

2018/19

Integrated Plan and Budget



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Werribee South

2018/19 Integrated Plan & Budget

Acknowledgement of Country

Wyndham City Council recognises Aboriginal and Torres Strait Islander peoples as the First Custodians of the lands on which Australia was founded. Council acknowledges the Wathaurong, Woiwurrung and Boonwurrung peoples of the Kulin Nation as the Traditional Owners of the lands on which Wyndham City is being built.

For tens of thousands of years, the Werribee River has been a significant meeting place for Aboriginal people to build community, exchange resources, and share responsibilities for its land.

Council pays respect for the wisdom and diversity of past and present Elders. We share commitment to nurturing future generations of Elders in Aboriginal and Torres Strait Islander communities.

Foreword - 2018/19 Integrated Plan & Budget

The Wyndham City Plan 2017-21 (the Council Plan) details how Council will work to secure Wyndham's prosperity, sustainability and liveability. This is the second year of the City Plan 2017-21. The 2018/19 Integrated Plan & Budget outlines what actions (projects and initiatives) will be delivered in 2018/19 and how Council's resources are being managed to support the Wyndham 2040 Vision.

Wyndham 2040 Community Vision – *community engagement*

In 2015, a team of Council staff and volunteers collected 2,040 stories from the Wyndham community to create the Wyndham 2040 Community Vision. There are four overarching themes covering the priority areas of People and Community, Places and Spaces, Earning and Learning, and Leadership and Participation.

These themes are now adopted as the themes of the City Plan, aligning Council's strategic planning with the community's vision. This 2018/19 Integrated Plan & Budget is the second year of the four-year City Plan.

Council delivers ongoing engagement structures and opportunities, including District Advisory and Portfolio Committees, Listening Posts, community events and targeted engagements each year. The annual Community Satisfaction Survey is designed to listen to the diverse voices of Wyndham, and measure community attitudes to, and satisfaction with Council's services and facilities; governance and leadership, customer service and planning. The survey identifies issues of importance, perceptions on key social issues and informs the future activities and planning of Council.

The recently adopted Community Engagement Framework 2017-2021 guides and supports Council in undertaking community engagement that is transparent and meaningful. It outlines the commitment to provide the Wyndham community with genuine opportunities to inform projects, strategies, decisions and services that affect them. The introduction of an online engagement platform The Loop (www.theloop.wyndham.vic.gov.au) further enables and enhances community engagement for both Council and the community.

Community feedback invited

Following the endorsement of the Proposed 2018/19 Integrated Plan & Budget at the Special Council Meeting on 17 April 2018 for public comment, residents were encouraged to review the draft 2018/19 Integrated Plan & Budget available on Council's websites; www.wyndham.vic.gov.au/budget and www.theloop.wyndham.vic.gov.au. The document was also available at Wyndham's libraries, the Saltwater, Penrose Promenade and Wyndham Park community centres and the Civic Centre. The public submission period was opened for 28 days.

A Special Council Meeting was then held on Monday 4 June at 7pm to hear written submissions on the draft. Consideration of the submissions and adoption of the 2018/19 Integrated Plan & Budget will be held at a Special Council Meeting on Tuesday 26 June at 7pm.

Health, Wellbeing and Safety Plan

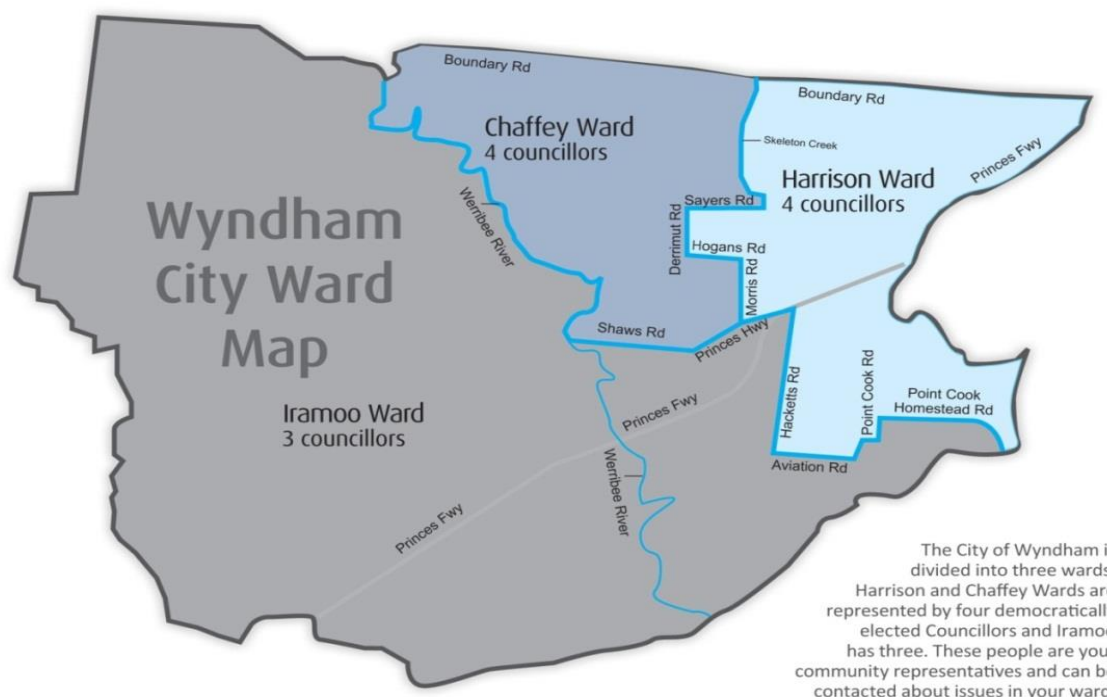
Recognising the critical influence local governments can have on health at different life-stages, through supporting the development of healthy places, environments, education and services, the Public Health and Wellbeing Act 2008 mandates each Council to develop a Municipal Public Health and Wellbeing Plan (MPHP) that is consistent with the Municipal Strategic Statement. The amalgamation of the MPHP into the City Plan systemically embeds community wellbeing priorities across the whole-of-Council for greater visibility and sustainability. Strategic initiatives address the four environments for health – economic, built, natural and social.

Health, wellbeing and safety goals now overarch Council's strategies across the four themes of the City Plan and the 2018/19 Integrated Plan & Budget, and articulate how our work under each theme will seek to positively impact the community.

In the development of the health, wellbeing and safety goals, significant analysis of quantitative data and qualitative information has been undertaken to better understand both the 'lived experience' of Wyndham's diverse community, as well as population health trends. An outcome has been the development of 10 Place Snapshots and 13 Health and Wellbeing Profiles for Wyndham, available on Council's website. A set of 'liveability and wellbeing indicators' have also been introduced to monitor how the community is faring physically, mentally, socially and economically across the social and environmental determinants of health. Engaged communities are key to building cohesion, resilience and social networks which are known to improve health and wellbeing and Council has an important role in monitoring this to inform our planning.

The progress against the 2018/19 Integrated Plan & Budget and City Plan is measured in Quarterly Performance reporting and the Annual Report, which is publicly available and outlines our successes and challenges. The Annual Report and Financial and Performance Statements are audited by the Victorian Auditor-Generals Office in line with the Local Government Act 1989, sharing Council performance with the Community.

Wyndham City Profile



The City of Wyndham is located on the western edge of Melbourne, between the metropolitan area and Geelong. Wyndham covers an area of 542km² and features 27.4 km of coastline bordering Port Phillip to the east. As a meeting place for people of the Kulin nations, Wyndham City has a rich and diverse Aboriginal cultural heritage.

The City of Wyndham has an estimated population of 250,186 in 2018¹. As the largest growing municipality Victoria wide (an additional 4.8% or 11,413 persons between 2017 and 2018)², 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 districts and the Werribee Park tourism precinct - one of the largest and most frequently visited tourism destinations in metropolitan Melbourne.

Sustained high population growth places significant pressure on Wyndham's liveability. Important elements of liveability include strong communities, good planning and urban design, community infrastructure, accessible and efficient transport and a healthy environment. Council is vigilant in striving to match its actions to meet the changing needs of the community while maintaining that liveability.

Wyndham is experiencing growth across all age groups. In 2018 a quarter of the population is under the age of 15 – the highest proportion in all of Victoria³. In 2017, 4,491 babies were born to Wyndham parents, which is around 86 babies born every week⁴. Families with young children will continue to make up a high proportion of the Wyndham population in the future. Although, currently over-65 year olds form a relatively modest part of the Wyndham population, it is forecast to be the fastest growing age group in Wyndham between 2018 and 2036⁵.

¹ .id Consulting 2018, Wyndham Population and Household Forecasts 2018.

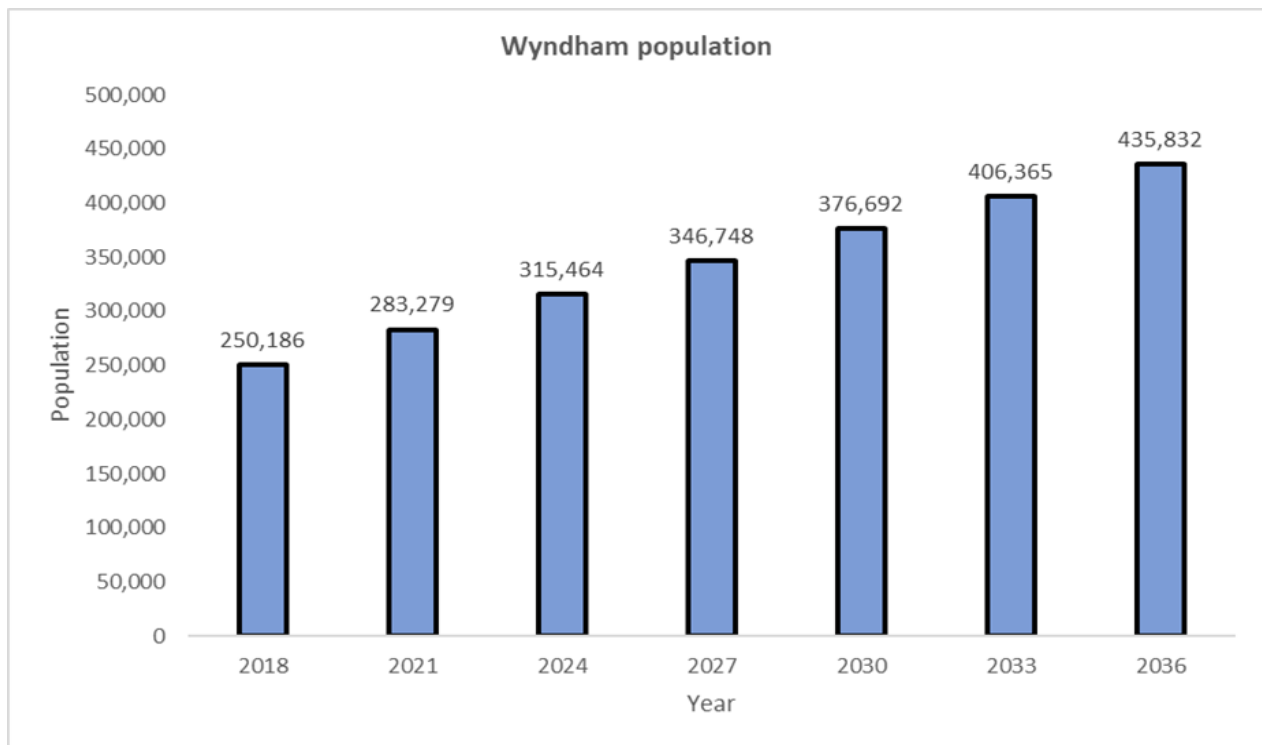
² .id Consulting 2018, Wyndham Population and Household Forecasts 2018.

³ Calculated based on data from .id Consulting 2018, Population and Household Forecasts 2018.

⁴ Maternal and Child Health Service Wyndham City Council 2017, Birth Notifications Received.

⁵ .id Consulting 2018, Wyndham Population and Household Forecasts 2018 based on a comparison of the age groups 0-14, 15-24, 25-54, 55-64 and 65+.

Growth Area Snapshot



Key growth statistics

- Between 2017 and 2018 the estimated population increased by 11,413 people or 219 per week
- Between 2018 and 2036 Wyndham City is expected to grow by 197,059 people
- By 2036 the population is forecast to reach 435,832, reflecting a yearly growth rate of around 3.2%
- Until 2028 the population is expected to increase by more than 10,000 people per year

At the end of each financial year the Australian Bureau of Statistics publish the estimated resident population for the previous financial year. The latest available data covers the 2015/16 financial year. At the end of the financial year Wyndham City was the:

- Largest growing municipality in Victoria in terms of additional residents and the third largest in Australia, behind Brisbane and the Gold Coast
- Second fastest growing municipality in Victoria behind the City of Melbourne.

Note that *largest* growth refers to the change in the number of residents while the *fastest growth* refers to rate of growth, i.e. the change in the population as a proportion of the previous year's population.



Meet your Councillors 2016/2020



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Elected by the community, the Council is the decision making body that sets the strategic direction and policy of the City. It delivers the:

- Four year City Plan which sets out what Council will achieve during its four year term to further the community vision; and
- Integrated Plan and Budget, which describes Council's strategic objectives and initiatives for the 12 month period and explains through the Budget and Strategic Resource Plan how the activities can be resourced.



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Council's Role

Depending on the matter at hand, Council performs one or more of the following roles and involves the community, key partners and other levels of government to realise shared aspirations.

Council's role	Council will	Example
Leader	Lead by example	Demonstrate local leadership in water and energy efficiencies
Service Provider	Deliver services to meet community needs	Deliver a range of programs and services to support young people in the community.
Partner	Contribute staff time or funds	Work with Government and other organisations to deliver major capital works projects
Facilitator/Broker	Promote City, area, service gap to market to fill need; and bring together those who have a stake in an issue	Meet with mental health service providers to establish a youth counselling service
Advocate	Proactively make representation to State and Federal Governments on key issues for Wyndham	Advocate for more public transport services (buses, trains)
Regulator	Take direct legal responsibility	Conduct inspections of local food premises and issue licences

Led by the Chief Executive Officer appointed by Councillors, the administration of Council delivers the vision of the elected Council. It does this by:

- Providing advice to the Council in a timely manner
- Resourcing the administration to deliver the results sought by the Council
- Complying with statutory responsibilities required under legislation
- Delivering services to the community required under legislation or by the Council
- Implementing the decisions made by the Council.

Mayor & CEO's Introduction

Welcome to the City of Wyndham's 2018/19 Integrated Plan & Budget.

The 2018/19 Integrated Plan & Budget is aligned with the vision of the City Plan that sets out Council's strategic plan and priorities. Our priorities are:

- Fostering a welcoming, diverse and inclusive city
- Being a place for creativity, arts and cultural connection
- Being safe and preventing crime
- Improving public transport and roads, and limiting congestion
- Offering better access to local services and facilities
- Providing educational opportunities for all ages
- Promoting good health and wellbeing
- Creating opportunities for local employment and business development

These priorities are embedded in the Wyndham 2040 Vision, City Plan and District Plans, and the strategies and plans governing our day-to-day operations, land use and amenity, and our provision of services to the local community.

As a local government organisation, Wyndham City delivers around 70 community facing services to people who live, work and visit the city. The work Council does is essential to ensure our rapidly growing city offers our residents a great place to live and work and continues city transformation with the attraction of new business and investment.

Council recognises that we are in a period of accelerated growth and change, and collectively we need to respond to this growth and our community's diverse needs in the most effective and sustainable manner. We are committed to delivering organisational change initiatives that are transforming the way we work, to provide the best, most efficient and agile services to our changing and growing community. These include shifting to an 'activity based workplace' at our Civic Centre to improve both time and space efficiency and flexibility, and adopting smarter software solutions to better integrate our information management systems, processes and improve customer experience.

Council delivers a range of essential services and provides facilities and infrastructure, and as growth remains a major challenge for Council, finding the balance between providing for community needs and wants, with what we can afford continues to be an ongoing challenge.

The key features of the budget include:

- Operating revenue of \$329.06 million (excluding developer contributions, non-monetary assets, and non-recurrent capital grants)
- Operating expenditure of \$247.26 million (excluding depreciation & amortisation)
- Total capital works program of \$145.93 million, including strategic land acquisitions
- \$15.33 million allocated to the provision of kindergarten & children centre services
- \$8.65 million on maternal and child health and immunisation services
- \$8.17 million to run Wyndham's libraries
- \$6.69 million on parkland maintenance
- \$4.48 million in home care support to enable older people to live independently
- \$3.99 million to provide youth programs and services
- \$1.74 million for the reactivation of playground parks
- \$1.81 million on city transport projects to improve accessibility; and
- \$1.65 million in grants, contributions and subsidies to be distributed to community groups and organisations to support them in the provision of programs to the wider community.

Capital Work Highlights

The 2018/19 Capital Works program provides a focus on provision of community facilities, asset replacement, improving transport links, quality open space, continued Municipal tip operations, strategic land acquisitions, improving Council's operations to drive efficiencies and addressing limitations that exist in current operations and facilities.

The budget includes a capital works program of \$145.9 million which includes \$16.0 million in land acquisitions. A few notable projects are:

- \$37.1 million on roads which will see construction works start on the upgrade of Forsyth Road between Old Geelong Road and Sayers Road, and Ison Road between the Princes Highway and the Geelong railway line. Other road projects include the installation of traffic signals at Dunnings Road/Lennon Boulevard and Boardwalk Boulevard/Miles Franklin Boulevard intersections, as well as a range of other works associated with maintaining Wyndham's existing road network
- \$9.9 million to complete the construction of the Wyndham Aboriginal Community Centre and Integrated Family Centre (including State Government grants totalling \$3.16 million)
- \$7.2 million to construct sports fields and a netball pavilion at Mossfiel Reserve
- \$5.9 million to commence construction of the Wyndham Park development, a park of regional significance abutting the Werribee River and the Werribee city centre (including State Government grants totalling \$3.2 million)
- \$4.1 million on local park upgrades
- \$3.6 million to deliver a range of projects at Galvin Park including a sports pavilion, car park and sports fields
- \$2.0 million to continue the Lighting the West project to replace street lights with LED lights
- \$1.0 million to implement stormwater treatment initiatives to support healthier waterways

The sources of funding for these and other capital projects for 2018/19 are provided in Section 6 of this document.

