

adopted
knox
budget



Knox City Council

2017-18



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Mayor's Introduction

On behalf of the Councillors and staff of Knox City Council, I am pleased to present to the Knox community our adopted Budget for the 2017-18 financial year. This is a financially responsible budget that outlines a roadmap for our municipality over the next 12 months. The Budget details the planned income and expenditure required to realise key goals and objectives outlined in the Knox Community and Council Plan 2017-2021.

In line with the Victorian Government's Fair Go Rates System (FGRS), the budget outlines a 2% rate increase, which is within the rate cap limit.

To help ensure the future of Council's existing domestic waste management service, Council has introduced a flat residential garbage charge levied on each residential property. This measure will not increase the total amount of rates, fees and charges income collected by the Council.

This budget also outlines significant investment in existing and new infrastructure across the city. Over \$50 million will be spent on new and better community facilities, including buildings.

While over \$28 million will keep our roads, footpaths, drains and buildings in the best possible condition.

Specific budget highlights include:

- **\$18.8 million for building the integrated Early Years Hubs in Bayswater and Wantirna South;**
- **\$7.6 million for the Stamford Park development;**
- **\$2.5 million to redevelop The Basin Neighbourhood House;**
- **\$5.1 million for the ongoing maintenance of community buildings;**
- **\$500,000 to design the Henderson Road Bridge; and**

\$2.8 million to improve 12 reserves including Marie Wallace Bayswater Park, Pickets Reserve, Knox Regional Netball Centre, Tim Neville Arboretum and Llewellyn Reserve.

While the impact of rate capping continues to present challenges in maintaining current service delivery levels, Council has worked hard to deliver a budget that is not only financially sustainable but continues to deliver on the priorities that matter to our community. Thank you to our community members who have played a role in shaping our priorities.

Cr Darren Pearce
Mayor





Chief Executive Officer's Summary

Executive Summary

The 2017-18 Council budget forms an integral part of Council's overall strategic planning framework and endeavours to resource the directions that have been established in the Knox Community and Council Plan 2017-21. Council has established its four-year strategic direction in the Community and Council Plan and has developed actions to implement these directions which flow directly through to this budget.

In preparing this budget Councillors and officers held a number of meetings to outline the key areas for focus and funding for 2017-18 to enable the longer term goals of the Community and Council Plan. This budget has captured the key priorities and transformed them into a program of work for 2017-18 to meet these priorities and build the foundation for later years.

This budget achieves an operating surplus \$3.951 million for 2017-18. This figure includes non cash items such as depreciation of \$22.867 million which allows for the writing down of Council's assets as they are being used. The adjusted underlying result is a deficit of \$1.385 million after adjusting for capital grants and contributions. This result has been impacted by the prepayment of 50% of the Victorian Grants Commission 2017-18 funding in June 2017 (\$3.611 million). Throughout the development of this budget Council undertook an extensive review of expenditure with key savings and efficiencies identified.

Council is also committed to maintaining service delivery to at least 2016-17 levels to ensure that it continues to meet community needs.

This budget continues to deliver value to the Knox community in the provision of services and capital works. This budget provides for:

- Capital Works renewal funding of \$28.098 million which is to be invested in maintaining and renewing existing community assets such as roads, footpaths, drains and buildings;
- \$53.892 million to be invested in new, upgraded and expanded community assets;
- Continuation of the Knox Central Precinct, Early Years Hubs and Stamford Park projects; and
- A commitment to a comprehensive four year rolling service review and continuous improvement program.

The 2017-18 budget has been based on the following general parameters:

- General rate income increase of 2.0%;
- Increased wages and salaries costs of 3.2%;
- A cost escalation factor of 4.00%;
- An increase in Utility costs of 5.0%;
- An efficiency target of 0.50% to be applied for materials, services and contractors, generating savings of \$7.856 million over Council's Long Term Financial Forecast;



- Service levels generally maintained at 2016-17 levels; and
- Operational savings of \$0.500M ongoing from customer focused business improvements.

The 2017-18 budget also funds the following external requirements:

- The State Government Fire Services Levy on Council's properties (\$0.145 million);
- An amount of \$0.350 million will be transferred to the Landfill Rehabilitation Reserve to support environmental compliance requirements for Cathies Lane and Lewellyn Park Landfills;
- Government grant funding to generally increase by 1.8% which is well below Council's Cost Escalation.

Overall, Council remains in a sound financial position across the four year outlook period with annual underlying surpluses forecast.

There are a number of key components of the 2017-18 budget to highlight and these are outlined below:

a) Rate Capping

Council's budget has been prepared in accordance with the State Government Fair Go Rates System, which allows for an increase of 2.00% in the 2017-18 financial year. Compared with Council's Adopted Budget 2016-17, compliance with the rate cap has reduced available funding for core services and investment in community infrastructure by \$43.942 million over the Long Term Financial Forecast (10 years). This is in addition to the impact of the freeze on indexation of Financial Assistance Grants from the Victoria Grants Commission of \$4.957 million.

As a result of a number of financial pressures including reduced grant income, contract costs such as Council's waste collection contract increasing greater than the rate cap, as well as salaries and wages increasing marginally above the rate cap, Council's ability to increase service levels and provide new initiatives has been constrained.

b) Service Levels

The 2017-18 Annual Budget is based on generally maintaining current service levels to the Knox community.

Knox Council continues to conduct service reviews across the organisation through a service planning process. Service Plans are long term plans which detail the services Council will need to offer internally and externally in the future.

As a result of this process, Council continually refines services provided and identifies opportunities for improved service delivery as well as opportunities for possible savings.



c) Capital Works

The total Capital Works Program for 2017-18 is \$81.990 million. This includes \$19.715 million anticipated to be carried forward from 2016-17. A major component and focus of this expenditure is the asset renewal program to maintain the existing asset base to community expectations. The asset renewal program for 2017-18 is \$28.098 million. Greater detail on the asset renewal program is provided in Section 6.

The new, upgrade and expansion Capital Works Program for 2017-18 is \$53.892 million. The significant new projects for 2017-18 include:

- \$19.335M to progress the development of two integrated early years hubs at Bayswater and Wantirna South.
- \$7.645M for the development of Stamford Park.
- \$8.585M for Knox Central precinct (excluding Library).
- \$2.500M for redevelopment of The Basin Neighbourhood House.
- \$0.500M for the Henderson Road bridge.
- \$5.118M for replacement of components for all Council owned buildings based on Building Asset Management Systems.

The new and upgrade Capital Works program is primarily funded through a combination of Rates, Council's cash reserves, loan borrowings, external grants and proceeds from asset sales. The detailed listing of new and upgrade capital works is included in Section 6.

d) Maintaining Existing Assets

The below table highlights the funding provided for Asset Renewal investment in the 2017-18 Budget.



Asset Renewal Category	Budget 2017-18 \$'000's
Buildings	5,117
Computers and telecommunications	3,277
Fixtures, fittings and furniture	0
Plant, machinery and equipment	2,254
Artwork	20
Roads	7,750
Bridges	500
Footpaths and cycleways	2,400
Drains	2,200
Recreational, leisure and community facilities	3,803
Off street car parks	550
Other infrastructure	227
Total Asset Renewal	28,098

Council's Long Term Financial Forecast allocates an increasing commitment to asset renewal. This is in line with Council's previously adopted strategy to progressively increase funds for these works to ensure a level of funding is reached where Council's assets can be maintained in a sustainable manner.

Council's asset management plans highlight the need for Council to ensure that its asset renewal funding levels adequately renew community assets as they require replacement, on a recurrent basis.

Summary

The 2017-18 Annual Budget is the result of a rigorous process that has complied with the state government's Fair Go Rates System, with a continued focus on containment of operating costs whilst maintaining services for the community. The 2017-18 Annual Budget continues Council's ongoing commitment to increasing its asset renewal and capital works program investments for the ongoing benefit of the community.

Tony Doyle
Chief Executive Officer



Overview

1. Linkage to the Community and Council Plan 2017-21

The following two sections (Sections 1 and 2) in this Annual Budget document are referred to as Knox's Annual Plan. They outline what Knox Council plans to achieve during the coming twelve months and how it aligns to our *Community and Council Plan 2017-21*.

The Community and Council Plan is Knox's main planning document and guides our city for the next four years and beyond. It outlines our long-term vision and the medium-term goals and strategies that Council and other agencies and stakeholders are working towards. It also outlines Council's role and focus that articulates our everyday business, the targets we have set, and the initiatives describe the clear priorities for the next four years. The initiatives for delivery in Year 1 of the Plan have been extracted and form the initiatives and major initiatives outlined in Section 2 of this document.

This section describes how the Annual Budget links to the achievement of Knox's Community and Council Plan within an overall planning and reporting framework. This framework guides the Council in identifying community needs and aspirations over the long term (Vision), medium term (Goals) and short term (Annual Budget) and then holding itself accountable (Annual Report).

1.1 Planning and Accountability Framework

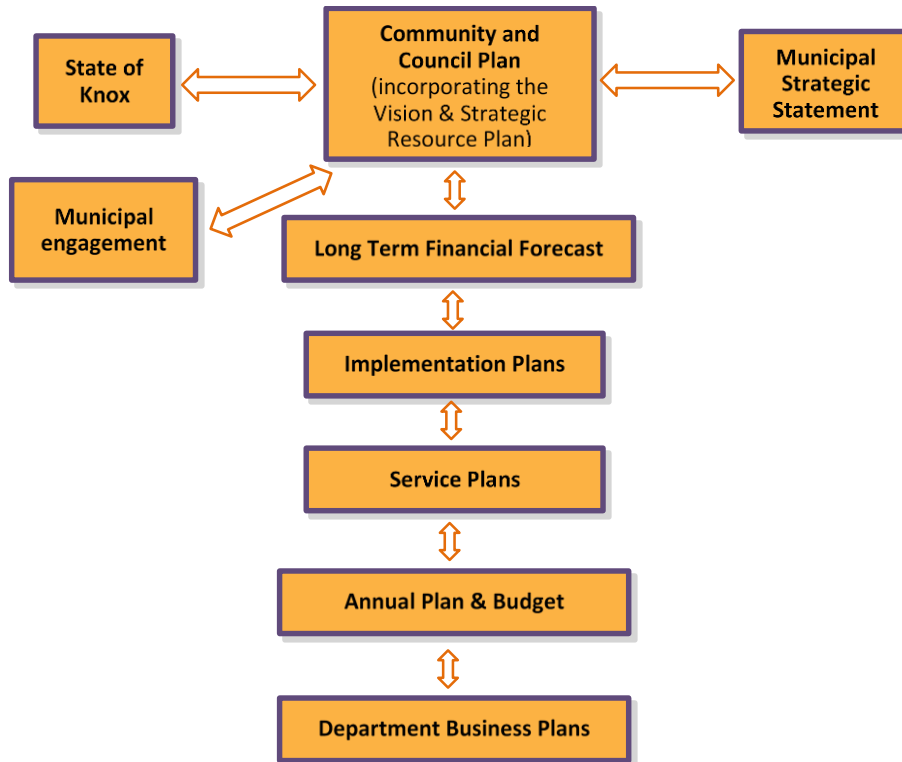
The Community and Council Plan 2017-21 outlines the goals and strategies developed that are shared between Council and other stakeholders. It also describes Council's role and focus, targets and measures, and initiatives for the next four years.

The Strategic Resource Plan, which forms part of and is prepared in conjunction with the Community and Council Plan, is a rolling four year plan that outlines the financial and non-financial resources that Council requires to achieve the goals.

The Annual Budget is framed within the Strategic Resource Plan, taking into account the services and initiatives, which contribute to the goals being achieved specified in the Community and Council Plan. The diagram below depicts the planning framework that applies to Knox City Council.

Council will review the Community & Council Plan annually and report on the progress of Council initiatives through quarterly Annual Plan Progress Reports and the Annual Report.





1.2 Our Purpose

Our vision

Knox has a long-term vision statement included in the Community and Council Plan 2017-21. Our Vision 2035 is:

Nestled between the foothills of the Dandenong Ranges and the wetlands of the Dandenong Creek Valley, Knox has a rich natural environment and picturesque landscape, highly valued by residents and visitors alike. Knox encompasses the best of city and suburban living. From the thriving modern city vibe of Knox Central at its heart, plentiful public open spaces, outstanding civic facilities and diverse residential offerings to its leafy suburban centres with abundant space, clean air, excellent schools and good transport links, Knox is the preferred place to live, work and play today and for generations to come.

Our role and guiding principles

Council has a critical role in delivery of the Community and Council Plan, yet it recognises it cannot do this alone. Under each of the shared goals Council has identified a number of roles that it will specifically undertake. These roles are defined below:



Advocate – raising awareness in state and federal governments and other stakeholders of the issues and needs of Knox residents and businesses, as well as initiating or supporting campaigns for positive change.
Partner – developing trusting formal and informal relationships and alliances and working with others to achieve common goals.
Provide – offering a range of services and support, preventative interventions, infrastructure and facilities to individuals and groups.
Fund – providing grants, funding and/or subsidies to local groups and agencies to progress and develop services and infrastructure for individuals and groups.
Educate – sharing information, raising awareness, and developing knowledge and skills to empower individuals and groups.
Plan – proactively planning for services and infrastructure which respond to current and future needs and requirements.
Regulate – providing governance and regulatory controls such as local laws and health and building controls.
Research – undertaking the collection, analysis and dissemination of quantitative and qualitative data to inform evidence-based planning, priority setting, decision-making and evaluation.

The Community and Council Plan 2017-21 is guided by a set of principles. These principles are an established set of criteria, which guided the development of the Community and Council Plan and underpins all future planning for the City of Knox. Knox City Council will adhere to these throughout the implementation of the plan and use them to guide all future planning.

Flexibility	Council is ready to adopt alternative strategies in response to changing circumstances, to enable community resilience.
Integration	Implementation should bring together a range of distinct systems and stakeholders, creating additional benefits where resources are shared and helping people to work together to achieve greater ends, giving consideration to a place-based approach to planning and delivery.
Robustness	Strategies should be well-conceived, evidence-based and able to take account of all life stages. Sustainability principles should be embedded to balance current needs with those of future generations, taking into account return on investment.
Inclusiveness	Council encourages broad engagement, shared contribution and collaboration in community decisions, incorporating an access and equity approach.





Resourcefulness	Council recognises alternative ways to use resources, including funding and delivery, adopting a prevention and early intervention approach.
Reflection	Council draws on experience to inform future decision-making and evaluation.
Foresight	Council works to identify future changes which will impact the community and use innovative and creative strategies and action to deal with change in the long term, exercising stewardship and leadership of change.

1.3 Our Goals

Council delivers a number of services and initiatives each contributing to the achievement of one or more of the eight goals as set out in the Community Plan and Council Plan 2017-21.

The goals reflect the shared outcomes for the Knox community. They relate to the various aspects of the Knox community that have been identified as priorities and together they will help us achieve our vision:

- 1. We value our natural and built environment**
- 2. We have housing to meet our changing needs**
- 3. We can move around easily**
- 4. We are safe and secure**
- 5. We have a strong regional economy, local employment and learning opportunities**
- 6. We are healthy, happy and well**
- 7. We are inclusive, feel a sense of belonging and value our identity**
- 8. We have confidence in decision making**

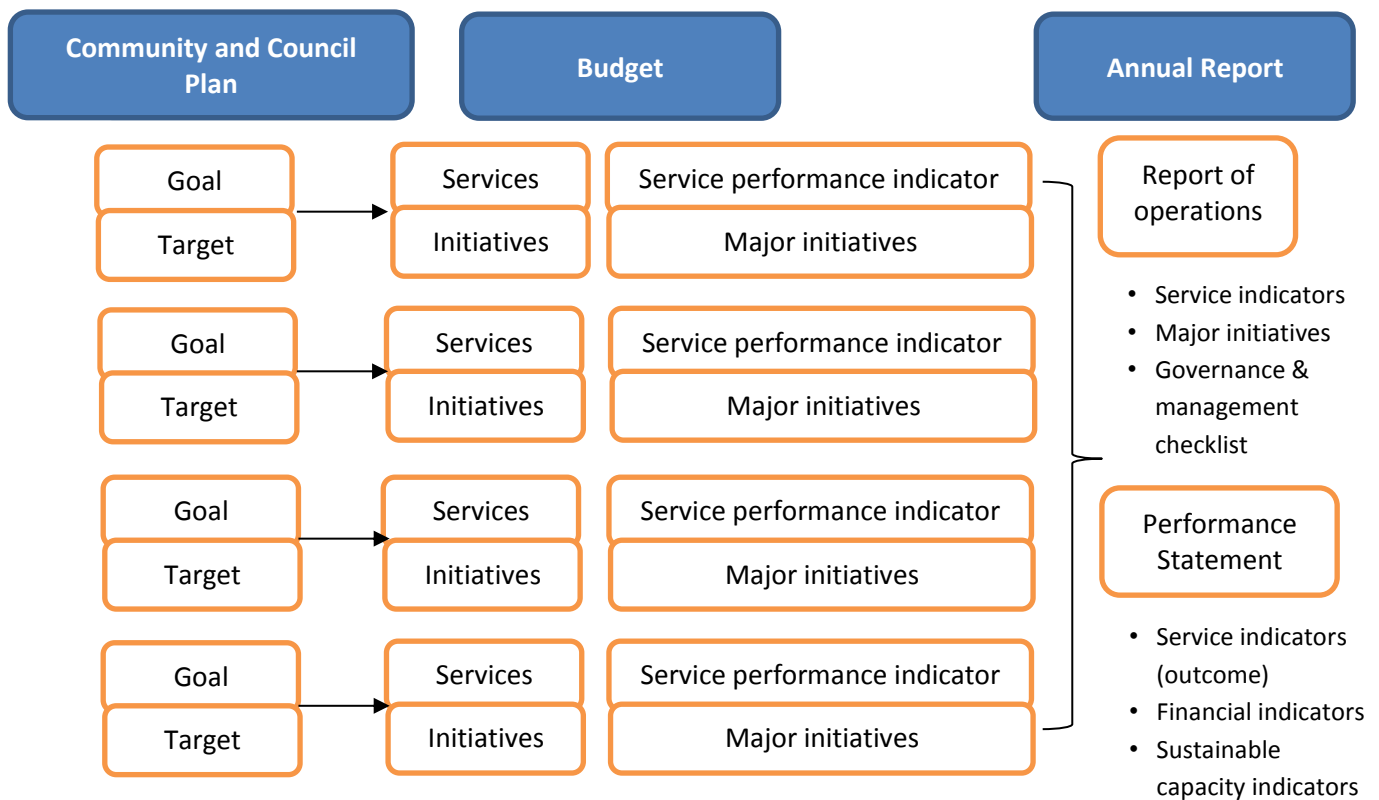


Overview

2. Services and service performance indicators

This section of the Annual Budget provides a description of the services and initiatives to be funded in the Budget for the 2017-18 year and how these will contribute to achieving the goals outlined in Knox’s Community and Council Plan.

It also describes a number of major initiatives, initiatives and service performance outcome indicators for key areas of Council’s operations. Council is required by legislation to identify major initiatives, initiatives and service performance outcome indicators in the Budget and report against them in their Annual Report to support transparency and accountability. The relationship between these accountability requirements in the Community and Council Plan, the Budget and the Annual Report is shown below.



Services for which there are prescribed performance indicators to be reported on in accordance with the Regulations are shown in **bold** and underlined in the following sections.



2.1 Goal 1: We value our natural and built environment

The strategies we will undertake to achieve our goal are:

- Protect and enhance our natural environment;
- Create a greener city with more large trees, indigenous flora and fauna; and
- Ensure the Knox local character is protected and enhanced through the design and location of urban development and infrastructure.

The services, initiatives, major initiatives and service performance indicators are described below.

Services

Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Asset Management	This service provides strategic direction for asset management incorporating the development of processes and systems to maintain and regularly update Council's asset register and management system, collection of asset condition data and the development and implementation of strategic asset management plans for all asset categories. The service also provides asset preservation and protection functions in areas associated with subdivision, private developments; Council capital infrastructure projects and works undertaken by service authorities; contractors and government agencies. The service also manages the coordination, planning, development and monitoring of the delivery of Council's Capital Works Program.	99	1,190	1,091
Facilities	This service provides building services, including capital construction, programmed and reactive maintenance and ancillary services (e.g. graffiti control, security, essential safety measures) for all Council buildings; internal architectural advice and building management services on land where Council has an interest.	9	2,314	2,305



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Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Operations	This service is responsible for the management and delivery of maintenance services and delivery of new, renewed and upgraded Council infrastructure assets. This includes Parks Services, Works Services, Construction, and Fleet Management. The service provides well maintained infrastructure assets that meet present day and future needs of the community, in compliance with various Acts and regulations and Council policies.	135	3,603	3,468
Waste Management	This service aims to minimise waste and provides waste collection and disposal services for the Knox community.	775	15,654	14,879
Biodiversity	This service provides for the conservation, enhancement and celebration of local biodiversity within the City of Knox. The service provides bushland management to protect and enhance over 40 Council bushland reserves, over 120 sites of biological significance as well as education/awareness programs in order to increase the appreciation and understanding of the values of biodiversity within the broader community. This includes encouraging and supporting active participation by members of the community in the conservation and enhancement of remnant vegetation on public and private land.	20	1,062	1,042
Open Space Management	This service provides planning, design, consultation and implementation of enhanced passive open space. The service also includes the development of policy and provision of planning and landscape architectural design expertise for other areas of Council.	143	9,427	9,284
Integrated Water Management	This service provides technical and strategic advice and drainage advice/drainage services related to developer and resident enquiries and the provision of integrated water management. The service aims to safeguard the community against flooding, provide a municipal drainage system that is safe and fit for purpose, ensure that stormwater is a valued and well used resource and maintain clean waterways.	30	2,673	2,643



Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Building	This service provides for building assessment and regulatory services in accordance with the Building Act 1993 and other relevant legislation. The service issues Building Permits, performs building inspections, responds to complaints with inspections; and performs swimming pool inspections.	581	990	409
Sustainable Futures	This service provides for environmental planning, community engagement in sustainability, policy development and project implementation. The service provides a range of learning and engagement programs that focus on supporting Council and the community to move towards environmental, social and economic sustainability.	100	498	398
Major Initiatives	This service provides for the delivery of major initiatives supplementing the full program of capital projects being delivered by the various delivery teams across Knox. The Unit utilises a combination of internal and specialist skills – and include architectural, quantity surveying, project management, construction management, specialist engineering and site supervision services.	0	275	275
Total		1,892	37,686	35,794

Major Initiatives

- 1) Undertake a strategic review of the Boronia Structure Plan including a detailed assessment of strategic sites (i.e. Boronia Park).

Initiatives

- 2) Identify and commence implementation of strategic and appropriate locations for dog parks in Knox.
- 3) Increase the provision of public place recycling bins across the municipality.
- 4) Finalise and implement a public arts plan for Knox.



Service Performance Indicators

Service	Indicator	Performance Measure	Computation
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
	Satisfaction with Community Education	Satisfaction with Council investment in community education event (Percentage of survey respondents who think the Pets in the Park event is a "great investment" or a "good investment" of animal registration funds)	[Percentage of survey respondents who respond "great investment" + percentage of survey respondents who respond "good investment"]



2.2 Goal 2: We have housing to meet our changing needs

The strategies we will undertake to achieve our goal are:

- Plan for a diversity of housing in appropriate locations;
- Encourage high quality sustainable design; and
- Support the delivery of a range of housing that addresses housing and living affordability needs

The services, initiatives, major initiatives and service performance indicators are described below.

Services

Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Planning Approvals	This service provides for statutory planning assessment and enforcement and regulatory services under of the Planning and Environment Act and related Acts and Regulations.	1,642	3,181	1,539
Strategic Land Use Planning	This service undertakes research to inform planning policies and decisions. It also proactively updates the Knox Planning Scheme to reflect the Council Plan. This includes the preparation and assessment of planning scheme amendments, internal referral responses to planning applications, provision of general strategic land use planning advice to internal and external customers, and a statutory requirement to review the Knox Planning Scheme every four years. Community engagement and consultation is a core part of this service.	244	2,666	2,422
Total		1,886	5,847	3,961

Major Initiatives

- 5) Implement the Affordable Housing Action Plan including advocacy for an increase for the supply of social and affordable housing at key strategic sites and across the municipality.

Initiatives

- 6) Continue to support the development of Stamford Park residential estate.
- 7) Explore a range of mechanisms to improve and encourage high quality and sustainable design in the built form.



Service Performance Indicators

Service	Indicator	Performance Measure	Computation
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



2.3 Goal 3: We can move around easily

The strategies we will undertake to achieve our goal are:

- Enable improved transport choices supported by integrated and sustainable transport systems and infrastructure; and
- Improve bike and footpath connectivity, including identifying gaps between existing bike routes, footpaths and key places

The services, initiatives, major initiatives and service performance indicators are described below.

Services

Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Community Transport	This service offers residents who are older, who have a disability and/or are in other ways disadvantaged, to be engaged in community life through the provision of transport. There are 3 buses in operation that enable people to do such activities as shopping, participate in senior citizen clubs or go to the library. The Community Transport Service is also used to transport residents to attend Council events, for the Council induction program as well as some other Council activities.	36	286	250
Traffic and Transport	This service provides local traffic management (on roads , footpaths, shared paths, etc), advice and advocacy for broad transport choices for a range of traffic and transport services as provided by Council and others.	53	3,446	3,393
Total		89	3,732	3,643

Major Initiatives

- 8) Undertake a strategic review of Council's parking compliance services to review current parking compliance issues within the municipality, and provide strategies and recommendations to address them.

Initiatives

- 9) Investigate community transport services and availability in Knox to determine requirement for funding advocacy to increase community transport options delivered by community agencies.
- 10) Advocate to State and Federal Governments for improved sustainable transport infrastructure and services.



