



**WARRNAMBOOL CITY COUNCIL**  
**Performance Statement**  
For the year ended 30 June 2015

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# Performance Statement

For the year ended 30 June 2015

Ref Reg	
17(1)	<p><b>Description of municipality</b></p> <p>Warrnambool City Council is a municipality covering 120sqkm in south-west Victoria. It contains the city of Warrnambool, which has a population of 33,500, and the small towns of Allansford, Woodford and Bushfield.</p> <p>Significant natural features include the estuaries of the Merri and Hopkins rivers and the expansive Lady Bay which in winter and spring is a nursery for southern right whales.</p> <p>Warrnambool is a major regional employment base with significant dairy and meat processing factories along with a range of industries which service agricultural enterprises.</p> <p>Warrnambool generates a gross regional product of about \$1.6 billion which accounts for over 20 per cent of the Great South Coast region’s economic output despite the municipality covering less than one per cent of the region’s total area.</p> <p>It has 2,893 registered businesses and significant employment sectors include health and social assistance (14.9 per cent of those employed), retail (13.7 per cent), manufacturing (10.3 per cent), education and training (9.1 per cent), construction (8.8 per cent), accommodation and food services (8.8 per cent).</p> <p>Tourism is another major driver of the city’s economy with the city positioned within the Great Ocean Road region and home to the award-winning Flagstaff Hill Maritime Village. Each year more than 700,000 people visit Warrnambool.</p> <p>Tertiary education providers Deakin University and South West TAFE have campuses in Warrnambool which, along with bringing students to the city, provide local people with opportunities to pursue education and vocational training without having to leave the region.</p> <p>Warrnambool City Council is also a major employer and provides a range of community services and also owns and manages community assets including the aquatic centre AquaZone, Warrnambool Art Gallery, Warrnambool Stadium, the Lighthouse Theatre, Surfside Holiday Park and major tourist attraction Flagstaff Hill Maritime Village.</p>

## Sustainable Capacity Indicators

For the year ended 30 June 2015

Ref	Sustainable Capacity Indicators	Results	
Reg	Indicator/measure	2015	Material Variations
15(3)	<b>Population</b>		
Shc3	<i>Expenses per head of municipal population</i>	\$1,934.51	No Material variations
16(1)	[Total expenses / Municipal population]		
17(2)	<i>Infrastructure per head of municipal population</i>	\$14,040.75	No Material variations
	[Value of infrastructure / Municipal population]		
	<i>Population density per length of road</i>	104.69	No Material variations
	[Municipal population / Kilometres of local roads]		
	<b>Own-source revenue</b>		
	<i>Own-source revenue per head of municipal population</i>	\$1,404.58	No Material variations
	[Own-source revenue / Municipal population]		
	<b>Recurrent grants</b>		
	<i>Recurrent grants per head of municipal population</i>	\$461.30	No Material variations
	[Recurrent grants / Municipal population]		
	<b>Disadvantage</b>		
	<i>Relative Socio-Economic Disadvantage</i>	6.00	No Material variations
	[Index of Relative Socio-Economic Disadvantage by decile]		

### Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

"population" means the resident population estimated by council

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

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

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

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

## Service Performance Indicators

For the year ended 30 June 2015

Ref Reg	Service/indicator/measure	Results	
		2015	Material Variations
15(1)	<b>Aquatic Facilities</b>		
Sch3	<b>Utilisation</b>		
16(1)	<i>Utilisation of aquatic facilities</i>	6.16	No Material variations
17(2)	[Number of visits to aquatic facilities / Municipal population]		
	<b>Animal Management</b>		
	<b>Health and safety</b>		
	<i>Animal management prosecutions</i>	0.00	No prosecutions
	[Number of successful animal management prosecutions]		
	<b>Food Safety</b>		
	<b>Health and safety</b>		
	<i>Critical and major non-compliance outcome notifications</i>	100.00%	No Material variations
	[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up / Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises] x100		
	<b>Governance</b>		
	<b>Satisfaction</b>		
	<i>Satisfaction with council decisions</i>	50.00	No Material variations
	[Community satisfaction rating out of 100 with how council has performed in making decisions in the interest of the community]		
	<b>Home and Community Care (HACC)</b>		
	<b>Participation</b>		
	<i>Participation in HACC service</i>	36.03%	No Material variations
	[Number of people that received a HACC service / Municipal target population for HACC services] x100		
	<b>Participation</b>		
	<i>Participation in HACC service by CALD people</i>	13.41%	No Material variations
	[Number of CALD people who receive a HACC service / Municipal target population in relation to CALD people for HACC services] x100		
	<b>Libraries</b>		
	<b>Participation</b>		
	<i>Active library members</i>	38.55%	No Material variations
	[Number of active library members / Municipal population] x100		

Ref Reg	Service/indicator/measure	Results	
		2015	Material Variations
	<b>Maternal and Child Health (MCH)</b> <b>Participation</b> <i>Participation in the MCH service</i> Number of children who attend the MCH service at least once (in the year) / Number of children enrolled <b>Participation</b> in the MCH service] x100	77.61%	This figure reflects a combination of service performance over the past 4-5 years. There has been significant improvement across individual years including a 5.8% overall participation rate increase from the 2013/14 year.
	<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	73.89%	As above
	<b>Roads</b> <b>Satisfaction</b> <i>Satisfaction with sealed local roads</i> [Community satisfaction rating out of 100 with how council has performed on the condition of sealed local roads]	53.00	No Material variations
	<b>Statutory Planning</b> <b>Decision making</b> <i>Council planning decisions upheld at VCAT</i> [Number of VCAT decisions that did not set aside council's decision in relation to a planning application / Number of VCAT decisions in relation to planning applications] x100	70.00%	No Material variations
	<b>Waste Collection</b> <b>Waste diversion</b> <i>Kerbside collection waste diverted from landfill</i> [Weight of recyclables and green organics collected from kerbside bins / Weight of garbage, recyclables and green organics collected from kerbside bins] x100	38.74%	No Material variations