Rate Capped Environment

The State Government's A Fair Go Rates system for the 2018/19 Financial Year has been set/capped at 2.25% for all Victorian Councils. In setting its budget for 2018/19, Council has therefore restricted the increase in rate revenue to this capped percentage. Council is concerned about the medium to long term impacts rate capping will have on our ability to deliver the infrastructure and services required for our current and future residents.

Council is undertaking a detailed assessment of the impacts on our financial sustainability stemming from the strong ongoing growth which is forecast for the municipality. Early assessments of the long term financial plan support our continued advocacy for a 'growth' category to be included within the rate setting framework. Outcomes from the long term financial plan and related community consultation will inform any future decisions by Council regarding rate cap variations.

Collectively, Council will continue to work in partnership with community, stakeholders, the Victorian and Australian Governments to look at ongoing opportunities for partnerships, budget allocations and the delivery of services, infrastructure and facilities for the Wyndham community.

Challenges and Opportunities

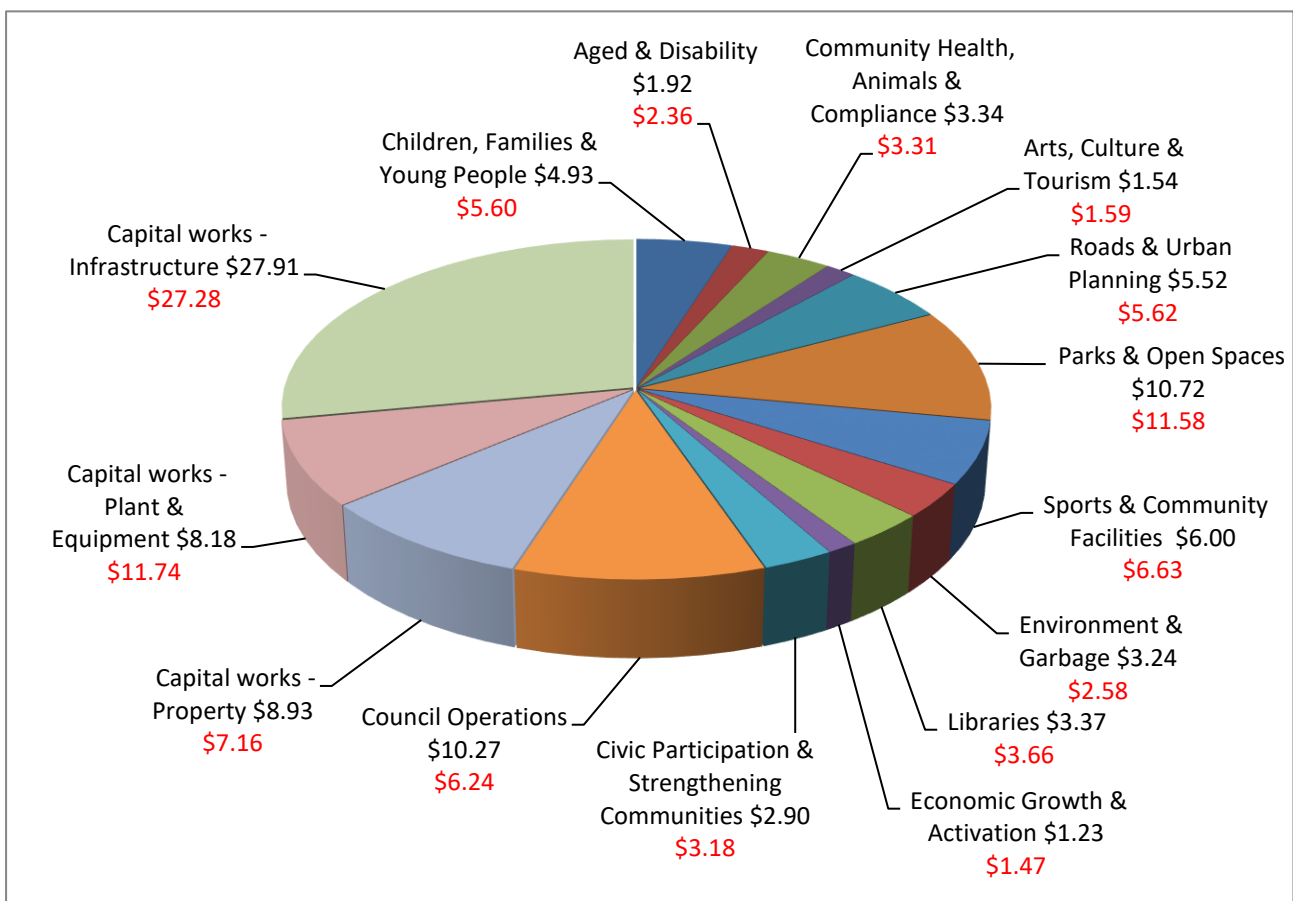
Council continues to work to achieve the community's aspirations of Wyndham 2040, to be a city that is healthy, well-connected and a place for all people. The factors outlined below are some of the challenges and opportunities affecting Council's resourcing as reflected in this Budget, our work, and our community. These and other important issues are found in Council's Advocacy Strategy – Securing Wyndham's Future (<https://www.wyndham.vic.gov.au/advocacy>):

- Wyndham City is leveraging the \$4 billion investment already made by the State Government in the **Regional Rail Link (RRL)** project by preparing investment frameworks for train stations along its two rail corridors. In addition to land use planning around existing stations, there is a need to deliver new stations along these corridors to ensure that our infrastructure has sufficient capacity. These sites have been identified as catalysts to ensure the adequate provision of housing, employment and economic development needed to support growth and changing demographic patterns is provided.
- Many sections of Wyndham's roads have reached capacity and some are carrying far more traffic than they were designed for. This is causing traffic jams, delayed bus services, and safety issues – particularly for pedestrians and cyclists. **Wyndham's commuters and freight industries urgently need upgrades to arterial roads, intersections, and freeway interchanges.**
- Wyndham City's position to Melbourne's west contributes to its high growth; there are **unique requirements for rapidly growing municipalities that could be provided for in an outer growth area fund similar to the Stronger Regions Fund**. In addition, several of the current funding arrangements are uncertain but are supported by Wyndham and should be continued. These include the Growth Areas Fund and the Shared Facilities Fund. Council is eager to explore these issues as well as other funding arrangements to support the community's long and short-term requirements.
- **Improvement to the sequencing of development and policy that supports adequate and timely community infrastructure provision** (including changes to Growth Area Infrastructure Contribution (GAIC) funding limits), are priorities for securing a well, liveable and prosperous city for current and future generations.
- **The East Werribee Employment Precinct** offers a unique opportunity to grow Wyndham's tertiary education footprint alongside significant business development and investment attraction.
- Ongoing collaboration, communications and engagement planning is important to the roll out of changes to the **National Disability Insurance Scheme (NDIS)** by October 2018. Increased clarity and understanding of ongoing Victorian government commitments, impacts of changes on communities as well as Council's service provision must be addressed.
- **There are currently shortages of government schools** in Wyndham's growth areas where high numbers of families with school aged children are moving. We are asking for the Victorian Government to work with us in making sure our families have access to schools that are planned and built to meet our community needs.
- To support our young residents and families, Wyndham continues to lead an advocacy campaign for **15 hours of four-year-old kindergarten as a minimum funded priority beyond 2019.**
- A new justice precinct is being planned to house additional police services and court facilities. We want these to be integrated with services that can support vulnerable and disadvantaged people as they enter the justice system. We are asking for the Victorian Government to join with us in **realising a vision for a justice precinct to be person-centred, safe, and integrated with justice and support services.**

- Council receives revenue from the Wyndham Refuse Disposal Facility (RDF), which is used for non-recurrent expenses such as capital works to create community facilities. The Works Approval granted to Council by the EPA in October 2017, is currently subject to an appeal to VCAT. **The lack of approved air space at the RDF has significant consequences in providing essential waste services to communities and businesses in metropolitan Melbourne.** At the time of preparing this budget the estimated financial impact as a result of the appeal to VCAT is about \$13.6 million reduction in revenue to the Council operating budget spread across 2017/18 and 2018/19 financial years, with a commensurate reduction in profit contribution to the Council budget in the order of \$3.7 million.

The following two graphics summarises how Council has budgeted to spend the rates revenue it collects, and a split of the capital works program expenditure for 2018/19 into their different categories.

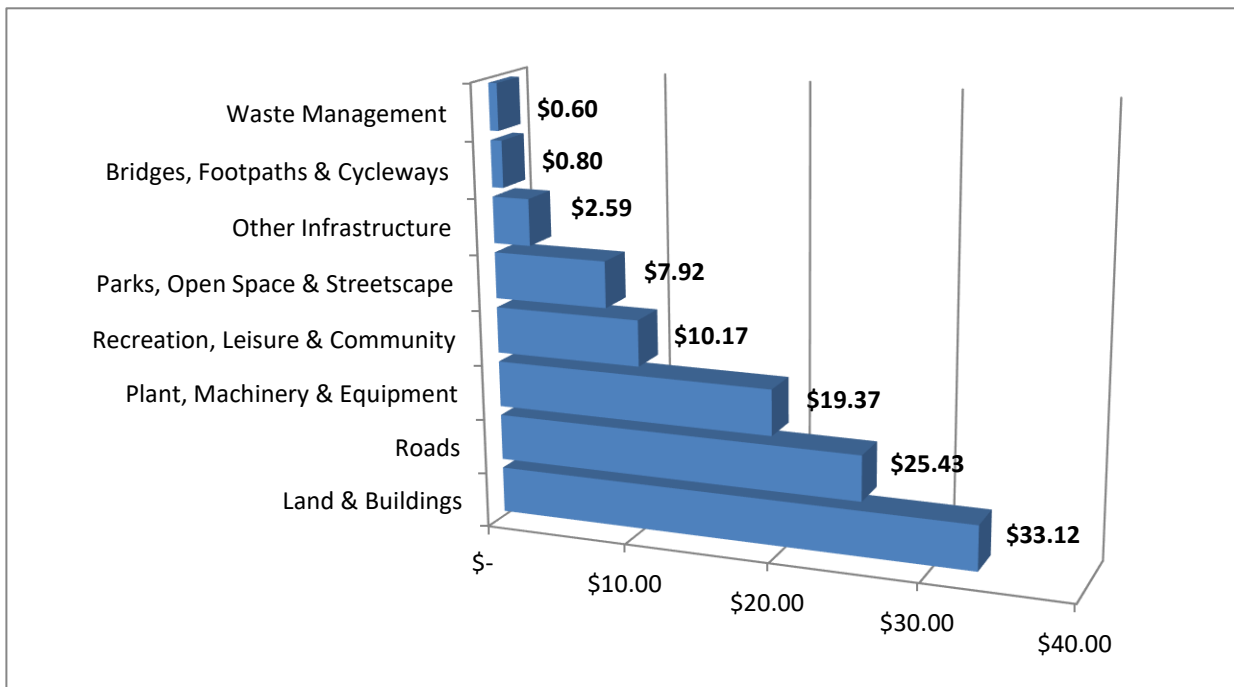
Council Expenditure 2018/19 - Allocation for every \$100 that Council spends
2017/18 Forecast in red



The increase to Council operations in 2018/19 reflect additional investment in the provision of customer service and enterprise resource planning. These projects are expected to contribute towards improved efficiencies and deliver benefits to the Wyndham community.

Wyndham has been advised that it will receive about 50% of its 2018/19 Financial Assistance Grants in June 2018 (FY 2017/18). For the purpose of meaningful comparison, this timing difference has been normalised to present the above expenditure results.

2018/19 Capital Works Program - Allocation for every \$100 of capital expenditure



We would like to take the opportunity to thank all Councillors and staff for their ongoing commitment and hard work in delivering the 2018/19 Integrated Plan & Budget.

We look forward to the delivery of this Plan & Budget which sets us, and the Wyndham community on a strong and fiscally responsible path, well positioned to meet the opportunities and challenges of our growing future city.



Cr Peter Maynard
Mayor



Kelly Grigsby
Chief Executive Officer



Wyndham Harbour

Budget Reports

The following reports include all statutory disclosures of information.

This section includes the following reports and statements in accordance with the Local Government Act 1989 and the Regulations.

- 1 Links to City Plan
- 2 Services and service performance indicators
- 3 Financial statements
- 4 Notes to the financial statements
- 5 Financial performance indicators
- 6 Capital works program

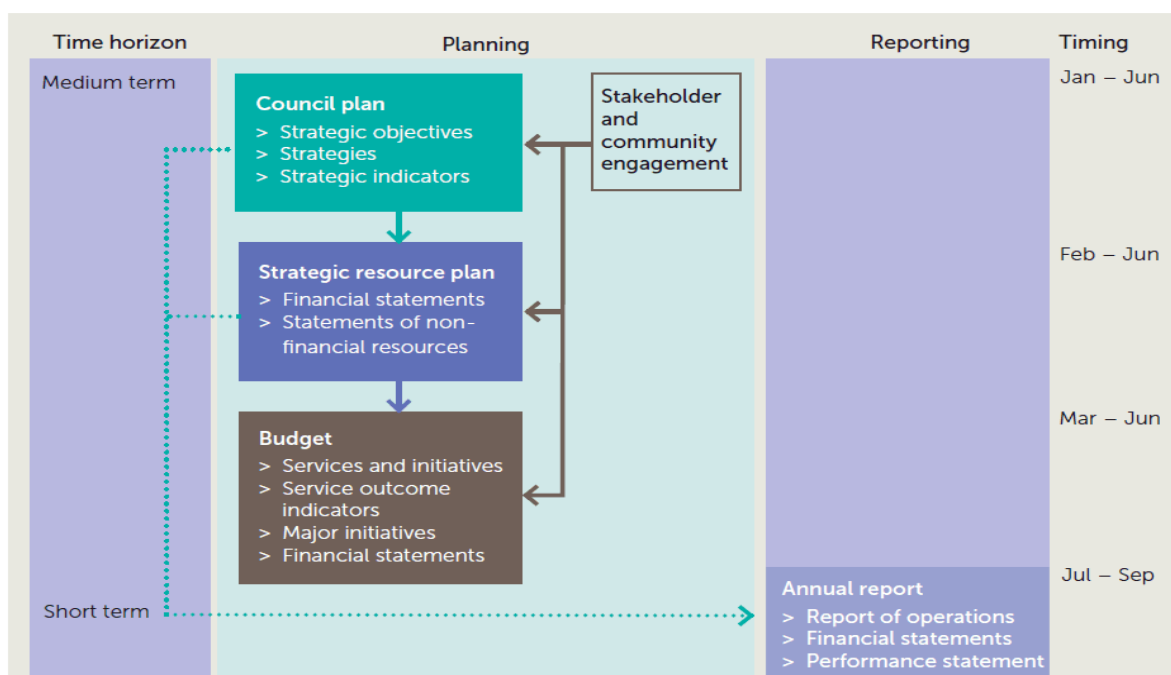
1. Budget Overview

1.1 Links to the City Plan

The Annual Budget links to the achievement of the Council Plan within an overall planning framework. This framework guides the Council in identifying community needs and aspirations over the long-term Wyndham 2040 Vision, medium term Wyndham City Plan 2017-21, and short term annual Integrated Plan and Budget. Council holds itself accountable through the Annual Report which contains the financial and performance statements audited by the Victorian Auditor-General in line with the Local Government Act 1989.

The budget outlines the funding required for Council to deliver services and infrastructure to the community, ensuring initiatives are on track. The Strategic Resource Plan is part of and prepared in conjunction with the City Plan. It is a four-year plan which outlines the financial and non-financial resources that Council requires to achieve its strategic objectives. The Annual Budget is framed within the Strategic Resource Plan, considering the services and initiatives described here.

The following diagram shows the relationships between the key planning and reporting documents that make up the planning and accountability framework for local government in Victoria.



Source: Department of Environment, Land, Water and Planning

1.2 Our Purpose

Our vision “Diverse people, one community, our future”

The vision aspires for Wyndham to be one community of people from many different cultures, working together for the good of the community now and into the future. In working towards achieving this vision of an inclusive City, Council foresees an approach in which:

- A diversity of backgrounds, cultures and ideas are respected;
- The City partners with its community to meet community aspirations; and
- The community is consulted on how community objectives are set, prioritised and achieved.

Our Mission

We strive to serve the best interests of the Wyndham community by providing quality services; managing growth; and supporting residents to lead healthy, safe, vibrant and productive lives, while protecting our local environment.

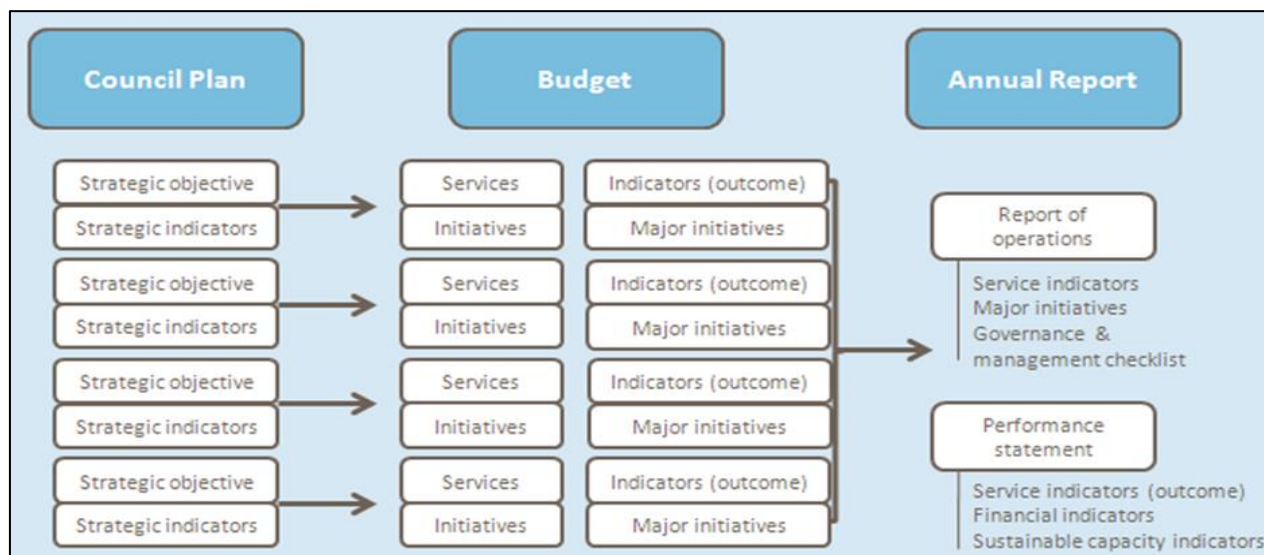
Our Values

We are committed to implementing core values in our corporate and community planning. Our values are important to us because they place special emphasis on ‘future focused decision making’, and engaging with all sectors of our community. Our values demand that we act with integrity and advocate strenuously on behalf of our community.