Service Performance Indicators

Service	Indicator	Performance Measure	Computation
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



2.4 Goal 4: We are safe and secure

The strategies we will undertake to achieve our goal are:

- Encourage and support the community to take responsibility for their own safety, and the safety of others;
- Enhance community connectedness opportunities to improve perceptions of safety;
- Maintain and manage the safety of the natural and built environment;
- Protect and promote public health, safety and amenity; and
- Support the provision of emergency services

Services

Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Community Safety	This service provides advice, support and programs to strengthen community safety in order that neighbourhood amenity is protected, people feel safe and enjoy public spaces and individual rights are preserved.	0	428	428
Local Laws	This service provides local law and parking enforcement, school crossing supervision, and animal management programs to the community.	2,786	4,118	1,332
Emergency Management	This service coordinates and delivers Council's legislative and community focused responsibilities for emergency and fire management. It includes services to mitigate risk to people and property, preparedness/planning through to response and recovery.	26	515	489
Total		2,812	5,061	2,249

Major Initiatives

- 11) Develop and participate in a Council and community program for the 16 days of Activism against gender violence.

Initiatives

- 12) Continue to implement the Victorian Child Safe Standards
- 13) Implement the Business Champions of Change Project on family violence prevention with three businesses across Outer East. *(Subject to grant funding)*
- 14) Implement a Graffiti reporting system (mobile app) in partnership with other Metropolitan Councils.



Service Performance Indicators

Service	Indicator	Performance Measure	Computation
Animal management	Health and safety	Animal management prosecutions (Number of successful animal management prosecutions)	Number of successful animal management prosecutions



2.5 Goal 5: We have a strong regional economy, local employment and learning opportunities

The strategies we will undertake to achieve our goal are:

- Attract new investment in Knox and support the development of existing local businesses, with a particular focus on Advanced Manufacturing, Health, Ageing and Business Services sectors;
- Plan for a range of key strategic centres that provide a diversity of employment, services and amenities to support the changing needs of our community;
- Promote and improve infrastructure and technology within the municipality and enhance strategic employment places for business; and
- Increase and strengthen local opportunities for lifelong learning, formal education pathways and skills development to improve economic capacity of the community

The services, initiatives, major initiatives and service performance indicators are described below.

Services

Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Economic Development	<p>The Economic Development service aims to realise Knox’s potential as a prosperous, advancing economy. It provides an integrated approach to information, advice and action to encourage private and public sector investment that will increase business establishment and growth; encourage and attract new business and investment; lift productivity; create prosperity and boost employment within the Knox economy.</p> <p>The service informs and supports businesses within Knox by providing education and assistance with business development; attraction and facilitation of investment; connecting Knox businesses with each other or in groups; and highlighting opportunities that may exist within government funding programs.</p>	28	1,319	1,291



Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Place Program	This service provides an integrated approach to build partnerships and ensure better social, environmental and economic outcomes are delivered in community hubs. It sets out to improve the amenity and neighbourhood character of the municipality, increase prosperity and increase the capacity for the community to be resilient to change and work together to determine what is important in their Place.	0	377	377
Total		28	1,696	1,668

Major Initiatives

- 15) Develop and regularly update a Knox Investment Plan to support Council's advocacy program and activities.

Initiatives

- 16) Advance the planning for the Wantirna Health Precinct in partnership with the Metropolitan Planning Authority and Department of Economic Development, Jobs, Transport and Resources.



2.6 Goal 6: We are healthy, happy and well

The strategies we will undertake to achieve our goal are:

- Mitigate lifestyle risks such as smoking, risky alcohol consumption and drug use, obesity, lack of physical activity and poor nutrition; and
- Support the community to enable positive physical and mental health

The services, initiatives, major initiatives and service performance indicators are described below.

Services

Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Youth Services	This service promotes, develops and encourages physical, social and mental wellbeing of young people by providing, facilitating, planning, funding and advocating for the needs of young people, their families and their community. Youth Services includes delivery of youth counselling and referral, youth leadership development, parenting programs, and partnerships with schools in Knox.	153	1,059	906
Active Communities	This service works to encourage Knox residents as they get older to socialise and participate in activities that will enable them to have greater independence and live active and healthy lives in the community. This is achieved by promoting active ageing and by providing events and programs, support to 11 Senior Citizens Clubs and other older person's support groups within the municipality.	268	2,143	1,875
Active Living	This service provides a range of Home and Community Care (HACC) services that support over 2,500 frail older people, people who have a disability and their carers. The service helps eligible Knox residents maximise their independence, remain living in their own homes, stay connected to the community and enhance their quality of their life.	6,734	7,162	428



Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Health Services	This service aims to mitigate adverse community health outcomes through: <ul style="list-style-type: none">• Monitoring, surveillance and enforcement activities that are aimed at food safety and controlling the spread of infectious disease.• Immunisation services which protects the community against vaccine preventable disease.• Delivery of health promotion and education services, including tobacco control and emergency management which aims to change community behaviour towards improved health outcomes.• Provision of expert advice on preventative health related matters.	723	1,820	1,097
Family Health, Development & Support	This service aims to support the healthy development of young children. It supports, empowers, informs and equips parents and primary carers of children from birth to six (6) years in their role as their child's first teacher. The service also aims to support and empower service providers, professionals, volunteer committees and community leaders to successfully engage and support families with young children. Additional supports are provided to vulnerable families who are not connected with services.	1,325	3,136	1,811
Early Years Planning, Innovation and Partnerships	This service supports early years and family support services to provide good quality, well co-ordinated and integrated services to meet the needs of families and children. The service undertakes service planning and reviews including research and community consultation, to ensure children and family services are available to meet identified priority needs of the community in Knox. The service also builds and supports partnerships between Council and non-Council services and community managed programs to provide the right support at the right time in children's and families' lives.	12,687	15,200	2,513



Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Leisure Services	This service includes the management, operation and/or support for Council's leisure facilities including 2 Council managed leisure centres (including aquatic facilities), 11 externally managed facilities, 17 community managed and 10 public access tennis facilities, 1 community managed hockey facility and 59 council managed sports grounds.	1,989	2,794	805
Total		23,879	33,314	9,435

Major Initiatives

- 17) Progress Council's public Expression of Interest process seeking applications from NDIS/ECIS service providers to lease the Illoura House facility for use as a disability focused centre supporting children, families, carers and people with disabilities in Knox.

Initiatives

- 18) Deliver health promotion and harm minimisation programs, including:
 - Education /capacity building programs with sporting clubs focused on cultural change; and
 - Advocacy to improve planning policy responses and regulatory framework that manage the density of alcohol outlets within places or locations.
- 19) Develop an Aquatic Plan.



Service Performance Indicators

Service	Indicator	Performance Measure	Computation
Maternal and Child Health (MCH)	Participation	Participation in the MCH service (Percentage of 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
		Participation in MCH service by Aboriginal children (Percentage of Aboriginal children enrolled who participate in the MCH service)	[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
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



2.7 Goal 7: We are inclusive, feel a sense of belonging and value our identity

The strategies we will undertake to achieve our goal are:

- Protect and preserve our local cultural heritage;
- Celebrate our diverse community;
- Strengthen community connections; and
- Promote and celebrate the contribution of our volunteers

The services, initiatives, major initiatives and service performance indicators are described below.

Services

Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Community Strengthening	This service aims to create a stronger Knox community through: building the capacity of our organisation and our community organisations, developing and nurturing partnerships, and creating connections between community groups, individuals and businesses. This is achieved through the delivery of a range of programs which focus on supporting and resourcing Not for Profit (NFP) community groups.	121	1,842	1,721
Community Access and Equity	This service provides programs that support and advocate for disadvantaged and marginalised communities to foster an accessible, inclusive and supportive Council and community. The service provides both program based service delivery and development roles that are aligned to Council's Vision.	122	820	698
Social Policy and Planning	This service researches, informs, analyses, develops and contributes to Council social policy, planning and action. It identifies and recommends evidence-based priorities and strategies for Council and community planning and action. This service provides support and advice on the development of new and improved service and facility proposals.	0	553	553



Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Arts & Cultural Services	This service delivers and engages the local community in a range of arts and cultural services and programs. These services/programs include performing arts, events, festivals, arts courses, performances and public art projects.	294	1,573	1,279
Libraries	The Libraries service provides resources and programs and a variety of media for education, information, leisure and personal development. There are currently five branch libraries in Knox and one library service bus. The service is managed by the Eastern Regional Library Corporation, a formal partnership between Maroondah, Yarra Ranges and Knox Councils.	0	4,700	4,700
Total		537	9,488	8,951

Major Initiatives

20) Relocate the Knox City Library service and Youth Information Centre within Knox Westfield.

Initiatives

- 21) Support the development of the new The Basin Community House on The Basin Primary School site.
- 22) Further develop partnerships with community houses for extended programming related to digital literacy.
- 23) Finalise the review of Council's Community Operational Funding Program.
- 24) Develop a streamlined approach and tools to support community members holding community events and festivals on Council land.
- 25) Continue to support the attraction, placement and recognition of volunteers through the Volunteer Resource Centre for community groups in Knox.
- 26) Embed a strengthened approach to the management and recognition of volunteers within the organisation.



Service Performance Indicators

Service	Indicator	Performance Measure	Computation
Libraries	Participation	Active library members (Percentage of the municipal population that are active library members)	[Number of active library members / municipal population] x100



2.8 Goal 8: We have confidence in decision making

The strategies we will undertake to achieve our goal are:

- Build, strengthen and promote good governance practices across government and community organisations; and
- Enable the community to participate in a wide range of engagement activities

The services, initiatives, major initiatives and service performance indicators are described below.

Services

Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Customer Service	This service is designed to support the delivery of a range of Council's programs and services to the community via telephone and counter contact centres. The service supports the organisation to provide personalised, responsive customer service via all Council's contact channels, including online. The team provides guidance and support for all customer interactions and exists to support information and connection between Council and the community.	0	2,016	2,016
Communications	This service is responsible for organisational communications and promotions, leadership and advice in communications and marketing, the production and management of corporate publications (including brand development and integrity), media connections, staff communications and the development of community information.	0	1,634	1,634
Strategy & Innovation	This service provides leadership, guidance and direction for the planned and measurable delivery of Council's Vision. This is achieved through: strategic planning, corporate planning, service planning, performance monitoring, evaluation and reporting, continuous improvement, and various other organisational improvement projects.	0	784	784



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Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Finance and Property Services	This service provides the strategic thinking, leadership, service delivery and management of all matters relating to financial management. The Department is responsible for leading the processes for budgeting and forecasting, regular financial reporting, Annual Financial Accounts preparation, rating services and management of the debtors and creditors and provides oversight of Council's property management obligations. The Finance team works closely with the Governance team to develop and support the organisational financial compliance frameworks and works across the organisation educating and supporting stakeholders. The Finance team continuously reviews its operations to ensure compliance with statutory obligations and community expectations.	577	3,361	2,784
Governance	The Governance service provides key internal and external services to Councillors, staff and the community to facilitate a well governed organisation. The service has overall responsibility for legislative compliance, Councillor support and development, Council meetings and the maintenance of the Civic Centre meeting rooms. The service oversees Council's strategic procurement function and is responsible for Council's integrity framework, including the Audit Committee, fraud and corruption prevention, privacy compliance and Freedom of Information.	53	2,831	2,778
Information Technology	This service incorporates provision of information technology and records management services and IT support for the organisation. This encompasses hardware and software support as well as internal and external telecommunications. This service is a key foundation platform for efficient service delivery for the community and the organisation.	0	6,278	6,278



Services	Description	Income \$'000	Expense \$'000	Net Cost \$'000
Human Resources	This service provides strategic and operational leadership, services and programs for all aspects of human resource management. These include industrial and employee relations, recruitment, induction, corporate learning and development, leadership development, organisational culture, performance management workforce planning, remuneration and employee safety, health and wellbeing. This service works across the organisation, developing and implementing programs, and works with stakeholders to educate and build capability and continuously develop their teams. This service also includes Council's risk management systems, insurances and the front line support to customers and residents for insurance related issues.	147	4,888	4,741
Total		777	21,792	21,015

Major Initiatives

27) Review Council's advisory committees to enable community participation, advice and action.

Initiatives

- 28) Finalise and implement Council's Communication Strategy.
- 29) Implement staged delivery of the ICT Roadmap to support organisational efficiency and effectiveness and to increase capacity for customer self-service.
- 30) Strengthen and centralise the coordination, collection and provision of research and data to support future planning by Council.
- 31) Facilitate regular networking sessions with key agencies and stakeholders to identify partnership opportunities in order to achieve shared Community and Council Plan goals.



Service Performance Indicators

Service	Indicator	Performance Measure	Computation
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



2.9 Performance Statement

The service performance indicators detailed in the preceding pages will be reported on 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 2017-18 Annual Report. The Performance Statement will also include reporting on prescribed indicators of financial performance (outlined in Section 8) 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 on in the Annual Report in the form of a statement of progress in the Report of Operations.

2.10 Reconciliation with Budgeted Operating Results

Goals	Income \$'000	Expenditure \$'000	Net Cost \$'000
We value or built and natural environment	1,892	37,686	35,794
We have housing to meet our changing needs	1,886	5,847	3,961
We can move around easily	89	3,732	3,643
We are safe and secure	2,812	5,061	2,249
We have a strong regional economy, local employment and learning opportunities	28	1,696	1,668
We are healthy, happy and well	23,879	33,314	9,435
We are inclusive, feel a sense of belonging and value our identity	537	9,488	8,951
We have confidence in our decision making	777	21,792	21,015
Total Net Cost of Activities and Initiatives	31,900	118,616	86,716
Non Attributable Expenditure			
Effective Corporate Governance			3,192
Depreciation			22,867
Capital Projects - Operational Expenses			9,522
Borrowing Costs			164
Net Loss on Disposal of Property, Infrastructure, Plant & Equipment			1,239
Total Non Attributable Expenditure			36,984
Deficit before Funding Sources			123,700
Funding Sources			
Rates and charges			96,705
Garbage Charges			15,313
Victoria Grants Commission (VGC) - Grants - Operating - Recurrent			3,036
Interest			1,701
Developers' Contributions			4,000
Grants - Capital			4,724
Contributions and Donations - Capital			172
Contributions - Non Monetary Assets			2,000
Total Funding Sources			127,651
Surplus for the Year			3,951



Budget Reports

3. Financial Statements

This section presents information in regard to the Financial Statements and Statement of Human Resources. The budget information for the years 2017-18 to 2020-21 has been extracted from the Strategic Resource Plan.

This section includes the following financial statements in accordance with the Local Government Act 1989 and the Local Government Model Financial Report:

- Comprehensive Income Statement
- Balance Sheet
- Statement of Changes in Equity
- Statement of Cash Flows
- Statement of Capital Works
- Statement of Human Resources



Comprehensive Income Statement For the four years ending 30 June 2021

KNOX CITY COUNCIL BUDGETED COMPREHENSIVE INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE	Forecast	Budget	Strategic Resource Plan Projections		
	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
INCOME					
Rates and Charges	106,480	106,858	109,304	111,813	114,387
User Fees	14,340	14,843	15,169	15,678	16,484
Statutory Fees and Fines	2,792	2,833	2,795	2,848	2,900
Grants - Operating	25,896	20,351	23,571	23,816	24,257
Grants - Capital	4,743	4,723	6,115	2,136	2,158
Contributions - Monetary	5,048	4,932	4,911	5,161	5,412
Contributions - Non Monetary	2,000	2,000	2,000	2,000	2,000
Other Income	3,458	3,025	3,180	3,028	3,191
TOTAL INCOME	164,757	159,565	167,045	166,480	170,789
EXPENSES					
Employee Costs	67,453	68,251	69,171	71,220	73,417
Materials and Services	60,366	57,072	55,769	56,797	57,506
Contributions and Donations	5,358	5,399	5,512	5,607	5,703
Depreciation and Amortisation	20,894	22,867	22,929	23,867	24,656
Borrowing Costs	2,189	164	953	1,486	2,028
Bad and Doubtful Debts	64	64	65	67	68
Net Loss (Gain) on Disposal of Property, Infrastructure, Plant and Equipment	1,711	1,239	1,433	3,820	(19,613)
Other Expense	533	558	572	586	600
TOTAL EXPENSE	158,568	155,614	156,404	163,450	144,365
SURPLUS (DEFICIT)	6,189	3,951	10,641	3,030	26,424
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	6,189	3,951	10,641	3,030	26,424
LESS					
Grants - capital - non recurrent	1,483	3,164	4,000	0	0
Contributions and donations - capital	261	172	0	0	0
Contributions - non monetary	2,000	2,000	2,000	2,000	2,000
UNDERLYING SURPLUS (DEFICIT) FOR THE YEAR	2,445	(1,385)	4,641	1,030	24,424



Balance Sheet For the four years ending 30 June 2021

KNOX CITY COUNCIL BUDGETED BALANCE SHEET FOR THE YEAR ENDED 30 JUNE	Forecast	Budget	Strategic Resource Plan Projections		
	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
CURRENT ASSETS					
Cash and cash equivalents	51,195	40,794	34,407	30,185	50,814
Trade and other receivables	10,012	10,161	10,445	10,738	11,040
Other assets	1,490	1,527	1,565	1,605	1,645
Inventories	4	4	4	4	4
TOTAL CURRENT ASSETS	62,701	52,486	46,421	42,532	63,503
NON CURRENT ASSETS					
Investments in associates	3,741	3,741	3,741	3,741	3,741
Property, infrastructure, plant and equipment	1,700,398	1,749,150	1,775,088	1,791,843	1,800,082
Intangible assets	1,312	1,312	1,312	1,312	1,312
TOTAL NON CURRENT ASSETS	1,705,451	1,754,203	1,780,141	1,796,896	1,805,135
TOTAL ASSETS	1,768,152	1,806,689	1,826,562	1,839,428	1,868,638
CURRENT LIABILITIES					
Trade and other payables	11,376	25,906	21,597	21,036	20,198
Trust funds and deposits	2,734	2,802	2,872	2,944	3,018
Provisions	17,214	17,746	18,312	18,879	19,464
Interest-bearing loans and borrowings	522	1,415	2,373	3,066	3,587
TOTAL CURRENT LIABILITIES	31,846	47,869	45,154	45,925	46,267
NON CURRENT LIABILITIES					
Provisions	7,692	7,720	7,750	7,780	7,811
Interest-bearing loans and borrowings	4,228	22,763	34,680	43,715	46,128
TOTAL NON CURRENT LIABILITIES	11,920	30,483	42,430	51,495	53,939
TOTAL LIABILITIES	43,766	78,352	87,584	97,420	100,206
NET ASSETS	1,724,386	1,728,337	1,738,978	1,742,008	1,768,432
EQUITY					
Accumulated surplus	618,654	635,708	652,370	655,636	682,043
Reserves	1,105,732	1,092,629	1,086,608	1,086,372	1,086,389
TOTAL EQUITY	1,724,386	1,728,337	1,738,978	1,742,008	1,768,432



Statement of Changes in Equity For the four years ending 30 June 2021

KNOX CITY COUNCIL BUDGETED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
2018				
BALANCE AT BEGINNING OF THE FINANCIAL YEAR	1,724,386	618,654	1,067,083	38,649
Surplus/(deficit) for the year	3,951	3,951	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(4,652)	0	4,652
Transfer from other reserves	0	17,755	0	(17,755)
BALANCE AT END OF THE FINANCIAL YEAR	1,728,337	635,708	1,067,083	25,546
2019				
BALANCE AT BEGINNING OF THE FINANCIAL YEAR	1,728,337	635,708	1,067,083	25,546
Surplus/(deficit) for the year	10,641	10,641	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(4,520)	0	4,520
Transfer from other reserves	0	10,541	0	(10,541)
BALANCE AT END OF THE FINANCIAL YEAR	1,738,978	652,370	1,067,083	19,525
2020				
BALANCE AT BEGINNING OF THE FINANCIAL YEAR	1,738,978	652,370	1,067,083	19,525
Surplus/(deficit) for the year	3,030	3,030	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(4,658)	0	4,658
Transfer from other reserves	0	4,894	0	(4,894)
BALANCE AT END OF THE FINANCIAL YEAR	1,742,008	655,636	1,067,083	19,289
2021				
BALANCE AT BEGINNING OF THE FINANCIAL YEAR	1,742,008	655,636	1,067,083	19,289
Surplus/(deficit) for the year	26,424	26,424	0	0
Net asset revaluation increment (decrement)	0	0	0	0
Transfer to other reserves	0	(4,911)	0	4,911
Transfer from other reserves	0	4,894	0	(4,894)
BALANCE AT END OF THE FINANCIAL YEAR	1,768,432	682,043	1,067,083	19,306



Statement of Cash Flows For the four years ending 30 June 2021

KNOX CITY COUNCIL BUDGETED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE	Forecast	Budget	Strategic Resource Plan Projections		
	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES					
Rates and charges	106,395	106,834	109,150	111,655	114,225
Statutory fees and fines	2,766	2,796	2,756	2,808	2,858
User fees	14,280	14,756	15,078	15,584	16,386
Grants - operating	25,896	20,351	23,571	23,816	24,257
Grants - capital	4,743	4,723	6,115	2,136	2,158
Contributions - monetary	5,048	4,932	4,911	5,161	5,412
Interest	1,856	1,701	1,700	1,700	1,700
Other receipts	1,602	1,324	1,480	1,328	1,491
Net movement in trust deposits	81	68	70	72	74
Employee costs	(66,895)	(67,691)	(68,575)	(70,623)	(72,801)
Materials and services	(59,968)	(56,889)	(55,581)	(56,604)	(57,308)
Contributions and Donations	(5,358)	(5,399)	(5,512)	(5,607)	(5,703)
Other payments	(533)	(558)	(572)	(586)	(600)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	29,913	26,948	34,591	30,839	32,148
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sale of property, infrastructure, plant and equipment	5,242	1,361	1,167	2,727	28,167
Payments for property, infrastructure, plant and equipment	(40,192)	(57,974)	(54,067)	(46,029)	(40,593)
Payments for investments	0	0	0	0	0
Proceeds from sale of investments	58,100	0	0	0	0
NET CASH USED IN INVESTING ACTIVITIES	23,150	(56,613)	(52,900)	(43,302)	(12,426)
CASH FLOWS FROM FINANCING ACTIVITIES					
Finance costs	(2,201)	(164)	(953)	(1,486)	(2,028)
Proceeds from borrowings	4,750	19,950	14,291	12,100	6,000
Repayment of borrowings	(13,247)	(522)	(1,416)	(2,372)	(3,066)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	(10,698)	19,264	11,922	8,242	906
NET INCREASE (DECREASE) IN CASH HELD	42,365	(10,401)	(6,387)	(4,221)	20,628
Cash and cash equivalents at the beginning of the financial year	8,830	51,195	40,794	34,407	30,185
CASH AND CASH EQUIVALENTS AT END OF YEAR	51,195	40,794	34,407	30,185	50,814



Statement of Capital Works For the four years ending 30 June 2021

KNOX CITY COUNCIL BUDGETED STATEMENT OF CAPITAL WORKS FOR THE YEAR ENDED 30 JUNE	Forecast	Budget	Strategic Resource Plan Projections		
	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000	2020-21 \$'000
CAPITAL WORKS PROGRAM BY ASSET CLASS					
PROPERTY					
Land	585	8,085	0	0	0
Land improvements	0	0	0	0	0
Buildings	9,598	39,618	20,842	20,937	14,304
TOTAL PROPERTY	10,183	47,703	20,842	20,937	14,304
PLANT AND EQUIPMENT					
Plant, machinery and equipment	2,587	2,254	2,115	2,463	2,271
Fixtures, fittings and furniture	45	0	0	0	0
Computers and telecommunications	3,397	7,356	6,406	4,657	2,835
Artworks	0	181	64	69	70
TOTAL PLANT AND EQUIPMENT	6,029	9,791	8,585	7,189	5,176
INFRASTRUCTURE					
Roads	13,005	8,000	8,000	8,500	8,900
Bridges	425	1,000	4,220	500	500
Footpaths and cycleways	3,033	3,373	4,432	3,953	5,048
Drainage	3,918	2,575	2,280	3,350	4,295
Recreational, leisure and community facilities	9,051	7,427	8,264	8,221	7,182
Off street car parks	641	550	700	530	750
Other infrastructure	3,579	1,571	1,271	1,504	1,812
TOTAL INFRASTRUCTURE	33,652	24,496	29,167	26,558	28,487
TOTAL CAPITAL WORKS INCLUDING CAPITALISED EXPENDITURE AND OPERATING PROJECTS EXPENDITURE	49,864	81,990	58,594	54,684	47,967
REPRESENTED BY					
Asset renewal	29,738	28,098	27,484	30,596	31,443
Asset upgrade	14,453	20,791	17,625	10,376	7,806
Asset new	5,202	27,236	11,264	13,712	8,718
Asset expansion	471	5,865	2,221	0	0
TOTAL CAPITAL WORKS INCLUDING CAPITALISED EXPENDITURE AND OPERATING PROJECTS EXPENDITURE	49,864	81,990	58,594	54,684	47,967



Statement of Human Resources For the four years ending 30 June 2021

KNOX CITY COUNCIL BUDGETED STATEMENT OF HUMAN RESOURCES FOR THE YEAR ENDED 30 JUNE	Forecast	Budget	Strategic Resource Plan Projections		
	2016-17	2017-18	2018-19	2019-20	2020-21
	\$'000 EFT	\$'000 EFT	\$'000 EFT	\$'000 EFT	\$'000 EFT
STAFF EXPENDITURE					
Employee costs - operating	67,453	68,251	69,171	71,220	73,417
Employee costs - capital	989	1,094	1,097	1,114	1,132
TOTAL STAFF EXPENDITURE	68,442	69,345	70,268	72,334	74,549
STAFF NUMBERS					
Equivalent full time (EFT) employees	712.46	710.30	708.85	708.85	708.85
TOTAL STAFF NUMBERS	712.46	710.30	708.85	708.85	708.85

A summary of human resources expenditure and full time equivalent (FTE) Council staff categorised according to the organisational structure of Council is included below:

Organisation Structure by Directorate	2017-18 Budget		Employment Type			
	\$'000	EFT	Full Time		Part-Time	
			\$'000	EFT	\$'000	EFT
CEO and Council	565	3.00	565	3.00	0	0.00
City Development	11,701	114.58	8,418	77.30	3,283	37.28
Community Services	30,027	327.23	12,539	130.97	17,488	196.25
Corporate Development	12,217	116.14	8,910	81.07	3,307	35.06
Engineering and Infrastructure	13,741	149.36	12,115	138.40	1,626	10.96
Total permanent staff expenditure	68,251	710.30	42,547	430.75	25,704	279.55
Capitalised Labour costs	1,094					
Total Employee Costs	69,345					



Budget Reports

4. 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	Expected Bands	Notes	Forecast 2016-17	Budget 2017-18	Strategic Resource Plan			Trend + / o / -
						2018-19	2019-20	2020-21	
Operating Position (measures whether a council is able to generate an underlying surplus)									
Adjusted Underlying Result	Adjusted Underlying Surplus (Deficit) / Adjusted Underlying Revenue	> 0%	1	1.52%	(0.90%)	2.88%	0.63%	14.47%	+
Liquidity (measures whether a council is able to generate sufficient cash to pay bills on time)									
Working Capital	Current Assets / Current Liabilities	120.00% - 200.00%	2	196.89%	109.64%	102.81%	92.61%	137.25%	+
Unrestricted Cash	Unrestricted Cash / Current Liabilities	50.00% - 100.00%		138.35%	68.33%	59.30%	49.27%	96.82%	-
Obligations (measures whether the level of debt and other long term obligations is appropriate to the size and nature of the Council's activities)									
Loans and Borrowings	Interest Bearing Loans and Borrowings / Rate Revenue	< 60.00%	3	4.46%	22.63%	33.90%	41.84%	43.46%	-
Loans and borrowings	Interest and Principal Repayments / Rate Revenue	0% - 5.00%		14.51%	0.64%	2.17%	3.45%	4.45%	-
Indebtedness	Non Current Liabilities / Own Source Revenue	< 40.00%		9.04%	23.04%	31.35%	37.17%	37.89%	-
Asset Renewal	Asset Renewal Expenditure / Depreciation	90.00% - 110.00%	4	142.87% *	122.88%	119.87%	128.19%	127.53%	o
Stability (measures whether a council is able to generate revenue from a range of sources)									
Rates Concentration	Rate Revenue / Adjusted Underlying Revenue	50.00% - 80.00%	5	66.13%	69.29%	67.87%	67.98%	67.77%	o
Rates Effort	Rate Revenue / Property Values (CIV)	0.20% - 0.60%		0.29%	0.30%	0.29%	0.31%	0.30%	o
Efficiency (measures whether a council is using resources efficiently)									
Expenditure Level	Total Expenditure / No. of Assessments	N/A		\$2,473	\$2,412	\$2,409	\$2,502	\$2,197	o
Revenue Level	Residential Rate Revenue / No. of Residential Assessments	N/A		\$1,408	\$1,426	\$1,446	\$1,465	\$1,484	o
Workforce Turnover	No. of Resignations & Terminations / Average No. of Staff	5.00% - 10.00%		10.00%	10.00%	10.00%	10.00%	10.00%	o



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

* 2016-17 forecast includes capital works carried forward from 2015-16, and anticipated capital works to be carried forward into 2017-18.

