

Maroondah City Council

Performance Statement

For the year ended 30 June 2018

Performance Statement

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Description of municipality

The City of Maroondah covers a land area of 61.4 square kilometres in Melbourne's outer east, 22 kilometres from the Central Business District (CBD). The area is a substantially developed peri-urban residential municipality, with an estimated population of 116,489 residents¹ and 45,104 households with an average of 2.56 people per household.²

The City of Maroondah includes the suburbs of Bayswater North, Croydon, Croydon Hills, Croydon North, Croydon South, Heathmont, Kilsyth South, Ringwood, Ringwood East, Ringwood North and Warranwood. The City also includes small sections of Kilsyth, Park Orchards, Vermont and Wonga Park. With little remaining land available for greenfield residential development, future population growth will be mainly stimulated by housing consolidation and medium density development.

Maroondah has the strategic advantage of being located at the north-eastern junction of the Eastern Freeway - EastLink corridor. There are two train lines and a large number of bus routes linking the City with other regions. Some areas have limited access to public transport and many residents are reliant on private vehicles. Our sustainable transport links continue to expand, with on-road cycling paths and shared paths on major trails, including the Mullum Mullum Creek Trail, the EastLink Trail, Taralla Creek Trail and the Dandenong Creek Trail.

This Performance Statement reflects Council performance on indicators included in the Local Government Performance Reporting Framework. Please note that the source for some of the data included in this framework is derived from external sources such as the Local Government Community Satisfaction Survey, the Australian Bureau of Statistics and the Department of Health and Human Services.

¹ Estimated Residential Population, Australian Bureau of Statistics, 2018.

² Maroondah Population Forecasts, Id Consulting, 2018.

Sustainable Capacity Indicators

For the year ended 30 June 2018

	<i>Indicator/measure</i>	<i>Results</i>				Material Variations
		2015	2016	2017	2018	
R15(3) Sch3 R16(1) R17(2)	Population <i>Expenses per head of municipal population</i> [Total expenses/Municipal population]	\$958.27	\$1,066.04	\$1,056.63	\$1,094.51	No material variation.
	<i>Infrastructure per head of municipal population</i> [Value of infrastructure/Municipal population]	\$6,904.17	\$6,954.91	\$6,940.72	\$7,066.18	No material variation.
	<i>Population density per length of road</i> [Municipal population/Kilometers of local roads]	234.65	236.44	238.43	243.70	No material variation.
	Own-source revenue <i>Own-source revenue per head of municipal population</i> [Own-source revenue/Municipal population]	\$847.46	\$927.29	\$976.67	\$995.02	No material variance across comparatives.
	Recurrent grants <i>Recurrent grants per head of population</i> [Recurrent grants/Municipal Population]	\$131.13	\$82.01	\$126.36	\$102.24	Reduction in overall Financial assistance grant compared to prior year.
	Disadvantage <i>Relative socio-economic disadvantage</i> [Index of Relative Socio-economic Disadvantage by decile]	9	9	9	9	No material variation.

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Definitions

"adjusted underlying revenue" means total income other than:

- (a) non-recurrent grants used to fund capital expenditure; and
 - (b) non-monetary asset contributions; and
 - (c) contributions to fund capital expenditure from sources other than those referred to above
- "infrastructure" means non-current property, plant and equipment excluding land

"local road" means a sealed or unsealed road for which the council is the responsible road authority

under the *Road Management Act 2004*

"population" means the resident population estimated by council

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

"relative socio-economic disadvantage", in relation to a municipality, means the relative socio-economic

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

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

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

Service Performance Indicators

For the year ended 30 June 2018

	<i>Indicator/measure</i>	<i>Results</i>				Material Variations
		2015	2016	2017	2018	
R15(1) Sch3 R16(1) R17(2)	Aquatic facilities Utilisation Utilisation of aquatic facilities [Number of visits to aquatic facilities/Municipal population]	5.75	7.23	11.20	8.75	Number of visits for 2015/16, 2016/17 and 2017/18 all facilities has been amended to count via more accurate PoS (Point of Sale) not traffic counter. Past adjusted measures 7.39 (15/16) and 8.33 (16/17). Trend remains the same.
	Animal management Health and safety <i>Animal management prosecutions</i> [Number of successful animal management prosecutions]	6	1	3	3	No material variation.
	Food safety Health and safety <i>Critical and major non-compliance notifications</i> [Number of critical non-compliance notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance notifications and major non-compliance notifications about food premises] x100	97.92%	92.31%	95.06%	100.00%	No material variation.
	Governance Satisfaction <i>Satisfaction with council decisions</i> [Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the	61.00	61.00	58.00	59.00	No material variation.