- *Community Focus*
- *Integrity*
- *Respect*
- *Commitment*
- *Leadership*
- *Teamwork*

2. Contributing to the Community Vision: Services and Service Performance Indicators

This section provides a description of the services and initiatives to be funded in the 2018/19 year and how these will contribute to achieving the strategic objectives in the City Plan. It also includes initiatives, major initiatives and service performance outcome indicators in the 2018/19 Integrated Plan & Budget which are reported in the Annual Report, ensuring transparency and accountability. The Strategic Resource Plan was developed in conjunction with the City Plan. The relationship between the accountability requirements in the City Plan, the 2018/19 Integrated Plan & Budget and the Annual Report are illustrated below.



Source: Department of Environment, Land, Water and Planning

Services for which there are prescribed performance indicators to be reported on in accordance with the Regulations are also included in this section.

The *Local Government Act* requires Council to identify and monitor 'Strategic Indicators' against the City Plan. Wyndham City has developed a comprehensive Indicators Framework to inform our planning and improve our services, amenity and infrastructure for the community.⁶

The Indicators Framework draws on key findings from the Community Satisfaction Survey, the Local Government Reporting Framework, and our Liveability and Wellbeing Indicators. The Strategic Indicators of the City Plan have been selected from this broader framework and are the indicators most relevant to the City Plan priorities and strategies. They inform us on how the community is fairing and where we should focus our resourcing, as well as the impact and satisfaction with our work for the people and places of Wyndham.

Note: Where there are +1/-1 variances in the following pages, this will be due to rounding of source data.

⁶ These are available at <https://www.wyndham.vic.gov.au/about-council/wyndham-community/research-and-statistics/community-profiles>

Our Vision for People & Community

Wyndham will be a welcoming, family-friendly city that acknowledges the Aboriginal heritage of the area, encourages connection within the community, promotes health and wellbeing, and actively celebrates diversity, culture and art. We will be a Council that listens to and learns from the diversity, knowledge and opinions of all residents and, as we embrace growth, we will also remember the country beginnings of our towns and shire.

STRATEGIC OBJECTIVE

Council will work with the community to ensure Wyndham is an inclusive, safe and welcoming city, which celebrates our diverse heritage and cultures and helps residents to stay healthy, active, and connected.

HEALTH, WELLBEING & SAFETY GOAL

People in Wyndham are well across the life stages, safe and socially connected regardless of where they live or their social, economic or cultural background.

STRATEGIC INDICATORS

1. Community satisfaction with arts and cultural services.
2. Physical health: percentage of adult population that is obese; percentage of adults that engage in sufficient amount of physical activity each week; average serves per day of vegetables.
3. Proportion of fully-immunised children.
4. Recorded incidents of family violence per 100,000 population.
5. Mental health: lifetime prevalence of depression and anxiety (percentage adult population).
6. Health risks: lifetime risk of alcohol-related harm; proportion of adults who are current smokers.
7. Perception of personal safety: Residents' perception of safety in public areas of Wyndham during the day.

The services, initiatives and major initiatives for each business area are described below:

Service area	Description of services provided	2016/17 Actual	2017/18 Forecast	2018/19 Budget
		Expenditure (Revenue) Net Cost \$'000	Expenditure (Revenue) Net Cost \$'000	Expenditure (Revenue) Net Cost \$'000
Children & Families	Activities within this area are responsible for providing services for children 0 - 12 years and their families. Programs and business areas include maternal and child health services, immunisation, Kindergarten planning and Central Enrolment for kindergartens, Preschool Field Officers, Children's Services planning and family support. The service area is also responsible for facilitating the Best Start program.	22,643 (19,321) 3,322	24,317 (18,882) 5,435	25,981 (20,505) 5,476
Young People	In identifying and responding to the needs of the youth of the community, Wyndham City provides a range of services, events and programs for young people. These services are provided from Council's Youth Resource Centre in Hoppers Crossing and from a variety of community facilities across Wyndham. Council works in partnership with young people, service providers and schools to ensure that the planning and development of new youth programs meets the needs of Wyndham's growing youth population.	3,884 (534) 3,350	4,433 (509) 3,924	4,437 (424) 4,013
Aged & Disability	Wyndham City provides home and community care services to older and frail people, people with a disability of all ages and the family members who care for them, to improve their quality of life. Services include assistance with daily life routines, personal care, respite, meals and home maintenance as well as social and physical activities. This area also provides community transport to support the above programs. The service area is responsible for services being provided consistent with Wyndham's Aged and Disability Service Access policy.	10,653 (7,069) 3,584	11,355 (7,423) 3,933	11,013 (7,310) 3,703
Pets & Animal Management	Promote responsible pet management within Wyndham and protecting the community and the environment from feral and nuisance animals.	2,705 (1,400) 1,305	2,505 (1,656) 849	2,602 (1,703) 900
Arts & Culture	Provision of opportunities for enjoyment of the arts locally. Supporting the development of emerging artists, industry development, activate public spaces and provide opportunities for community participation in the arts.	2,308 (606) 1,702	2,556 (700) 1,856	3,486 (1,205) 2,281
Community Health Wellbeing & Safety	Strengthening community health and wellbeing for all members of the Wyndham Community by providing advice, support and programs, as well as emergency planning and preparedness.	6,248 (633) 5,616	6,404 (847) 5,557	6,642 (965) 5,677

Note: Where there are +1/-1 variances in the following pages, this will be due to rounding of source data.

Major Initiatives

1. Advocate and work in partnership for the delivery of the Wyndham Justice Precinct including the integrated support services hub.
2. Adopt and implement a Gender Equity Strategy to enhance community health, wellbeing and organisational improvement, and support the prevention of family violence.
3. Prepare a strategy for Women's participation in sport and recreation in Melbourne's west: An Action Plan for Change.
4. Develop an Arts, Culture and Creative Framework to drive cultural and creative development, and arts access in the city.
5. Review and redevelop Wyndham's Multicultural Policy and Action Plan in consultation with stakeholder organisations and diverse community members.
6. Implement the actions of Wyndham's Reconciliation Action Plan.
7. Implementation of the 2018-21 Accessibility Action Plan, and deliver initiatives to improve the health and wellbeing of people with disabilities.
8. Implement the actions of the Wyndham Gambling Harm Minimisation Policy and Action Plan 2018-2022.
9. Plan and deliver mobile service delivery of Youth Services to meet the needs of growing communities where there is limited infrastructure planned.

Initiatives

10. Work in partnership with community service organisations and government stakeholders to develop and deliver community safety initiatives relevant to Wyndham services and amenity.
11. Provide support and coordination of Wyndham's H3 Alliance to assist the partnership in increasing housing capacity, and improving outcomes for people who are homeless or at risk of homelessness in Wyndham.
12. Engage with the community to build resilience and capacity to respond to emergencies through two projects:
 - a) The identification of vulnerable communities, and the development of programs to build their capacity in preparing and planning in the event of an emergency.
 - b) Build resilience in the Wyndham business community in the event of an emergency.

This effort will support the work of the Municipal Emergency Management Planning (MEMP) Committee.

13. Work with local service providers and community stakeholders to inform Council's future role in My Aged Care and NDIS reforms.
14. Partner with child care centres and kindergartens to increase participation in the 18-month, 2 year & 3.5 year Key Age & Stage consultations
15. Deliver the Enhanced Neighbourhood Hubs initiative across the City.

Service Performance Outcome Indicators

Service	Indicator	2014/15 Actual	2015/16 Actual	2016/17 Actual
Maternal & Child Health	Participation	71%	68%	69%
Animal Management	Health & Safety	21	33	23

Our Vision for Places and Spaces

Our transport system will be efficient, responsive and easy to navigate, with greater connectivity to Melbourne, while infrastructure, built spaces, and the diversity of housing options contribute to the quality of life of residents at all ages. We will carefully balance the preservation, protection, and respect for the natural environment with the need to ensure that parks and open spaces invite citizens to positively interact with the outdoors and each other.

STRATEGIC OBJECTIVE

Council will work with our partners to build a city that is easy to move around, offers a diverse range of housing, protects our natural environment, and promotes active and passive recreation. We will strive to improve neighbourhood ambience, civic services and our standing as an attractive, relaxing, responsive and infrastructure-progressive coastal municipality.

HEALTH, WELLBEING & SAFETY GOAL

People in Wyndham enjoy healthy and attractive environments that promote happy and active lives.

STRATEGIC INDICATORS

1. Community satisfaction with sealed local roads.
2. Housing diversity: dwelling structure and density (%).
3. Kerbside collection waste diverted from landfill.
4. Council greenhouse gas emissions.
5. Percentage of Local Government Area with tree canopy.
6. Open space access: hectares of public open space per 1,000 population; community satisfaction with sports ovals and other recreational spaces, parks and gardens.
7. Commute time: proportion of Wyndham residents who take 90 minutes or more to travel to and from work.
8. Public transport: percentage of workers using public transport to commute on census day; percentage of residents who believe public transport is an issue for Council to address in the next 12 months.

The services, initiatives and major initiatives for each business area are described below:

Service area	Description of services provided	2016/17 Actual Expenditure (Revenue) Net Cost \$'000	2017/18 Forecast Expenditure (Revenue) Net Cost \$'000	2018/19 Budget Expenditure (Revenue) Net Cost \$'000
Roads & Transport	Providing the community with multiple forms of transport access to public and private amenity. Ensuring roads, road reserves, bicycle paths and footpaths are safe, functional and fit for purpose for current and future community use.	11,410 (7,347) 4,063	13,793 (6,452) 7,341	13,642 (6,748) 6,894
Parks & Open Spaces	Provision of quality public spaces and amenities to maximise the health and wellbeing of the community.	18,635 (1,695) 16,940	21,181 (1,867) 19,314	22,021 (1,378) 20,644
Community Centres, Facilities & Venues	Promote and develop the use of community facilities to provide opportunities for people to connect with neighbours, gain information, connect to services, participate and contribute to their local community. Delivery of amenity with equitable access and provision.	10,058 (1,601) 8,456	10,850 (1,494) 9,355	11,623 (1,586) 10,036
Recreation & Sports Facilities	Plan and deliver recreation facilities to maximise the health and wellbeing of the community. Promote and develop the use of recreation facilities to improve community wellbeing and active participation.	11,944 (10,301) 1,643	13,841 (12,133) 1,708	14,319 (12,808) 1,511
Community Amenity and Compliance	Protecting and improving public amenity and community safety.	6,257 (5,125) 1,133	5,747 (6,636) (889)	6,528 (6,664) (136)
Environmental Protection, Sustainability & Flood Protection	Protection and enhancement of Wyndham's natural environment. Increasing sustainable practices and improving environmental outcomes (reduced impact). Protecting the municipality from flooding, ensuring water quality and environmental sustainability.	4,533 (125) 4,408	5,494 (706) 4,788	5,770 (280) 5,489
Garbage, Waste & Recycling	Ensure public amenity and safety through the removal of waste, litter and recycling.	25,222 (26,442) (1,220)	26,299 (26,787) (488)	28,694 (27,949) 745
Growth/Urban Planning & Management	Sustainable land use and development protecting the amenity and aesthetic of Wyndham whilst ensuring demand for amenities are met.	5,669 (4,030) 1,639	9,147 (7,118) 2,029	10,965 (7,230) 3,735

Major Initiatives

1. Complete Road, Services & Assets Strategy.
2. Deliver \$37.1 million of road works including commencement of the Forsyth Road upgrade and construction of Ison Road. Other road works include the installation of traffic signals at Dunnings Road/Lennon Boulevard and Boardwalk Boulevard/Miles Franklin Boulevard.
3. Deliver Master Plans for Presidents Park, and the Chirnside Park Precinct.
4. Deliver open space works totalling \$26.4 million including local park upgrades, construction of open space and recreation infrastructure at a number of reserves including Galvin Park and Mossfiel Reserve and the commencement of the development of Wyndham Park.

5. Develop a Wyndham Coastal Management Plan, including an action plan to manage and enhance the Wyndham coastline.
6. Deliver an Active Wyndham Strategy (an update of the Wyndham Leisure Strategy 2013-2017).

Initiatives

7. City Forest and Habitat Strategy Implementation (Urban forest tools, planning overlays, community programs and planting plans).
8. Commencement of collation of tree inventory for all Council trees.
9. Commission and manage public art through the implementation of Art in Public Places Policy.
10. Co-ordinate design and construction for community facilities in Riverdale, Truganina, Tarneit North and Truganina East.
11. Work in partnership with the community and key partners to develop the design for the Werribee Integrated Community Learning Hub.
12. Deliver Smart City & Suburbs Grant initiatives including a Smart City Dashboard offering historic, real-time and predictive monitoring of Wyndham.
13. Implement the Wyndham Solar City Program with a focus on sporting clubs.
14. Improve city amenity and presentation through proactive graffiti management involving engagement, prevention, enforcement and removal.
15. Waste Strategy implementation (recycling Service Improvements and new education programs) through improved recycling contamination and increased uptake of hard waste services.

Service Performance Outcome Indicators

Service	Indicator	2014/15 Actual	2015/16 Actual	2016/17 Actual
Statutory Planning	Decision Making	60%	64%	47%
Roads	Satisfaction	66	66	63
Waste Collection	Waste Diversion	37%	37%	37%
Aquatic Facilities	Utilisation	0	4	4
Food Safety	Health & Safety	100%	100%	100%

Theme **3** Earning and Learning

Our Vision for Earning and Learning

Wyndham City will be a city of opportunity, recognised for its diverse, high-quality centres of learning, its libraries and knowledge hubs, and its varied and plentiful employment. We will attract businesses of all sizes and promote a wide mix of shops and retail, events and attractions – all designed to build community pride and engagement.

STRATEGIC OBJECTIVE

Council will work innovatively with our partners and community to ensure Wyndham is a place of opportunity for learning, working, investing and succeeding, which builds a vibrant and sustainable city where all residents have access to opportunities. We will seek innovative ways to build an attractive business and investment environment – both locally and internationally.

HEALTH, WELLBEING & SAFETY GOAL

People in Wyndham enjoy financial security, have access to a diverse range of learning, education and work opportunities and have safe and healthy work and learning environments.

STRATEGIC INDICATORS

1. Adult learning: number of adults participating in learning and skills programs offered at Wyndham libraries.
2. Satisfaction with local library services.
3. Job growth: percentage change number of local jobs.
4. Gross Regional Product: Gross Regional Product and percentage contribution to Victorian Gross Domestic Product.
5. Youth disengagement: percentage of 15-25 year olds not engaged at all in work or study.
6. Higher Education: percentage of the adult population attending University or TAFE (18+ years).

The services, initiatives and major initiatives for each business area are described below:

Service area	Description of services provided	2016/17 Actual Expenditure (Revenue) Net Cost \$'000	2017/18 Forecast Expenditure (Revenue) Net Cost \$'000	2018/19 Budget Expenditure (Revenue) Net Cost \$'000
Libraries	There are five library sites within the City of Wyndham. All the libraries have modern facilities with reference as well as non-reference books available and are equipped with up-to-date computer equipment and internet access available for research. These services are available for use by members of the public. Weekly programmes to improve literacy and numeracy, such as story time and rhyme time are provided at each branch.	7,399 (1,537) 5,862	7,703 (1,603) 6,100	8,168 (1,668) 6,500
Economic Growth & Industry Facilitation	Council supports the development and growth of local businesses, business start-ups and entrepreneurs in growing Wyndham's economy. Attracting and facilitating employment generating investment is a key service that aims to stimulate the economy and deliver local job opportunities for the resident workforce.	685 (111) 575	821 (84) 737	744 (81) 663
Tourism & Major Events	Promoting Wyndham City as a place to live, a place to do business and as a tourist destination. This activity serves to promote the City through the development and attraction of local tourism initiatives and events.	1,283 (739) 544	1,700 (912) 788	1,616 (941) 676
Town Centre Activation	Wyndham City activates independent town centres by providing centre management services, delivering stimulus initiatives such as the Werribee Catalyst Site developments, organising and facilitating a broad range of events and activities to deliver measurable economic and social benefits, as well as market and promote the centres to attract customers, new businesses and new development investment. Public spaces such as streetscapes are enhanced, overseeing the operation and maintenance of public spaces so that they are clean, safe, accessible and welcoming, and fostering relationships and works with business, community and government partners to implement the Wyndham 2040 vision in activity centres.	1,461 (0) 1,461	1,776 (60) 1,716	1,763 (62) 1,700

Major Initiatives

1. Development of the Future City & Digital Strategy to harness the opportunities provided by digital technology, collaboration and data analytics to support a Smarter Wyndham.
2. Develop and implement an Investment Attraction Plan to encourage economic growth and attract viable industries and business for our future.
3. Adopt and implement the Learning Community Strategy 2018-2023 to mobilise learning in all forms to drive social, economic, environmental and cultural life in the community.

Initiatives

4. Develop a five-year WYNNnovation plan to enable business innovation and start-ups in our city.
5. Research the transport requirements to support a 20-minute neighbourhood in Wyndham.

Service Performance Outcome Indicators

Service	Indicator	2014/15 Actual	2015/16 Actual	2016/17 Actual
Libraries	Participation	10%	15%	15%

Our Vision for Leadership & Participation

Wyndham will be home to passionate residents who are encouraged to share their ideas, skills, knowledge and passion to build a thriving city. We will offer a variety of ways for community members to support others through volunteering, social interaction, and engagement.

STRATEGIC OBJECTIVE

Council will continually build and shape a community of passionate, engaged and inspired residents and organisations who are proud to call Wyndham City their home. We will streamline our internal systems, our collaboration, and communication across all levels of government, while establishing the foundations for a long-term financial sustainability and strengthening our values, partnerships, and community engagement.

HEALTH, WELLBEING & SAFETY GOAL

Wyndham City works with local residents, organisations, partners, and other tiers of government to deliver sustainable and financially responsible improvements to health, wellbeing, and safety for the community.