Notes on the financial performance indicators table:

(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 adjusted underlying result will be relatively steady until a large improvement in 2020-21 due to the forecast sale of land.

(2) Working capital – An indicator of whether Council is able to pay current liabilities within the following 12 months. Working capital is forecast to weaken due to a run down in cash reserves to fund the capital program, before an improvement in 2020-21 due to the forecast sale of land.

(3) Debt compared to rates – Trend indicates a significantly increased reliance on debt against annual rate revenue due to borrowings to fund the capital program.

(4) Asset renewal – This percentage indicates the extent of Council's renewals against its depreciation charge (an indication of the decline in value of its existing capital assets). A percentage greater than 100 indicates Council is maintaining its existing assets, while a percentage less than 100 means its assets are deteriorating faster than they are being renewed and future capital expenditure will be required to renew assets. Council's asset renewal indicator is greater than 100% through the four year outlook.

(5) Rates concentration – Reflects the extent of reliance on rate revenues to fund all of Council's on-going services. The trend is relatively steady for rates concentration.



Budget Reports

5. Other budget information (required by Regulations)

This section presents other budget related information required by the Regulations.

This section includes the following financial statements and reports:

- 5.1 Grants – operating
- 5.2 Grants – capital
- 5.3 Statement of borrowings



5.1 Grants – operating (\$5.545 million decrease)

Operating grants include all monies received from State and Federal sources which assists Council in funding the delivery of Council's services to ratepayers. Overall, the level of operating grants is projected to decrease by 21.4% or \$5.545 million compared to 2016-17. The reason for this decrease is the prepayment of 50% of the 2017-18 Victorian Grants Commission funding in June 2017 (\$3.072 million). Without this prepayment, the level of operating grants was projected to increase by 2.6%. A list of operating grants by type and source, classified into recurrent and non-recurrent, is included below.

Operating Grant Funding Type and Sources	Forecast 2016-17 \$'000's	Budget 2017-18 \$'000's	Variance \$'000's
Grants - Operating - Recurrent			
Recurrent - Commonwealth Government			
Victoria Grants Commission	9,006	3,036	(5,970)
Child Care	2,642	2,913	271
Family Day Care	4,592	3,527	(1,065)
Other Unspecified Grants	346	320	
Total Grants - Operating - Recurrent - Commonwealth Government	16,585	9,796	(6,790)
Recurrent - State Government			
Child Care	22	0	(22)
Home Care	0	990	990
Maternal and Child Health Nurse	1,150	1,221	72
Pre - School Education	5,291	5,579	288
School Crossing Supervisors	410	650	240
Youth Services	262	153	(109)
Other Unspecified Grants	1,390	1,730	340
Total Grants - Operating - Recurrent - State Government	8,524	10,323	1,799
Total Grants - Operating - Recurrent	25,109	20,118	(4,990)
Grants - Operating - Non Recurrent			
Non Recurrent - State Government			
Family and Children Services	747	198	(549)
Other Unspecified Grants	41	35	(6)
Total Grants - Operating - Non Recurrent	787	233	(555)
Total Grants - Operating	25,896	20,351	(5,545)



5.2 Grants – Capital \$4. 723 million (\$0. 020 million decrease)

Capital grants include all monies received from State, Federal and community sources which assists Council in funding the capital works program. Overall the level of capital grants has decreased by 0.4% or \$0.020 million compared to 2016-17. There was a prepayment of 50% of the 2017-18 Victorian Grants Commission funding in June 2017 (\$0.539 million). Without this prepayment, the level of capital grants was projected to increase by 25.2%. This increase is due mainly to specific funding for some large capital works programs. Section 6, “Analysis of Capital Budget” includes a more detailed analysis of the grants and contributions expected to be received during the 2017-18 year. A list of capital grants by type and source, classified into recurrent and non-recurrent, is included below.

Capital Grant Funding Type and Sources	Forecast 2016-17 \$'000's	Budget 2017-18 \$'000's	Variance \$'000's
Grants - Capital - Recurrent			
Recurrent - Commonwealth Government			
Victoria Grants Commission - Local Roads Renewal	1,581	542	(1,039)
Total Grants - Capital - Recurrent - Commonwealth Government	1,581	542	(1,039)
Total Grants - Capital - Recurrent	1,581	542	(1,039)
Grants - Capital - Non Recurrent			
Non Recurrent - Commonwealth Government			
Roads to Recovery	1,679	1,017	(662)
Bridges	0	500	500
Buildings	778	2,000	1,222
Recreational, leisure and community facilities	370	149	(221)
Roads	0	150	150
Total Grants - Capital - Non Recurrent - Commonwealth Government	2,827	3,816	989
Non Recurrent - State Government			
Drainage	200	195	(5)
Footpaths and cycleways	0	70	70
Recreational, leisure and community facilities	135	100	(35)
Total Grants - Capital - Non Recurrent - State Government	335	365	30
Total Grants - Capital - Non Recurrent	3,162	4,181	1,019
Total Grants - Capital	4,743	4,723	(20)



5.3 Statement of Borrowings

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

Interest - Bearing Loans and Borrowings	2016-17 \$'000	2017-18 \$'000
Total Amount of Interest - Bearing Loans and Borrowings as at 30 June of the Prior Year	13,247	4,750
Total Amount to be Borrowed	4,750	19,950
Total Amount projected to be Redeemed	13,247	522
Total Amount of Interest - Bearing Loans and Borrowings as at 30 June	4,750	24,178



Budget Reports

6. Detailed list of capital works

This section presents a listing of the capital works projects that will be undertaken for the year ending 30 June 2018.

The capital works projects are grouped by class and include the following:

- New works for 2017-18
- Works carried forward from the 2016-17 year.



6.1 Capital works program – new works

Capital Works Area	Asset Expenditure Types					Funding Sources			
	Total \$'000	New \$'000	Renewal \$'000	Expans'n \$'000	Upgrade \$'000	Grants \$'000	Contribu tions \$'000	Council Cash* \$'000	Borrowin gs \$'000
Property	0	0	0	0	0	0	0	0	0
Land	0	0	0	0	0	0	0	0	0
Buildings	28,834	10,045	5,118	5,365	8,307	2,000	0	19,364	7,470
Early Years Hubs - Wantirna South	7,470	7,470	0	0	0	0	0	0	7,470
The Basin Neighbourhood House - Redevelopment at the Basin Primary School	2,500	2,500	0	0	0	2,000	0	500	0
Knox Skate & BMX Park - New Youth Pavilion	75	75	0	0	0	0	0	75	0
Replacements of components for all Council owned buildings based on Building Asset Management Systems	5,118	0	5,118	0	0	0	0	5,118	0
Early Years Hubs - Bayswater	5,365	0	0	5,365	0	0	0	5,365	0
Stamford Park Development	5,504	0	0	0	5,504	0	0	5,504	0
Alternative Buildings Program (Pavilions)	550	0	0	0	550	0	0	550	0
Boronia Precinct Planning	390	0	0	0	390	0	0	390	0
Energy Performance Audit for Community Buildings	350	0	0	0	350	0	0	350	0
Family and Childrens Services Buildings and Facilities - Knoxfield	270	0	0	0	270	0	0	270	0
Bena Angliss Preschool Bathroom Upgrade - Construction	222	0	0	0	222	0	0	222	0
Community Toilet Replacement Program	220	0	0	0	220	0	0	220	0
Bayswater Community Works at Marie Wallace	150	0	0	0	150	0	0	150	0
Energy Retrofits in Community Buildings	70	0	0	0	70	0	0	70	0
Repurpose Facilities from Hubs - Scope	65	0	0	0	65	0	0	65	0
Senior Citizen Centres - Scope	60	0	0	0	60	0	0	60	0
Meals on Wheels Site Reconfiguration - Stage 2	50	0	0	0	50	0	0	50	0
Early Childhood Education & Care Office/Storage	50	0	0	0	50	0	0	50	0
Rowville Community Centre - Lighting Improvements	50	0	0	0	50	0	0	50	0
Early Years Facility Emergency Warning System	50	0	0	0	50	0	0	50	0
Family and Children Site Master Plans - Stage 1 and 2	50	0	0	0	50	0	0	50	0
Kitchen Retrofitting Program at sports pavilions	50	0	0	0	50	0	0	50	0
Relocate Preschool Bag Lockers	32	0	0	0	32	0	0	32	0
Early Years Security Measures	30	0	0	0	30	0	0	30	0
Family and Children Building Door Jam Protectors - Stage 2 and 3	25	0	0	0	25	0	0	25	0
Aimee Seebeck Hall Amenities Upgrade	20	0	0	0	20	0	0	20	0
Billoo Park Centre - Toilet Upgrade and Preschool Storage Relocation	10	0	0	0	10	0	0	10	0
Alexander Magit Preschool - Verandah Replacement	10	0	0	0	10	0	0	10	0
Goodwin Estate Preschool - Verandah Replacement	10	0	0	0	10	0	0	10	0
Flamingo Preschool - Verandah Extension	10	0	0	0	10	0	0	10	0
Orana Neighbourhood House Commercial Kitchen Upgrade	5	0	0	0	5	0	0	5	0
The Basin Triangle Public Toilet - Installation of Change Table	4	0	0	0	4	0	0	4	0
Total Property	28,834	10,045	5,118	5,365	8,307	2,000	0	19,364	7,470



6.1 Capital works program – new works (cont.)

Capital Works Area	Asset Expenditure Types					Funding Sources			
	Total \$'000	New \$'000	Renewal \$'000	Expans'n \$'000	Upgrade \$'000	Grants \$'000	Contribu- tions \$'000	Council Cash* \$'000	Borrowin- gs \$'000
Plant and Equipment									
Plant, machinery and equipment	2,254	0	2,254	0	0	0	0	2,254	0
Plant and machinery replacement program	2,254	0	2,254	0	0	0	0	2,254	0
Computers and telecommunications	7,356	0	3,277	0	4,079	0	0	7,356	0
Artworks	61	41	20	0	0	0	0	61	0
Public Art Project	41	41	0	0	0	0	0	41	0
Rehabilitation of Public Art	20	0	20	0	0	0	0	20	0
Total Plant and Equipment	9,671	41	5,551	0	4,079	0	0	9,671	0
Infrastructure									
Roads	8,000	0	7,750	0	250	1,709	0	6,291	0
Road Resurfacing Program	4,000	0	4,000	0	0	542	0	3,458	0
Programmed Road Reconstructions	3,000	0	3,000	0	0	1,017	0	1,983	0
High Risk Road Failure Program	500	0	500	0	0	0	0	500	0
Resurfacing of Industrial Roads	250	0	250	0	0	0	0	250	0
Bergins Road Right-Turn Lane	150	0	0	0	150	150	0	0	0
Stewart St - Isolated Traffic Treatment for Hot Spot	90	0	0	0	90	0	0	90	0
Anne Road, Knoxfield - Traffic Devices - Design only	10	0	0	0	10	0	0	10	0
Bridges	1,000	500	500	0	0	500	0	500	0
Henderson Road Bridge, Rowville	500	500	0	0	0	500	0	0	0
Replacements of damaged and dangerous sections of bridges, includes road and pedestrian bridges, major culverts and boardwalks, as determined from condition audits	500	0	500	0	0	0	0	500	0
Footpaths and cycleways	3,372	833	2,400	0	139	70	0	3,302	0
Mountain Hwy, Wantirna - Wicks Rd to The Basin shops	340	340	0	0	0	0	0	340	0
Napoleon Rd, Lysterfield - Rathgar Rd to Lakesfield Dr	200	200	0	0	0	0	0	200	0
Burwood Hwy, Wantirna - Traydal Cl to Pedestrians Signals at Knox School	130	130	0	0	0	0	0	130	0
Mountain Hwy, Wantirna - The Basin Primary School - Design	40	40	0	0	0	0	0	40	0
Wellington Rd, Rowville - Footpath Connection	40	40	0	0	0	0	0	40	0
Tyner Rd - Wantirna South - New School Crossing	28	28	0	0	0	0	0	28	0
Karoo Rd, Rowville - Footpath Connection	25	25	0	0	0	0	0	25	0
Mountain Hwy, Wantirna - The Basin Primary School	10	10	0	0	0	0	0	10	0
Ferntree Gully Rd, Scoresby - Footpath Connection	10	10	0	0	0	0	0	10	0
Napoleon Rd, Lysterfield - Teofilo Dr to Park Rd	10	10	0	0	0	0	0	10	0
Footpath Renewal Program	1,900	0	1,900	0	0	0	0	1,900	0
Shared Path Renewal Program	500	0	500	0	0	0	0	500	0
George St, Scoresby - Bicycle Improvements	139	0	0	0	139	70	0	69	0
Drainage	2,575	195	2,200	0	180	195	0	2,380	0
Construction of Botany Crt WSUD system	100	100	0	0	0	100	0	0	0
Construction of JW Manson Reserve WSUD system	95	95	0	0	0	95	0	0	0
Drainage Renewal Program	2,000	0	2,000	0	0	0	0	2,000	0
Program to renew constructed WSUD systems within Knox - the program includes replacing systems that are not functioning	200	0	200	0	0	0	0	200	0
Catchment Scale Feasibility	50	0	0	0	50	0	0	50	0



6.1 Capital works program – new works (cont.)

Capital Works Area	Asset Expenditure Types					Funding Sources			
	Total \$'000	New \$'000	Renewal \$'000	Expans'n \$'000	Upgrade \$'000	Grants \$'000	Contribu- tions \$'000	Council Cash* \$'000	Borrowin- gs \$'000
Dam Condition Audit and Concept Design	50	0	0	0	50	0	0	50	0
Talking Tanks Initiative - Flood Protection	30	0	0	0	30	0	0	30	0
Program Development - Stormwater Harvesting and Sportsground Irrigation System	30	0	0	0	30	0	0	30	0
Drainage Improvements - Mont Albert to Forest Rd - Scope	20	0	0	0	20	0	0	20	0
Recreational, leisure and community facilities	7,707	579	3,803	0	3,325	249	172	7,286	0
Knox Regional Netball Centre - New Additional Floodlights	200	200	0	0	0	0	0	200	0
Knox BMX Track - New Storage and Start Gate Structure	200	200	0	0	0	149	2	49	0
Schultz Reserve - New Floodlighting	150	150	0	0	0	0	50	100	0
Gilbert Park Skate Park - Lighting	25	25	0	0	0	0	0	25	0
Kings Park - New Floodlighting - Design	2	2	0	0	0	0	0	2	0
Liberty Avenue Reserve - New Floodlighting - Design	2	2	0	0	0	0	0	2	0
Playground Renewal Program	860	0	860	0	0	0	0	860	0
Street Tree Replacement Program	755	0	755	0	0	0	0	755	0
Lewis Park, Wantirna South - Oval 1 Renewal	700	0	700	0	0	0	0	700	0
Tim Neville Arboretum	280	0	280	0	0	0	0	280	0
Exner Reserve - Tennis Court Renewals	250	0	250	0	0	0	0	250	0
Knox Gardens Reserve, Wantirna South - Oval 2 Renewal	250	0	250	0	0	0	0	250	0
Carrington Park Reserve - Tennis Court Renewals	155	0	155	0	0	0	5	150	0
Kings Park Reserve - Drainage Renewal Works Oval #1	150	0	150	0	0	0	0	150	0
Ongoing programmed renewal of park landscapes following on from significant upgrades as implemented in the Open Space Plan	64	0	64	0	0	0	0	64	0
Kings Park Baseball Diamond - Safety Fencing	60	0	60	0	0	0	30	30	0
Rehabilitation of damaged or deteriorated paths in reserves	60	0	60	0	0	0	0	60	0
Rehabilitation of passive parks aged reserve furniture/road closures	50	0	50	0	0	0	0	50	0
Cricket Run Up and Goal Square Renovation	44	0	44	0	0	0	0	44	0
Bush Boulevard - Rehabilitation of garden beds and replacement vegetation	30	0	30	0	0	0	0	30	0
Program to oversee cool season grass to support warm season grass sustainability	30	0	30	0	0	0	0	30	0
Rehabilitation of passive parks aged reserve signage for bushland reserves	20	0	20	0	0	0	0	20	0
Knox Regional Netball Centre - Renewal Works	20	0	20	0	0	0	0	20	0
Millers Reserve - Oval Renewal Design	15	0	15	0	0	0	0	15	0
Wally Tew Reserve - Cricket Net Renewals Design	10	0	10	0	0	0	0	10	0
Scoresby (Exner) Reserve - Implementation of Masterplan	400	0	0	0	400	0	0	400	0
Electronic Scoreboards at Sporting Reserves	350	0	0	0	350	0	0	350	0
HV Jones Reserve - Floodlighting Upgrade	250	0	0	0	250	100	75	75	0
Lewis Park, Wantirna South - Development of Masterplan, Early Works	200	0	0	0	200	0	0	200	0
Talaskia Reserve, Upper Ferntree Gully - Development and Subsequent Implementation of Masterplan	200	0	0	0	200	0	0	200	0
Templeton Reserve, Wantirna - Development and Subsequent Implementation of Masterplan	170	0	0	0	170	0	0	170	0
Mountain Gate Shopping Centre Reserve	150	0	0	0	150	0	0	150	0



6.1 Capital works program – new works (cont.)

Capital Works Area	Asset Expenditure Types					Funding Sources			
	Total \$'000	New \$'000	Renewal \$'000	Expans'n \$'000	Upgrade \$'000	Grants \$'000	Contribu tions \$'000	Council Cash* \$'000	Borrowin gs \$'000
Gilbert Park Reserve - Review and Update Masterplan	150	0	0	0	150	0	0	150	0
Knox Regional Netball Centre - Improvements to Outdoor Amenities	150	0	0	0	150	0	0	150	0
HV Jones , Ferntree Gully - Development of Masterplan	100	0	0	0	100	0	0	100	0
Picketts Reserve, Ferntree Gully - Development and Subsequent Implementation of Masterplan	100	0	0	0	100	0	0	100	0
Replanting of priority areas within Knox including tree reserves and open space	100	0	0	0	100	0	0	100	0
Arcadia Reserves, Scoresby - Implementation of Masterplan	100	0	0	0	100	0	0	100	0
Ferntree Gully Village Square - Implementation of Masterplan	100	0	0	0	100	0	0	100	0
Llewellyn Reserve, Wantirna South - Implementation of Masterplan	100	0	0	0	100	0	0	100	0
Knox Regional Netball Centre, Ferntree Gully - Development and Subsequent Implementation of Masterplan	100	0	0	0	100	0	0	100	0
Tree Management	100	0	0	0	100	0	0	100	0
Knox Athletics Track, Discus Cage Upgrade	75	0	0	0	75	0	10	65	0
Marie Wallace Reserve, Bayswater - Revision of Masterplan	60	0	0	0	60	0	0	60	0
Wantirna Reserve - Development of Masterplan	50	0	0	0	50	0	0	50	0
Dandenong Creek Gateways - Revegetation of Strategic Road Corridors	50	0	0	0	50	0	0	50	0
Neighbourhood Green Streets	50	0	0	0	50	0	0	50	0
Bush Boulevards along Burwood Hwy, High St to Scoresby Rd	50	0	0	0	50	0	0	50	0
Peregrine Reserve, Rowville - Development and Subsequent Implementation of Masterplan	45	0	0	0	45	0	0	45	0
RD Egan Lee Reserve - Development and Implementation of Masterplan	45	0	0	0	45	0	0	45	0
Stud Park Reserve, Rowville - Development of Masterplan	40	0	0	0	40	0	0	40	0
Scoresby Village Reserve - Implementation of Masterplan	20	0	0	0	20	0	0	20	0
Knox Park, Knoxfield - Relocation of Playground	20	0	0	0	20	0	0	20	0
Off street car parks	550	0	550	0	0	0	0	550	0
Program for asphalt resurfacing, patching, linemarking and kerb and channel renewal	550	0	550	0	0	0	0	550	0
Other infrastructure	567	138	227	0	202	0	0	567	0
Knox Regional Sports Park - Signage	130	130	0	0	0	0	0	130	0
Wayfinding Signage for Cyclists	5	5	0	0	0	0	0	5	0
Marie Wallace Bicycle Repair Station	3	3	0	0	0	0	0	3	0
Program to replace fire hydrants and plugs, as determined by South East Water - this program is a legislative requirement	127	0	127	0	0	0	0	127	0
Program for the renewal of street furniture such as entrance signs, bus stop hardstands, retaining walls, as determined from condition audits	100	0	100	0	0	0	0	100	0
Asbestos Removal Program	100	0	0	0	100	0	0	100	0
Essential Service Measures	100	0	0	0	100	0	0	100	0
Boronia Road Activity Centre Bike Parking	2	0	0	0	2	0	0	2	0
Total Infrastructure	23,771	2,245	17,430	0	4,096	2,723	172	20,876	0
Total Capital Works Expenditure	62,275	12,331	28,098	5,365	16,481	4,723	172	49,910	7,470

* Council cash represents council rates, reserves and proceeds from sale of fixed assets.



6.2 Capital works program – works carried forward from 2016-17

Capital Works Area	Asset Expenditure Types					Funding Sources			
	Total \$'000	New \$'000	Renewal \$'000	Expans'n \$'000	Upgrade \$'000	Grants \$'000	Contribu- tions \$'000	Council Cash* \$'000	Borrowin- gs \$'000
Property									
Land	8,085	8,085	0	0	0	0	0	0	8,085
Knox Central Package (excluding Westfield Library and Interim Library)	8,085	8,085	0	0	0	0	0	0	8,085
Buildings	10,785	6,700	0	500	3,585	0	0	6,390	4,395
Early Years Hubs - Wantima South	6,000	6,000	0	0	0	0	0	2,105	3,895
Operations Centre Relocation	500	500	0	0	0	0	0	0	500
Early Years Hubs - Bayswater	500	0	0	500	0	0	0	500	0
Stamford Park Development	2,141	0	0	0	2,141	0	0	2,141	0
Knox (Interim) Library	664	0	0	0	664	0	0	664	0
Westfield Library - Design	200	200	0	0	0	0	0	200	0
Upper Ferntree Gully Neighbourhood Activity Centre - Design	468	0	0	0	468	0	0	468	0
Placemakers Site - Design	222	0	0	0	222	0	0	222	0
Ferntree Gully Village Square - Implementation of Masterplan	90	0	0	0	90	0	0	90	0
Total Property	18,870	14,785	0	500	3,585	0	0	6,390	12,480
Plant and Equipment									
Plant, machinery and equipment	0	0	0	0	0	0	0	0	0
Computers and telecommunications	0	0	0	0	0	0	0	0	0
Artworks	120	120	0	0	0	0	0	120	0
Public Art Project	120	120	0	0	0	0	0	120	0
Total Plant and Equipment	120	120	0	0	0	0	0	120	0
Infrastructure									
Roads	0	0	0	0	0	0	0	0	0
Bridges	0	0	0	0	0	0	0	0	0
Footpaths and cycleways	0	0	0	0	0	0	0	0	0
Drainage	0	0	0	0	0	0	0	0	0
Recreational, leisure and community facilities	725	0	0	0	725	0	0	725	0
Rumann and Benedikt Reserves - Open Space Upgrade	150	0	0	0	150	0	0	150	0
Carrington Park, Knoxfield - Masterplan	75	0	0	0	75	0	0	75	0
Schultz Reserve - Internal Pavilion Upgrades (Female Friendly)	100	0	0	0	100	0	0	100	0
Batterham Reserve - Floodlighting Upgrade	200	0	0	0	200	0	0	200	0
Wally Tew Reserve - Floodlighting Upgrade	200	0	0	0	200	0	0	200	0
Off street car parks	0	0	0	0	0	0	0	0	0
Other infrastructure	0	0	0	0	0	0	0	0	0
Total Infrastructure	725	0	0	0	725	0	0	725	0
Total Capital Works Expenditure	19,715	14,905	0	500	4,310	0	0	7,235	12,480

* Council cash represents council rates, reserves and proceeds from sale of fixed assets.