	community]					
	Home and community care Participation Participation in HACC service [Number of people that received a HACC service/Municipal target population for HACC services] x 100	23.35%	25.63%	N/A	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
	Participation <i>Participation in HACC service by CALD people</i> [Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x 100	24.02%	23.21%	N/A	N/A	Reporting on HACC ceased on 1 July 2016 due to the introduction of the Commonwealth Government's NDIS and CHSP programs.
	Libraries Participation <i>Active library members</i> [Number of active library members / Municipal population] x100	17.08%	24.17%	14.87%	16.18%	No material variation.
	Maternal and child health Participation <i>Participation in the MCH service</i> [Number of children who attend the MCH service at least once (in the year) / Number of children enrolled in the MCH service] x100	83.51%	90.62%	78.13%	73.88%	No material variation.
	Participation <i>Participation in the MCH service by Aboriginal children</i> [Number of Aboriginal children who attend the MCH service at least once (in the year) / Number of Aboriginal children enrolled in the MCH service] x100	73.24%	118.31%	74.44%	69.90%	No material variation.

	Roads Satisfaction <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	69	68	66	68	No material variation.
	Statutory Planning Decision making <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	76.47%	42.86%	48.94%	90.41%	Council's result improved significantly in 2017/18. This indicator measures the percentage of planning application decisions made by Council, appealed by an applicant and subject to review by VCAT and where VCAT agreed with the decision of Council.
	Waste Collection Waste diversion <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	55.28%	53.96%	54.94%	54.14%	No material variation.
BP	Definitions "Aboriginal child" means a child who is an Aboriginal person "Aboriginal person" has the same meaning as in the Aboriginal Heritage Act 2006 "active library member" means a member of a library who has borrowed a book from the library "annual report" means an annual report prepared by a council under sections 131, 132 and 133 of the Act "CALD" means culturally and linguistically diverse and refers to persons born outside Australia in a country whose national language is not English "class 1 food premises" means food premises, within the meaning of the <i>Food Act 1984</i> , that have been declared as class 1 food premises under section 19C of that Act "class 2 food premises" means food premises, within the meaning of the <i>Food Act 1984</i> , that have been declared as class 2 food premises under section 19C of that Act "Community Care Common Standards" means the Community Care Common Standards for the delivery of HACC services, published from time to time by the Commonwealth "critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the <i>Food Act 1984</i> , or advice given to council by an authorized officer					

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

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

"HACC program" means the Home and Community Care program established under the Agreement entered into for the purpose of the Home and Community Care Act 1985 of the Commonwealth "HACC service" means home help, personal care or community respite provided under the HACC program

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

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

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

"population" means the resident population estimated by council

"target population" has the same meaning as in the Agreement entered for the purposes of the Home and Community Care Act 1985 of the Commonwealth

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

Financial Performance Indicators

For the year ended 30 June 2018

	Dimension/ <i>indicator/measure</i>	Results				Forecasts				Material Variations
		2015	2016	2017	2018	2019	2020	2021	2022	
R15(2) Sch3 R16(1) R16(2) R17(2) R17(3)	Efficiency Revenue level <i>Average residential rate per residential property assessment</i> [Residential rate revenue / Number of residential property assessments]	\$1,451	\$1,506	\$1,384	\$1,614	\$1,711	\$1,750	\$1,784	\$1,815	No material variation, four year forecast figures, all fluctuating close to 2018 levels.
	Expenditure level <i>Expenses per property assessment</i> [Total expenses / Number of property assessments]	\$2,220	\$2,443	\$2,457	\$2,562	\$2,666	\$2,637	\$2,659	\$2,698	No material variation, four year forecast figures, all fluctuating close to 2018 levels.
	Workforce turnover <i>Resignations and terminations compared to average staff</i> [Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100	4.21%	7.53%	5.83%	9.01%	6.97%	6.97%	6.97%	6.97%	No material variation, four year forecasts based on known future retirements, as well as estimated turnover.
	Liquidity Working capital <i>Current assets compared to current liabilities</i> [Current assets / Current liabilities] x100	195.74%	171.89%	185.64%	204.09%	156.16%	157.87%	163.14%	163.79%	Forecast ratio's anticipate no carry forward capital expenditure, where the current year program was not fully expended and will be carried forward into 2018/19.