STRATEGIC INDICATORS

1. Community satisfaction with Council's performance in community consultation and engagement.
2. Community satisfaction with Council's representation, lobbying and advocacy on behalf of the community with other levels of government and private organisations on key issues.
3. Community satisfaction with performance of Council across all areas of responsibility.
4. Community satisfaction with Council's performance in maintaining the trust and confidence of the local community.
5. Community participation: proportion of adults who belong to an organised community group (sports, religious, school, professional, other).
6. Social support: percentage of adults experiencing high or very high levels of social isolation.
7. Volunteers: percentage of population (15 years +) that volunteered in the last 12 months.

The services, initiatives and major initiatives for each business area are described below:

Service area	Description of services provided	2016/17 Actual Expenditure (Revenue) Net Cost \$'000	2017/18 Forecast Expenditure (Revenue) Net Cost \$'000	2018/19 Budget Expenditure (Revenue) Net Cost \$'000
Civic Participation	Community consultation, planning and community development activities promote local engagement and activation in the distinct neighbourhoods and districts of Wyndham. This aims to ensure that Council services and engagement are well targeted to local need; providing people with opportunities to shape what happens in their local area.	1,516 (296) 1,220	2,320 (319) 2,001	2,165 (122) 2,043
Strengthening Communities	Wyndham promotes local engagement and activation through community events and neighbourhood programs. Building community strength and individual wellbeing by celebrating diverse identities, removing barriers to access services and ensuring inclusion in community life. Strengthening the capability of the community to increase the quality and number of community-led activities.	2,889 (266) 2,623	3,467 (171) 3,296	3,726 (189) 3,537

Major Initiatives

1. Advocate for the service and infrastructure needs of the Wyndham community through delivering Securing Wyndham's Future – Advocacy Strategy, campaign leadership, strategic partnerships in the lead up to the State and Federal Government elections.

Initiatives

2. Coordinate service model and governance arrangements in preparation for the opening of the Wyndham Aboriginal Community Centre and Integrated Family Centre.
3. Deliver The Loop – our interactive digital community engagement platform to improve community participation and impact.
4. Deploy the Community Engagement Framework through tailoring our engagement tools and processes.
5. Deliver transformational improvements to the way we work through the deployment of the Australian Business Excellence Framework. Initiatives will be targeted to improve service efficiency, cost-effectiveness, shared-service opportunities, a productive work culture and accountability across the organisation.

Service Performance Outcome Indicators

Service	Indicator	2014/15 Actual	2015/16 Actual	2016/17 Actual
Governance	Satisfaction	64	70	62

Service Performance Outcome Indicators⁷

Service	Indicator	Performance Measure	Computation
Aquatic Facilities	Utilisation	Utilisation of aquatic facilities (Number of visits to aquatic facilities per head of municipal population)	Number of visits to aquatic facilities / Municipal population
Animal Management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions
Food Safety	Health and safety	Critical and major non-compliance notifications (Percentage of critical and major non-compliance notifications that are followed up by Council)	[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
Governance	Satisfaction	Satisfaction with Council decisions (Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community)	Community satisfaction rating out of 100 with how Council has performed in making decisions in the interests of the community
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100
Maternal & Child Health	Participation	Participation in the MCH service (Percentage of children enrolled who participate in the MCH service) Participation in MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)	[Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100 [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
Roads	Satisfaction	Satisfaction with sealed local roads (Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads)	Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads.
Statutory Planning	Decision making	Council planning decisions upheld at VCAT (Percentage of planning application decisions subject to review by VCAT and that were not set aside)	[Number of VCAT decisions that did not set aside Council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100
Waste Collection	Waste diversion	Kerbside collection waste diverted from landfill (Percentage of garbage, recyclables and green organics collected from kerbside bins that is diverted from landfill)	[Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100

⁷ The mandatory indicators in this section form part of Council's Performance Statement in the next Annual Report.

2.1 Performance statement

The service performance indicators detailed above will be reported in the Performance Statement which is prepared at the end of the year as required by section 132 of the Act and included in the 2018/19 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in section 5) and sustainable capacity, which are not included in this budget report. The prescribed performance indicators contained in the Performance Statement are audited each year by the Victorian Auditor General who issues an audit opinion on the Performance Statement. The major initiatives detailed in the preceding pages will be reported in the Annual Report in the form of a statement of progress in the Report of Operations.

2.2 Reconciliation with budgeted operating result

	Expenditure \$'000	Revenue \$'000	Net Cost (Revenue) \$'000
People and Community	54,161	32,112	22,049
Places and Spaces	113,562	64,643	48,919
Earning and Learning	12,291	2,753	9,538
Leadership and Participation	5,891	311	5,579
Total services & initiatives	185,905	99,819	86,086
Council Operations			28,788
Asset write off / written down value			4,270
Depreciation & Amortisation			81,278
Total non-attributable expenses			114,336
Deficit before funding sources			200,422
Rates & Charges (excluding waste management service charge)			176,817
Contributions			44,695
Contributions - non monetary			136,271
Capital grants			9,472
Proceeds on sale of assets			8,155
Net surplus before depreciation from business undertakings			14,162
Total funding sources			389,572
Surplus for the year			189,150 *

* The 'Surplus for the year' is reconciled to the Income Statement in Section 3.

Note:-

The Expenditure and Revenue totals include internal service charges and cost recoveries between departments. The Net Cost total reflects the actual overall cost, after internal transactions have been negated.

3. Financial Statements

This section presents information in regard to the consolidated Financial Statements and Statement of Human Resources for Wyndham City Council, including its 100% owned subsidiary Western Leisure Services Pty Ltd. The budget information for the years 2019/20 to 2021/22 has been extracted from the Strategic Resource Plan.

The following financial statements are included in accordance with the Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014.

- 3.1 Comprehensive Income Statement
- 3.2 Balance Sheet
- 3.3 Statement of Changes in Equity
- 3.4 Statement of Cash Flows
- 3.5 Statement of Capital Works
- 3.6 Statement of Human Resources

(Note: +1/-1 variances in these statements will be due to rounding of source data).

3.1 Comprehensive Income Statement For the 4 years ending 30 June 2022

		Forecast	Budget	Strategic Resource Plan		
		2017/18	2018/19	Projections		
NOTES		\$'000	\$'000	2019/20	2020/21	2021/22
				\$'000	\$'000	\$'000
Income						
Rates and charges	4.1.1 to 4.1.15	187,636	200,155	213,359	226,693	240,462
Statutory fees and fines	4.4	17,007	16,445	17,555	18,712	19,899
User fees	4.5	78,419	63,501	87,082	91,755	96,551
Grants - operating	4.6	42,488	35,040	46,944	50,037	53,212
Grants - capital	4.6	11,537	9,472	5,900	5,900	3,000
Contributions - monetary	4.7	54,245	44,922	44,004	42,310	39,817
Contributions - non-monetary assets	4.7	116,130	136,271	133,473	128,293	120,673
Other income	4.8	8,293	8,000	9,238	10,241	11,127
Net gain on disposal of property, infrastructure, plant and equipment		0	3,885	0	12,637	0
Total income		515,756	517,691	557,556	586,579	584,741
Expenses						
Employee costs	4.9	131,633	139,275	148,044	158,193	168,797
Materials and services	4.10	102,049	101,181	119,959	126,043	130,825
Bad and doubtful debts		102	64	64	64	64
Depreciation and amortisation	4.11	74,813	81,278	94,797	98,889	106,388
Borrowing costs		2,913	3,619	4,326	5,009	5,028
Other expenses	4.12	10,983	3,123	3,201	3,281	3,363
Net loss on disposal of property, infrastructure, plant and equipment		642	0	450	0	932
Total expenses		323,136	328,540	370,842	391,479	415,398
Surplus (deficit) for the year		192,619	189,150	186,714	195,100	169,343
Other Comprehensive Income						
Items that will not be reclassified to surplus or deficit in future periods						
Net asset revaluation increment/(decrement)		11,528	155,600	15,208	0	199,223
Total Comprehensive Result		204,148	344,750	201,922	195,100	368,566

Note - In the 2020/21 financial year, there is not expected to be a revaluation of any asset class.

Adjusted Underlying Surplus	Forecast	Budget	SRP Projections		
	2017/18 \$'000	2018/19 \$'000	2019/20 \$'000	2020/21 \$'000	2021/22 \$'000
Surplus (deficit) for the year	192,619	189,150	186,714	195,100	169,343
Grants - capital non-recurrent	(9,726)	(7,665)	(3,000)	(3,000)	(3,000)
Contributions - non monetary assets	(116,130)	(136,271)	(133,473)	(128,293)	(120,673)
Capital Contributions - other sources	(53,995)	(44,695)	(43,777)	(42,078)	(39,579)
Adjusted underlying surplus (deficit)	12,768	519	6,464	21,729	6,091

The total income numbers are significantly impacted by non-recurrent capital grants and monetary and non-monetary contributions.

- Income from capital grants and monetary contributions can only be used to fund capital projects and not operating activities.
- The non-monetary contributions represent the value of roads, land and other subdivision assets that are gifted to Council by Developers. From an accounting perspective these contributions are recognised as revenue and an increase in assets. In reality, these assets place an ongoing obligation on council as they are required to be maintained into the future.

The adjusted underlying result as shown above therefore is a more relevant representation of council's operating position.

3.2 Balance Sheet

For the 4 years ending 30 June 2022

NOTES	Forecast	Budget	Strategic Resource Plan		
	2017/18	2018/19	Projections		
	\$'000	\$'000	2019/20	2020/21	2021/22
			\$'000	\$'000	\$'000
Assets					
Current assets					
Cash and cash equivalents	17,806	18,848	20,734	22,217	23,568
Other financial assets	267,581	283,235	311,569	333,851	354,161
Trade and other receivables	32,229	30,439	35,928	38,180	40,454
Inventories	134	132	157	165	171
Other assets	2,938	2,912	3,452	3,627	3,764
Non-current assets classified as held for sale	8,387	8,387	8,387	8,387	8,387
Total current assets	329,075	343,953	380,226	406,427	430,505
Non-current assets					
Trade and other receivables	1,529	1,291	1,678	1,772	1,868
Property, infrastructure, plant & equipment	3,712,148	4,053,125	4,252,099	4,409,579	4,767,149
Intangible assets	2,680	21,244	12,623	28,899	20,136
Total non-current assets	3,716,357	4,075,660	4,266,401	4,440,251	4,789,153
Total assets	4,045,433	4,419,614	4,646,627	4,846,677	5,219,658
4.13.1					
Liabilities					
Current liabilities					
Trade and other payables	26,406	24,360	28,761	30,199	31,334
Trust funds and deposits	14,568	13,439	15,867	16,661	17,288
Provisions	22,631	23,773	25,084	26,601	28,186
Total current liabilities	63,605	61,572	69,712	73,461	76,808
Non-current liabilities					
Interest-bearing liabilities	55,000	85,000	101,000	101,000	101,000
Provisions	37,237	38,701	39,652	40,852	41,920
Total non-current liabilities	92,237	123,701	140,652	141,852	142,920
Total liabilities	155,842	185,273	210,364	215,314	219,728
4.13.2					
Net assets	3,889,591	4,234,341	4,436,263	4,631,363	4,999,930
Equity					
Accumulated surplus	2,007,482	2,161,350	2,322,139	2,491,129	2,646,854
Reserves	1,882,109	2,072,991	2,114,124	2,140,234	2,353,076
Total equity	3,889,591	4,234,341	4,436,263	4,631,363	4,999,930

3.3 Statement of Changes in Equity For the 4 years ending 30 June 2022

NOTES	Total \$'000	Accumm Surplus \$'000	Reval'n Reserve \$'000	Other Reserves \$'000
2017/18 Forecast Actual				
Balance at beginning of the financial year	3,685,443	1,859,159	1,690,037	136,247
Surplus/(deficit) for the year	192,619	192,619	-	-
Net asset revaluation increment (decrement)	11,528	-	11,528	-
Transfer to other reserves	-	(57,316)	-	57,316
Transfer from other reserves	-	13,019	-	(13,019)
Balance at end of the financial year	3,889,591	2,007,482	1,701,565	180,544
2018/19 Budget				
Balance at beginning of the financial year	3,889,591	2,007,482	1,701,565	180,544
Surplus/(deficit) for the year	189,150	189,150	-	-
Net asset revaluation increment (decrement)	155,600	-	155,600	-
Transfer to other reserves	-	(49,932)	-	49,932
Transfer from other reserves	-	14,650	-	(14,650)
Balance at end of the financial year 4.14	4,234,341	2,161,350	1,857,165	215,826
2019/20				
Balance at beginning of the financial year	4,234,341	2,161,350	1,857,165	215,826
Surplus/(deficit) for the year	186,714	186,714	-	-
Net asset revaluation increment (decrement)	15,208	-	15,208	-
Transfer to other reserves	-	(50,240)	-	50,240
Transfer from other reserves	-	24,315	-	(24,315)
Balance at end of the financial year	4,436,263	2,322,139	1,872,373	241,751
2020/21				
Balance at beginning of the financial year	4,436,263	2,322,139	1,872,373	241,751
Surplus/(deficit) for the year	195,100	195,100	-	-
Net asset revaluation increment (decrement)	-	-	-	-
Transfer to other reserves	-	(49,417)	-	49,417
Transfer from reserve	-	23,307	-	(23,307)
Balance at end of the financial year	4,631,363	2,491,129	1,872,373	267,861
2021/22				
Balance at beginning of the financial year	4,631,363	2,491,129	1,872,373	267,861
Surplus/(deficit) for the year	169,343	169,343	-	-
Net asset revaluation increment (decrement)	199,223	-	199,223	-
Transfer to other reserves	-	(47,816)	-	47,816
Transfer from reserve	-	34,198	-	(34,198)
Balance at end of the financial year	4,999,930	2,646,854	2,071,597	281,479

3.4 Statement of Cash Flows

For the 4 years ending 30 June 2022

NOTES	Forecast	Budget	Strategic Resource Plan		
	2017/18	2018/19	Projections		
	\$'000	\$'000	2019/20	2020/21	2021/22
	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)	Inflows (Outflows)
Cash flows from operating activities					
Rates and charges	186,586	199,243	212,397	225,722	239,459
Statutory fees & fines	18,736	18,786	18,402	20,240	21,475
User fees	86,390	72,542	91,284	99,247	104,197
Grants - operating	46,184	38,805	52,674	55,941	56,206
Grants - capital	11,353	8,600	3,605	3,632	3,660
Contributions - monetary	53,995	44,695	43,777	42,078	39,579
Interest received	5,885	6,151	6,893	7,927	8,807
Trust funds & deposits taken	60,843	62,060	63,301	64,567	65,858
Net GST refund/payment	10,225	14,036	12,985	13,178	13,316
Employee costs	(128,916)	(137,789)	(146,339)	(156,219)	(166,735)
Materials & services	(135,450)	(138,359)	(145,174)	(162,370)	(160,316)
Trust funds & deposits repaid	(58,337)	(61,253)	(58,898)	(61,759)	(63,177)
Net cash provided by/(used in) operating activities					
4.15.1	157,494	127,517	154,908	152,183	162,329
Cash flows from investing activities					
Payments for property, infrastructure, plant and equipment	(122,479)	(145,926)	(138,469)	(138,616)	(137,297)
Proceeds from sale of property, infrastructure, plant and equipment	1,378	8,155	1,550	14,637	1,068
Payment for investments	(32,044)	(15,654)	(28,334)	(22,283)	(20,309)
Net cash provided by/(used in) investing activities					
4.15.2	(153,146)	(153,425)	(165,253)	(146,262)	(156,539)
Cash flows from financing activities					
Finance costs	(2,215)	(3,051)	(3,769)	(4,438)	(4,438)
Proceeds from borrowings	-	30,000	16,000	-	-
Net cash provided by/(used in) financing activities					
4.15.3	(2,215)	26,949	12,231	(4,438)	(4,438)
Net increase/(decrease) in cash & cash equivalents	2,132	1,042	1,885	1,483	1,352
Cash & cash equivalents at the beginning of financial year	15,674	17,806	18,848	20,734	22,217
Cash & cash equivalents at the end of the financial year					
	17,806	18,848	20,734	22,217	23,568

3.5 Statement of Capital Works For the 4 years ending 30 June 2022

NOTES	Forecast 2017/18 \$'000	Budget 2018/19 \$'000	Strategic Resource Plan Projections		
			2019/20 \$'000	2020/21 \$'000	2021/22 \$'000
Property					
Land	11,327	16,010	38,521	34,717	35,000
Land improvements	3,622	7,566	7,500	7,800	7,500
Total land	14,950	23,576	46,021	42,517	42,500
Buildings	16,295	20,781	16,897	19,685	27,804
Building improvements	6,484	3,967	2,251	336	0
Total buildings	22,778	24,749	19,148	20,021	27,804
Total property	37,728	48,325	65,170	62,538	70,304
Plant & equipment					
Heritage plant & equipment	130	589	250	250	250
Plant, machinery and equipment	8,122	7,278	4,949	4,501	3,503
Fixtures, fittings and furniture	4,378	12,500	0	0	0
Computers and telecommunications	6,024	6,900	6,000	500	0
Library books	997	994	947	946	1,203
Total plant and equipment	19,650	28,261	12,146	6,197	4,956
Infrastructure					
Roads	38,954	37,117	37,143	25,062	18,769
Bridges	445	0	0	0	0
Footpaths and cycleways	664	1,170	1,020	1,120	1,420
Drainage	683	85	0	0	0
Recreational, leisure and community facilities	8,326	14,838	8,300	20,581	18,413
Waste management	500	875	800	0	0
Parks, open space and streetscapes	10,932	11,554	9,468	12,744	16,085
Off street car parks	964	0	0	0	0
Other infrastructure	3,634	3,701	4,423	10,373	7,350
Total infrastructure	65,102	69,340	61,154	69,880	62,037
Total capital works expenditure	6.1 122,479	145,926	138,469	138,615	137,297
Expenditure types represented by:					
New asset expenditure	53,340	89,230	96,677	104,361	115,404
Asset renewal expenditure	30,850	43,800	33,352	32,784	21,144
Asset expansion expenditure	5,855	264	1,430	0	0
Asset upgrade expenditure	32,435	12,632	7,010	1,470	750
Total capital works expenditure	6.1 122,479	145,926	138,469	138,615	137,297
Funding Sources represented by:					
Grants	17,398	14,561	5,900	5,900	5,900
Reserves/Contributions	13,019	14,650	24,315	23,307	34,198
Council cash	92,061	86,716	92,254	109,408	97,199
Borrowings	0	30,000	16,000	0	0
Total capital works expenditure	6.1 122,479	145,926	138,469	138,615	137,297

3.6 Statement of Human Resources For the 4 years ending 30 June 2022

	Forecast 2017/18 \$'000	Budget 2018/19 \$'000	Strategic Resource Plan Projections		
			2019/20 \$'000	2020/21 \$'000	2021/22 \$'000
Staff expenditure					
Total employee costs	134,757	142,208	151,050	161,274	171,955
Employee costs - capital	(3,124)	(2,932)	(3,006)	(3,081)	(3,158)
Total operating staff expenditure	131,633	139,275	148,044	158,193	168,797
	FTE	FTE	FTE	FTE	FTE
Staff numbers					
Total number of employees	1,340.56	1,364.57	1,390.57	1,415.57	1,439.57
Number of employees - capital	(24.85)	(24.65)	(25.14)	(25.65)	(26.16)
Total operating staff numbers	1,315.71	1,339.92	1,365.43	1,389.92	1,413.41

A summary of human resources expenditure categorised according to the organisational structure of Wyndham City is included below:

Directorate/Business unit	Budget 2018/19 \$'000	Comprises			
		Permanent Full Time \$'000	Part Time \$'000	Casual \$'000	Temporary \$'000
CEO's Office	11,763	10,354	570	50	788
City Economy, Innovation & Liveability	8,648	7,826	200	79	544
City Life	47,676	20,720	22,726	2,023	2,206
City Operations	39,517	35,540	3,131	231	615
Western Leisure Services - 100% subsidiary	6,518	2,476	475	3,496	70
Total staff expenditure	114,122	76,916	27,103	5,879	4,224
Other staff expenditure	28,086				
Capitalise labour costs	(2,932)				
Total Wyndham City & WLS expenditure	139,275				

Other staff expenditure is mostly made up of employer superannuation contribution, temporary agency staff, workcover premium, overtime, long service leave, allowances, training & development and fringe benefits tax expense.