6.3 Summary

Capital Works Area	Asset Expenditure Types					Funding Sources			
	Total \$'000	New \$'000	Renewal \$'000	Expans'n \$'000	Upgrade \$'000	Grants \$'000	Contribu tions \$'000	Council Cash* \$'000	Borrowin gs \$'000
PROPERTY	47,704	24,830	5,118	5,865	11,892	2,000	0	25,754	19,950
PLANT AND EQUIPMENT	9,791	161	5,551	0	4,079	0	0	9,791	0
INFRASTRUCTURE	24,496	2,245	17,430	0	4,821	2,723	172	21,601	0
Total Capital Works Expenditure	81,990	27,236	28,098	5,865	20,791	4,723	172	57,145	19,950

* Council cash represents council rates, reserves and proceeds from sale of fixed assets.

Budget Reports

7. Rates and Charges

7.1 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 of Property	2016-17 cents/\$CIV	2017-18 cents/\$CIV	Change %
Differential rate for Vacant Land or Derelict Land	0.46451	0.49183	5.9%
Differential rate for Retirement Village Land properties	0.19003	0.15133	-20.4%
Differential rate for Commercial Land properties	0.46451	0.49183	5.9%
Differential rate for Industrial Land properties	0.46451	0.49183	5.9%
Differential rate for Residential Land properties	0.21114	0.18917	-10.4%
Recreational Land rate for rateable recreational properties	0.13724	0.18917	37.8%

7.2 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 of Property	2016-17 \$	2017-18 \$	Change %
Rates			
Differential Rate – Vacant Land or Derelict Land	2,130,985	2,640,093	23.9%
Differential Rate – Retirement Village Land	1,252,808	1,032,608	-17.6%
Differential Rate – Commercial Land	12,177,921	13,989,964	14.9%
Differential Rate – Industrial Land	14,337,102	15,302,022	6.7%
Differential Rate – Residential Land	74,009,350	65,035,958	-12.1%
Recreational Land Rate	43,189	59,606	38.0%
Total rates to be raised *	103,951,355	98,060,251	-5.7%

* Total rates to be raised in the 2017-18 Budget includes Supplementary Rates of \$250,000. The total rates to be raised in 2016-17 Budget includes Supplementary Rates of \$1,895,487. Council proposes to introduce a Residential Garbage Charge estimated to raise \$8,360,760, refer Section 7.8.

7.3 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 of Property	2016-17	2017-18	Change
Differential Rate – Vacant Land or Derelict land	934	934	0.0%
Differential Rate – Retirement Village Land	1,891	1,891	0.0%
Differential Rate – Commercial Land	2,485	2,485	0.0%
Differential Rate – Industrial Land	3,349	3,349	0.0%
Differential Rate – Residential Land	56,921	56,921	0.0%
Recreational Land Rate	7	7	0.0%
Total number of assessments	65,587	65,587	0.0%

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

7.5 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 of Property	2016-17 \$	2017-18 \$	Change %
Differential Rate – Vacant Land or Derelict Land	458,765,000	536,790,000	17.0%
Differential Rate – Retirement Village Land	659,287,000	682,345,000	3.5%
Differential Rate – Commercial Land	2,621,700,000	2,844,473,091	8.5%
Differential Rate – Industrial Land	3,086,535,000	3,111,244,000	0.8%
Differential Rate – Residential Land	34,153,435,000	34,380,495,000	0.7%
Recreational Land Rate	31,470,000	31,510,000	0.1%
Total	41,011,192,000	41,586,857,091	1.4%

7.6 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	Per Rateable Property 2016-17 \$	Per Rateable Property 2017-18 \$	Change %
Residential Garbage Charge	-	152.00	N/A
Garbage Surcharge – 120 Litre Bin	46.00	48.00	4.3%
Additional Household Bins	218.00	227.00	4.1%
Optional Household Green Waste Bin	92.00	97.00	5.4%
Additional Recycle Bin	76.00	79.00	3.9%
Optional Industrial / Commercial Garbage, Daily Service	1,106.00	1,150.00	4.0%
Optional Industrial / Commercial Garbage, Weekly Service	222.00	231.00	4.1%
Waste Management and Recycling for Non Rateable Properties – Daily Service (240 Litre Bin)	923.00	960.00	4.0%
Waste Management and Recycling for Non Rateable Properties – Weekly Service (240 Litre Bin)	184.00	191.00	3.8%
Waste Management and Recycling for Non Rateable Properties – Weekly Service (120 Litre Bin)	147.00	153.00	4.1%
<i>Dorset Square</i>			
– Annual Waste Charge, office based premises	213.00	235.00	10.3%
– Annual Waste Charge, retail based premises	636.00	700.00	10.1%
– Annual Waste Charge, food based premises less than 200 square metres floor area.	1,906.00	2,097.00	10.0%
– Annual Waste Charge, food based premises greater than 200 square metres floor area.	4,446.00	4,890.00	10.0%

7.7 The rate in the dollar for each type of service rate under Section 162 of the Act to be levied for the collection and disposal of refuse

Type of Service Rate	2016-17 cents/\$CIV	2017-18 \$	Change
Victorian Government Landfill Levy for Residential Land properties	0.0076086	Not applicable	N/a
Residential Garbage Charge	Not applicable	152.00	N/a

7.8 The estimated total amount to be raised by each type of service rate or charge, and the estimated total amount to be raised by service rates and charges, compared with the previous financial year

Type of Service Charge and Service Rate	2016-17 \$	2017-18 \$	Change
Residential Garbage Charge *	-	8,360,760	N/A
Garbage Surcharge – 120 Litre Bin	1,718,000	1,792,000	4.3%
Additional Household Bins	175,000	203,000	16.0%
Optional Household Green Waste Bin	3,775,000	4,156,000	10.1%
Additional Recycle Bin	40,100	45,800	14.2%
Optional Industrial / Commercial Garbage Service	623,000	663,000	6.4%
Non Rateable Properties	61,000	62,000	1.6%
<i>Dorset Square:</i>			
Office based premises	3,128	3,440	10.0%
Retail based premises	10,582	11,641	10.0%
Food based premises less than 200 square metres floor area	5,593	6,153	10.0%
Food based premises greater than 200 square metres floor area	8,697	9,566	10.0%
Victorian Government Landfill Levy	2,113,000	0	-100.0%
Total	8,533,100	15,313,360	79.5%

* Residential Garbage Charge increase to be offset by the reduction in rates income as per Section 7.2.

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

	2016-17 \$	2017-18 \$	Change %
Total Rates and Charges to be Raised *	112,484,455	113,373,611	0.8%

7.10 Any significant changes that may affect the estimated amounts to be raised by rates and charges
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 (2017-18 estimated to be \$250,000, 2016-17 \$1,895,487);
- Changes in use of land such that rateable land becomes non-rateable land and vice versa; and
- Changes in use of land such that residential land becomes commercial or industrial land and vice versa.

7.11 Differential Rates

7.11.1 Rates to be levied

The rate and amount of rates payable in relation to land in each category of differential are:

- A general rate of 0.49183% (0.49183 cents in the dollar of capital improved value) for all rateable Vacant Land or Derelict Land; and
- A general rate of 0.15133% (0.15133 cents in the dollar of capital improved value) for all rateable Retirement Village Land; and
- A general rate of 0.18917% (0.18917 cents in the dollar of capital improved value) for all rateable Recreational Land; and
- A general rate of 0.49183% for (0.49183 cents in the dollar of capital improved value) rateable Industrial Land; and
- A general rate of 0.49183% (0.49183 cents in the dollar of capital improved value) for all rateable Commercial Land; and
- A general rate of 0.18917% (0.18917 cents in the dollar of capital improved value) for all rateable Residential Land.

Each differential rate will be determined by multiplying the Capital Improved Value of each rateable land (categorised by the characteristics described below) by the relevant percentages indicated above.

Council believes each differential rate will contribute to the equitable and efficient carrying out of council functions. Details of the objectives of each differential rate, the types of classes of land which are subject to each differential rate and the uses of each differential rate are set out below.

7.11.2 Vacant Land or Derelict Land

Definition/Characteristics:

Any land on which there is no building that is occupied or adapted for occupation, or contains a building that is ordinarily adapted for occupation which is abandoned, unoccupied and in a very poor condition resulting from both disuse and neglect.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Encouragement of development/and or improvement of land; and
2. Construction and maintenance of public infrastructure; and
3. Development and provision of health & community services; and
4. Provision of general support services; and
5. Requirement to ensure that Council has adequate funding to undertake its strategic, statutory, and service provision obligations.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/ characteristics.

Use and Level of Differential Rate:

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

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 relevant 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 Planning Scheme.

7. 11. 3 Retirement Village Land

Definitions/Characteristics:

Any land which is used primarily for the purposes of a retirement village.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure; and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Requirement to ensure that Council has adequate funding to undertake its strategic, statutory, and service provision obligations; and
5. Recognition of expenditures made by Council on behalf of the retirement village sector.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/ characteristics.

Use and Level of Differential Rate:

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

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 relevant 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 Planning Scheme.

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2017-18 financial year.

7. 11. 4 Residential Land

Definitions/Characteristics:

Any land which is not Vacant Land, Retirement Village Land, Industrial or Commercial Land, or Cultural and Recreational Land.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure; and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Requirement to ensure that Council has adequate funding to undertake its strategic, statutory, and service provision obligations.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/ characteristics.

Use and Level of Differential Rate:

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

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 relevant 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 Planning Scheme.

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2017-18 financial year.

7. 11. 5 Commercial Land

Definitions/Characteristics:

Any land which is used primarily for the purposes of a commercial land.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure; and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Enhancement of the economic viability of the commercial and industrial sector through targeted programs and projects; and
5. Encouragement of employment opportunities; and
6. Promotion of economic development; and
7. Analysis, maintenance and construction of public drainage infrastructure; and
8. Requirement to ensure that infrastructure investment and promotional activity is complementary to the achievement of industrial and commercial objectives.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/ characteristics.

Use and Level of Differential Rate:

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

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 relevant 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 Planning Scheme.

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2017-18 financial year.

7. 11. 6 Industrial Land

Definitions/Characteristics:

Any land which is used primarily for the purposes of an industrial land.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure; and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Enhancement of the economic viability of the commercial and industrial sector through targeted programs and projects; and
5. Encouragement of employment opportunities; and
6. Promotion of economic development; and
7. Analysis, maintenance and construction of public drainage infrastructure; and
8. Requirement to ensure that infrastructure investment and promotional activity is complementary to the achievement of industrial and commercial objectives.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/ characteristics.

Use and Level of Differential Rate:

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

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 relevant 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 Planning Scheme.

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2017-18 financial year.

7. 11.7 Recreational Land

Definitions/Characteristics:

Any land upon which sporting, recreational or cultural activities are conducted, including buildings which may be ancillary to such activities, in accordance with the Cultural and Recreational Lands Act 1963.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure; and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Requirement to ensure that Council has adequate funding to undertake its strategic, statutory, and service provision obligations; and
5. Recognition of expenditures made by Council in cultural and recreational sporting programs and infrastructure.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/ characteristics.

Use and Level of Differential Rate:

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

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 relevant Planning Scheme.

7.12 Fair Go Rates System Compliance

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

Base Average Rates (2016/2017)	\$1,586.55
Maximum Rate Increase (set by State Government)	2.00%
Capped Average Rate (2017/2018)	\$1,618.28
Maximum General Rates and Municipal Charges Revenue	\$106,138,196
Budgeted General Rates and Municipal Charges Revenue	\$98,060,251

In 2017-18 Council has introduced, in accordance with Section 162 of the Local Government Act 1989, a Residential Garbage Charge (budgeted income in 2017-18 of \$8,360,760), removing this income from General Rates income. Further, Council abolished the Victorian Government Landfill Levy for Residential Land Properties Service Rate (\$2,113,000 in 2016-17). Budgeted rates to be raised includes \$250,000 for Supplementary Rates.

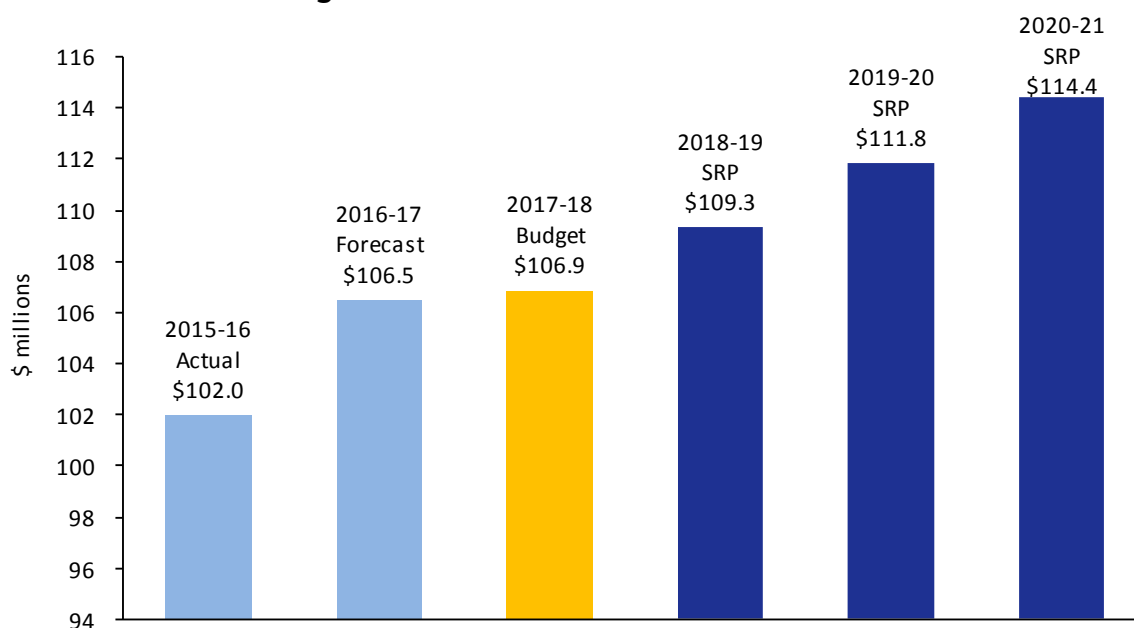


Budget Analysis

8. Summary of financial position

Council has prepared a budget for the 2017-18 financial year which seeks to balance the demand for services and infrastructure with the community's capacity to pay. Key budget information is provided below about the rate increase, operating result, services, cash and investments, capital works, financial position, financial sustainability and strategic objectives of the Council.

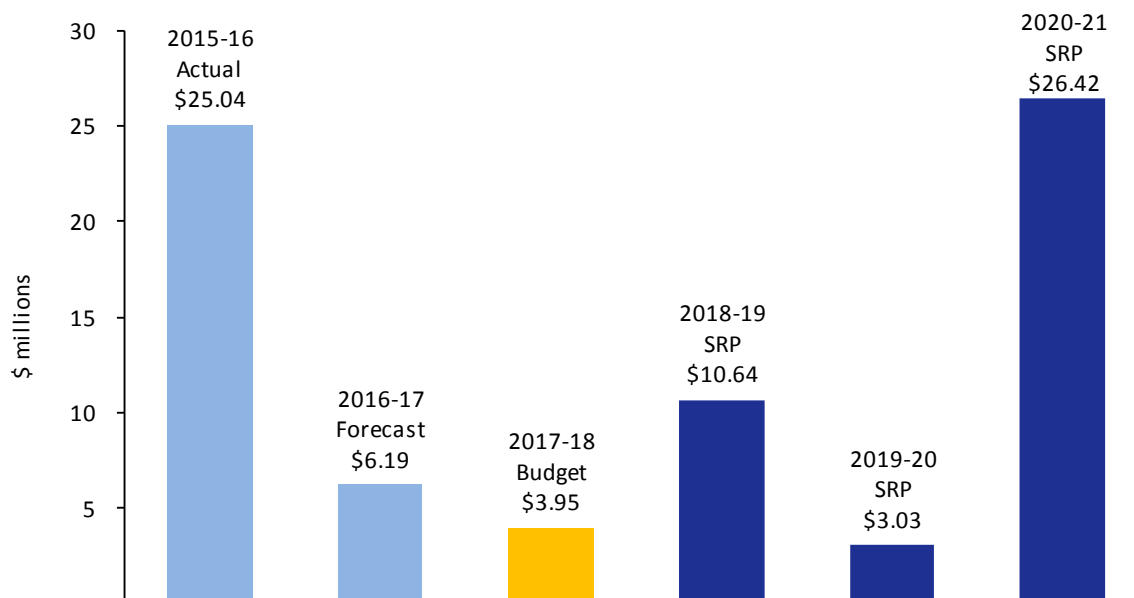
8.1 Total rates and charges



The average rate will increase by 2.0% for the 2017-18 year, raising total rates of \$106.858 million, including \$0.250 million generated from supplementary rates. Supplementary rates received in the 2016-17 year were significantly higher than budgeted. This will result in an increase in total revenue from rates and service charges of 0.35%. This increase will go towards maintaining service levels. This rate increase is in line with rate cap set by the Minister for Local Government. (The rate increase for the 2016-17 year was 2.5%). Refer also Sections 7 and 15 for more information.



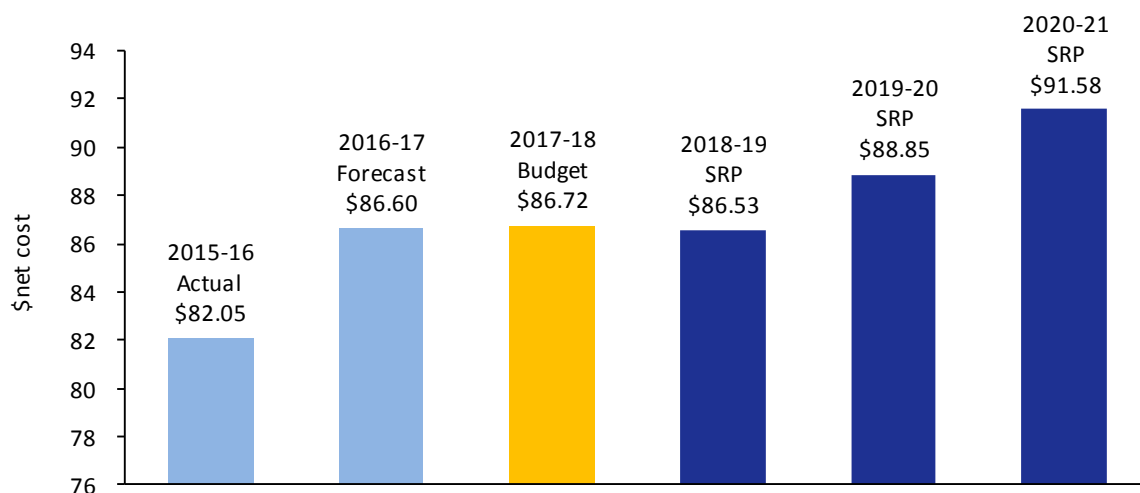
8.2 Operating result



The expected operating result for the 2017-18 year is a surplus of \$3.951 million, which is a decrease of \$2.238 million over 2016-17. The decrease in operating result is due to the prepayment of 50% of the Victorian Grants Commission 2017-18 funding in June 2017 (\$3.611 million). Without this prepayment there would have been an increase in the surplus of \$4.984 million. This increase is due mainly to a reduction in materials and services due to targeted efficiencies, together with an increase in 2016-17 due to carry forward costs from 2015-16. The adjusted underlying result, which excludes items such as non-recurrent capital grants and non-cash contributions is a deficit of \$1.385 million, which is a decrease of \$3.830 million over 2016-17. This has also been affected by the 50% prepayment of the Victorian Grants Commission 2017-18 funding in June 2017 – refer to part 7 of this summary for further information. (The forecast operating result for the 2016-17 year is a surplus of \$6.189 million).



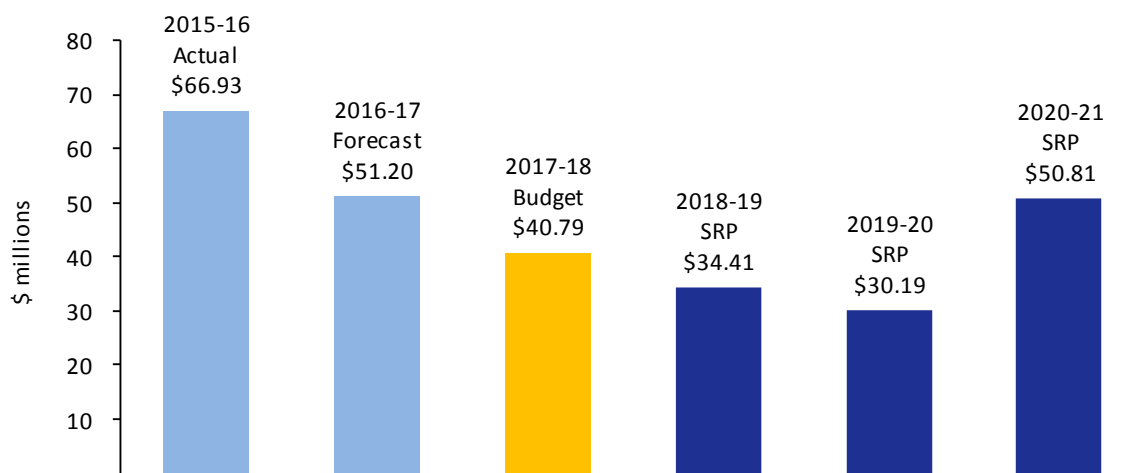
8.3 Services



The net cost of services delivered to the community for the 2017-18 year is expected to be \$86.716 million which is an increase of \$0.116 million over the 2016-17 forecast. The forecast includes carried forward expenditure from 2015-16. For the 2017-18 year, service levels have been maintained. (The forecast net cost for the 2016-17 year is \$86.600 million).

Refer to Section 2 for a list of services.

8.4 Cash and investments



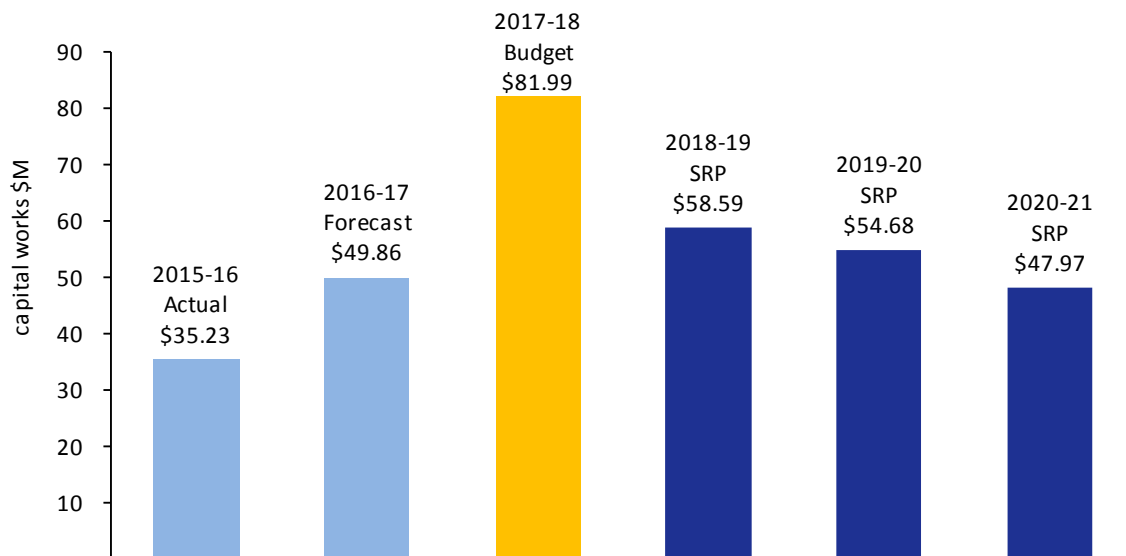
Cash and investments are expected to decrease by \$10.401 million during the year to \$40.794 million as at 30 June 2018. This is due mainly to increased investment in Capital works, together with the prepayment of 50% of the Victorian Grants Commission 2017-18 funding in June 2017 (\$3.611 million). The reduction in cash and investments is in line with Council's Strategic Resource Plan. (Cash and investments are forecast to be \$51.195 million as at 30 June 2017).

Refer also Section 3 for the Statement of Cash Flows and Section 11 for an analysis of the cash position.



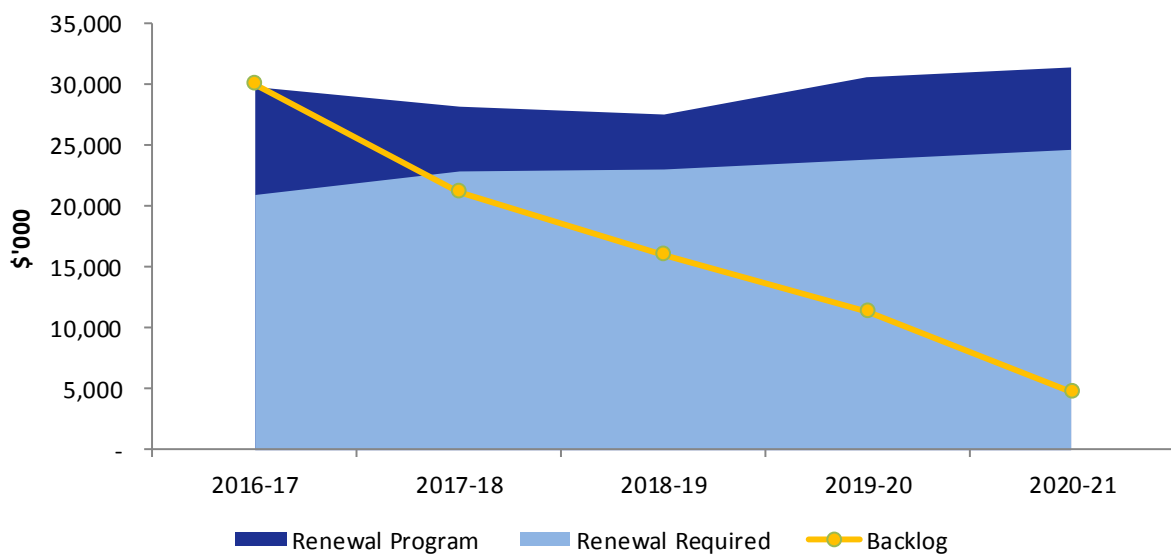


8.5 Capital works



The capital works program for the 2017-18 year is expected to be \$81.990 million. \$4.895 million will come from external grants and contributions, \$19.950 from new borrowings with the balance of \$57.145 million from Council cash. The Council cash amount comprises asset sales (\$1.361 million), cash held in reserves (\$14.683 million) and cash generated through operations in the 2017-18 financial year (\$41.101 million). The capital expenditure program has been set and prioritised based on a rigorous process of consultation that has enabled Council to assess needs and develop sound business cases for each project. This year's program includes a number of major projects including Knox Central, the new Early Years Hubs and Stamford park. (Capital works is forecast to be \$49.864 million for the 2016-17 year.)

