						
<i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$3,085	\$3,320	\$3,354	\$3,560	\$3,754	No material variations
Revenue level						
<i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,494	\$1,639	\$1,717	\$1,811	\$1,912	No material variations
Workforce turnover						
<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%	5%	5%	5%	5%	No material variations
Liquidity						
Working capital						
<i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	297%	264%	252%	257%	275%	No material variations
Unrestricted cash						
<i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	37%	29%	31%	31%	41%	No material variations
Obligations						
Loans and borrowings						
<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	27%	34%	31%	29%	26%	No material variations
<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	29%	2%	1%	1%	1%	The 2015 result has been impacted by a short term loan of \$40m being repaid and the debt replaced by \$40m in borrowings through the issue of bonds. In future years interest payments are about 1% of rates revenue.
Indebtedness						
<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	34%	34%	30%	29%	26%	No material variations
Asset renewal						
<i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	83%	23%	32%	39%	32%	The 2015 result included a major project, the reconstruction of Wyndham's Leisure and Events Centre, which made up 39% of the overall asset renewal measure resulting in a higher percentage of asset renewal compared to projections.

Dimension/indicator/measure	Results	Forecasts				Material Variations
	2015	2016	2017	2018	2019	
Operating position Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	-4%	4%	6%	8%	10%	During 2014/15 sections of Palmers, Dunnings, Boundary and Sneydes Roads were legislated as arterial roads and for control to be transferred to VicRoads. These road segments had a \$11.7m asset value that has been written off and has negatively impacted Council's Adjusted underlying surplus result. Excluding this abnormal adjustment, the result would have been positive.
Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	63%	58%	59%	58%	56%	No material variations
Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.4%	0.5%	0.5%	0.5%	0.5%	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)

"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 according to the Australian Bureau of Statistics – Catalogue 3218.0 Estimates by Local Government Area – 3218.0

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

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

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

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

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

Other Information

For the year ended 30 June 2015

1. Basis of preparation

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council's strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Commentary has been provided where the actual result is outside the permissible range as defined by the Local Government Performance Reporting Framework and/or where Council has deemed it to be relevant to better inform the public of the outcome.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 22 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 statement

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



Steven Lambert
Principal Accounting Officer
Dated: 17/9/15

In our opinion, the accompanying performance statement of the Wyndham City Council 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*.

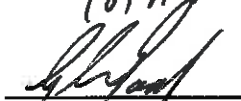
The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

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.

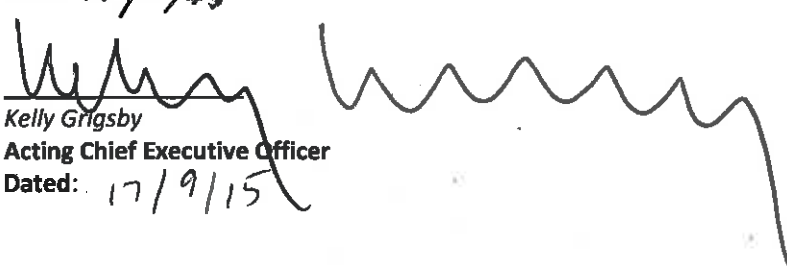
We have been authorised by the council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify this performance statement in its final form.



Peter Maynard
Mayor
Dated: 18/9/15



Glenn Goodfellow, GAICD
Councillor
Dated: 18/9/15



Kelly Grigsby
Acting Chief Executive Officer
Dated: 17/9/15

INDEPENDENT AUDITOR'S REPORT

To the Councillors, Wyndham City Council

The Performance Statement

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

The Councillors' Responsibility for the Performance Statement

The Councillors of the Wyndham City Council 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)

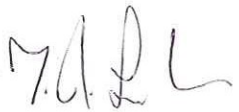
Independence

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 Wyndham City Council in respect of the 30 June 2015 financial year presents fairly, in all material respects, in accordance with the *Local Government Act 1989*.

MELBOURNE
21 September 2015


John Doyle M.Acc FCA
Auditor-General