A summary of the number of full time equivalent (FTE) Council and Western Leisure Services staff in relation to the above expenditure is included below:

Directorate/Business unit	Budget 2018/19 FTE	Comprises			
		Permanent Full Time	Part Time	Casual	Temporary
CEO's Office	112.60	97.00	6.41	0.66	8.53
City Economy, Innovation & Liveability	81.55	73.00	2.83	1.03	4.69
City Life	579.38	218.50	308.70	24.27	27.91
City Operations	477.04	426.75	39.40	2.92	7.97
Western Leisure Services - 100% subsidiary	114.00	29.00	9.00	74.00	2.00
Total staff numbers	1,364.57	844.25	366.34	102.88	51.10
Capitalised FTEs	(24.65)				
Total Wyndham City & WLS FTE	1,339.92				

(Note: +1/-1 variances in these statements will be due to rounding of source data).

4. Notes to the Financial Statements

This section presents detailed information on material components of the financial statements.

4.1 Comprehensive Income Statement

4.1.1 Rates and Charges

Rates and charges are required by the Act and the Regulations to be disclosed in the Council's annual budget.

In developing the Strategic Resource Plan, rates and charges were identified as an important source of revenue. Planning for future rate increases has therefore been an important component of the Strategic Resource Planning process. The Fair Go Rates System (FGRS) sets out the maximum amount councils may increase rates in a year. For 2018/19 the FGRS cap has been set at 2.25%. The cap applies to both general rates and municipal charges and is calculated on the basis of council's average rates and charges.

The level of required rates and charges has been considered in this context, with reference to Council's other sources of income and the planned expenditure on services and works to be undertaken for the community.

To achieve these objectives while maintaining service levels and a strong capital expenditure program, the average general rate and the municipal charge will increase by 2.25% in line with the rate cap. This will raise total rates and charges for 2018/19 to \$200.16 million.

The reconciliation of the total rates and charges to the Comprehensive Income Statement is as follows:

	Forecast Actual 2017/18 \$	Budget 2018/19 \$	Change \$	%
General rates*	155,192,746	167,786,087	12,593,341	8.1%
Municipal charge*	5,197,808	5,672,015	474,207	9.1%
Waste management charge	20,056,490	21,861,530	1,805,040	9.0%
Supplementary rates & rate adjustments	4,846,513	2,897,157	(1,949,356)	-40.2%
Supplementary charges	909,954	808,806	(101,148)	-11.1%
Interest on rates and charges	1,208,093	900,000	(308,093)	-25.5%
Revenue in lieu of rates	224,734	229,790	5,056	2.2%
Total rates and charges	187,636,338	200,155,385	12,519,047	6.7%

* These items are subject to the rate cap established under the FGRS.

4.1.2 The rate in the dollar to be levied as general rates under Section 158 of the Act for each type or class of land compared with the previous financial year

Type or class of land	Budget 2017/18 cents/\$CIV*	Budget 2018/19 cents/\$CIV*	Change
Recreational	0.1649	0.1269	-23.0%
Government	0.1649	0.1269	-23.0%
Developed Land	0.3298	0.2538	-23.0%
Commercial Developed Land	0.4947	0.3554	-28.2%
Industrial Developed Land	0.5277	0.4062	-23.0%
Residential Development Land	0.5607	0.4316	-23.0%
Residential Vacant Land	0.5277	0.4062	-23.0%
Commercial Vacant Land	0.5607	0.4316	-23.0%
Industrial Vacant Land	0.5937	0.4570	-23.0%
Farm Land	0.2639	0.2031	-23.0%
Rural Lifestyle	0.2968	0.2284	-23.0%
Rural Vacant Land	0.3298	0.2538	-23.0%

The 2018/19 Rating Strategy indicates a change to the Commercial Developed Land differential from 1.5 to 1.4, as recommended by the Rating Strategy Advisory Group. This is reflected in the 2018/19 cents/\$CIV above where there is a greater reduction in this class of land when compared to 2017/18.

4.1.3 The estimated total amount to be raised by general rates in relation to each type or class of land, and the estimated total amount to be raised by general rates, compared with the previous financial year

Type or class of land	Budget 2017/18 \$	Budget 2018/19 \$	Change \$	%
Recreational	38,870	44,377	5,507	14.2%
Government	4,181	4,124	-57	-1.4%
Developed Land	105,142,641	114,917,747	9,775,106	9.3%
Commercial Developed Land	11,811,303	11,375,295	(436,008)	-3.7%
Industrial Developed Land	18,668,691	16,870,571	-1,798,120	-9.6%
Residential Development Land	4,306,280	6,670,896	2,364,616	54.9%
Residential Vacant Land	9,192,226	11,829,410	2,637,184	28.7%
Commercial Vacant Land	348,950	329,963	(18,987)	-5.4%
Industrial Vacant Land	1,981,562	2,079,387	97,825	4.9%
Farm Land	1,880,735	1,697,439	(183,296)	-9.7%
Rural Lifestyle	1,731,167	1,893,379	162,212	9.4%
Rural Vacant Land	66,378	73,500	7,122	10.7%
Total amount to be raised by	155,172,984	167,786,087	12,613,103	8.1%

Note that the increase in rates revenue budgeted to be collected in 2018/19 is higher than 2.25% because it also includes rates raised on new properties which had first come into rating at some point in 2017/18. These properties are then fully rated in 2018/19.

4.1.4 The number of assessments in relation to each type or class of land, and the total number of assessments, compared with the previous financial year

Type or class of land	Budget 2017/18 Number	Budget 2018/19 Number	Change \$	%
Recreational	6	6	0	0.0%
Government	5	5	0	0.0%
Developed Land	76,499	80,656	4,157	5.4%
Commercial Developed Land	2,049	2,146	97	4.7%
Industrial Developed Land	2,461	2,541	80	3.3%
Residential Development Land	69	71	2	2.9%
Residential Vacant Land	7,064	8,707	1,643	23.3%
Commercial Vacant Land	47	46	(1)	-2.1%
Industrial Vacant Land	281	333	52	18.5%
Farm Land	397	399	2	0.5%
Rural Lifestyle	466	463	(3)	-0.6%
Rural Vacant Land	28	29	1	3.6%
Total number of assessments	89,372	95,402	6,030	6.7%

4.1.5 The basis of valuation to be used is the Capital Improved Value (CIV).

4.1.6 The estimated total value of each type or class of land, and the estimated total value of land, compared with the previous financial year

Type or class of land	Budget 2017/18 \$	Budget 2018/19 \$	Change \$	%
Recreational	23,570,000	34,970,000	11,400,000	48.4%
Government	2,535,000	3,250,000	715,000	28.2%
Developed Land	31,878,098,800	45,278,860,000	13,400,761,200	42.0%
Commercial Developed Land	2,387,372,003	3,200,702,052	813,330,049	34.1%
Industrial Developed Land	3,537,589,300	4,153,267,000	615,677,700	17.4%
Residential Development Land	768,010,000	1,545,620,000	777,610,000	101.2%
Residential Vacant Land	1,741,864,000	2,912,213,300	1,170,349,300	67.2%
Commercial Vacant Land	62,234,000	76,451,000	14,217,000	22.8%
Industrial Vacant Land	333,771,001	455,008,001	121,237,000	36.3%
Farm Land	712,773,000	835,765,000	122,992,000	17.3%
Rural Lifestyle	583,190,000	828,975,000	245,785,000	42.1%
Rural Vacant Land	20,125,000	28,960,000	8,835,000	43.9%
Total	42,051,132,104	59,354,041,353	17,302,909,249	41.1%

As 2018/19 is a property revaluation year, the change from 2017/18 would reflect the change in the valuations of the properties, the increase in the number of properties, as well as movement of properties between the different land categories.

4.1.7 The municipal charge under Section 159 of the Act compared with the previous financial year

Type of Charge	Budget Per Rateable Property \$ 2017/18	Budget Per Rateable Property \$ 2018/19	Change \$	%
Municipal	58.18	59.49	1.31	2.3%

4.1.8 The estimated total amount to be raised by municipal charges compared with the previous financial year. Note the % increase is reflective of both a change in the charge rate and the number of properties to which it is applied.

Type of Charge	Budget 2017/18 \$	Budget 2018/19 \$	Change \$	%
Municipal	5,199,663	5,672,015	472,352	9.1%

4.1.9 The rate or unit amount to be levied for each type of service rate or charge under Section 162 of the Act compared with the previous financial year

Type of Charge	Budget Per Rateable Property \$ 2017/18	Budget Per Rateable Property \$ 2018/19	Change \$	%
Waste Management Charge *	260.00	270.00	10.00	3.8%

* The increase in EPA levy in 2018/19 from \$63.27 to \$64.70 per tonne has contributed to the cost of the Waste Management Charge.

4.1.10 The estimated total amount to be raised by the Waste Management Charge compared with the previous financial year. Note the % increase is reflective of both the change in the charge rate and the number of properties to which it is applied.

Type of Charge	Budget 2017/18 \$	Budget 2018/19 \$	Change \$	%
Waste Management Charge	20,056,490	21,861,530	1,805,040	9.0%

4.1.11 The estimated amounts to be raised for each type of charge to be levied compared to the previous year

Type of Charge	Budget 2017/18 \$	Budget 2018/19 \$	Change \$	%
James Street special rate *	39,449	39,449	0	0.0%

* denotes special charge and rate schemes which will be levied in 2018/19 but for which the revenue recognition has occurred in previous financial years.

4.1.12 The estimated total amount to be raised by rates and charges compared with the previous financial year:

	Budget 2017/18 \$	Budget 2018/19 \$	Change \$	%
Rates and charges	180,429,136	195,319,632	14,890,496	8.3%
Supplementary rates and charges	3,681,115	4,304,869	623,754	16.9%
Payments in lieu of rates	188,836	229,790	40,954	21.7%
Total	184,299,087	199,854,291	15,555,204	8.4%

4.1.13 Fair Go Rates System Compliance

Wyndham City Council is fully compliant with the State Government's Fair Go Rates System.

	Forecast 2017/18	Budget 2018/19
Total Annualised General Rates & Municipal Charge	169,663,470	
Number of rateable properties as @ 30 June 2018	95,402	
Base Average Rate	1,778.41	
Maximum Rate Increase (set by the State Government)		2.25%
Capped Average Rate		1,818.42
Maximum General Rates & Municipal Charge Revenue		173,480,898
Budgeted General Rates & Municipal Charge Revenue		173,458,102

For 2018/19 the Rates Cap has been set at 2.25%. Post budget adoption, Council will be required to report back to the Essential Services Commission to confirm that it has been compliant with the cap.

4.1.14 There are no known significant changes, which may affect the estimated amounts to be raised by rates and charges. However, the total amount to be raised by rates and charges may be affected by:

- the making of supplementary valuations
- the variation of returned levels of value (e.g. valuation appeals/objections)
- changes of use of land such that rateable land becomes non-rateable land and vice versa
- changes of use of land such that residential land becomes business land and vice versa.

4.1.15 Differential rates - see Appendix C

4.2 Rate Rebates

Sanctuary Lakes public works and service rebate

The Owners Corporation that has been established for the Sanctuary Lakes Estate undertake a range of public works and services on behalf of residents of that development.

The nature of the works undertaken alleviate the need for Council to provide some of its standard services to this community. Council has therefore agreed to pay an annual rate rebate equalling the amount that Council would have normally spent in providing public works and services.

The amount of the rate rebate for 2018/19 is \$205.90 per rateable property within Sanctuary Lakes.

The rebate provided is consistent with the costs that Council would otherwise incur and is cost neutral from the viewpoint of Council and other ratepayers.

4.3 Mayoral and Councillor Allowances

In accordance with the requirements of Sections 73B and 74 of the Local Government Act 1989, the Mayoral and Councillor allowances be set at the following levels until the Minister for Local Government conducts the annual review of the limits and ranges of Councillor and Mayoral allowances (an increase to the allowance is usually effective as of 1 December each year) to determine if an adjustment factor should be applied:

- the Mayoral allowance be set at \$96,534 per annum
- the Councillor allowance be set at \$30,223 per annum
- an amount equivalent to the superannuation guarantee contribution of 9.5%.

4.4 Statutory fees & fines

	Forecast Actual 2017/18 \$'000	Budget 2018/19 \$'000	Change \$'000	%
Infringements & costs	4,648	3,754	(894)	-19.2%
Court recoveries	933	550	(383)	-41.0%
Town planning fees	9,199	9,690	492	5.3%
Land information certificates	290	266	(24)	-8.2%
Permits	1,938	2,184	246	12.7%
Total Statutory fees & fines	17,007	16,445	(563)	-3.3%

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include town planning applications, animal registrations, Public Health and Wellbeing Act 2008 registrations and parking fines. Increases in statutory fees are made in accordance with legislative requirements.

A detailed listing of statutory fees is available on Council's web site and can also be inspected at Council's customer service centres.

4.5 User fees

	Forecast Actual 2017/18 \$'000	Budget 2018/19 \$'000	Change \$'000	%
Aged & health services	875	986	110	12.6%
Leisure centre & recreation	13,097	13,748	651	5.0%
Child care/children's programs	2,878	3,158	281	9.7%
Registration & other permits	2,071	2,106	34	1.7%
Building services	1,120	1,762	642	57.4%
Waste management services	49,123	36,055	(13,068)	-26.6%
Cost recoveries	5,101	2,028	(3,073)	-60.2%
Other fees and charges	4,153	3,658	(495)	-11.9%
Total User fees	78,419	63,501	(14,917)	-19.0%

The main area of user fee decline in the 2018/19 financial year is found in the waste management area. The current tipping cell at the Refuse Disposal Facility is expected to fill up very shortly. In the meantime, Council is in the process of applying for EPA approval to construct a new cell. There are various delays being faced in obtaining this approval, resulting in some operational uncertainties. Council is working through the different options available to manage the situation. Regardless of what option is ultimately taken, the expectation is that there will be a decline in revenue and associated costs to running the RDF in 2018/19.

4.6 Grants

Grants are required by the Act and the Regulations to be disclosed in Council's annual budget.

	Forecast 2017/18 \$'000	Budget 2018/19 \$'000	Change \$'000	%
Grants were received in respect of the following:				
Summary of grants				
Commonwealth funded grants	25,907	14,902	(11,005)	-42.5%
State funded grants	28,118	29,610	1,492	5.3%
Total grants received	54,025	44,512	(9,514)	-17.6%
(a) Operating Grants				
Recurrent - Commonwealth Government				
Aged Care	4,090	4,111	20	0.5%
Family Support	48	0	(48)	-100.0%
Financial Assistance Grants	16,708	8,984	(7,723)	-46.2%
Recurrent - State Government				
Aged Care	2,621	2,349	(272)	-10.4%
Community Health & Wellbeing	414	416	2	0.4%
Family Support	420	418	(2)	-0.5%
Kindergarten	11,535	12,338	803	7.0%
Libraries	1,352	1,400	48	3.5%
Maternal & Child Health	3,466	3,765	299	8.6%
Preschool Field Officers	195	199	4	2.0%
School Crossing Supervisors	505	547	42	8.4%
Youth Services	200	102	(97)	-48.7%
Total Recurrent Operating Grants	41,554	34,629	(6,925)	-16.7%
Non-recurrent - State Government				
Aged Care	3	3	0	0.0%
Arts & Culture	65	75	10	15.4%
Community Health & Wellbeing	299	122	(177)	-59.2%
Environment	231	36	(195)	-84.6%
Maternal & Child Health	130	0	(130)	-100.0%
Youth Services	46	40	(6)	-13.0%
Smart City	160	135	(25)	-15.7%
Total Non-Recurrent Operating Grants	934	410	(523)	-56.0%
Total operating grants	42,488	35,040	(7,448)	-17.5%
(b) Capital grants				
Recurrent - Commonwealth Government				
Roads to Recovery	1,811	1,807	(4)	-0.2%
Total Recurrent Capital Grants	1,811	1,807	(4)	-0.2%
Non-recurrent - State Government				
Building	4,300	3,985	(315)	-7.3%
Roads	44	0	(44)	-100.0%
Other Structures	2,132	3,680	1,548	72.6%
Non-recurrent - Commonwealth Government				
Other Structures	3,250	0	(3,250)	-100.0%
Total Non-Recurrent Capital Grants	9,726	7,665	(2,061)	-21.2%
Total Capital Grants	11,537	9,472	(2,065)	-17.9%

Operating grants include all monies received from State and Federal sources for the purposes of funding the delivery of Council's services to ratepayers. Overall, the level of operating grants has decreased by 17.5% or \$7.45 million compared to 2017/18. This is mostly due to the fact that almost half of 2018/19 Financial Assistance Grants will now be received in June 2018 in the current financial year, resulting in a reduction in the budget year. The variance is therefore merely a timing difference.