The graph below sets out the required and actual asset renewal over the life of the current Strategic Resource Plan and the renewal backlog.

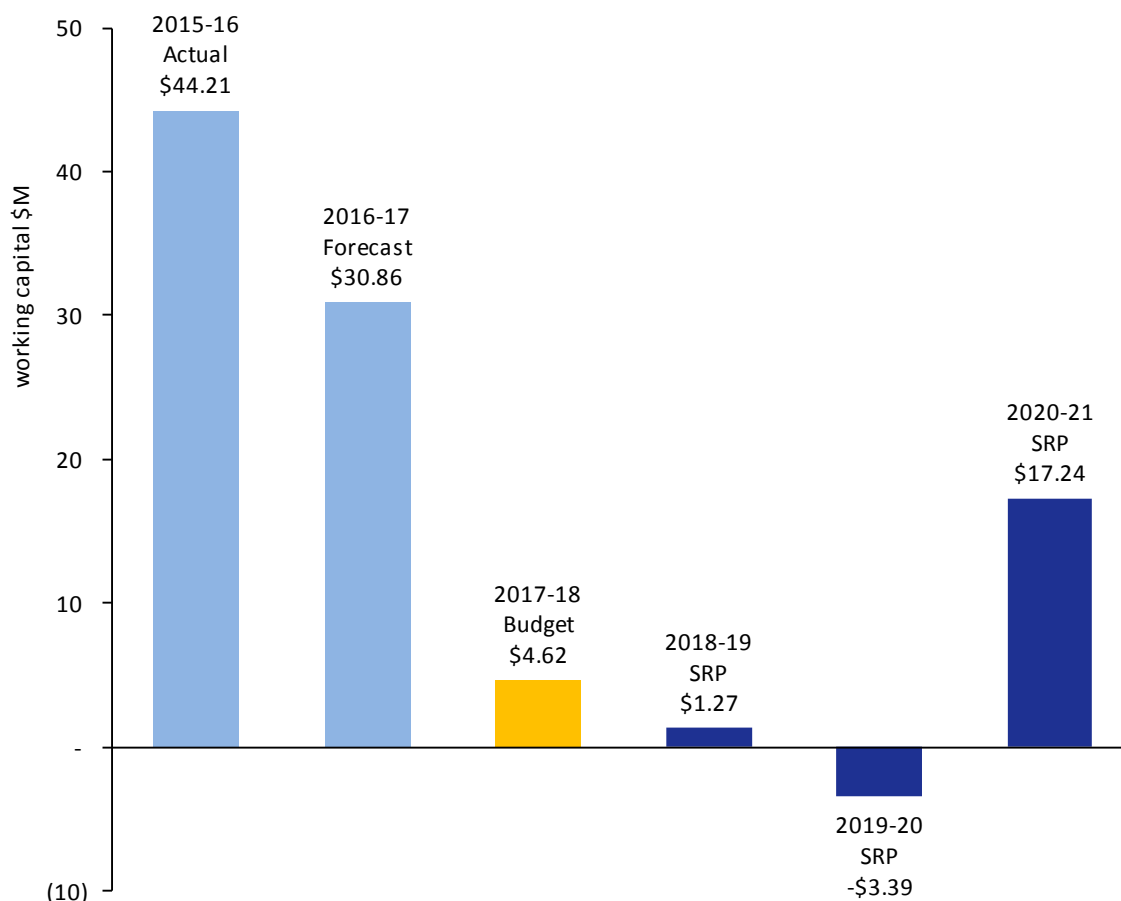




The asset renewal program is \$28.098 million in the 2017-18 year which is higher than the expected asset renewal funding requirement in order to reduce the backlog.

Refer also Section 3 for the Statement of Capital Works and Section 12 for an analysis of the capital budget.

8.6 Financial position



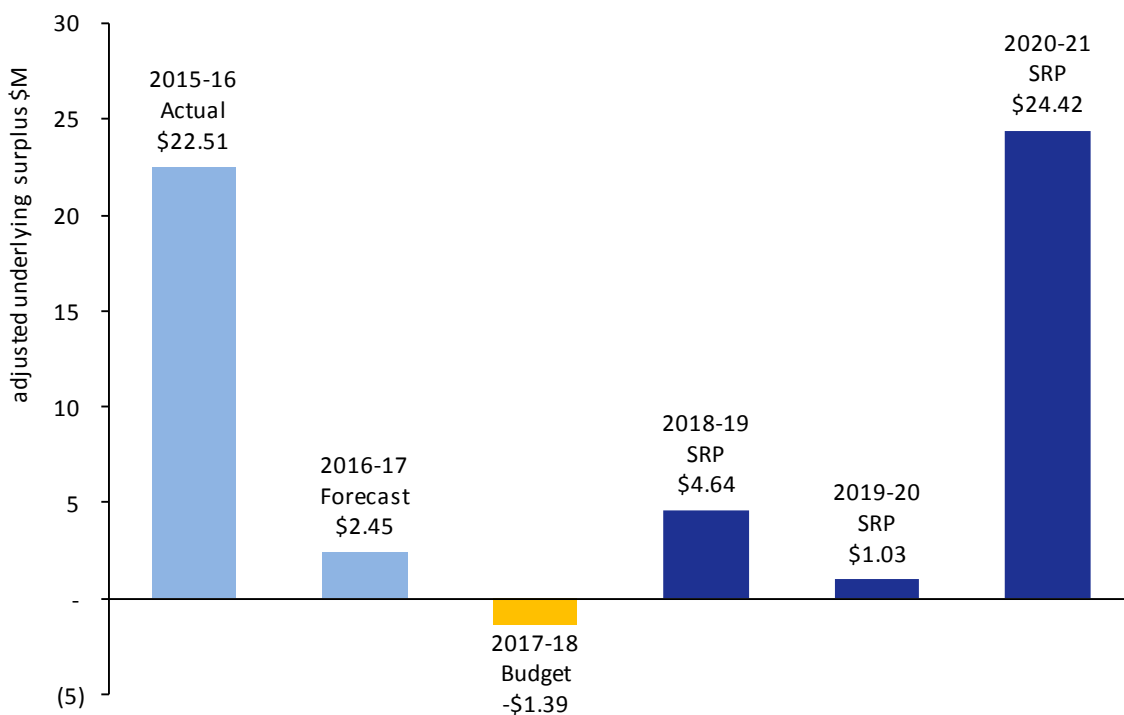
The financial position is expected to improve with net assets (net worth) to increase by \$3.951 million to \$1.728 billion although net current assets (working capital) will reduce by \$26.238 million to \$4.617 million as at 30 June 2018. This is mainly due to the use of cash reserves to fund the capital works program. (Net assets is forecast to be \$1.724 billion as at 30 June 2017).

Refer also Section 3 for the Balance Sheet and Section 13 for an analysis of the budgeted financial position.





8.7 Financial sustainability

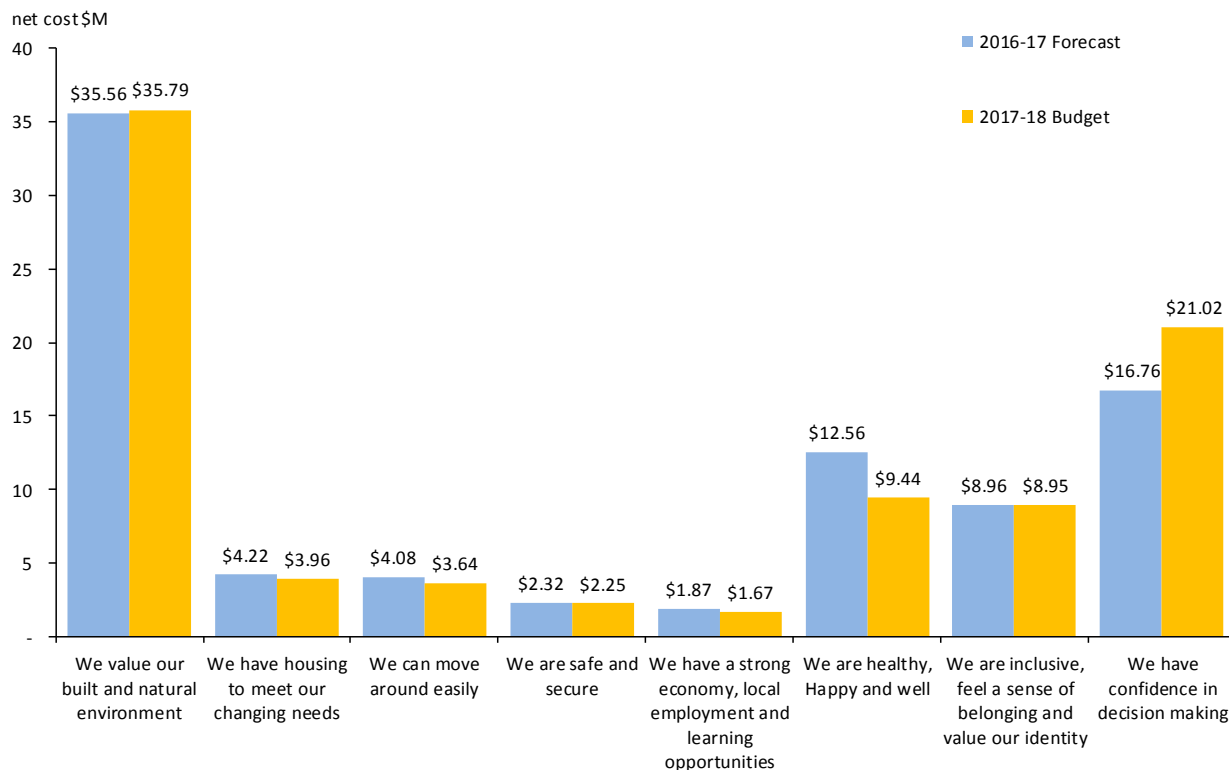


A high level Strategic Resource Plan for the years 2017-18 to 2020-21 has been developed to assist Council in adopting a budget within a longer term prudent financial framework. The key objective of the Plan is financial sustainability in the medium to long term, while still achieving the Council's strategic objectives as specified in the Community and Council Plan. The adjusted underlying result, which is a measure of financial sustainability, remains steady until 2020-21 where there is are land sales to fund future major projects. The 2017-18 deficit is due to the prepayment of 50% of the Victorian Grants Commission 2017-18 funding in June 2017 (\$3.611 million).

Refer Section 14 for more information on the Strategic Resource Plan.



8.8 Strategic objectives

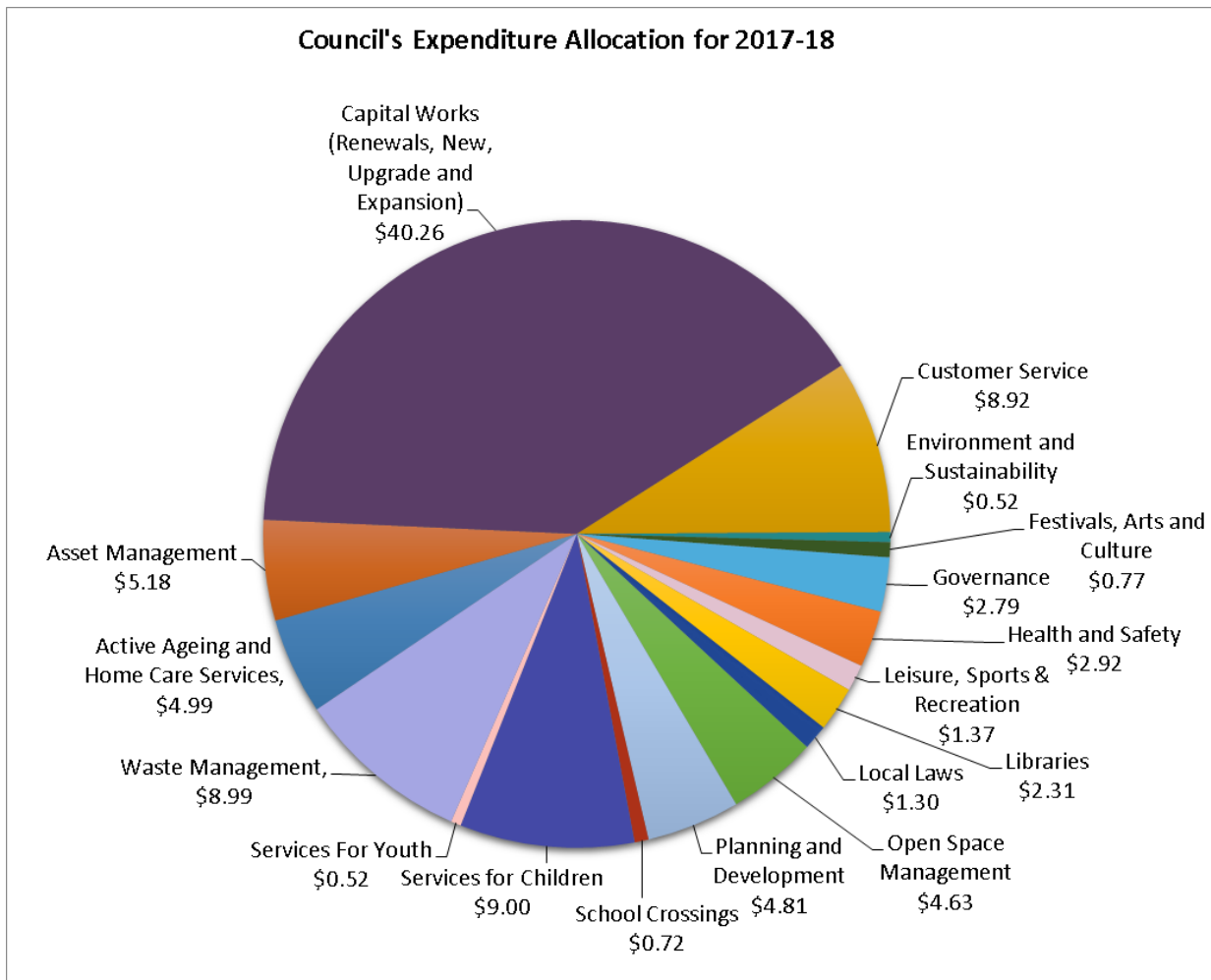


The Annual Budget includes a range of services and initiatives to be funded that will contribute to achieving the strategic objectives specified in the Community and Council Plan. The above graph shows the level of funding allocated in the budget to achieve the strategic objectives as set out in the Community and Council Plan for the 2017-18 year.

The services that contribute to these objectives are set out in Section 2.



8.9 Council expenditure allocations



The above chart provides an indication of how Council allocates its expenditure across the main services that it delivers. It shows how much is allocated to each service area for every \$100 that Council spends.



Budget Analysis

9. Budget Influences

This section sets out the key budget influences arising from the internal and external environment within which the Council operates.

9.1 Community and Council Plan 2017-21

The Knox Community and Council Plan 2017-21 sets the Strategic Objectives for Council and the strategies for their achievement. These Objectives and Strategies, in turn, progress Council towards the achievement of the Knox Vision. The Annual Budget establishes the priorities for that year and converts these actions into financial terms to ensure that there are sufficient resources for their achievement.

Section 2 provides a full description of Council's services, initiatives and service performance indicators.

9.2 Significant Influences

External influences

In preparing the 2017-18 Annual Budget a number of external influences were taken into consideration. These include:

- The State Government capped rate increases constraining Council's ability to deliver services;
- A consolidated cost escalation factor of 2.00% which is derived from a number of independently assessed cost indices which impact on the various cost components of Council's budget, together with efficiency targets;
- Ongoing economic pressures on interest rates reducing Council's interest earnings;
- Continued cost pressures on providing residential waste services;
- Continued strong residential and commercial development within the municipality;
- Ongoing demographic changes including an ageing population;
- Increased monitoring required for compliance with EPA regulatory requirements on closed landfills; and
- An ongoing provision for landfill rehabilitation of \$0.350 million per year.



Internal influences

In addition to the external factors noted, there are a number of internal factors which also impact on the setting of the 2017-18 Annual Budget. These include:

- Ongoing objective to gain operational efficiencies and to achieve long term financial sustainability;
- Any cost savings and efficiencies derived from new contractual arrangements and any alternative additional revenue streams have been accounted for in this budget;
- A commitment to a comprehensive four year rolling service review and continuous improvement program;
- The continued requirement to invest in the renewal of ageing community infrastructure;
- A heightened risk management and compliance environment; and
- Responding to growing community demand for enhanced engagement and flexible access to services.

9.3 Key Budget Principles for the 2017-18 Year

The 2017-18 Annual Budget aims to meet the objectives of Council's Long Term Financial Forecast which are:

- Maintaining the provision of operational services that respond to the needs of a growing Knox community;
- Funding of all legislative obligations;
- The provision of annual funding for initiatives to progress implementation of the Knox Community and Council Plan 2017-21, and to provide for appropriate service growth in areas of demand;
- The ability to fund asset renewal requirements;
- An appropriate funding level for capital works in general, including major projects;
- Maintaining a position of long term financial sustainability;
- Achievement and maintenance of annual underlying surpluses; and
- Rate and fee increases that are both manageable and sustainable.

In terms of the direct parameters upon which the 2017-18 Annual Budget is based, the below table tabulates the assumptions:

Component	Notes	Assumptions
Rate Increase		2.00%
Fees and Fines - Council Set	1	4.00%
Investment Income		2.50%
Grants and Subsidies		1.80%
Employee Costs	2	3.20%
Contracts and Services		-0.50%
Materials		-0.50%
Utilities		5.00%





Notes:

1. Fees and charges are fully documented in Appendix A. The majority of fees and charges have been escalated by the cost escalation index that measures the increased cost for Council to provide services.

Some fees and charges have been set at a level greater than the cost escalation factor in accordance with Council Policy. There are also a number of individual fees and fines which are of a statutory nature.

2. A combined increase of 3.2% has been allowed to cover anticipated Enterprise Agreement (EA) increases of 2.50% and periodic increases that occur as staff progress through the employee banding structure provided for in Awards (0.70%).

9.4 Long Term Strategies

The 2017-18 Annual Budget includes consideration of a number of long term strategies and contextual information to assist Council in preparing the budget in a proper financial management context.

These long term strategies are also considered in the development of a long term financial forecast and Strategic Resource Plan for 2017-18 to 2020-21.

Sections 14 to 16 of this document include key information on Council's:

- Strategic Resource Plan (Section 14),
- Rating Information (Section 15),
- Borrowing Strategy (Section 16),
- Infrastructure Strategy (Section 16), and
- Approach to Service Planning and Service Delivery (Section 16).



Budget Analysis

10. Analysis of Operating Budget

This section analyses the operating budget including expected income and expenses of the Council for the 2017-18 year.

10.1 Summary of Budgeted Income Statement

Descriptions	Notes	Forecast	Budget	Variance
		2016-17 \$'000's	2017-18 \$'000's	
Total Income	10.2	164,757	159,565	(5,192)
Total Expense	10.3	158,568	155,614	(2,954)
Surplus (Deficit) for the Year		6,189	3,951	(2,238)
Grants - Capital - Non Recurrent		1,483	3,164	1,681
Contributions and Donations - Capital		261	172	(89)
Contributions - Non Monetary Assets		2,000	2,000	0
Adjusted Underlying Surplus (Deficit) for the Year		2,445	(1,385)	(3,830)

The Budgeted Income Statement is included in Section 3.

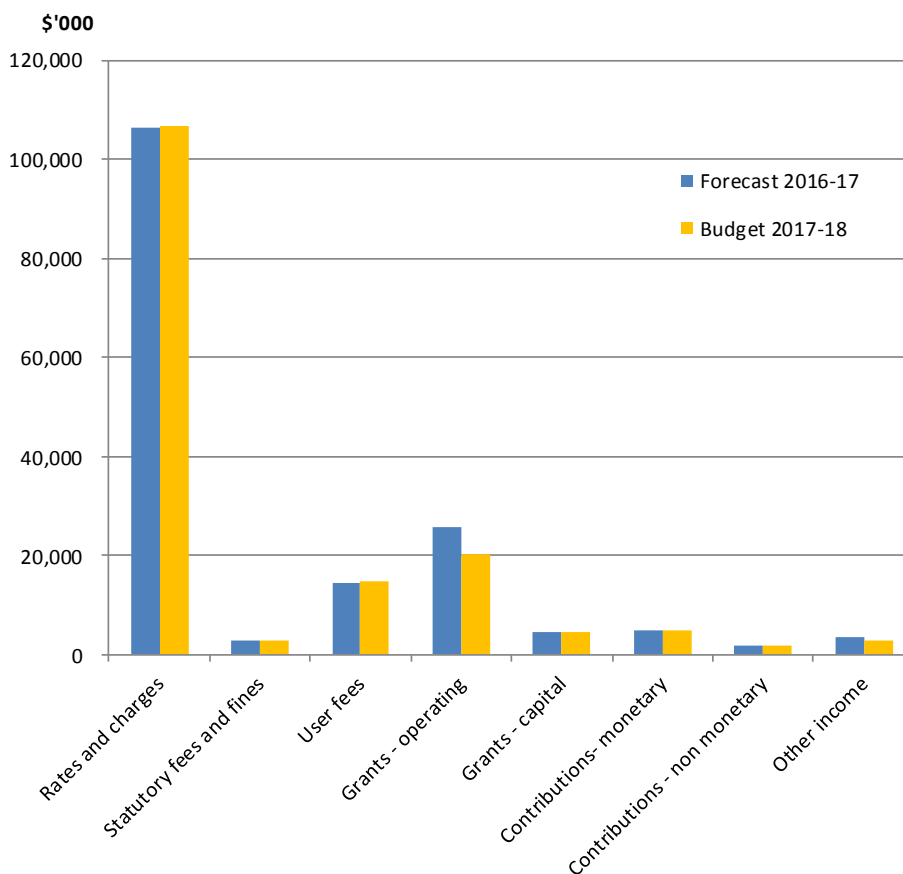
10.1.1 Adjusted underlying deficit – \$1.385 million (\$3.830 million decrease)

The adjusted underlying result is the net surplus or deficit for the year adjusted for Grants – capital – non recurrent, Contributions and donations – capital and Contributions – non monetary contributed from other sources. It is a measure of financial sustainability and Council's ability to achieve its service delivery objectives as it is not impacted by capital income items which can often mask the operating result. The adjusted underlying result for the 2017-18 year is a deficit of \$1.385 million which is a decrease of \$3.830 million from the 2016-17 year. The 2017-18 result has been impacted by the prepayment of 50% of the Victorian Grants Commission 2017-18 funding in June 2017 (operational funding prepayment of \$3.072 million). In calculating the adjusted underlying result, Council has excluded grants received for capital purposes which are non recurrent and capital contributions from other sources. Contributions of non monetary assets are excluded as the value of assets assumed by Council is dependent on the level of development activity each year.



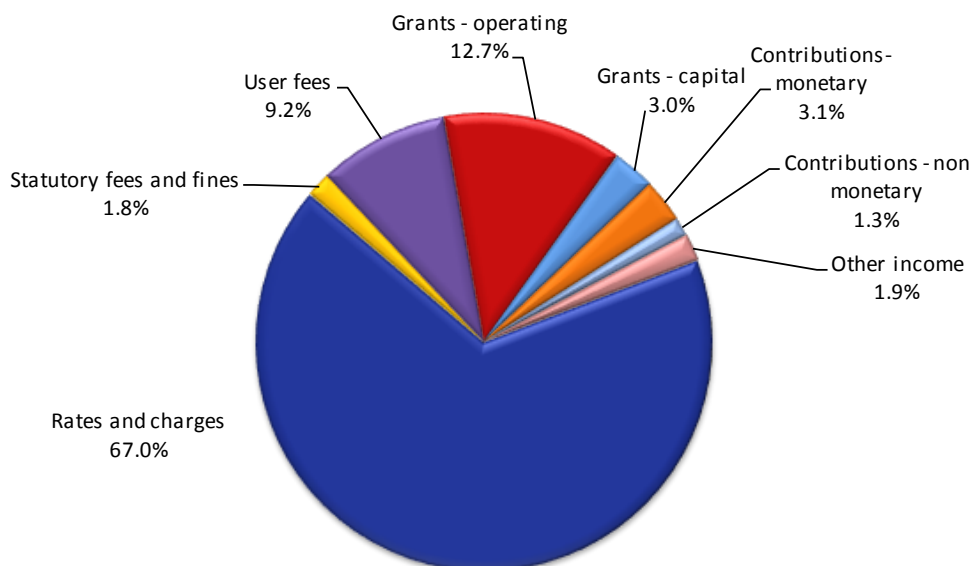
10.2 Income

Descriptions	Notes	Forecast	Budget	Variance
		2016-17 \$'000's	2017-18 \$'000's	
Rates and charges	10.2.1	106,480	106,858	378
Statutory fees and fines	10.2.2	2,792	2,833	41
User fees	10.2.3	14,340	14,843	503
Grants - operating	10.2.4	25,896	20,351	(5,545)
Grants - capital	10.2.5	4,743	4,723	(20)
Contributions- monetary	10.2.6	5,048	4,932	(116)
Contributions - non monetary	10.2.7	2,000	2,000	0
Other income	10.2.8	3,458	3,025	(433)
Total Income		164,757	159,565	(5,192)





Budgeted Income for 2017-18



10. 2. 1 Rates and charges – \$106. 858 million (\$0. 378 million increase)

The 2017-18 Annual Budget allows for an increase in base rates of 2.0%. Supplementary rates, for new rateable assessments or properties completing improvement works during the financial year, are forecast to provide a further \$0.250 million in rate revenue during 2017-18. Income raised from all rates and charges will increase by 0.35% or \$0.378 million to \$106.858 million. The forecast for 2016-17 is higher than originally budgeted due to supplementary rates being \$1.645M higher than budgeted as a result of the 2016 revaluation of properties. A residential garbage charge has been introduced for the 2017-18 year.