Dimension/indicator/measure	Results				Forecasts				Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Unrestricted cash <i>Unrestricted cash compared to current liabilities</i> [Unrestricted cash / Current liabilities] x100	84.21%	94.41%	-14.70%	2.45%	25.07%	24.63%	25.81%	26.70%	This is due to the higher levels of investment funds included in Other Financial Assets because of a methodology change.
Obligations Asset renewal <i>Asset renewal compared to depreciation</i> [Asset renewal expenses / Asset depreciation] x100	125.58%	87.18%	100.29%	82.05%	102.02%	89.54%	88.02%	96.56%	The result for this measure is expected to increase by 2022 to almost 100% through increased expenditure concentrated on renewal.
Loans and borrowings <i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	31.99%	28.75%	25.86%	23.60%	20.73%	18.56%	16.50%	14.50%	The decreasing forecast trend reflects the scheduled repayment of debt over the four-year period.
Loans and borrowings <i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	1.55%	2.94%	2.79%	2.71%	2.55%	2.47%	2.40%	2.34%	The decreasing forecast trend reflects the scheduled repayment of debt over the four-year period.
Indebtedness <i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	25.19%	21.64%	19.07%	17.23%	15.29%	13.85%	12.19%	10.72%	The decreasing forecast trend reflects the scheduled repayment of debt over the four-year period.

Dimension/ <i>indicator/measure</i>	Results				Forecasts				Material Variations
	2015	2016	2017	2018	2019	2020	2021	2022	
Operating position Adjusted underlying result <i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	3.65%	-0.77%	8.10%	5.35%	3.56%	3.33%	4.50%	4.74%	Current year result is higher than anticipated due to end of year adjustments, that are not budgeted for. From 2019 onwards, the improving trend over the 4 year forecast period is due to the introduction of cost containment.
Stability Rates concentration <i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	66.81%	65.84%	62.82%	62.97%	65.52%	67.92%	67.81%	67.82%	No material variations, four year forecasts based on estimated rate cap increases.
Rates effort <i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.31%	0.32%	0.26%	0.26%	0.24%	0.24%	0.24%	0.24%	No material variations and four year forecasts are in line with the 2018 result.

BP

Definitions

"adjusted underlying revenue" means total income other than:

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

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

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

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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

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

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

Other Information

For the year ended 30 June 2018

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1. Basis of preparation

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

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

The performance statement presents the actual results for the current year and for the prescribed financial performance indicators and measures, the results forecast by the council’s strategic resource plan. The Local Government (Planning and Reporting) Regulations 2014 requires explanation of any material variations in the results contained in the performance statement. Council has adopted materiality thresholds relevant to each indicator and measure and explanations have not been provided for variations below the materiality thresholds unless the variance is considered to be material because of its nature.

The forecast figures included in the performance statement are those adopted by council in its strategic resource plan on 21 May 2018 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

Certification of the Performance Statement

R18(1)
R18(2)

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

Antonio Rocca CA
Principal Accounting Officer
Dated: 31 August 2018

In our opinion, the accompanying performance statement of Maroondah City Council for the year ended 30 June 2018 presents fairly the results of council’s performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014*.

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

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

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

N. Lamont
Councillor
Dated: 31 August 2018

M. Symon
Councillor
Dated: 31 August 2018

S. Kozlowski
Chief Executive Officer
Dated: 31 August 2018



To contact Council telephone 1300 88 22 33
visit our website at: www.maroondah.vic.gov.au
or call in to one of our service centres:

City Offices Service Centre
Braeside Avenue
Ringwood

Ringwood Centre Service Centre
Civic Place
Ringwood

Croydon Service Centre
Civic Square
Croydon

Translating and Interpreter Service
13 14 50

National Relay Service (NRS)
13 36 77



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