Increase in specific operating grant funding reflect expected increased demand for these services. This can be seen in services such as kindergarten, libraries, maternal and child health, and school crossing supervisors which would be impacted by the high population growth in the Wyndham municipality.

Capital grants include all monies received from State, Federal and community sources for the purposes of funding the capital works program. Overall, the level of capital grants has decreased by 17.9% or \$2.07 million compared to 2017/18. Advice was received from the State Government in the latter part of 2017/18 that a number of Growing Suburbs grants were going to be paid early in June 2018. This timing difference has therefore been reflected in the Budget. In its budgetary practices, Council adopts a conservative approach to the budgeting of one-off capital grants. Only those grants that are confirmed and certain are included in the budget. Council's policy recognises that any project that warrants inclusion in the Capital budget be justified on its own merits, rather than being contingent on the receipt of capital grants.

Section 6 includes a list of the 2018/19 capital works program and identifies those projects which are anticipated to receive grant funding.

4.7 Contributions

	Forecast Actual 2017/18 \$'000	Budget 2018/19 \$'000	Change \$'000	%
Monetary	54,245	44,922	(9,323)	-17.2%
Non-monetary	116,130	136,271	20,141	17.3%
Total Contributions	170,375	181,193	10,818	6.3%

Monetary contributions predominantly relate to monies paid by developers in regard to road infrastructure, drainage, community facilities and recreation. These amounts are paid in accordance with planning permits issued for property and subdivision development.

Non-monetary contributions relate to the transfer of subdivision assets such as roads, footpaths and reserves from developers to Council. Upon transfer of these assets, Council assumes ownership and becomes responsible for their maintenance and eventual reconstruction. The transfer of these assets to Council does not represent a cash inflow to Council.

Overall, the expectation is that Wyndham will continue to have a strong year of growth and development in 2018/19 with significant growth fronts opening up in the West and North of Wyndham (Tarneit, Truganina and Wyndham Vale).

4.8 Other Income

	Forecast Actual 2017/18 \$'000	Budget 2018/19 \$'000	Change \$'000	%
Interest	7,256	6,956	(300)	-4.1%
Rental income	1,037	1,044	7	0.7%
Total Other Income	8,293	8,000	(293)	-3.5%

This category relates to interest revenue earned on Council's investments, where interest rates are expected to hold for the short to medium term. Rental income from Council-owned properties are also included here.

4.9 Employee Costs

	Forecast Actual 2017/18 \$'000	Budget 2018/19 \$'000	Change \$'000	%
Wages and salaries	103,629	113,978	10,349	10.0%
WorkCover	2,070	2,312	242	11.7%
Superannuation	9,943	10,971	1,028	10.3%
Fringe benefits tax	541	571	30	5.5%
Other	15,450	11,444	(4,007)	-25.9%
Total Employee Costs	131,633	139,275	7,642	5.8%

Salary expenses rise year on year due to Council's Enterprise Bargaining Agreement providing for an annual increase each year, as well as increases due to staff moving through the banding increments.

Additionally, the budget would provide for permanent staff to undertake employment, whereas in reality, sometimes temporary agency staff are engaged to fill a role which is vacant, or has become temporarily vacant, to cover that short term need for resources. This would explain most of the difference between the Salaries and Other category between the Forecast and Budget year.

4.10 Materials and Services

	Forecast Actual 2017/18 \$'000	Budget 2018/19 \$'000	Change \$'000	%
Contract payments	72,650	68,923	(3,727)	-5.1%
Building maintenance	2,458	2,860	402	16.4%
General maintenance	6,006	6,621	615	10.2%
Utilities	6,291	6,210	(81)	-1.3%
Office administration	569	612	43	7.5%
Information technology	5,849	9,660	3,811	65.2%
Insurance	1,307	1,075	(232)	-17.8%
Consultants	6,920	5,221	(1,699)	-24.5%
Total Materials and Services	102,049	101,181	(868)	-0.9%

In 2018/19 expenditure on materials and services is budgeted to be slightly lower than the current financial year. As mentioned above, this is in part due to a reduction in normal operations at the Refuse Disposal Facility, resulting in lower anticipated revenue and expenditure for the year.

Also in 2018/19 Council is expected to make a significant investment in software licencing for a new and improved enterprise resource planning solution. The aim is to increase efficiency and productivity in the way we work and deliver outcomes for the community.

4.11 Depreciation and Amortisation

	Forecast Actual 2017/18 \$'000	Budget 2018/19 \$'000	Change \$'000	%
Property	11,175	12,556	1,381	12.4%
Plant and equipment	4,706	5,287	581	12.4%
Infrastructure	52,740	59,257	6,516	12.4%
Intangible assets	6,192	4,178	(2,014)	-32.5%
Total Depreciation and Amortisation	74,813	81,278	6,465	8.6%

Depreciation is an accounting measure which attempts to allocate the value of an asset over its useful life for Council's property, plant and equipment including infrastructure assets such as roads and drains. Some of this increase will be due to the full year effect of depreciation on the 2017/18 capital works program. The amortisation of intangible assets mostly relates to the consumption of cell space of the tip at the RDF. As RDF operations are expected to be reduced in 2018/19 due to the delays faced with the EPA approval for construction of the new cell, the level of amortisation is therefore lower when compared to 2017/18.

4.12 Other Expenses

	Forecast Actual 2017/18 \$'000	Budget 2018/19 \$'000	Change \$'000	%
Auditors' remuneration - VAGO - audit of the financial and performance statements etc	92	87	(5)	-5.4%
Auditors' remuneration - internal	264	215	(49)	-18.6%
Councillors allowances	446	462	16	3.5%
Operating lease rentals	448	461	13	2.9%
Grants & contributions	1,733	1,898	165	9.5%
Other	8,000	-	(8,000)	-100.0%
Total Other Expenses	10,983	3,123	(7,860)	-71.6%

In the forecast results of the current financial year, a possible \$8 million expense item has been included in this category to recognise the effect of the write off of the written down value of roads that need total reconstruction. This prescribed treatment is a change from the previous accounting method where such adjustments were made in the asset revaluation account of the balance sheet.

4.13 Balance Sheet

4.13.1 Assets

Cash and cash equivalents include cash and investments such as cash held in the bank and the value of investments in deposits or other highly liquid investments with short term maturities of less than 90 days. Other financial assets include term deposits with an original maturity of greater than three months. These balances are projected to increase by \$16.70 million during the year.

Trade and other receivables are monies owed to Council by ratepayers and others. These are not expected to fluctuate significantly year to year.

Intangible assets mostly relate to the tipping space created as a result of new cell constructions completed at the Refuse Disposal Facility. Intangible assets reduce over time as the tipping space is consumed by the disposal of waste. New cells are also constructed over time. It is expected that a new cell can be constructed every 2 to 3 years.

Property, infrastructure, plant and equipment is the largest component of Council's worth and represents the value of all the land, buildings, roads, vehicles, equipment, etc, which has been built up by Council over many years. The increase in this balance is attributable to the net result of the capital works program (\$145.93 million of assets), depreciation of assets (-\$81.28 million), written down value of assets sold and disposed (-\$4.27 million), granted assets (\$136.27 million), and asset revaluations (\$155.60 million).

4.13.2 Liabilities

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to remain consistent with 2017/18 levels.

Provisions include accrued long service leave, annual leave and rostered days off owing to employees. These employee entitlements are expected to increase due to growth in staffing numbers in 2017/18 and 2018/19, in addition to the Enterprise Bargaining Agreement (EBA), which has the effect of inflating the value of outstanding entitlements.

The future cost of rehabilitating and restoring the RDF site once it has been fully utilised is also provided for in the non-current provisions category.

Interest bearing liabilities are borrowings of Council. At the end of 2017/18 it is forecast that Council will have \$55 million in borrowings, with up to a further \$30 million budgeted to be drawn in 2018/19. The borrowed funds will be used to fund part of the capital works program; progress of the capital program will further inform how much and when the borrowings will be taken up nearer the time.

It is anticipated that there will be requirements for further borrowings over the three years of the Strategic Resource Plan; up to \$16 million in 2019/20. This position will be reviewed each year to ascertain the requirement or consider whether other funding sources may be available to cover the need for cash to undertake capital works, such as drawing on any surplus funds Council has accrued over time.

4.13.3 Borrowings

The table below shows information on borrowings specifically required by the Regulations.

	2017/18 \$'000	2018/19 \$'000
Total amount borrowed as at 30 June of the prior year	55,000	55,000
Total amount to be borrowed	0	30,000
Total amount projected to be redeemed	0	0
Total borrowings as at 30 June	55,000	85,000

The use of loan borrowings allows Council to accelerate capital works and reduce the rate burden on today's ratepayers. This also means that future ratepayers will contribute to the repayments of the loan, including interest, through their rates.

Council's policy position is to use loan borrowing for new assets that provide intergenerational equity, where the asset life and benefit to the community is greater than one generation, including the acquisition of land.

In 2018/19 we have allowed capacity for Council to borrow up to \$30 million to complete the capital works program. Any decision to borrow will be tested against the cashflow requirements of the capital program through the course of the year.

4.14 Statement of Changes in Equity

4.14.1 Reserves & Equity

Total equity always equals net assets and is made up of the following components:

- Asset revaluation reserve which represents the difference between the previously recorded value of assets and their current valuations
- Other reserves that are funds that Council wishes to separately identify as being set aside to meet a specific purpose in the future and to which there is no existing liability. These amounts are transferred from the Accumulated Surplus of the Council to be separately disclosed
- Accumulated surplus which is the value of all net assets less Reserves that have accumulated over time.

Council's main reserves relates to the cash contributions collected from developers. These funds are held for specific developments within Wyndham and will go towards the construction of infrastructure in those growth areas.

4.15 Statement of Cash Flows

4.15.1 Net cash flows provided by/(used in) operating activities

Cash from operating activities focuses on the cash inflows and outflows from Council's main business activities of providing services, raising revenue and meeting expenses. The net cash flows from operating activities does not equal the surplus for the year as the expected revenues and expenses of the Council include non-cash items which are excluded from the Cash Flow Statement.

4.15.2 Net cash flows provided by/(used in) investing activities

Cash flow from investing provides an account of cash used in the purchase of assets that will deliver value in the future. This section provides information on Council's capital works investment, cash investments and proceeds from the sale of assets.

4.15.3 Net cash flows provided by/(used in) financing activities

This section of the cash flow statement indicates the interest expense Council expects to incur during each year. It also discloses what borrowings are planned. In 2018/19 the budget assumes that \$30 million will be financed to complete that year's capital works program.

5. Financial Performance Indicators

The following table highlights Council's current and projected performance across a range of key financial performance indicators. These indicators provide a useful analysis of Council's financial position and performance and should be interpreted in the context of the organisation's objectives.

Indicator	Measure	Notes	Actual 2016/17	Forecast 2017/18	Budget 2018/19	Strategic Resource Plan Projections			Trend +/o/-
Operating position									
Adjusted underlying result	Adjusted underlying surplus (deficit) / Adjusted underlying revenue	1	7.80%	3.80%	0.16%	1.71%	5.26%	1.45%	+
Liquidity									
Working Capital	Current assets / current liabilities	2	490.13%	517.38%	558.62%	545.42%	553.25%	560.49%	o
Unrestricted cash	Unrestricted cash / current liabilities	3	150.47%	154.55%	131.30%	118.64%	108.32%	113.25%	-
Obligations									
Loans and borrowings	Interest bearing loans and borrowings / rate revenue	4	31.75%	29.31%	42.47%	47.34%	44.55%	42.00%	o
Loans and borrowings	Interest and principal repayments on interest bearing loans & borrowings / rate revenue		1.43%	1.18%	1.52%	1.77%	1.96%	1.85%	-
Indebtedness	Non-current liabilities / own source revenue		33.21%	31.66%	42.37%	42.98%	39.40%	38.83%	+
Asset renewal	Asset renewal expenditure / depreciation	5	26.72%	44.96%	56.81%	38.70%	36.40%	21.66%	-
Stability									
Rates concentration	Rate revenue / adjusted underlying revenue	6	53.35%	55.86%	60.83%	56.55%	54.86%	57.05%	+
Rates effort	Rate revenue / CIV of rateable properties in the municipality		0.41%	0.32%	0.32%	0.33%	0.33%	0.33%	o
Efficiency									
Expenditure level	Total expenditure / no. of property assessments		\$3,349.98	\$3,387.10	\$3,308.46	\$3,591.45	\$3,650.05	\$3,736.40	-
Revenue level	Residential rate revenue / No. of residential property assessments		\$1,617.02	\$1,670.07	\$1,730.28	\$1,765.98	\$1,799.01	\$1,834.07	+
Workforce turnover	No. of permanent staff resignations & terminations / average no. of permanent staff for the financial year		12.78%	9.00%	9.50%	10.00%	10.00%	10.00%	-

Key to Forecast Trend:

- + Forecasts improvement in Council's financial performance/financial position indicator
- o Forecasts that Council's financial performance/financial position indicator will be steady
- Forecasts deterioration in Council's financial performance/financial position indicator

Notes to indicators

1 Adjusted underlying result - An indicator of the sustainable operating result required to enable Council to continue to provide core services and meet its objectives. The year end surplus and total revenue is adjusted to remove non-recurrent capital grants, capital cash and non-cash contributions, which will then result in an indicator that better demonstrates Council's underlying operating position. Consistent financial performance is expected over the period.

2 Working Capital – The proportion of current liabilities represented by current assets. Working capital is forecast to remain stable in the 2018/19 year even after the spending of cash reserves to complete that year's capital program. The trend in later years is to remain steady at an acceptable level.

3 Unrestricted Cash – Although aggregate cash holdings are increasing, this is primarily due to the continuous inflow in significant developer contributions. The developer contribution funds are required to be held for specific projects and are therefore considered 'restricted' funds. This leaves a lower proportion of our cash holdings that are unrestricted.

4 Debt compared to rates - Trend reflects Council's intention to borrow further funds of up to \$30 million in 2018/19. This borrowing will be put towards progression of the capital works program.

5 Asset renewal - This percentage indicates the amount of spend by Council on renewal of assets against the depreciation charge (depreciation is an indication of the decline in the value of its existing capital assets). A percentage less than 100 suggests that assets are not being renewed at the same rate that they deteriorate. Wyndham is in a high growth phase and this requires capital funding to be prioritised towards new assets. The level of funding allocated to Asset renewal is reviewed as part of the planning and budgeting process and prioritised based on asset condition assessments. There will be peaks and troughs in the level of renewal works over time, and funds can be moved from new to renewal works if it became necessary.

6 Rates concentration - Reflects extent of reliance on rate revenues to fund all of Council's on-going services. Trend indicates a steady reliance on rate revenue compared to all other revenue sources during this 4 year period.

6. Capital Works Program

This section presents a listing of the capital works projects that will be undertaken for the 2018/19 year, classified by expenditure type and funding source.

6.1 Summary

	Forecast Actual 2017/18 \$'000	Budget 2018/19 \$'000	Change \$'000	%
Property	37,728	48,325	10,597	28.1%
Plant & Equipment	19,650	28,261	8,612	43.8%
Infrastructure	65,102	69,340	4,238	6.5%
Total	122,479	145,926	23,447	19.1%

* Forecast results is at 28 February 2018

Council undertakes quarterly reviews of the capital works program as part of overall project governance. These reviews may involve deferring projects that have not progressed as per plan and/or bringing projects forward from future years of the long term capital plan. Council may also consider those projects reliant on external funding sources should the funding become available through the course of the 2018/19 financial year. The capital works program expenditure and funding requirements will be managed through the forecast process and reported to Council on a quarterly basis.