Section 7 – Rates and charges – includes a more detailed analysis of the rates and charges to be levied for 2017-18 and the rates and charges information specifically required by the Regulations.

10. 2. 2 Statutory fees and fines – \$2. 833 million (\$0. 041 million increase)

Statutory fees relate mainly to fees and fines levied in accordance with legislation and include animal registrations, planning fees and parking fines. Increases in statutory fees are made in accordance with legislative requirements. Statutory fees are forecast to increase by 1.47% or \$0.041 million.

10. 2. 3 User fees – \$14. 843 million (\$0. 503 million increase)

Fees, charges and fines relate mainly to the recovery of service delivery costs through the charging of fees to users of Council’s services. The principal sources of fee income arise from services such as Child Care, Pre-Schools, Recreational Facilities and projected income from Home Care, Waste Recyclable Material Sales and Garbage charges for optional services. User fees are forecast to increase by 3.51% or \$0.503 million.

A detailed listing of fees and charges is included as Appendix A.





10.2.4 Grants – operating – \$20.351 million (\$5.545 million decrease)

Grants – Operating – Recurrent are received from State and Federal governments for the purposes of funding the delivery of Council's services. Grants – Operating – Recurrent included in the 2017-18 Annual Budget are projected to decrease by 21.4% or \$5.545 million compared to 2016-17 Forecast. The reason for this decrease is the prepayment of 50% of the 2017-18 Victorian Grants Commission funding in June 2017 (\$3.072 million). Without this prepayment, the level of operating grants was projected to increase by 2.6%.

10.2.5 Grants – capital \$4.723 (\$0.020 million decrease)

Grants – Capital includes recurrent funding allocations from the Victoria Grants Commission (VGC) for Local Roads Renewal. Funds are also received from State and Federal governments to fund specific capital projects. These are one off funding closely linked to the projects that are included in the capital works program. There was a prepayment of 50% of the 2017-18 Victorian Grants Commission funding in June 2017 (\$0.539 million). Without this prepayment, the level of capital grants was projected to increase by 25.2%.

Section 12 – Analysis of Capital Budget includes a more detailed analysis of the grants and contributions expected to be received during the 2017-18 year.

10.2.6 Contributions – monetary – \$4.932 million (\$0.116 million decrease)

Contributions include charges paid by developers in regard to recreational lands, drainage and car parking in accordance with planning permits issued for property development.

In the 2017-18 Annual Budget, contributions are projected to decrease by 2.30% or \$0.116 million compared to the 2016-17 Forecast.

10.2.7 Contributions - Non Monetary Assets – \$2.000 million (\$ Nil Change)

Contributions – Non Monetary Assets are assets which transfer to Council from property developers at the completion of subdivisional work. The assets generally consist of land used for public open space or infrastructure assets. Council recognises these new assets at 'fair value'. No cash is transferred but the fair value of the assets is recorded as revenue in the year of the transfer.

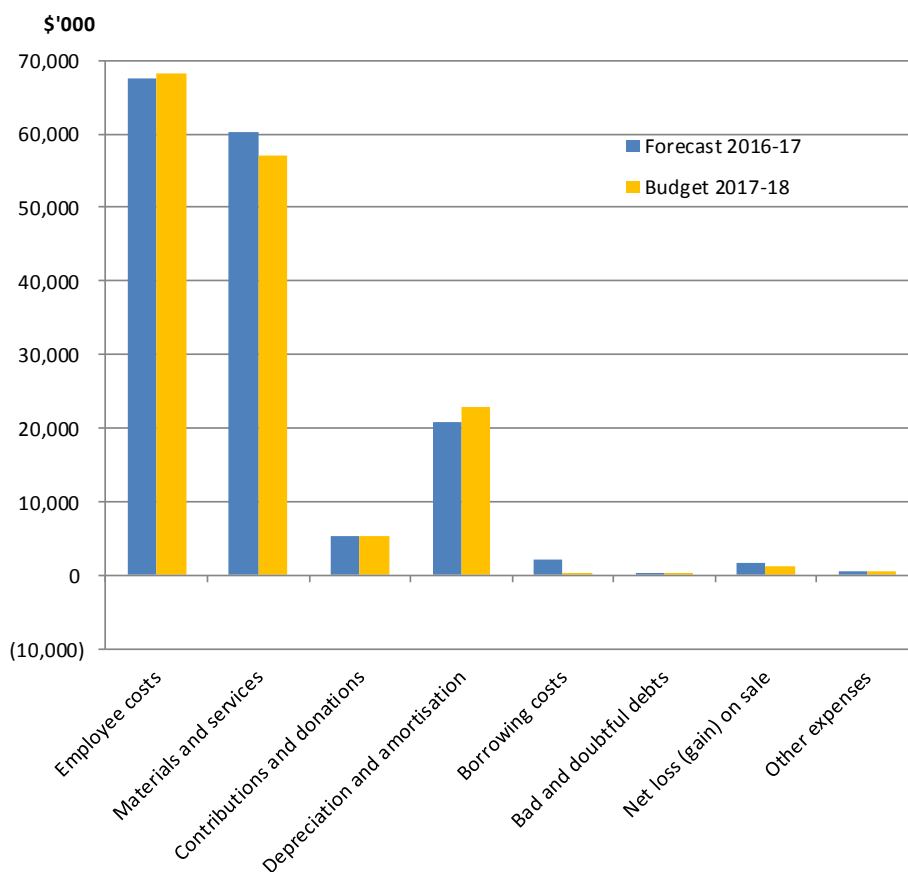
10.2.8 Other Income – \$3.025 million (\$0.433 million decrease)

Other income relates to a range of items such as interest, cost recovery and other miscellaneous income items. Interest receivable totals \$1.701 million, which is \$0.155 million less than the 2016-17 Forecast and is based on the current interest rate environment and projected cash holdings.



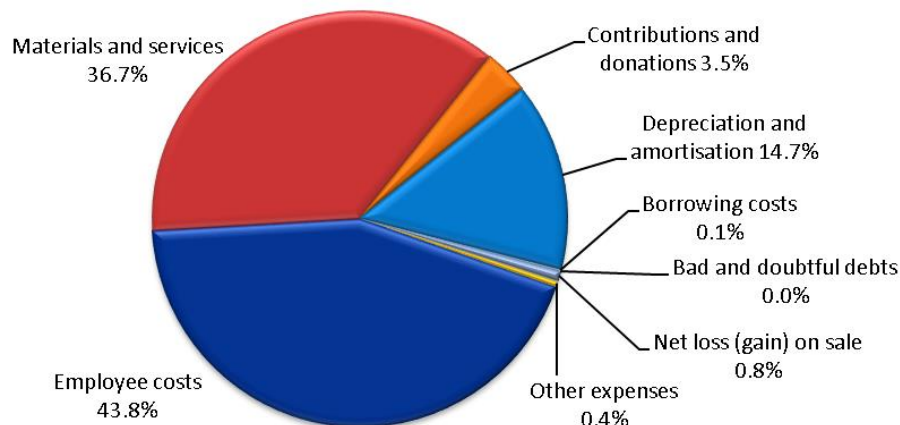
10.3 Expenses

Descriptions	Notes	Forecast	Budget	Variance
		2016-17 \$'000's	2017-18 \$'000's	
Employee costs	10.3.1	67,453	68,251	798
Materials and services	10.3.2	60,366	57,072	(3,294)
Contributions and donations	10.3.3	5,358	5,399	41
Depreciation and amortisation	10.3.4	20,894	22,867	1,973
Borrowing costs	10.3.5	2,189	164	(2,025)
Bad and doubtful debts	10.3.6	64	64	0
Net loss (gain) on disposal of property, infrastructure, plant and equipment	10.3.7	1,711	1,239	(472)
Other expenses	10.3.8	533	558	25
Total Expenses		158,568	155,614	(2,954)





Budgeted Expenses for 2017-18



10.3.1 Employee costs – \$68.251 million (\$0.798 million increase)

Employee costs include all labour related expenditure such as wages and salaries and on-costs including allowances, leave entitlements, employer superannuation and workcover. Employee costs are forecast to increase in the 2017-18 Annual Budget by 1.18% or \$0.798 million compared to 2016-17. A combined increase of 3.2% has been allowed to cover Enterprise Agreement (EA) increments (2.5%) and other periodic increments (0.7%) in employee banding structure provided for in Awards.

A summary of planned human resources expenditure and full time equivalent (FTE) Council staff categorised according to the organisational structure of Council is included below:

Organisation Structure by Directorate	2017-18 Budget		Employment Type			
	\$'000	EFT	Full Time		Part-Time	
			\$'000	EFT	\$'000	EFT
CEO and Council	565	3.00	565	3.00	0	0.00
City Development	11,701	114.58	8,418	77.30	3,283	37.28
Community Services	30,027	327.23	12,539	130.97	17,488	196.25
Corporate Development	12,217	116.14	8,910	81.07	3,307	35.06
Engineering and Infrastructure	13,741	149.36	12,115	138.40	1,626	10.96
Total permanent staff expenditure	68,251	710.30	42,547	430.75	25,704	279.55

The movement in employee costs by organisational structure are summarised below:



Organisation Structure by Directorate	Forecast	Budget	Variance
	2016-17	2017-18	
	\$'000's	\$'000's	\$'000's
CEO and Council	563	565	2
City Development	11,260	11,701	441
Community Services	30,501	30,027	(474)
Corporate Development	11,974	12,217	243
Engineering and Infrastructure	13,155	13,741	586
Total Employee Costs	67,453	68,251	798

10. 3. 2 Materials and Services – \$57. 072 million (\$3. 294 million decrease)

Materials and services include payments for the provision of services by external providers, materials and utility costs including electricity, water, gas and telephones. Materials and services are expected to decrease by 5.46% or \$3.294 million compared to the 2016-17 Forecast due to cost savings across all areas of Council. The 2016-17 Forecast also includes capital expenditure which is operational in nature carried forward from the previous year, in particular \$3.971 million for the street light LED bulb upgrade. However this upgrade has contributed to the budgeted decrease of \$0.275 million in utility costs compared to the 2016-17 Forecast.

10. 3. 3 Contributions and donations – \$5. 399 million (\$0. 041 million increase)

Contributions and donations relate predominately to Council's share of costs associated with the Eastern Regional Libraries Corporation and funds for the Community Grants Scheme. Community Grants are provided for:

- \$0.702 million for Operational grants including Knox Community Volunteers, State Emergency Services, Eastern Access Community Health, Mountain District Learning Centre, Infolink and operational assistance to Neighbourhood Houses.
- \$0.250 million for Community Development Fund to assist community groups.
- \$0.097 million for Recreational Grants Scheme.
- \$0.047 million for Country Fire Authority Brigades.
- \$0.025 million for Senior Citizens.

Council's funding of the Eastern Regional Libraries service has increased by \$0.079 million to \$4.004 million in the 2017-18 Annual Budget from the 2016-17 Forecast.

10. 3. 4 Depreciation and amortisation – \$22. 867 million (\$1. 973 million increase)

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. The increase of \$1.973 million for 2017-18 is due mainly to the completion of the 2016-17 capital works program and the full year effect of depreciation on the 2016-17 capital works program. Refer to Section 6. 'Analysis of Capital Budget' for a more detailed analysis of Council's capital works program for the 2017-18 year.





10.3.5 Borrowing costs – \$0.164 million (\$2.025 million decrease)

Finance costs relate to interest charged by financial institutions on funds borrowed. The reduction in borrowing costs results from the strategic early extinguishment of Council's interest-bearing loans during 2016-17.

10.3.6 Bad and doubtful debts – \$0.064 million (\$ Nil change)

Bad and doubtful debts expenses are amounts relating to user charges, fees and fines that are deemed to not be probable in their collection.

10.3.7 Net loss on disposal of property, infrastructure, plant and equipment – \$1.239 million (\$0.472 million decrease)

The 2017-18 Budget primarily relates to the planned cyclical replacement of part of the heavy plant and vehicle fleet.

10.3.8 Other expenses – \$0.558 million (\$0.025 million increase)

Other items of expense relate to a range of unclassified items including Councillor allowances, audits and lease expenses.



Budget Analysis

11. Analysis of Budgeted Cash Position

This section analyses the expected cash flows from the operating, investing and financing activities of Council for the 2017-18 year. Budgeting cash flows for Council is a key factor in setting the level of rates and providing a guide to the level of capital expenditure that can be sustained with or without using existing cash reserves.

The analysis is based on three main categories of cash flows:

- **Operating activities** – Refers to the cash generated or used in the normal service delivery functions of Council. Cash remaining after paying for the provision of services to the community may be available for investment in capital works, or repayment of debt.
- **Investing activities** – Refers to cash generated or used in the enhancement or creation of infrastructure and other assets. These activities also include the acquisition and sale of other assets such as vehicles, property, plant and equipment.
- **Financing activities** – Refers to the cash generated or used in the financing of Council functions and include proceeds from and repayment of borrowings from financial institutions.

11.1 Budgeted Cash Flow Statement

Description	Notes	Forecast	Budget	Variance
		2016-17 \$'000's	2017-18 \$'000's	
Cash Flow from Operating Activities				
Receipts				
Rates and charges		106,395	106,834	439
Statutory fees and fines		2,766	2,796	30
User fees		14,280	14,756	476
Grants - operating		25,896	20,351	(5,545)
Grants - capital		4,743	4,723	(20)
Contributions - monetary		5,048	4,932	(116)
Interest		1,856	1,701	(155)
Other receipts		1,602	1,324	(278)
Net movement in trust deposits		81	68	(13)
Employee costs		(66,895)	(67,691)	(796)
Materials and services		(59,968)	(56,889)	3,079
Contributions and Donations		(5,358)	(5,399)	(41)
Other payments		(533)	(558)	(25)
Net Cash Provided by Operating Activities	11.1.1	29,913	26,948	(2,965)



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Description	Notes	Forecast	Budget	Variance
		2016-17 \$'000's	2017-18 \$'000's	
Cash Flow from Investing Activities				
Proceeds from sale of property, infrastructure, plant and equipment		5,242	1,361	(3,881)
Payments for property, infrastructure, plant and equipment		(40,192)	(57,974)	(17,782)
Payments for investments		0	0	0
Proceeds from sale of investments		58,100	0	(58,100)
Net Cash used in Investing Activities	11.1.2	23,150	(56,613)	(79,763)
Cash Outflow from Financing Activities				
Finance costs		(2,201)	(164)	2,037
Proceeds from borrowings		4,750	19,950	15,200
Repayment of borrowings		(13,247)	(522)	12,725
Net Cash provided by (used in) Financing Activities	11.1.3	(10,698)	19,264	29,962
Net Increase (Decrease) in Cash Held		42,365	(10,401)	(52,766)
Cash and Cash Equivalents at Beginning of Year		8,830	51,195	42,365
Cash and Cash Equivalents at End of Year		51,195	40,794	(10,401)

The Budgeted Statement of Cash Flows is included in Section 3.

11. 1. 1 Operating Activities – \$26. 948 million net cash inflow (\$2. 965 million decrease)

The decrease in net cash inflows from operating activities is due to the prepayment of 50% of the Victorian Grants Commission 2017-18 funding in June 2017 (\$3.611 million). This has led to a \$5.545 million reduction in operational grants and a \$0.020 million reduction in capital grants. This prepayment has been partially offset by the decrease in materials and services of \$3.079 million. There is an increase of \$0.796 million in employee costs.

The net cash flows from operating activities does not equal the operating result for the year as the expected revenues and expenses of the Council include non-cash items which have been excluded from the Statement of Cash Flows. The budgeted operating result is reconciled to budgeted cash flows available from operating activities as set out in the following table.



Description	Forecast 2016-17 \$'000's	Budget 2017-18 \$'000's	Variance \$'000's
Surplus (Deficit) for the Year	6,189	3,951	(2,238)
Depreciation and amortisation	20,894	22,867	1,973
Contributions - non monetary	(2,000)	(2,000)	0
Net loss (gain) on disposal of property, infrastructure, plant and equipment	1,711	1,239	(472)
Finance costs	2,189	164	
Net Movement in Current Assets and Liabilities	930	727	(203)
Net Cash Provided by Operating Activities	29,913	26,948	(2,965)

11. 1. 2 Investing Activities – \$56. 613 million net cash outflow (\$79. 763 million increase)

The increase in net cash outflows from investing activities of \$79.763 million is primarily due to a \$58.100 million decrease in Proceeds from sales of investments (term deposits held for longer than 90 days), together with a \$17.782 million increase in Payments for property, infrastructure, plant and equipment.

11. 1. 3 Financing Activities – \$19. 264 million net cash inflow (\$29. 962 million increase)

There is a net \$19.264 million increase in net cash flows from financing activities due primarily to the inflow of \$19.950 million in loan borrowings in 2017-18 offset by repayment of borrowings (\$0.522 million) and finance costs (\$0.164 million).

11. 1. 4 Cash and Cash Equivalents at end of the Year – \$40. 794 million (\$10. 401 million decrease)

Overall, total cash and cash equivalents are forecast to decrease by \$10.401 million to \$40.794 million at 30 June 2018.

11. 2 Restricted and Unrestricted Cash and Investments

Cash and investments held by Council are restricted in part, and not fully available for Council's operations. The budgeted cash flow statement indicates that Council is estimating at 30 June 2018 it will have cash and investments of \$40.794 million, which have been restricted as shown in the following table:



Description	Notes	Forecast	Budget	Variance
		2016-17 \$'000's	2017-18 \$'000's	
Total Cash and Investments		51,195	40,794	(10,401)
Restricted Cash and Investments				
Trust Funds and Deposits	11.2.1	2,734	2,802	68
Statutory Reserves	11.2.2	8,184	7,195	(989)
Unrestricted cash and investments		40,277	30,796	(9,481)
Discretionary Reserves	11.2.3	30,465	18,351	(12,114)
Unrestricted Cash and Investments adjusted for discretionary reserves	11.2.4	9,812	12,445	2,633

11.2.1 Trust Funds and Deposits – \$2.802 million

Trust funds and deposits are funds that are received such as preschool fees, tender deposits and retention amounts held by Council.

11.2.2 Statutory Reserves – \$7.195 million

These funds must be applied for specified statutory purposes in accordance with various legislative and contractual requirements. Whilst these funds earn interest revenues for Council, they are not available for other purposes.

11.2.3 Discretionary Reserves – \$18.351 million

Discretionary Reserves are funds set aside by Council for a specific purpose but are not protected by statute.

Reserve fund balances at 30 June 2018:



Projected Reserve Balances	Opening Balance \$'000's	Transfer to Reserve \$'000's	Transfer from Reserve \$'000's	Closing Balance \$'000's
Statutory Reserves				
HACC Capital Grant	456	0	0	456
Open Space	7,728	4,000	4,989	6,739
Total Statutory Reserves	8,184	4,000	4,989	7,195
Discretionary Reserves				
Aged Care Reserve	4,988	0	110	4,878
Basketball Stadium infrastructure	124	24	0	148
Blue Hills Reserve	2,843	0	1,400	1,443
City Futures	3,153	0	0	3,153
Knox Regional Sports Park - Football Renewal	455	150	0	605
Landfill Rehabilitation	967	350	0	1,317
Mountain Gate Reserve	0	0	0	0
Revegetation Net Gain	121	0	0	121
Revolving Energy Fund	70	0	0	70
Scoresby Recreational Reserve	43	23	0	66
Stamford Park Project	13,698	0	7,645	6,053
State Basketball Centre Asset Renewal	392	105	0	497
Unexpended Grants Reserve	3,611	0	3,611	0
Total Discretionary Reserves	30,465	652	12,766	18,351
Total Reserves	38,649	4,652	17,755	25,546

11. 2. 4 Unrestricted Cash and Investments Adjusted for Discretionary Reserves – \$12. 445 million

These funds are free of all specific Council commitments and represent funds available to meet daily cash flow requirements, unexpected short term needs and any budget commitments which will be expended in the following year such as grants and contributions. Council regards these funds as the minimum necessary to ensure that it can meet its commitments as and when they fall due without borrowing further funds.



Budget Analysis

12. Analysis of Capital Budget

This section of the report analyses the planned capital expenditure budget for the 2017-18 year and the sources of funding for the capital budget. Further details on the capital works program can be found in Section 6.

12.1 Capital Works Expenditure

Capital Works Program	Notes	Forecast	Budget	Variance
		2016-17 \$'000's	2017-18 \$'000's	
Carry Forward Works				
Property				
Land		0	8,085	0
Buildings		5,471	10,785	5,314
Total Property		5,471	18,870	13,399
Plant and Equipment				
Plant, machinery and equipment		370	0	(370)
Fixtures, fittings and furniture		79	0	(79)
Computers and telecommunications		619	0	(619)
Artworks		0	120	120
Total Plant and Equipment		1,068	120	(948)
Infrastructure				
Roads		2,551	0	(2,551)
Bridges		0	0	0
Footpaths and cycleways		170	0	(170)
Drainage		985	0	(985)
Recreational, leisure and community facilities		2,618	725	(1,893)
Off street car parks		91	0	(91)
Other infrastructure		5,030	0	(5,030)
Total Infrastructure		11,445	725	(10,720)
Total Carry Forward Works	12.1.1	17,984	19,715	1,731

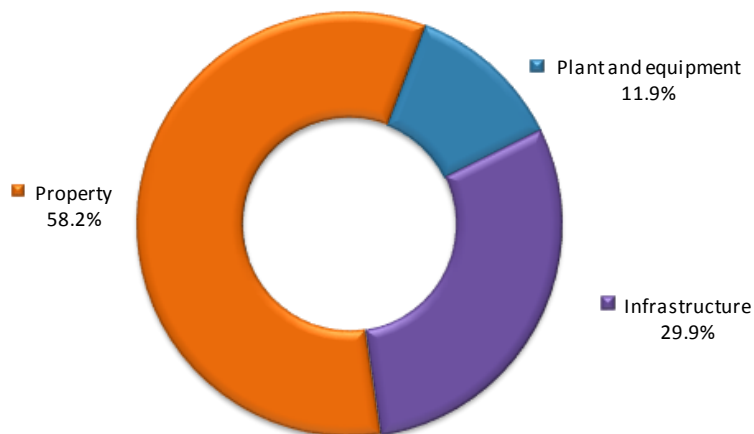


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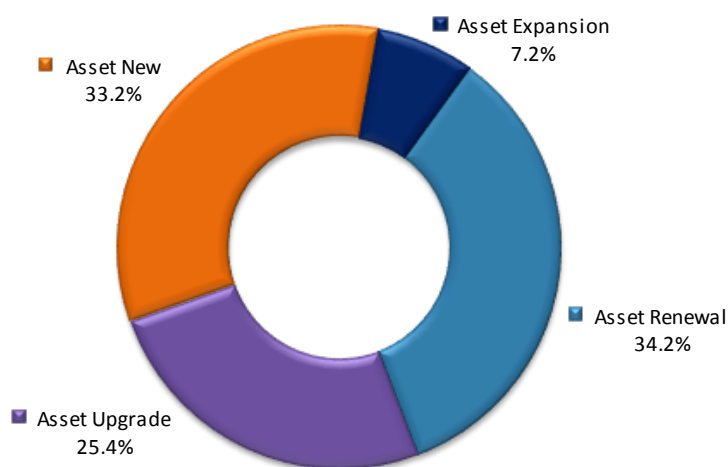
Capital Works Program	Notes	Forecast 2016-17 \$'000's	Budget 2017-18 \$'000's	Variance \$'000's
New Works				
Property				
Land		585	0	(585)
Buildings		4,127	28,833	24,706
Total Property	12.1.2	4,712	28,833	24,121
Plant and Equipment				
Plant, machinery and equipment		2,217	2,254	37
Fixtures, fittings and furniture		(34)	0	34
Computers and telecommunications		2,778	7,356	4,578
Artworks		0	61	61
Total Plant and Equipment	12.1.3	4,961	9,671	4,710
Infrastructure				
Roads		10,454	8,000	(2,454)
Bridges		425	1,000	575
Footpaths and cycleways		2,863	3,373	510
Drainage		2,933	2,575	(358)
Recreational, leisure and community facilities		6,433	6,702	269
Off street car parks		550	550	0
Other infrastructure		(1,451)	1,571	3,022
Total Infrastructure	12.1.4	22,207	23,771	1,564
Total New Works		31,880	62,275	30,395
Total Capital Works Expenditure		49,864	81,990	32,126
Represented by:				
Asset Renewal		29,738	28,098	(1,640)
Asset Upgrade		14,453	20,791	6,338
Asset New		5,202	27,236	22,034
Asset Expansion		471	5,865	5,394
Total Capital Works Expenditure	12.1.5	49,864	81,990	32,126



Budgeted Capital Works for 2017-18 by Asset Class



Budgeted Capital Works for 2017-18 by Expenditure Type



12. 1. 1 Carried Forward Works – \$19. 715 million

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2016-17 year it is forecast that \$19.715 million of capital works will be incomplete and be carried forward into the 2017-18 year. The more significant projects include the Knox Central project (\$9.449 million), the Stamford park redevelopment (\$2.141 million) and the Early Years Hubs projects (\$6.500 million).





12. 1. 2 Property – \$28. 833 million

The property class comprises land, buildings and building improvements including community facilities, municipal offices, sports facilities and pavilions.

For the 2017-18 year, \$28.833 million will be expended on new land, building and building improvement projects. The major property projects in 2017-18 are the Knox Central project, two early years hubs and Stamford Park building upgrades.