## Definitions

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

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

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

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

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

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

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

"critical non-compliance outcome notification" means a notification received by council under section 19N(3) or (4) of the *Food Act 1984*, or advice given to council by an authorized officer under that Act, of a deficiency that poses an immediate serious threat to public health

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

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

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

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

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

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

"population" means the resident population estimated by council

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

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

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## Financial Performance Indicators

For the year ended 30 June 2015

Ref		Results	Forecasts				
Reg	Dimension/indicator/measure	2015	2016	2017	2018	2019	Material Variations
15(2)	<b>Efficiency</b>						
Shc3	<b>Revenue level</b>						
16(1)	<i>Average residential rate per residential property assessment</i>	\$1,628.36	\$1,700.18	\$1,762.92	\$1,828.13	\$1,895.94	No Material variations
16(2)	[Residential rate revenue / Number of residential property assessments]						
17(2)	<b>Expenditure level</b>						
17(3)	<i>Expenses per property assessment</i>	\$3,974.24	\$3,807.01	\$4,130.88	\$3,952.77	\$4,023.09	No Material variations
	[Total expenses / Number of property assessments]						
	<b>Workforce turnover</b>						
	<i>Resignations and terminations compared to average staff</i>	13.53%	13.25%	13.19%	13.13%	13.07%	No Material variations
	[Number of permanent staff resignations and terminations / Average number of permanent staff for the financial year] x100						
	<b>Liquidity</b>						
	<b>Working capital</b>						
	<i>Current assets compared to current liabilities</i>	137.88%	103.25%	104.68%	106.33%	108.51%	No Material variations
	[Current assets / Current liabilities] x100						
	<b>Unrestricted cash</b>						
	<i>Unrestricted cash compared to current liabilities</i>	50.26%	37.33%	39.26%	40.12%	41.52%	No Material variations
	[Unrestricted cash / Current liabilities] x100						
	<b>Obligations</b>						
	<b>Asset renewal</b>						
	<i>Asset renewal compared to depreciation</i>	82.06%	112.86%	91.27%	90.42%	96.12%	No Material variations
	[Asset renewal expense / Asset depreciation] x100						

Ref Reg	Dimension/ <i>indicator/measure</i>	Results	Forecasts				Material Variations
		2015	2016	2017	2018	2019	
	<b>Loans and borrowings</b>						
	<i>Loans and borrowings compared to rates</i> [Interest bearing loans and borrowings / Rate revenue] x100	34.43%	42.06%	40.10%	32.43%	25.85%	No Material variations
	<i>Loans and borrowings repayments compared to rates</i> [Interest and principal repayments on interest bearing loans and borrowings / Rate revenue] x100	4.56%	5.57%	6.65%	6.50%	5.63%	No Material variations
	<b>Indebtedness</b>						
	<i>Non-current liabilities compared to own source revenue</i> [Non-current liabilities / Own source revenue] x100	20.02%	24.16%	23.12%	18.70%	14.95%	No Material variations
	<b>Operating position</b>						
	<b>Adjusted underlying result</b>						
	<i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/ Adjusted underlying revenue] x100	-0.07%	2.32%	-4.53%	-0.47%	-0.89%	No Material variations
	<b>Stability</b>						
	<b>Rates concentration</b>						
	<i>Rates compared to adjusted underlying revenue</i> [Rate revenue / Adjusted underlying revenue] x100	47.81%	50.91%	51.10%	52.24%	52.47%	No Material variations
	<b>Rates effort</b>						
	<i>Rates compared to property values</i> [Rate revenue / Capital improved value of rateable properties in the municipality] x100	0.52%	0.54%	0.55%	0.56%	0.56%	No Material variations



## Definitions

"adjusted underlying revenue" means total income other than—

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

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

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

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

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

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

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

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

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

"population" means the resident population 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 2015

Ref  
Reg

### 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 22 June 2015 and which forms part of the council plan. The strategic resource plan includes estimates based on key assumptions about the future that were relevant at the time of adoption and aimed at achieving sustainability over the long term. Detailed information on the actual financial results is contained in the General Purpose Financial Statements. The strategic resource plan can be obtained by contacting council.

# Certification of the performance statement

Ref Reg	
18(1) 18(2)	<p>In my opinion, the accompanying performance statement has been prepared in accordance with the <i>Local Government Act 1989</i> and the Local Government (Planning and Reporting) Regulations 2014.</p>
	<hr/> <p>Stephen Kerr, CA <b>Principal Accounting Officer</b> <b>Dated:</b> 03/09/2015</p>
18(2)	<p>In our opinion, the accompanying performance statement of the <i>(council name)</i> for the year ended 30 June 2015 presents fairly the results of council's performance in accordance with the <i>Local Government Act 1989</i> and the Local Government (Planning and Reporting) Regulations 2014.</p> <p>The performance statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.</p> <p>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.</p> <p>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.</p>
0	<hr/> <p>Cr. Michael Neoh <b>Councillor</b> <b>Dated:</b> 03/09/2015</p>
	<hr/> <p>Cr. Kylie Gaston <b>Councillor</b> <b>Dated:</b> 03/09/2015</p>
	<hr/> <p>Bruce Anson <b>Chief Executive Officer</b> <b>Dated:</b> 03/09/2015</p>