Capital Works Area	Project Cost \$'000	Asset Expenditure Type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Reserves \$'000	Cash \$'000	Borrow's \$'000
PROPERTY	48,325	43,549	794	3,982	0	8,671	7,255	17,199	15,200
PLANT AND EQUIPMENT	28,261	9,808	18,453	0	0	0	0	15,761	12,500
INFRASTRUCTURE	69,340	35,873	24,553	8,650	264	5,890	7,395	53,755	2,300
TOTAL CAPITAL WORKS	145,926	89,230	43,800	12,632	264	14,561	14,650	86,716	30,000

Capital Works Program Plan
For the year ending 30 June 2019

Capital Works Area	Project Cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Reserves \$'000	cash \$'000	Borrowings \$'000
PROPERTY									
Land									
Strategic Land Acquisition	60	60	0	0	0	0	0	60	0
Discovery Centre Acquisition	7,700	7,700	0	0	0	0	0	0	7,700
Land - Hobbs Rd - For Active Open Space	750	750	0	0	0	0	750	0	0
Werribee Catalyst Site	7,500	7,500	0	0	0	0	0	0	7,500
Total Land	16,010	16,010	0	0	0	0	750	60	15,200
Land Improvements									
RDF Cell 6 Design & Construction	150	150	0	0	0	0	0	150	0
RDF Landscape Project	150	150	0	0	0	0	0	150	0
RDF Cell 5 Design & Construction	7,266	7,266	0	0	0	0	0	7,266	0
Total Land Improvements	7,566	7,566	0	0	0	0	0	7,566	0
Buildings									
Building Asset Renewal Plan	689	0	689	0	0	0	0	689	0
Building Extension to Quantin Binnah Community Centre	495	0	0	495	0	0	0	495	0
Cultural Centre External Storage Room #2	105	0	105	0	0	0	0	105	0
Galvin Park Tennis Pavilion & Car Park	1,800	1,800	0	0	0	0	0	1,800	0
Wyndham Aboriginal Community Centre & Integrated Family Centre	9,892	9,892	0	0	0	2,350	6,205	1,338	0
Mossfiel Reserve Sports Pavilion & Car Park	1,504	1,504	0	0	0	0	0	1,504	0
Riverdale Community Centre	225	225	0	0	0	0	225	0	0
Tarneit North Integrated Family Centre	405	405	0	0	0	100	0	305	0
Truganina Pavilion & Car Park	75	75	0	0	0	0	75	0	0
Truganina East Integrated Learning Centre	2,300	2,300	0	0	0	2,300	0	0	0
Truganina Integrated Family Centre	270	270	0	0	0	100	0	170	0
Upper Point Cook Pavilion & Car Park	100	100	0	0	0	0	0	100	0
Werribee Integrated Community Learning Hub	435	435	0	0	0	0	0	435	0
Williams Landing estate - Pavilion & Car Park	2,386	2,386	0	0	0	1,905	0	481	0
Plant Maintenance Workshop	100	100	0	0	0	0	0	100	0

Capital Works Area	Project Cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Reserves \$'000	cash \$'000	Borrowings \$'000
Total Buildings	20,781	19,492	794	495	0	6,755	6,505	7,522	0
Building Improvements									
Enhanced Neighbourhood Hubs Upgrade	3,487	0	0	3,487	0	1,436	0	2,051	0
Wyndham Solar City (Large Scale Solar)	480	480	0	0	0	480	0	0	0
Total Building Improvements	3,967	480	0	3,487	0	1,916	0	2,051	0
TOTAL PROPERTY	48,325	43,549	794	3,982	0	8,671	7,255	17,199	15,200
PLANT AND EQUIPMENT									
Heritage Plant and Equipment									
Public Art Funding	589	589	0	0	0	0	0	589	0
Total Heritage Plant and Equipment	589	589	0	0	0	0	0	589	0
Plant, Machinery and Equipment									
Balers	250	250	0	0	0	0	0	250	0
Fuel Tank & Trailer	15	15	0	0	0	0	0	15	0
Grader	380	380	0	0	0	0	0	380	0
Waste Baling and Presort - Design	200	200	0	0	0	0	0	200	0
Acquisition of Additional Fleet	300	300	0	0	0	0	0	300	0
Motor Vehicle and Plant Replacement Program	5,953	0	5,953	0	0	0	0	5,953	0
Wheel Wash	180	180	0	0	0	0	0	180	0
Total Plant, Machinery and Equipment	7,278	1,325	5,953	0	0	0	0	7,278	0
Fixtures, Fittings and Furniture									
Workplace Efficiency Project	12,500	0	12,500	0	0	0	0	0	12,500
Total Fixtures, Fittings and Furniture	12,500	0	12,500	0	0	0	0	0	12,500
Computers and Telecommunications									
IT Transformation Program - Enterprise Platform	5,000	5,000	0	0	0	0	0	5,000	0
Workplace Efficiency Project - Technology Pillar	1,900	1,900	0	0	0	0	0	1,900	0
Total Computers and Telecommunications	6,900	6,900	0	0	0	0	0	6,900	0
Library Books									
Library Resource Collection	994	994	0	0	0	0	0	994	0

Capital Works Area	Project Cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Reserves \$'000	cash \$'000	Borrowings \$'000
Total Library Books	994	994	0	0	0	0	0	994	0
TOTAL PLANT AND EQUIPMENT	28,261	9,808	18,453	0	0	0	0	15,761	12,500
INFRASTRUCTURE									
Roads									
Boundary Rd & Derrimut Rd Intersection Upgrade	100	100	0	0	0	0	100	0	0
Boundary Road Upgrade	1,000	0	0	1,000	0	0	0	1,000	0
Bulban Road	425	0	425	0	0	0	0	425	0
Forsyth Road Upgrade and Duplication	5,540	0	0	5,540	0	0	0	5,540	0
Hacketts Rd Upgrade - Aviation Rd to Tamworth Grove	1,000	0	0	1,000	0	0	0	1,000	0
Ison Road - Princes Highway to Melbourne-Geelong Rail Line	7,400	7,400	0	0	0	0	5,830	1,570	0
Road Upgrade Service Relocations	3,930	3,930	0	0	0	0	1,030	2,900	0
Princes Hwy Service Rd Jellicoe to Civic Centre	300	0	300	0	0	0	0	300	0
Road Reconstruction Forward Design Program	450	0	450	0	0	0	0	450	0
Road Reconstructions (Various)	9,042	0	9,042	0	0	2,690	0	6,352	0
Road Safety Improvements	150	0	150	0	0	0	0	150	0
Road Safety Improvements Package - OSAR	250	0	250	0	0	0	0	250	0
Road Surface Renewal Program	3,050	0	3,050	0	0	0	0	3,050	0
Signalisation of Dunnings Rd and Lennon Blvd, and Boardwalk Blvd and Miles Franklin Blvd	600	600	0	0	0	0	0	600	0
Tarneit Rd (Sayers Rd to Leakes Rd)	2,580	0	2,580	0	0	0	0	2,580	0
Widen Little River Roads	1,000	0	1,000	0	0	0	0	1,000	0
RDF Internal Road Upgrade	300	0	0	300	0	0	0	300	0
Total Roads	37,117	12,030	17,247	7,840	0	2,690	6,960	27,467	0

Capital Works Area	Project Cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Reserves \$'000	cash \$'000	Borrowings \$'000
Footpaths and Cycleways									
Bicycle Plan - Implementation	300	300	0	0	0	0	0	300	0
Footpath Construction Program	220	220	0	0	0	0	0	220	0
Shared Path in Reserves	650	650	0	0	0	0	0	650	0
Total Footpaths and Cycleways	1,170	1,170	0	0	0	0	0	1,170	0
Drainage									
Stormwater Pond & Drainage Construction	85	85	0	0	0	0	0	85	0
Total Drainage	85	85	0	0	0	0	0	85	0
Recreational, Leisure and Community									
Galvin Park Master Plan Implementation	1,770	1,770	0	0	0	0	0	1,770	0
Greening The Pipeline	250	250	0	0	0	0	0	250	0
Homestead (Brookedale Road) Active Open Space in Point Cook	75	75	0	0	0	0	0	75	0
Lawrie Emmins Moto X	1,600	1,600	0	0	0	0	0	1,600	0
Mossfiel Reserve Master Plan Implementation	7,243	7,243	0	0	0	0	0	4,943	2,300
Point Cook Skate Park Expansion Project	264	0	0	0	264	0	0	264	0
Sports Facility Capital Development Guide Retrofitting Project	2,150	0	2,150	0	0	0	0	2,150	0
Sports Facility Strategy - Implementation	600	600	0	0	0	0	0	600	0
Truganina Reserve Ovals & Landscape	335	335	0	0	0	0	335	0	0
Upper Point Cook Ovals & Landscape	351	351	0	0	0	0	0	351	0
Wyndham Youth Resource Centre Outdoor Area Redevelopment	200	0	200	0	0	0	0	200	0
Total Rec, Leisure and Community Facilities	14,838	12,224	2,350	0	264	0	335	12,203	2,300
Waste Management									
E- Waste Ban - Infrastructure	125	125	0	0	0	0	0	125	0
Leachate Management Infrastructure	750	750	0	0	0	0	0	750	0
Total Waste Management	875	875	0	0	0	0	0	875	0

Capital Works Area	Project Cost \$'000	Asset expenditure type				Summary of funding sources Council			
		New \$'000	Renewal \$'000	Upgrade \$'000	Expansion \$'000	Grants \$'000	Reserves \$'000	cash \$'000	Borrowings \$'000
Parks, Open Space and Streetscapes									
Chirnside Park Master Plan & Implementation	91	91	0	0	0	0	0	91	0
Jamieson Way Master Plan	150	150	0	0	0	0	0	150	0
Master Plan Manor Lakes Northern Hub	100	100	0	0	0	0	100	0	0
Playground / Park Upgrade	750	0	0	750	0	0	0	750	0
Presidents Park - Minor Landscape Works	670	0	670	0	0	0	0	670	0
Presidents Park Master Plan & Implementation	118	118	0	0	0	0	0	118	0
Quantin Binnah Community Centre drainage and playground	464	464	0	0	0	0	0	464	0
Wyndham Park Development	5,875	5,875	0	0	0	3,200	0	2,675	0
Wyndham Parks 2021	3,336	0	3,336	0	0	0	0	3,336	0
Total Parks, Open Space and Streetscapes	11,554	6,798	4,006	750	0	3,200	100	8,254	0
Other Infrastructure									
Portable Light Towers	50	50	0	0	0	0	0	50	0
Security Infrastructure Upgrade	60	0	0	60	0	0	0	60	0
Fire Water System Upgrade	100	100	0	0	0	0	0	100	0
Haul Road Lighting	80	80	0	0	0	0	0	80	0
Healthier Waterways GPTs	350	0	350	0	0	0	0	350	0
Healthier Waterways Wetland Rectification Program	600	0	600	0	0	0	0	600	0
Lighting The West Phase 3	1,961	1,961	0	0	0	0	0	1,961	0
Riverbank Promenade	500	500	0	0	0	0	0	500	0
Total Other Infrastructure	3,701	2,691	950	60	0	0	0	3,701	0
TOTAL INFRASTRUCTURE	69,340	35,873	24,553	8,650	264	5,890	7,395	53,755	2,300
TOTAL CAPITAL WORKS 2018/19	145,926	89,230	43,800	12,632	264	14,561	14,650	86,716	30,000



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Appendices

The contents of the appendices are summarised below:

Appendix	Nature of information	Page
A	Wyndham City Plans & Strategies	64
B	Budget Process	65
C	Characteristics of Rating Differentials	66

Appendix A

Wyndham City Plans & Strategies

Wyndham City Vision and Plans: Strategic Direction

- Wyndham 2040 Vision
- Wyndham District Plans 2015-2019: East, West, Central and Rural
- Wyndham City Plan 2017-21 (Community, Health, Wellbeing and Safety integrated)
- Wyndham Municipal Strategic Statement (MSS)
- Residential Growth Management Strategy 2016
- Securing Wyndham's Future Advocacy Strategy
- Long Term Financial Plan
- Long Term Capital Works Program
- Election Period Policy

People and Community Plans & Strategies

- Multicultural Policy and Action Plan 2014-2018
- Wyndham City Reconciliation Action Plan 2017-2019
- Disability Access and Inclusion Strategy 2013-2017
- Aged and Disability Service Access Policy
- Domestic Animal Management Plan (DAMP) 2017-2021
- Municipal Emergency Management Plan 2015-2018
- Municipal Fire Management Plan 2016-2019
- Municipal Early Years Plan 2013-2017
- Youth Plan 2013-2017
- Councillor Code of Conduct 2017
- Councillor Expenses and Entitlements Policy 2014

Leadership and Participation Plans & Strategies

- Growing Wyndham's Community Strength Policy and Framework
- Community Engagement Framework 2017-2021
- Asset Management Improvement Strategy
- Asset Management Policy
- Creative Communities and Cultural Places Strategy
- Wyndham's Leisure Strategy 2013-2017
- The Wyndham Cricket and Australian Rules Football Strategy
- Wyndham Aquatic Strategy 2015
- Wyndham Skate, BMX & Bike Strategy
- Wyndham Hard to Locate Sports Strategy 2016
- Commercial Fitness Providers Policy
- Privacy Policy
- Sports Facility User Guide 2015-2020

Earning and Learning Plans & Strategies

- Economic Development Growth Strategy 2017-2029
- Visitor Economy Strategy
- Library Service Strategy 2018-2040
- Wyndham Learning Community Strategy 2014-2017
- Wyndham Activity Centres Strategy 2016
- Footpath Trading Policy & Guidelines

Places & Spaces Plans & Strategies

- Wyndham Integrated Transport Strategy
- Wyndham Open Space Strategy 2045
- Housing and Neighbourhood Character Strategy 2015
- Wyndham Social Infrastructure Framework 2040
- Environment and Sustainability Strategy 2016-2040
- Environmentally Sustainable Design Framework
- Wyndham City Biodiversity Policy 2014
- Wyndham Weed Management Framework
- Site Environmental Management Plan Guidelines
- Landscape Context Guidelines
- Water Action Plan 2015-2020
- Climate Change Adaption Strategy and Action Plan 2016-2020
- Waste & Litter Strategy 2016-2040
- Community Amenity Local Law 2015
- Beautification of Nature Strips Policy
- Wyndham City Stormwater Management Plan 2015
- Wyndham Tree Policy 2015
- Integrated Water Management Plan
- Avalon Corridor Strategy
- Wyndham Harbour Development Plan and Design Guidelines
- Urban Design Framework Plan : A Vision for the Princes Highway / Geelong Road Corridor
- Activity Centre Strategy 2016
- Bicycle Network Strategy
- Boatshed Management Policy 2016
- Graffiti Management Strategy 2017-2022
- Road Management Plan

Appendix B

Budget Process

This section lists the budget processes to be undertaken in order to adopt the Budget in accordance with the *Local Government Act 1989* (the Act) and *Local Government (Planning and Reporting) Regulations 2014* (the Regulations).

Under the Act, Council is required to prepare and adopt an annual budget for each financial year. The budget is required to include certain information about the rates and charges that Council intends to levy as well as a range of other information required by the Regulations which support the Act.

The 2018/19 budget, which is included in this report, is for the year 1 July 2018 to 30 June 2019 and is prepared in accordance with the Act and Regulations. The budget includes financial statements being a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows and Statement of Capital Works. These statements have been prepared for the year ended 30 June 2019 in accordance with the Act and Regulations, and consistent with the annual financial statements which are prepared in accordance with Australian Accounting Standards and the Local Government Model Accounts. The budget also includes information about the rates and charges to be levied, the capital works program to be undertaken, the human resources required, and other financial information Council requires in order to make an informed decision about the adoption of the budget.

A 'proposed' budget is prepared in accordance with the Act and submitted to Council in April for approval 'in principle'. Council is then required to give 'public notice' that it intends to 'adopt' the budget. It must give 28 days notice of its intention to adopt the proposed budget and make the budget available for inspection at its offices and on its web site. A person has a right to make a submission on any proposal contained in the budget and any submission must be considered before adoption of the budget by Council.

With the introduction of the State Governments Rate Capping legislation in 2015 Councils are now unable to determine the level of rate increase and instead can use up to a maximum rate increase determined by the Minister for Local Government which is announced in December for application in the following financial year.

The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The budget is required to be adopted by 30 June and a copy submitted to the Minister within 28 days after adoption. The key dates for the budget process are summarised below:

Budget process	Timing
1. Officers update Council's long term financial projections	Nov-17
2. Minister of Local Government announces maximum rate increase	Dec-17
3. Officers prepare operating and capital budgets	Dec to Feb-18
4. Council considers draft budgets at briefings	Mar/Apr- 18
5. Proposed budget submitted to Council for approval to advertise	17-Apr-18
6. Budget available for public inspection and comment	18-Apr-18
7. Public notice advising intention to adopt budget	18-Apr-18
8. Public submission process undertaken	Apr/May- 18
9. Submissions period closes (28 days)	15-May-18
10. Submissions are heard by Council	4-Jun-18
11. Budget and submissions presented to Council for adoption	26-Jun-18
12. Copy of adopted budget submitted to the Minister	Jul-18

Appendix C

Characteristics of Rating Differentials

Developed Land (2018/2019)

Definition:

Developed land is identified as any rateable land which is not:

- Commercial Developed Land
- Industrial Developed Land
- Residential Development Land
- Farm Land
- Residential Vacant Land
- Commercial Vacant Land
- Industrial Vacant Land
- Rural Vacant Land

Objective:

The objective of this rate is to ensure owners of land having the characteristics of Developed Land make an equitable financial contribution to the cost of carrying out Council's functions.

A portion of residential properties are maintained as investment properties and hence Council rates and charges may be claimed as a tax deduction.

Characteristics:

Developed Land is Residential Land on which a building is erected and the site is approved for occupation by the issue of an occupancy certificate from Council and the site is available or used for residential purposes.

The building types included within Developed Residential Land are:

- Detached houses;
- Attached houses;
- Strata title flats; and
- Strata title apartments

Land which does not have the characteristics of Commercial Developed Land, Industrial Developed Land, Residential Development Land, Commercial Vacant Land, Industrial Vacant Land, Rural Lifestyle Land, Rural Vacant Land or Farm Land will also be identified as Residential Land for differential rating purposes.

Impact:

The Act requires there to be a residential rate for the purposes of establishing differential rates.

Quantum:

Quantum is set as 1.0 in accordance with legislation.

Rating Principles:

Equity/Fairness Yes – Takes into account capacity to pay and user benefit

Simplicity Yes – Transparent and simple to understand

Efficiency Yes – Practical and efficient to administer

Sustainability Yes – Provides reliable revenues

Incentive No – Does not provide any incentives

Legislative Compliance Yes– Complies with legislation and Ministerial guidelines

Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Wyndham Planning Scheme

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Wyndham Planning Scheme

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of 2018/19 financial year.

Commercial Developed Land (2018/2019)**Definition:**

Commercial Land is identified as land on which a building designed or adapted for occupation is erected which is used for commercial purposes.

Objective:

The objective of the rate is to encourage commerce and ensure that the owners of the land having the characteristics of Commercial Developed Land make an equitable financial contribution to the cost of carrying out Council's functions.

The Commercial Developed Land differential is higher than the Developed Land Differential for a number of reasons including;

- Council's financial commitment to economic development initiatives;
- Commerce attracts non-residents and consequently additional demands on public infrastructure;
- Council rates and charges may be claimed as a tax deduction; and
- Commercial precincts demand on the environment are higher than residential areas.

Characteristics:

Commercial Developed Land is land on which a building is erected or the site is adapted for occupation and the site is used for commercial purposes including:

- Retail shops;
- Offices;
- Services businesses, car parks, garden centres, car yards, boat yards, entertainment centres (theme parks), hotel and motels; and
- Land which has improvements and/or buildings used for commercial purposes.

Impact:

The current rating differential is 1.4, or 40% higher than the residential developed rate differential. Thus a commercial developed property currently pays 40% more in rates than a residential developed property assuming both have the same valuation.

Quantum:

A 0.2 differential between commercial and industrial developed land is deemed appropriate given the 'scale' of industrial activity is generally much higher than commercial. It is recognised that these two rate groups underpin the financial and employment aspirations of Wyndham – if they are not strong and successful, it will be much harder for Wyndham to thrive.

Rating Principles:

Equity/Fairness Arguable – residential rentals are being subsidised by commercial differential, though commercial often has higher capacity to pay and has taxation benefits

Simplicity Yes – transparent and simple to understand

Efficiency No – based on equity, the differential is not practical and cost effective

Sustainability Yes – when compared to other Councils with differentials

Incentive No – one reason is the tax deduction which applies mainly to commercial

Legislative Compliance Yes – Complies with legislation and Ministerial guidelines

Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Wyndham Planning Scheme

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Wyndham Planning Scheme

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of 2018/19 financial year.