12. 1. 3 Plant and Equipment – \$9. 671 million

Plant and equipment includes plant, machinery and equipment, computers and telecommunications.

For the 2017-18 year \$9.671 million will be expended on plant, equipment and other projects. The more significant projects included the renewal and upgrade of Council's information technology in line with the digital/ICT strategy.

12. 1. 4 Infrastructure – \$23. 771 million

Infrastructure includes roads, bridges, footpaths and cycleways, drainage, recreation, leisure and community facilities, parks, open space and streetscapes, off street car parks and other structures.

The key categories are:

Roads (\$8. 000 million)

- Renewal of and improvements to road sub-structure, kerb, channel and surface across the Municipality

Footpaths and cycleways (\$3. 373 million)

- Footpath renewal works across the Municipality
- New footpath and shared path construction program and pedestrian facilities across the Municipality

Drainage (\$2. 575 million)

- Drainage renewal works and upgrades across the Municipality

Recreational, leisure and community facilities (\$6. 702 million)

- Renewal of active open space, playgrounds, passive open space and street trees
- Improvements to unstructured recreation space

Other infrastructure (\$3. 121 million)

- Includes bridges (\$1.000 million), off street car parks (\$0.550 million), and other infrastructure (\$1.571 million).



12. 1. 5 Asset renewal (\$28. 098 million), upgrades (\$20. 791 million), new assets (\$27. 236 million) and expansion (\$5. 865 million)

A distinction is made between expenditure on new assets, asset renewal, upgrade and expansion. Expenditure on asset renewal is expenditure on an existing asset, or on replacing an existing asset that returns the service of the asset to its original capability. Expenditure on new assets does not have any element of expansion or upgrade of existing assets but will result in an additional requirement for future operation, maintenance and capital renewal.

The following table provides more detail on the Capital Works Asset Renewal program for 2017-18.

Asset Renewal Category	Forecast	Budget	Variance
	2016-17 \$'000's	2017-18 \$'000's	
Buildings	4,033	5,117	1,084
Computers and telecommunications	3,397	3,277	(120)
Fixtures, fittings and furniture	30	0	(30)
Plant, machinery and equipment	2,587	2,254	(333)
Artwork	0	20	20
Roads	10,154	7,750	(2,404)
Bridges	350	500	150
Footpaths and cycleways	2,100	2,400	300
Drains	2,087	2,200	113
Recreational, leisure and community facilities	4,176	3,803	(373)
Off street car parks	641	550	(91)
Other infrastructure	183	227	44
Total Asset Renewal	29,738	28,098	(1,640)

A full listing of the capital works projects and their descriptions are contained in Section 6.

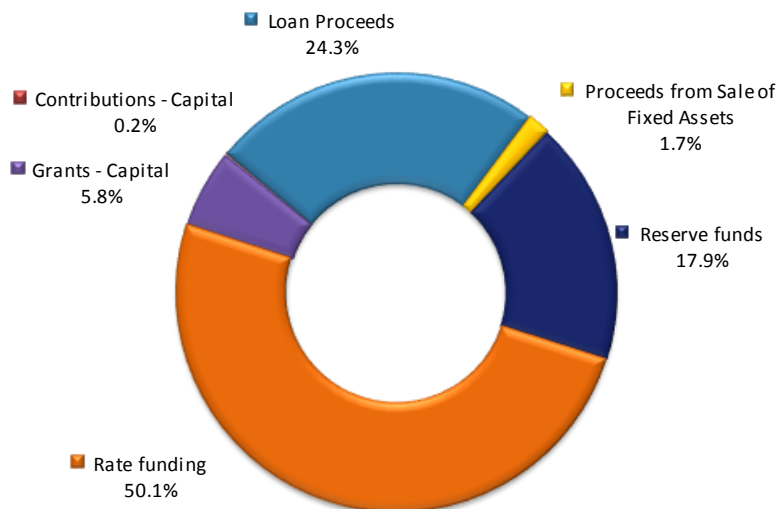


12.2 Capital Works Funding Sources

Source of Funds	Notes	Forecast 2016-17 \$'000's	Budget 2017-18 \$'000's	Variance \$'000's
Carry Forward Works				
External				
Loan Proceeds		4,750	12,480	7,730
Grants - Capital		0	0	0
Contributions - Capital		0	0	0
Total External Funding		4,750	12,480	7,730
Internal				
Reserve Funds		2,015	2,216	201
Rate Funding		11,219	5,019	(6,200)
Total Internal Funding		13,234	7,235	(5,999)
Total Carry Forward Works	12.2.1	17,984	19,715	1,731
New Works				
External				
Loan Proceeds		0	7,470	7,470
Grants - Capital	12.2.2	4,743	4,723	(20)
Contributions - Capital		261	172	(89)
Total External Funding		5,004	12,365	7,361
Internal				
Proceeds from Sale of Fixed Assets	12.2.3	5,242	1,361	(3,881)
Reserve Funds	12.2.4	5,950	12,467	6,517
Rate Funding	12.2.5	15,684	36,082	20,398
Total Internal Funding		26,876	49,910	23,034
Total New Works		31,880	62,275	30,395
Total Source of Funds for Capital Works		49,864	81,990	32,126



Budgeted Funding Source for Capital Works 2017-18



12. 2. 1 Carried Forward Works – \$19. 715 million

At the end of each financial year there are projects which are either incomplete or not commenced due to factors including planning issues, weather delays and extended consultation. For the 2016-17 year it is forecast that \$19.715 million of capital works will be incomplete and be carried forward into the 2017-18 year. The more significant projects include the Knox Central project (\$9.449 million), the Stamford park redevelopment (\$2.141 million) and the Early Years Hubs project (\$6.500 million).

12. 2. 2 Grants – \$4. 723 million

Capital grants include all monies received from State and Federal sources for the purposes of funding the capital works program. Significant grants and contributions budgeted to be received are:

- Roads to Recovery projects (\$1.017 million)
- Victoria Grants Commission (VGC) – 2017-18 Local Roads Renewal funding (\$0.542 million – a further \$0.539 million was received as a prepayment in June 2017 and has been allocated to the Unexpended Grants Reserve, to be expended in 2017-18)
- The Basin Neighbourhood House redevelopment (\$2.000 million)

12. 2. 3 Proceeds from Sale of Fixed Assets – \$1. 361 million

Proceeds from Sale of Fixed Assets include plant and equipment sales (\$1.361 million).

12. 2. 4 Reserve Funds – \$12. 467 million

Council has significant cash reserves, which it is currently using to fund its annual capital works program. The reserves include monies set aside for specific purposes such as the Stamford Park Reserve.





For 2017-18, reserve funds will be used to deliver a number of capital works projects including Open Space projects (\$4.989 million), the Bayswater Early Years Hub (\$1.400 million from the Blue Hill Preschool reserve) and Stamford Park (\$7.645 million from the Stamford Park reserve).

Specific allocations from Reserves in 2017-18 are:

Project description	Reserve Fund	Budget 2017-18 \$'000's
<i>Open Space Reserve funding for the following projects:</i>	Open Space	4,989
Arcadia Reserve Masterplan Implementation	Open Space	
Ferntree Gully Village Square	Open Space	
Gilbert Park Masterplan	Open Space	
HV Jones Reserve Masterplan	Open Space	
Knox Regional Netball Centre	Open Space	
Lewis Park Masterplan Development	Open Space	
Llewellyn Reserve Masterplan Implementation	Open Space	
Marie Wallace Park - Implementation of Masterplan	Open Space	
Mountain Gate Shopping Centre	Open Space	
Open Space - Reserve Signage	Open Space	
Open Space Paths	Open Space	
Passive Open Space - Replacement of assets	Open Space	
Peregrine Reserve Masterplan Development	Open Space	
Picketts Reserve - Implementation of Masterplan	Open Space	
Playgrounds - Various	Open Space	
Revegetation Plan	Open Space	
Scoreboards - Various Reserves	Open Space	
Scoresby Reserve Masterplan Implementation	Open Space	
Scoresby Village Masterplan Implementation	Open Space	
Steetscape Upgrades	Open Space	
Stud Park Reserve Masterplan Development	Open Space	
RD Egan Lee Reserve Masterplan Implementation	Open Space	
Talaskia Reserve Masterplan Development	Open Space	
Templeton Reserve Masterplan Development	Open Space	
Wantirna Reserve Masterplan Development	Open Space	
Carrington Park, Knoxfield - Masterplan	Open Space	
Knox Park, Knoxfield - Relocation of Playground	Open Space	
Stamford Park Development	Stamford Park	7,645
Senior Citizen Centres	Aged Care Reserve	110
Early Years Hubs - Bayswater	Blue Hill Preschool Reserve	1,400
Road Resurfacing Program	Unexpended Grants Reserve	539
Total		14,683

12. 2. 5 Rate Funding – \$36. 082 million

Council generates cash from its operating activities, which is used as a funding source for the capital works program. It is forecast that \$36.082 million will be generated from operations to fund the 2017-18 capital works program.



Budget Analysis

13. Analysis of Budgeted Financial Position

This section analyses the movements in assets, liabilities and equity between the 2016-17 Forecast and the 2017-18 Annual Budget. It also considers a number of key financial performance indicators.

13.1 Budgeted Balance Sheet

Descriptions	Notes	Forecast 2016-17 \$'000's	Budget 2017-18 \$'000's	Variance \$'000's
Current Assets				
Cash and cash equivalents		51,195	40,794	(10,401)
Other financial assets		0	0	0
Trade and other receivables		10,012	10,161	149
Other assets		1,490	1,527	37
Inventories		4	4	0
Total Current Assets	13.1.1	62,701	52,486	(10,215)
Non Current Assets				
Investments in Associates		3,741	3,741	0
Property, infrastructure, plant and equipment		1,700,398	1,749,150	48,752
Intangible assets		1,312	1,312	0
Total Non Current Assets	13.1.2	1,705,451	1,754,203	48,752
Total Assets		1,768,152	1,806,689	38,537
Current Liabilities				
Trade and other payables		11,376	25,906	14,530
Trust funds and deposits		2,734	2,802	68
Provisions		17,214	17,746	532
Interest-bearing loans and borrowings		522	1,415	893
Total Current Liabilities	13.1.3	31,846	47,869	16,023
Non Current Liabilities				
Provisions		7,692	7,720	28
Interest-bearing loans and borrowings		4,228	22,763	18,535
Total Non Current Liabilities	13.1.4	11,920	30,483	18,563
Total Liabilities		43,766	78,352	34,586
Net Assets		1,724,386	1,728,337	3,951
Equity				
Accumulated Surplus		618,654	635,708	17,054
Reserves		1,105,732	1,092,629	(13,103)
Total Equity	13.1.6	1,724,386	1,728,337	3,951



The Budgeted Balance Sheet is included in Section 3.

13. 1. 1 Current Assets – \$52. 486 million (\$10. 215 million decrease)

Cash and cash equivalents include cash and investments such as cash held in the bank and in petty cash and the value of investments in deposits or other highly liquid investments with short term maturities of three months or less. These balances are projected to decrease by \$10.401 million during the year mainly to fund the capital works program during the year, together with the prepayment of 50% of the Victorian Grants Commission 2017-18 funding in June 2017.

Trade and other receivables are monies owed to Council by ratepayers and others. Short term debtors are not expected to change significantly in the budget.

Other assets includes items such as prepayments for expenses that Council has paid in advance of service delivery.

13. 1. 2 Non Current Assets – \$1. 754 billion (\$48. 752 million increase)

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 \$48.752 million increase in this balance is attributable to the anticipated capitalisation of the budgeted capital works program of \$81.990 million and the contribution of non monetary assets of \$2.000 million. This is offset by \$22.867 million in depreciation and amortisation expense, \$9.522 million in capital expenditure deemed to be operating in nature and the disposal of \$2.600 million of Non Current Assets through the sale of property, plant and equipment.

13. 1. 3 Current Liabilities – \$47. 869 million (\$16. 023 million increase)

Trade and other payables are those to whom Council owes money as at 30 June. These liabilities are budgeted to increase by \$16.023 million, mainly relating to amounts payable for capital works at the end of the financial year.

Provisions include accrued long service leave and annual leave owing to employees. These employee entitlements are only expected to increase marginally due to more active management of entitlements despite factoring in an increase for Enterprise Agreement outcomes.

Current liability interest-bearing loans and borrowings are borrowings of Council expected to be repaid in the next 12 months.

The increase in current liabilities, which represent obligations that Council must pay within the next year primarily relates to an increase in Trade and other payables of \$14.530 million, increases in Provisions of \$0.532 million and an increase in Trust funds and deposits of \$0.068 million. There is also an increase of \$0.893 million in Interest-bearing loans and borrowings.

13. 1. 4 Non Current Liabilities – \$30. 483 million (\$18. 563 million increase)

The increase in Non Current Liabilities, which represents obligations that Council must pay beyond the next year, is primarily due to the increase of \$18.535 million in Interest-bearing loans and borrowings as a result of new borrowings in 2017-18.



13. 1. 5 Working Capital – \$4. 617 million (\$26. 238 million decrease)

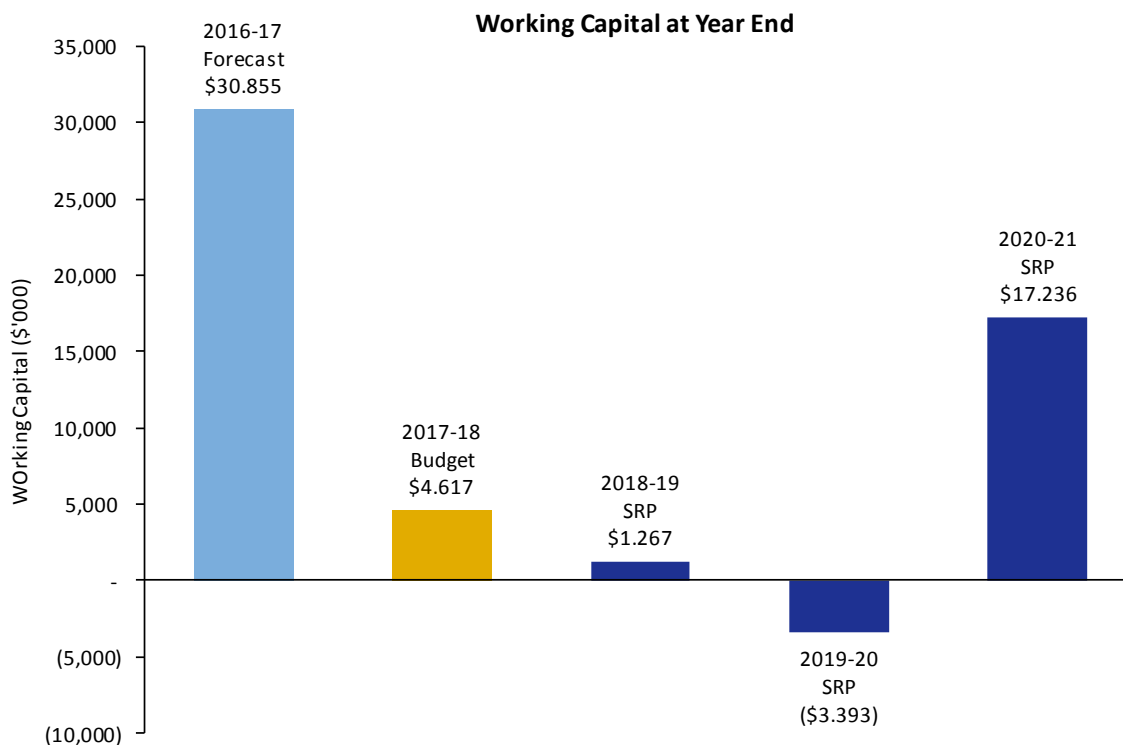
Working capital is the excess of Current Assets above Current Liabilities. The calculation recognises that although Council has current assets, some of those are already committed to the future settlement of liabilities in the following 12 months and are therefore not available for discretionary spending.

Some of Council's cash assets are restricted in that they are required by legislation to be held in reserve for specific purposes or are held to fund carry forward capital works from the previous financial year.

Descriptions	Notes	Forecast 2016-17 \$'000's	Budget 2017-18 \$'000's	Variance \$'000's
Current Assets	13.1.1	62,701	52,486	(10,215)
Current Liabilities	13.1.3	31,846	47,869	16,023
Working Capital	13.1.5	30,855	4,617	(26,238)
Restricted Cash and Investments				
Statutory Reserves		8,184	7,195	(989)
Unrestricted Working Capital		22,671	(2,578)	(25,249)

In addition to the restricted cash shown above, Council is also projected to hold \$18.351 million in discretionary reserves at 30 June 2018. Although not restricted by a statutory purpose, Council has made decisions regarding the future use of these funds and unless there is a new Council resolution, these funds are to be used for those earmarked purposes.

The following graph highlights the forecast changes in Working Capital over the next four years. Working Capital is one of the key measures of financial sustainability.



13. 1. 6 Equity – \$1. 728 billion (\$3. 951 million increase)

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. \$3.951 million of the \$17.054 million increase in accumulated surplus results directly from the surplus for the year. An amount of \$13.103 million (net) is budgeted to be transferred from other reserves to accumulated surplus. This reflects the usage of investment cash reserves to partly fund the capital works program. This is a transfer between equity balances only and does not impact on the total balance of equity.

The net increase in equity or net assets of \$3.951 million results directly from the 2017-18 financial year budgeted operating surplus.



13.2 Key assumptions

In preparing the Balance Sheet for the year ending 30 June 2018 it was necessary to make a number of assumptions about assets, liabilities and equity balances. The key assumptions are as follows:

- A total of 97.5% of total rates and charges raised will be collected in the 2017-18 year (2016-17: 97.5% forecast actual).
- Trade creditors to increase this year mainly relating to amounts payable for capital works at the end of the financial year.
- Other debtors and creditors to remain consistent with 2016-17 levels.
- Employee entitlements to be increased by the Enterprise Agreement outcome.
- New borrowings to be \$19.950 million.
- Repayment of loan principal to be \$0.522 million.
- Total capital expenditure to be \$81.990 million.
- A net movement of \$13.103 million from reserves to accumulated surplus, representing the internal funding of the capital works program for the 2017-18 year.



Long Term Financial Forecast and Strategic Resource Plan

14. Strategic Resource Plan

This section includes an extract of the adopted Strategic Resource Plan (SRP) to provide information on the long term financial projections of the Council.

Plan Development

The Local Government Act 1989 requires a SRP to be prepared describing both financial and non-financial resources (including human resources) for at least the next four financial years to achieve the strategic objectives in the Community and Council Plan. In preparing the SRP, Council must take into account all other plans and strategies in regard to services and initiatives which commit financial and non-financial resources for the period of the SRP.

Council has prepared a SRP for the four years 2017-18 to 2020-21 as part of its ongoing financial planning to assist in adopting a budget within a longer term framework. The SRP takes the strategic objectives and strategies as specified in the Community and Council Plan and expresses them in financial terms for the next four years.

Key Objectives and Priorities

The key objective of Council's long term financial forecast (LTFF) is to provide a financial framework to facilitate the delivery of the outcomes expressed in the Knox Community and Council Plan 2017-21. The LTFF essentially links the strategic priorities and direction of Council to its financial planning, in sustainable financial terms. Council's key priorities for 2017-18 and beyond are:

- Achieving a balance between ensuring that the Knox community's needs are met, with services adjusted to meet changing demand and changed legislative requirements where required and ensuring that Council continues to be financially sustainable in the long term;
- Maintaining Council's financial commitment to asset renewal and maintenance of community assets as the first priority for annual capital funding as detailed in asset management plans;
- Loan borrowings to be at a sustainable level;
- The maintenance of a strong cash position for financial sustainability;
- The maintenance of a healthy working capital (liquidity) ratio;
- Achievement and maintenance of financially sustainable operational surpluses with rate and fee increases that are both manageable and sustainable;
- Strengthen the effectiveness and efficiency of Council's services by clearly prioritising Council business to identify projects and services that will deliver the best return on the investment of scarce Council resources;
- To achieve efficiencies through targeted savings and an ongoing commitment to contain costs;



- To continue to apply the principles of sound financial management as outlined in the Local Government Act 1989; and
- Ensuring that all Council decisions have regard to their effect on future generations.

Council always remains mindful of the need to comply with the following principles of sound financial management as outlined in the Local Government Act 1989 which are to:

- Prudently manage the financial risks relating to debt, assets and liabilities.
- Provide reasonable stability in the level of rate burden.
- Consider the financial effects of Council decisions on future generations.
- Provide full, accurate and timely disclosure of financial information.

14.1 Financial Resources

The following table summarises the key financial results for the next four years as set out in the SRP for years 2017-18 to 2020-21. Section 3 includes a more detailed analysis of the financial resources to be used over the four year period.

Financial Resources Key Indicators	Forecast	Budget	Strategic Resource Plan			Trend + / o / -
	2016-17 \$'000's	2017-18 \$'000's	2018-19 \$'000's	2019-20 \$'000's	2020-21 \$'000's	
Surplus (Deficit) for the Year	6,189	3,951	10,641	3,030	26,424	+
Adjusted Underlying Result	2,445	(1,385)	4,641	1,030	24,424	+
Cash and Investments Balance	51,195	40,794	34,407	30,185	50,814	-
Net Cash provided by Operating Activities	29,913	26,948	34,591	30,839	32,148	o
Capital Works Expenditure *	49,864	81,990	58,594	54,684	47,967	o

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

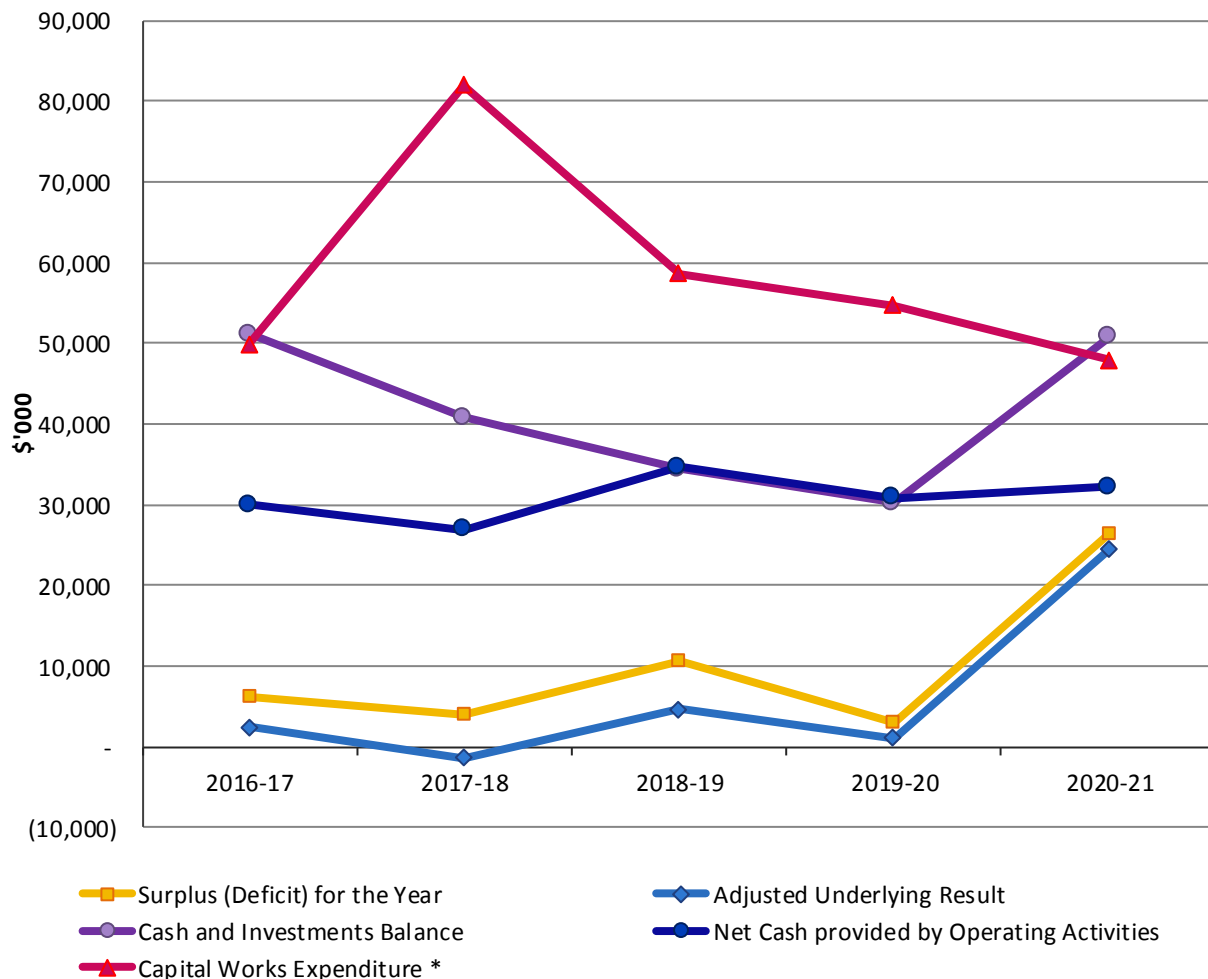
* Capital Works Expenditure includes Capital Projects – Operational which represents expenditure undertaken as part of the Capital Works Program which is unlikely to meet the definition of Property, Infrastructure, Plant and Equipment as per the Australian Accounting Standards and will be therefore treated as an operational expense within the operating result at the conclusion of the financial year.

The graph on the following page shows the general financial indicators over the four year period.

In terms of financial sustainability, the trend is for strengthening annual operating and underlying surpluses throughout the four year period. An increase in capital works expenditure in 2017-18 (including capital works expenditure carried forward from 2016-17) leads to a weakening of the cash position in the same year. Capital works expenditure returns to current levels in the subsequent years, with the cash position strengthening in 2020-21 with the forecast sale of land.



Key Indicative Financial Results



The key outcomes of the SRP are as follows:

Financial sustainability (Section 11) - Cash and investments is forecast to reduce from 2017-18 before returning above 2016-17 levels in 2020-21 upon the forecast sale of land. Cash and investments are forecast to decrease slightly from \$51.195 million to \$50.814 million over the four year period, but levels are expected to be significantly lower during the middle years.