Industrial Developed Land (2018/2019)

Definition:

Industrial Land is identified as land on which a building designed or adapted for occupation is erected which is used for industrial purposes.

Objective:

The objective of the rate is to encourage industry and ensure that the owners of the land having the characteristics of Industrial Developed Land make an equitable financial contribution to the cost of carrying out Council's functions.

The Industrial Developed Land differential is higher than the Developed Land Differential for a number of reasons, including;

- Council's financial commitment to economic development initiatives;
- Council rates and charges may be claimed as a tax deduction;
- Industry attracts non-residents and consequently additional demands on public infrastructure; and
- Industrial demands on the environment are higher than Commercial Land properties

Characteristics:

Industrial Land is land on which a building is erected or the site is adapted for occupation and is used for industrial purposes including:

- Manufacturing industries
- Quarrying

and the land is located in an industrial zone or other area in the Municipality.

Impact:

This rating differential currently is 1.6, thus 60% higher than the residential developed rate differential. Thus, an industrial developed property currently pays 60% more in rates than a residential developed property assuming they have the same valuation.

Quantum:

A 0.2 differential between commercial and industrial is appropriate based on scale and capacity to pay. These two rate groups underpin the financial and employment aspirations of Wyndham – if they are not strong and successful, it will be much harder for Wyndham to thrive. At the moment, there is evidence that both commercial and industrial sectors are finding it harder financially.

The multiplier effect of manufacturing supporting 3 jobs in the community for every one directly employed is a strong argument for Wyndham to encourage industry – as a key employment base for a rapidly increasing residential population.

Rating Principles:

Equity/Fairness Variable – The data does not exist to make a firm assessment.

Simplicity Yes – The rating principle is simple, especially when measured against other tax forms such as personal income tax. For business, processing annual rates would be considered simple when compared to many other aspects of business administration

Efficiency Yes – An understanding of Council's administration process identifies how efficient this currently is.

Sustainability Yes – The rating process and provision of income to Council is sustainable within the current economic climate. Any shift in the makeup of industrial presence within Wyndham could lead to a need to reassess.

Incentive Yes – Neighbouring Councils vary with their rates in comparison to Wyndham. On balance of this benchmarking, Wyndham would be assessed as competitive.

Legislative Compliance Yes – Complies with legislation and Ministerial guidelines

Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Wyndham Planning Scheme

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Wyndham Planning Scheme

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of 2018/19 financial year.

Residential Development Land (2018/2019)**Definition:**

Residential Development Land is identified as land located within an urban growth zone where:

- a planning permit authorising the subdivision of the land has been issued; and
- no principle place of residence exists on the subdivided land.

Objective:

The objective of the rate is to encourage development for residential purposes and ensure that the owners of the land having the characteristics of residential development land make an equitable financial contribution to the cost of carrying out Council's functions.

The Residential Development Land differential is higher than the Developed Land Differential for a number of reasons, including;

- To assist in the management of sustainable growth across metropolitan Melbourne; and
- Encourage residential subdivisions at a sustainable level ensuring sufficient supply.

Characteristics:

Land located within an urban growth zone where:

- a planning permit authorising the subdivision of the land has been issued; and
- no principal place of residence exists on the subdivided land.

Impact:

This rating differential currently is 1.7 multiplier thus 70% higher than residential developed rate differential. Thus a Residential Development property currently pays 70% more in rates than a residential developed property assuming they both have the same valuation.

Quantum:

The 1.7 differential is deemed appropriate as owners of this land are generally large corporations who purchase this land to derive their profit from the long term capital gain, and control its release to maximise price / capital gain. This profit generation is not contributing to the Wyndham community.

Rating Principles:

Equity/Fairness Yes – The differential meets some of the disadvantages experienced by Council due to other authorities having funds tied up in providing infrastructure needed to progress development.

Simplicity Yes – The rating principle is simple in comparison with other forms of taxes and business administration.

Efficiency Yes - The process does not impact on the efficiency of the current practice

Sustainability Yes - Wyndham has a significant challenge in dealing with residential development land. It must balance the cost of development and providing services and infrastructure. Ratepayers cannot fund further development infrastructure with inadequate contribution from those driving the development.

Incentive Yes - the continuing activity of developers securing land in Wyndham would confirm that current practices are competitive.

Legislative Compliance Yes - Complies with legislation and Ministerial guidelines

Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Wyndham Planning Scheme

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Wyndham Planning Scheme

Residential Vacant Land (2018/2019)**Definition:**

Residential Vacant Land is identified as land on which no building designed or adapted for occupation is erected and the land is located within a Residential or Township Zone.

Objective:

The objective of the rate is to encourage development for residential purposes and ensure that the owners of the land having the characteristics of Residential Developed Land make an equitable financial contribution to the cost of carrying out Council's functions.

The Residential Vacant Land differential is higher than the Developed Land Differential for a number of reasons, including;

- To assist in the management of sustainable growth across metropolitan Melbourne; and
- Promote housing development in residential zoned area.

Characteristics:

Residential Vacant Land is land on which no building designed or adapted for occupation is erected and the land is located within a residential or township zone.

Impact:

This rating differential currently is 1.6, i.e. 60% higher than the residential developed land differential. Thus, a Residential Vacant property currently pays 60% more in rates than a residential developed property assuming equal valuations.

Such residential land is located within Residential or Township Zones. The residential vacant land differential is the lowest of vacant land differentials. This is consistent with developed land where the residential developed land differential is lower than commercial and industrial developed land differentials. The reason for the lower rate burden is that ratepayers generally purchase such land to build on. However, some ratepayers are investing in vacant land for use in the long term, or for investment as demand drives up process, and thus it can be argued that increasing the differential is appropriate.

Quantum:

For those investing in vacant land to hold for use in the long term, or for investment returns as demand drives prices up, the differential of 1.6 was considered appropriate

Rating Principles:

Equity/Fairness Yes – New releases need to be developed

Simplicity Yes – transparent and simple to understand

Efficiency Yes – accepted that vacant land has a higher differential

Sustainability Yes – differential is based on CIV hence amount is lower than developed land

Incentive Maybe – no evidence that differential rating promotes or achieves development but it certainly doesn't hinder it

Legislative Compliance Yes– Complies with legislation and Ministerial guidelines

Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Wyndham Planning Scheme

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Wyndham Planning Scheme

Commercial Vacant Land (2018/2019)

Definition:

Commercial Vacant Land is identified as land on which no building designed or adapted for occupation is erected and the land is located within a:

- Business 1, 4 or 5 Zone;
- Priority Development Zone with an approved precinct plan for commercial use;
- Special Use Zone with an approved development plan for commercial use; or
- Urban Growth Zone with an approved precinct structure plan for commercial use.

Objective:

The objective of the rate is to encourage development for commercial purposes and ensure that the owners of the land having the characteristics of Vacant Commercial Land make an equitable financial contribution to the cost of carrying out Council's functions.

The Vacant Commercial Land differential is higher than the Developed Land Differential for a number of reasons, including;

- To assist in the management of sustainable growth across metropolitan Melbourne;
- Council's financial commitment to economic development initiatives; and
- Promote commercial development within the appropriate zone municipal areas

Characteristics:

Land on which no building designed or adapted for occupation is erected and the land is located within a:

- Business zone 1, 4 or 5;
- Priority development zone with an approved precinct plan for commercial use;
- Special use zone with an approved development plan for commercial use;
- Urban growth zone with an approved precinct structure plan, for commercial use.

Impact:

This rating differential is 1.7 multiplier, thus 70% higher than the residential developed rates differential. Thus, a vacant commercial currently pays 70% more in rates than a residential developed property assuming they have the same valuation. Owners of such land purchase the land to contract and run a business or lease the property which may also result in the long term financial gain from the sale of the business or property.

Quantum:

For people/ businesses who have purchased land with the intent to develop, an increase in rate is a small factor when compared to the costs they will incur with development, and the subsequent higher rate value (not differential) which will apply post development.

Rating Principles:

Equity/Fairness Yes – 2.24% of all commercial is rated as vacant land. Minimal application.

Simplicity Yes – transparent and simple to understand

Efficiency Yes – accepted that vacant land has higher differentials

Sustainability Yes – minimal effect due to amount of vacant commercial land

Incentive No – no evidence that differential is sufficient to promote or achieve development though it clearly does not inhibit it

Legislative Compliance Yes – Complies with legislation and Ministerial guidelines

Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Wyndham Planning Scheme

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Wyndham Planning Scheme

Industrial Vacant Land (2018/2019)**Definition:**

Industrial Vacant Land is identified as land on which no building designed or adapted for occupation is erected and the land is located within a:

- Industrial Business 1, 2 or 3 Zone;
- Priority Development Zone with an approved precinct plan for industrial use;
- Special Use Zone with an approved development plan for Industrial use; or
- Urban Growth Zone with an approved precinct structure plan for industrial use.

Objective:

The objective of this rate is to encourage development for industrial purposes and ensure that the owners of the land make an equitable financial contribution to the cost of carrying out Council's functions.

Encouragement includes:

- Promoting land owners to develop their land, to bring about increased community benefits as covered in the 'Developed Industrial Land' discussion.
- Reducing the possibility that land holders not progressing in reasonable time to develop the land may impede the ability of other businesses to access suitable land for their own industrial use.

Characteristics:

Is land on which no building designated or adapted for occupation is erected and the land is located within a:

- Industrial business zone 1,2 or 3; or
- Priority development zone with an approved precinct plan for industrial use; or
- Special use zone with an approved development plan for industrial use; or
- Urban growth zone with an approved precinct structure plan for industrial use.

Impact:

This rating differential currently is 1.8, thus 80% higher than the residential developed rate differential. Thus, an Industrial Vacant Land property currently pays 80% more in rates than a residential developed property assuming the same valuation.

Quantum:

For people / businesses who have purchased land with the intent to develop, an increase in rate is a small factor when compared to the costs they will incur with development, and the subsequent higher rate value (not differential) which will apply post development.

Rating Principles:

Equity/Fairness Variable – a wide range of equity exists within the individual circumstances of businesses

Simplicity Yes – transparent and simple to understand

Efficiency Yes – accepted that vacant land has a higher differential

Sustainability Yes – Industrial vacant land makes up 0.31% of assessments and 1.28% of total rate income.

Any major changes in this category will not have any real impact on Council revenue

Incentive Maybe – no evidence that differential rating promotes or achieves development but it certainly doesn't hinder it

Legislative Compliance Yes – Complies with legislation and Ministerial guidelines

Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Wyndham Planning Scheme

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Wyndham Planning Scheme

Farm Land (2018/2019)

Definition:

Under the Valuation of Land Act 1960 farm land is rateable land that has the following characteristics:

- 1) is not less than 2 hectares in area; and
- 2) is used primarily for grazing (including agistment), dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and
- 3) is used by a business:
 - (i) that has a significant and substantial commercial purpose or character; and
 - (ii) that seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
 - (iii) that is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating

Objective:

The objectives of this rate are to:

- Ensure that all ratepayers for agricultural land make a fair and equitable financial contribution to the costs of carrying out Council's functions.
- Provide economic support to encourage ongoing use of the designated zones for production of and value-adding to agricultural products produced on the designated land.
- Encourage further development of designated Agricultural land holdings with extensive privately funded horticultural and viticultural production techniques and equipment to improve the viability of the farming operation.
- Encourage persons in the community engaged in agricultural production to further develop the property and value-add to their products in the local community to create more employment opportunities in the industry.

Characteristics:

Farm Land is land which is not less than 0.2 hectares and is deemed to be a farm under the Valuation of Land Act that:

- Is used primarily for grazing (including agistment), dairying, pig-farming, poultry-farming, fish-farming, tree-farming, bee-keeping, viticulture, horticulture, fruit-growing or the growing of crops of any kind or for any combination of those activities; and
- Is used by a business that:
 - has a significant and substantial commercial purpose or character;
 - seeks to make a profit on a continuous or repetitive basis from its activities on the land; and
 - is making a profit from its activities on the land, or that has a reasonable prospect of making a profit from its activities on the land if it continues to operate in the way that it is operating.

and is:

- Actively being used by the ratepayer for agricultural, horticulture or viticulture primary production and including related value-adding production facilities for vegetable growing, grazing (including agistment), dairying, pig farming, poultry farming, fish farming, tree farming, bee keeping, fruit growing, crop growing or for any combination of these
- In a farm zone, green wedge or rural conservation area outside the Werribee South intensive agricultural area and greater than 10 hectares and used for the carrying on primary production as determined by the Australian Taxation Office
- In a farm zone, green wedge or rural conservation area in the Werribee South intensive agricultural area and greater than 0.6 hectares and used for the carrying on primary production as determined by the Australian Taxation Office

Impact:

Ministerial guidelines state that Council should consider the use of a farm rate. With a farm rate being introduced, its impact on the rates raised will be varied as the properties becoming farm land will be coming out of different existing categories

Quantum:

The differential rate for Farmland is 0.8. As the productive asset base for this sector of the community, a lower differential (than residential) which reflects the relatively high investment in land as a proportion of the business profitability is appropriate

Rating Principles:

Equity/Fairness Yes – Takes into account capacity to pay and user benefit

Simplicity Yes – Transparent and simple to understand

Efficiency Yes – Practical and efficient to administer

Sustainability Yes – Provides reliable revenues

Incentive Yes – Provides an incentive to carrying on a farming business

Legislative Compliance Yes– Complies with legislation and Ministerial guidelines

Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Wyndham Planning Scheme

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Wyndham Planning Scheme

Rural Lifestyle Land (2018/2019)**Definition:**

Rural lifestyle land is identified as land with a residential dwelling on larger allotments in rural, semi-rural or bushland settings. Primary production uses and associated improvements are secondary to the value of the residential home site use and associated residential improvements.

Objective:

The objective of this rate is to ensure that all properties within the Wyndham rural areas (non-farming) where services and utilities are restricted make a fair and equitable contribution to the costs of carrying out Council's functions and recognise that ratepayers residing on Rural Lifestyle land do not receive the same level of Council services as residents in residential developed areas.

Characteristics:

Rural Lifestyle Land which is more than 0.4 hectares in area with an approved residence on the land which is not deemed to be farm land under the Valuation of Land Act and is located within:

- A Farm zone, green wedge, rural living or rural conservation area outside the Werribee South Intensive Agricultural Area; or
- A Farm zone, green wedge, rural living or rural conservation area in the Werribee South Intensive Agricultural Area; or
- An Urban Growth Zone.

Any vacant land which is more than 0.4 hectares and not deemed to be farm under the Valuation of Land Act and falls within the above locations is not eligible for the Rural Lifestyle Land differential and is rated as Rural Vacant Land.

Impact:

For properties deemed to be farms under the Valuation of Land Act definition, such properties will remain at a 0.8 differential under the Farm Rate category.

Where properties are classified as being vacant land (no residential, industrial or commercial characteristics) such properties will be rated in the vacant rural land category with a 1.0 differential.

Rural properties with approved residences 10 hectares or under in the Farm, Green Wedge, Rural Lifestyle, or Rural Conservation Zone or within the Werribee South Intensive Agricultural Land less than 0.4 hectares or more will be rated in the rural lifestyle land category with a 0.9 differential.

Quantum:

The differential rate for this category is set at 0.9. The lower differential than for Residential Developed Land reflects a difference in the level of service provided by Council to this group of ratepayers. The average value of rateable properties in this category is higher than that for residential, so when calculated through to rates income, this group will pay a higher 'per property' payment than residential, but receive less in term of service provision.

Rating Principles:

Equity/Fairness Yes – if the rate is reasonable considering the higher burden due to higher CIV

Simplicity Yes – transparent and simple to understand

Efficiency Yes- if rated according to proposal

Sustainability Yes – differential is based on CIV hence amount is lower than developed land

Incentive Yes – if rated to proposal

Legislative Compliance Yes – Complies with legislation and Ministerial guidelines

Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Wyndham Planning Scheme

Planning Scheme Zoning:

The zoning applicable to each rateable land within this category, as determined by consulting maps referred to in the relevant Wyndham Planning Scheme

Rural Vacant Land (2018/2019)

Definition:

Rural Vacant land is identified as being vacant land which is 0.4 hectares or more and not deemed to be a farm under the Valuation of Land Act.

Objective:

The objective of this rate is to ensure that all properties within the Wyndham rural areas (non-farming) where services and utilities are restricted make a fair and equitable contribution to the costs of carrying out Council's functions and recognise that ratepayers holding Rural Vacant Land do not receive the same level of Council services that are available to ratepayers in developed areas holding vacant land.

Characteristics:

Rural Vacant Land is vacant land which is 0.4 hectares or more in area and is not deemed to be a farm under the Valuation of Land Act and is located within a:

- Farm zone, green wedge, rural lifestyle, or rural conservation area outside the Werribee South intensive agricultural area; or
- Farm zone, green wedge, rural lifestyle, or rural conservation area in the Werribee South intensive agricultural area; or
- Urban Growth Zone.

Impact:

Where properties are classified as being vacant land (no residential, industrial or commercial characteristics) such properties will be rated in the rural vacant land category with a differential of 1.0 differential.

For rural vacant properties that are not deemed to be farm that are 10 hectares or more in the farm, green wedge, rural lifestyle, or rural conservation zone or within the Werribee South Intensive Agricultural area and greater than 0.6 hectares; this will result in a 25% increase in rate burden compared to their previous classification of a 0.8 differential.

For rural vacant properties that are not deemed to be farm that are less than 10 hectares in the farm, green wedge, rural lifestyle or rural conservation zone, there will be no change in their rate burden.

Quantum:

The Rural Vacant Land differential is set at 1.0. As such vacant land cannot be developed like residential, commercial and industrial land, a differential in line with the residential rate is more appropriate than in comparison to other vacant land differentials.

Rating Principles:

Equity/Fairness Yes – Takes into account capacity to pay and user benefit

Simplicity Yes – Transparent and simple to understand

Efficiency Yes – Practical and efficient to administer

Sustainability Yes – Provides reliable revenues

Incentive No – Does not provide any incentives to develop

Legislative Compliance Yes– Complies with legislation and Ministerial guidelines

Use and Level of Differential Rate:

The differential rate will be used to fund some of those items of expenditure described in the Budget.

The level of the differential rate is the level which Council considers is necessary to achieve the objectives specified above.

Geographic Location:

Wherever located within the municipal district.

Use of Land:

Any use permitted under the Wyndham Planning Scheme