Rating levels (Section 15) – Modest rate increases are forecast over the four years at an average of 2.00%, and is in accordance with the State Government Fair Go Rates System requirements.



Service delivery strategy (Section 16) – Service levels have been maintained throughout the four year period. Although operating surpluses are shown from 2017-18 to 2020-21 there will be a focus on capital expenditure over this time which is not reflected in the income statement. Excluding the effects of capital items such as capital grants and contributions, the adjusted underlying result is still a surplus over the four year period. The adjusted underlying result is a measure of financial sustainability and is an important measure as once-off capital items can often mask the operating result. There is a significant land sale forecast for 2020-21 which is causing an uncharacteristic rise in surplus in that year.

Borrowing strategy (Section 16) – Borrowings are forecast to increase from \$4.750 million to \$49.715 million over the four year period. This includes new borrowings of \$52.341 million from 2017-18 to 2020-21.

Infrastructure strategy (Section 16) - Capital expenditure over the four year period will total \$243.235 million at an average of \$60.809 million. There are several major projects scheduled over the four years.



Long Term Financial Forecast and Strategic Resource Plan

15. Rating Information

This section should be read in conjunction with Council's Strategic Resource Plan 2017-18 to 2020-21.

15.1 Rating context

In developing a Long Term Financial Forecast and an associated high level Strategic Resource Plan (referred to in Section 14 Strategic Resource Plan), rates and charges were identified as an important source of revenue, accounting for 65% of the total revenue received by Council annually. Planning for future rate revenue has therefore been an important component of the planning process. 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 capital works to be undertaken for the Knox community.

However, it has also been necessary to balance the importance of rate revenue as a funding source with community sensitivity to increases and any changes in property valuations and subsequently rates for some properties in the municipality.

Council's Rating Strategy is premised on linking the base increase in rate revenue to:

- Ensuring that sustainable annual underlying surpluses are maintained.
- Meeting legislative requirements;
- The provision of annual funding for new operational initiatives to progress implementation of the draft Knox Community and Council Plan, and to provide for service growth;
- Focusing on and allowing for infrastructure renewal; and
- Identifying other revenue growth opportunities or cost adjustments (ongoing cost savings, removal of one-off initiatives relating to prior year).

Rate Capping

Council's budget has been prepared on a declared average rate cap of 2.0% for the 2017-18 financial year.



15.2 Current Year Rate

Council has developed a budget which is allocated across a wide range of key areas including asset renewal, services for children and families, waste management, customer service, asset management, aged care home services, open space management, planning and development, governance, new community infrastructure, health and safety, sport and recreation, libraries, the environment, services for youth, school crossing supervision, local laws and festivals and the arts.

In order to fund Council’s commitment to the draft Knox Community and Council Plan, Council must consider its sources of revenue. Rates and charges are an important source of revenue, accounting for 65% of the total revenue received by Council annually.

The table below highlights the indicative rate increase over the forward 3 year period. These are indicative only, and are reviewed on an annual basis and are subject to change.

Indicative rate increases	Forecast	Budget	Strategic Resource Plan Projections			
	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Rate Increase	2.50%	2.00%	2.00%	2.00%	2.00%	2.50%

* The budget proposes the introduction of a Residential Garbage Charge in 2017-18.

15.3 Rating Structure

Council has established a rating structure that comprises the application of:

- The Capital Improved Value (CIV) valuation system;
- A differential rating system;
- Service charges in relation to waste collection and disposal; and
- Rate Rebates in the form of:
 - A Biodiversity Rate Rebate scheme to encourage private landholders to manage and protect recognised sites of biological significance;
 - A Community Land Rebate for Cultural and Recreational Community Land and eligible Community Benefit Land Properties.
 - A Council-funded Pensioner Rate Rebate of \$100 per eligible property to reduce the financial burden for eligible pensioners.

The current rating structure comprises a number of differential rates. Differential rating contributes to a more equitable distribution of the rating burden. Differential rating allows particular classes of properties to be assessed at different levels from the General rate set for the municipality.



The following table provides details of Knox’s differential rating structure:

Differential Rating Structure	2016-17	2017-18
Vacant Land or Derelict Land	2.20	2.60
Retirement Village Land	0.90	0.80
Commercial Land	2.20	2.60
Industrial Land	2.20	2.60
Residential Land	1.00	1.00
Recreational Land	0.65	1.00



Long Term Financial Forecast and Strategic Resource Plan

16. Other long term strategies

This section sets out summaries of the strategies that have been developed and incorporated into the Strategic Resource Plan including borrowings, infrastructure and service delivery.

16.1 Borrowings

Use of Borrowings for the provision of Major Projects in Knox

Borrowings are generally utilised for the provision of major community assets that will provide community benefit over a number of years. This is considered sound practice and governments at all levels have regularly enacted this approach. The use of borrowings enables the cost of community assets to be spread inter-generationally and smooths the impact of the borrowings on the long term financial structure for the Council.

Policy Considerations

Knox City Council has endorsed policies in relation to the undertaking of borrowings. Council has resolved that it may undertake borrowings for the following:

- Funding new/significantly upgraded major assets that provide a broad community benefit;
- Funding capital projects that provide a financial return above annual loan funding costs;
- Funding the expenditure for one-off works in an “emergency situation” that is causing a danger or damage to the community, the occurrence of which was not foreseen and which may have occurred through a man-made or natural event or disaster;
- Funding of a one-off, non-recurring externally imposed financial liability. An example being a call for funding of Employee Defined Benefits Superannuation.

Key financial performance indicators and the Victorian Government principles on loan borrowing are also referenced for further validation of any borrowings.

During 2016-17 Council made the strategic decision to repay all outstanding loans using existing cash reserves. At this point in time Council has forecast new borrowings in 2016-17 and 2017-18 to fund new and significantly upgraded major assets that will provide community benefit into the future. The following table sets out future proposed borrowings, based on the forecast financial position of Council as at 30 June 2017.



Year	New Borrowings \$'000	Principal Paid \$'000	Interest Expense \$'000	Balance 30 June \$'000
2016-17	4,750	13,247	2,189	4,750
2017-18	19,950	522	164	24,178
2018-19	14,291	1,415	953	37,053
2019-20	12,100	2,373	1,486	46,781
2020-21	6,000	3,066	2,028	49,715

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

Interest - Bearing Loans and Borrowings	Forecast 2016-17 \$'000	Budget 2017-18 \$'000
Total Amount of Interest - Bearing Loans and Borrowings as at 30 June of the Prior Year	13,247	4,750
Total Amount to be Borrowed	4,750	19,950
Total Amount projected to be Redeemed	13,247	522
Total Amount of Interest - Bearing Loans and Borrowings as at 30 June	4,750	24,178



Long Term Financial Forecast and Strategic Resource Plan

16.2 Infrastructure Strategy

Strategy Development

The management of Council's assets is an integral component of Council's Long Term Financial Forecast and one that poses significant challenges, not only for this Council, but for all Victorian municipalities.

Nature and Valuation of Council's Fixed Assets

Council's fixed assets, comprising of assets such as land, buildings, roads, drains, footpaths, bike paths, bridges and other infrastructure assets were valued at \$2.192 billion as at 30 June 2016. The written down value of these assets after deducting accumulated depreciation was \$1.686 billion.

Future Capital Works Program Required to Sustain Community Assets

The management of Council's infrastructure assets requires Council to look long-term at both the current condition and the expected life of assets into the future. With the rapid growth experienced by Knox in the 1960's and 1970's, many of the infrastructure assets that were initially funded by developers or by government grants will fall due for replacement at similar times. Council needs to plan now for its future asset renewal needs.

Future Asset Renewal Requirements

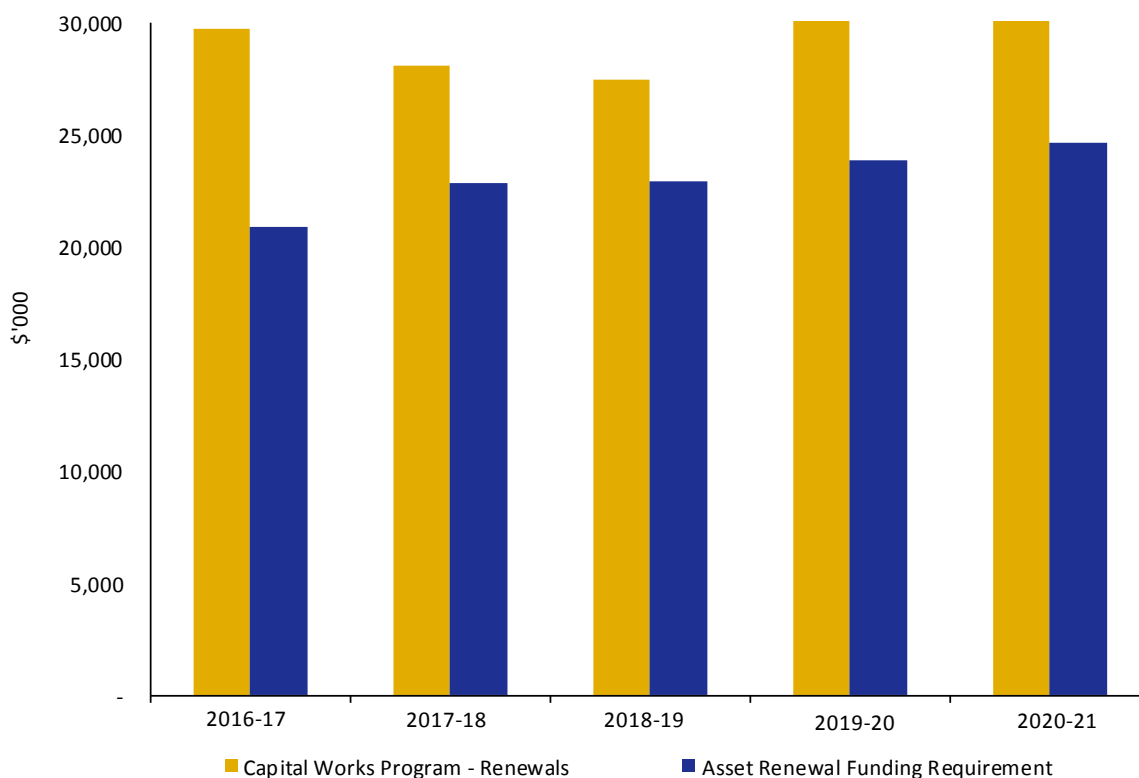
A key objective of the Infrastructure Strategy is to maintain or renew Council's existing assets at desired condition levels. If sufficient funds are not allocated to asset renewal then Council's investment in those assets will reduce, along with the capacity to deliver services to the community. Council funding of asset renewal has grown substantially from \$5.044 million in 2002-03 to \$28.098 million in 2017-18.

The graph below displays the projected asset renewal spending levels compared to the required level of spending to appropriately renew Council's assets.



	Forecast	Budget	Strategic Resource Plan Projections		
	2016-17	2017-18	2018-19	2019-20	2020-21
	\$'000	\$'000	\$'000	\$'000	\$'000
Capital Works Program - Renewals	29,738	28,098	27,484	30,596	31,443
Asset Renewal Funding Requirement	20,894	22,867	22,929	23,867	24,656

Asset Renewal Gap 2016-17 to 2020-21



Council's renewal requirement changes constantly, based on an assessment of current asset condition and performance, the quantum of new and contributed assets borne by Council and ongoing review of the cost of asset renewal. Based on modelling/asset deterioration forecasts over a ten year horizon, Council's proposed asset program achieves a sustainable level to meet asset renewal requirements. In achieving this sustainable funding level, Council is making provision to address the current backlog of asset renewal works. The asset renewal backlog has been estimated at this point in time to be approximately \$30 million, noting that this figure is constantly revised as condition audits are completed and Council's asset dataset improves in accuracy and completeness over time.

The following table summarises Council's forward outlook on capital expenditure including funding sources for the next four years.





Year	Total Capital Program \$'000's	Summary of funding sources			
		Grants \$'000's	Contributions \$'000's	Council Cash \$'000's	Borrowings \$'000's
2016/17	49,864	4,743	261	40,110	4,750
2017/18	81,990	4,723	172	57,145	19,950
2018/19	58,594	6,115	-	38,188	14,291
2019/20	54,684	2,136	-	40,448	12,100
2020/21	47,967	2,158	-	39,809	6,000

In addition to using cash generated from its annual operations, borrowings and external contributions such as government grants, Council has significant cash or investment reserves that are also used to fund a variety of capital projects. These reserves are either 'statutory' or 'discretionary' cash reserves. Statutory reserves relate to cash and investments held by Council that must be expended on a specific purpose as directed by legislation or a funding body, and include contributions to car parking, drainage and public resort and recreation. Discretionary cash reserves relate to those cash and investment balances that have been set aside by Council and can be used at Council's discretion, even though they may be earmarked for a specific purpose.



Long Term Financial Forecast and Strategic Resource Plan

16.3 Service Planning and Service Delivery

The key objectives in Council’s long term financial forecast and adopted Strategic Resource Plan (referred to in Section 14) are to provide a sustainable financial framework that enables Council to resource the directions that have been established in the Knox Community and Council Plan 2017-21.

Council aims to achieve a balance between ensuring that the Knox community’s needs are met, with services modified to meet changing demand and changed legislative requirements where required and ensuring that Council continues to be financially sustainable in the long term, in a rate capping environment.

One of Council’s key priorities for the coming years is to continue a program of service planning to consider the future types and level of services Council delivers across the community. This program is expected to facilitate more informed long term financial planning and ensure the services delivered to the community meet the community’s expectation and provide value for the funds outlaid.

The financial implications of any service adjustments made as a result of the service planning program will be reflected in future long term financial forecasts (and Strategic Resource Plans) pending future decisions of Council.

Influences

The general influences and assumptions for all operating revenue and expenditure over the life of Council’s long term financial forecast (and adopted Strategic Resource Plan) include the following:

Forecast Parameters	Forecast	Budget	Strategic Resource Plan Projections		
	2016-17	2017-18	2018-19	2019-20	2020-21
Rates	2.50%	2.00%	2.00%	2.00%	2.00%
Fees and fines - Council Set	2.99%	4.00%	4.00%	4.00%	4.00%
Grants - Victoria Grants Commission	1.00%	1.00%	1.00%	1.00%	1.00%
Grants - Operating (Other)	1.80%	1.80%	1.80%	1.80%	1.80%
Contributions and Donations	2.00%	2.00%	2.00%	2.00%	2.00%
Investment Income	2.50%	2.50%	2.50%	2.50%	2.50%
Employee Costs	3.20%	3.20%	3.20%	3.20%	3.20%
Contractors and Services	2.50%	-0.50%	1.00%	1.00%	1.00%
Materials	2.50%	-0.50%	1.00%	1.00%	1.00%
Utilities	5.00%	5.00%	5.00%	5.00%	5.00%
Contributions and Donations	2.50%	2.00%	2.00%	2.00%	2.00%
Consumer Price Index	2.50%	2.00%	2.00%	2.00%	2.00%
Council's Cost Escalation Factor	2.99%	4.00%	4.00%	4.00%	4.00%

As well as the general influences, there are also a number of specific influences which relate directly to service areas or activities. The most significant changes are related to service growth and legislative changes in areas such as aged and disability services (home care) and in early years.



Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
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City Development - City Planning

PLANNING SERVICES

The Planning and Subdivision fees indicated below are for the processing and administration of development applications. Most of these fees are prescribed by State Regulations. Only those that are at the discretion on Council are indicated below.

Secondary Consent & Extension of Time Requests

Secondary Consent Requests	Per Request	New Fee	\$320.00	Y
Extension of Time Request - For all permits other than Multi Dwelling Permits for more than two dwellings	Per Request	\$220.00	\$230.00	Y
Extension of Time Request - For Multi Dwelling Permits of more than two dwellings	Per Request	\$550.00	\$575.00	Y

Bonds (Refundable)

Works Bond	Per Request	200% of the estimated cost of works	150% of the estimated cost of works	N
Landscaping Bond	Per Request	\$5,000.00	\$5,500.00	N
Fee to process Bond for uncompleted works	Per Request	\$290.00	\$305.00	Y
Fee to provide a quote for a Bond for uncompleted works	Per Request	\$100.00	\$105.00	Y

Application Advertising

- Public Notice sign for displaying on site	Per Site	\$38.00	\$40.00	Y
- Mail notices up to 10 inclusively	Flat Rate	\$160.00	\$166.00	Y
- Each additional mail notices between 11 and 50 for mail notices up to 10 is to be added on plus each additional mail notice charge).	Per Additional Notice	\$15.00	\$16.00	Y
- Mail notices between 51 and 100 inclusively	Flat Rate	\$750.00	\$780.00	Y
- Mail notices between 101 and 200 inclusively	Flat Rate	\$875.00	\$910.00	Y
- Mail notices greater than 200	Flat Rate	\$1,125.00	\$1,170.00	Y
- Standard letter request for planning information	Flat Rate	\$67.00	\$70.00	Y

Planning (Miscellaneous)

Planning Application - tree removal	Per Advice	\$135.00	\$140.00	Y
Planning Application - tree pruning	Per Advice	\$67.00	\$70.00	Y
Planning File Recall (Residential)	Per Request	\$124.00	\$130.00	Y
Planning File Recall (Industrial / Commercial)	Per Request	\$195.00	\$205.00	Y
Refund Request	Per Request	Cost of Service	Cost of Service	Y
Planning Historical Searches Residential (Provision of Permit Details where there are 5 or more building permits that apply to the site)	Per Request	\$62.00	\$62.00	Y
Planning Historical Searches Commercial (Provision of Permit Details where there are 5 or more building permits that apply to the site)	Per request	\$155.00	\$210.00	Y
Net Gain Fee	Per Plant	\$31.00	\$32.00	Y
Dishonoured Cheque Fee	Per Cheque	\$28.00	\$29.00	Y

BUILDING SERVICES

The Building Services fees provide for the assessment, administration and inspection works necessary for the issue of Building Permits and other miscellaneous site inspections. Most Building Surveying and Permit services are open to market competition (hence GST applies to these), and the fees should be varied on a commercial basis.

Domestic Permits

Single Dwellings #	Per Permit	Value/100 or minimum fee of \$2000.00	Value/100 or minimum fee of \$2000.00	Y
Multi Dwelling applications (Class 1) #	Per Permit	Value/100 or minimum fee of \$3000.00	Value/100 or minimum fee of \$3000.00	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Dwellings Additions (including Dependant Relative Units) #	Per Permit	Value/100 or minimum fee of \$1100.00	Value/100 or minimum fee of \$1100.00	Y
Variation Permits / Renewals #	Per Permit	\$248.00	\$258.00	Y
Signs, Aerials, Retaining Walls etc #	Per Permit	\$495.00	\$515.00	Y
Sheds, Carports, (non brick) Garages, Verandas, decks, Above Ground Swimming Pools etc. #	Per Permit	\$620.00	\$645.00	Y
In ground Swimming Pools and Brick Garages #	Per Permit	\$750.00	\$780.00	Y
Minor Works #	Per Permit	\$370.00	Not Applicable	Y
Demolitions #	Per Permit	\$670.00	\$700.00	Y
Variation to Hoarding Consent #	Per request	\$77.00	\$80.00	N
Industrial / Commercial Permits				
Minor works up to \$10,000 #	Per Permit	\$410.00	\$515.00	Y
Minor works \$10,000 to \$30,000 #	Per Permit	\$1,030.00	\$1,070.00	Y
Fit out Permits	Per Permit	\$1,030.00	\$1,070.00	Y
Classes 2 - 9 (up to \$10,000) #	Per Permit	\$410.00	\$515.00	Y
Classes 2 - 9 (\$10,000 - \$50,000) #	Per Permit	\$1,550.00	\$1,600.00	Y
Classes 2 - 9 (above \$50,000) #	Per Permit	(Cost/2000 + square root of cost) * 4.5 or minimum fee of \$2100	(Cost/2000 + square root of cost) * 4.5 or minimum fee of \$2100	Y
<i># Fees may be varied by up to 20% by either the Manager City Planning or Co-ordinator Building Services.</i>				
Building (Miscellaneous)				
Building over easements. Building over public space, and other Council approvals. *	Per request	\$250.00	\$260.00	N
Council notification of Report and Consent applications	Per Request	New Fee	\$250.00	Y
Extension of Time Request for existing Building Permit - 12 Months *	Per Request	\$150.00	\$156.00	Y
Sundry Additional Inspection (In Area) *	Per Inspection	\$170.00	\$177.00	Y
Building File Recall Residential	Per Permit	\$155.00	\$160.00	Y
Building File Recall Industrial/Commercial	Per Permit	\$220.00	\$230.00	Y
Occupancy Permit - Public Entertainment *	Per Permit	\$495.00	\$515.00	Y
Occupancy Permit - Public Entertainment - 5 Year Permit *	Per Permit	\$1,030.00	\$1,070.00	Y
Building Historical Searches Residential (Provision of Permit Details where there are 5 or more building permits that apply to the site)	Per Information	\$60.00	\$62.00	Y
Building Historical Searches Commercial (Provision of Permit Details where there are 5 or more building permits that apply to the site)	Per Information	\$200.00	\$210.00	Y
Refund Request	Per Request	Variable	Variable	Y
Dishonoured Cheque Fee	Flat Rate	\$28.00	\$29.00	Y
<i>* Non Statutory Fees may be varied by up to 20% by either the Manager City Planning or Co-ordinator Building Services.</i>				
City Development - City Futures				
ECONOMIC DEVELOPMENT				
Advertising				
Knox Business Life Advertising - Module 1 - 60mm x 62mm	Per Module	\$298.00	\$310.00	Y
Knox Business Life Advertising - Module 2 - 125mm x 62mm	Per Module	\$440.00	\$458.00	Y
Knox Business Life Advertising - Module 3 - 60mm x 130mm	Per Module	\$440.00	\$458.00	Y
Knox Business Life Advertising - Module 4 - 60mm x 198mm	Per Module	\$736.00	\$765.00	Y
Knox Business Life Advertising - Module 5 - 190mm x 62mm	Per Module	\$736.00	\$765.00	Y
Knox Business Life Advertising - Module 6 - 264mm x 60mm	Per Module	\$879.00	\$914.00	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Knox Business Life Advertising - Module 7 - 190mm x 132mm	Per Module	\$1,175.00	\$1,222.00	Y
Knox Business Life Advertising - Module 8 - 190mm x 264mm	Per Module	\$1,772.00	\$1,843.00	Y
Knox Business Life Advertising - Inserts (roll-folded to DL size)	Per Insert	\$590.00	\$614.00	Y
Business Development Seminars, Workshops and Events				
SBV (Small Business Victoria) Supported Seminars - 2 hrs	Per Session	\$20.00	\$20.00	Y
SBV Supported Workshops - 3 to 3.5 hrs	Per Session	\$30.00	\$30.00	Y
SBV Support Business Programs - generally includes one hour meeting with the business coach, two workshops, business coach spends four hours in each business - valued at over \$2,000, subsidised by Victorian Government.	Per Session	\$200.00	\$200.00	Y
City Development - City Safety & Health				
TRAFFIC ENFORCEMENT, ANIMAL CONTROL & LOCAL LAWS				
<i>Fees relate to Council's General Provisions Local Law, Domestic Animals Act and Road Rules Victoria. Infringement fines are set in legislation. Permit application, Annual Renewal & Registration fees are at Council's discretion and have been calculated based on cost recovery. For ease of use, administration fees have been rounded.</i>				
Permit (including Application) Fees				
More than 2 dogs				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee	Annual	\$73.00	\$76.00	N
More than 2 cats				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee	Annual	\$73.00	\$76.00	N
More than 25 small birds				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee	Annual	\$73.00	\$76.00	N
More than 5 large birds				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee	Annual	\$73.00	\$76.00	N
More than 5 reptiles or rodents				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee	Annual	\$73.00	\$76.00	N
More than 5 poultry				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee	Annual	\$73.00	\$76.00	N
Permit (other) - i. e. any other permit triggered by the Local Law.				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee	Annual	\$73.00	\$76.00	N
To live in a caravan (on public or private property)				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee	Per Permit	\$73.00	\$76.00	N
Display or sell goods or services on public land				
Application Fee	On Application	\$128.00	\$133.00	N
Permit fee for single day use	Charge	\$73.00	\$76.00	N
Initial Permit/ Renewal fee for period up to 12 months	Per Permit	\$365.00	\$380.00	N
Fitness Groups - Seasonal Permit (Max. 10 sessions) - on public land not managed by Council's Leisure Services	6 Monthly	\$692.00	\$0.00	Y
To place tables and chairs on footpath				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee - Per seated person	Per Person	\$33.00	\$34.00	N
Initial Permit/ Renewal Fee - Each Table	Per Table	\$25.00	\$26.00	N

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Roadside Trading				
Application Fee	On Application	\$128.00	\$133.00	N
Permit for one day only	Per Application	\$187.00	\$194.00	N
Permit for 2-7 days	Per Application	\$373.00	\$388.00	N
Permit for up to one month	Per Application	\$1,038.00	\$1,080.00	N
Place a Commercial Waste Bin				
Application Fee	On Application	\$0.00	\$0.00	N
Initial Permit/ Renewal Fee	Annual	\$0.00	\$0.00	N
Place a clothing recycling bin on public land				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee - directly operated by fundraising organisation under the Fundraising Act 1998	Per Bin	\$115.00	\$120.00	N
Initial Permit/ Renewal Fee - Other	Per Bin	\$230.00	\$500.00	N
Rubbish Skip Accredited Supplier				
Application Fee	On Application	\$128.00	\$133.00	N
Permit/ Renewal Fee - including up to 20 placements per annum	On Application	\$770.00	\$801.00	Y
Permit/ Renewal Fee - placement of additional bin	Per Bin	\$20.00	\$21.00	Y
Permit/ Renewal Fee - Single Placement	Per Bin	\$80.00	\$83.00	Y
To garage a long or heavy vehicle (in a residential area)				
Application Fee	On Application	\$176.00	\$183.00	N
Permit Fee	Annual	\$176.00	\$183.00	N
Keeping of more than 2 unregistered vehicles on private land				
Application Fee	On Application	\$128.00	\$133.00	N
Permit Fee	Per Permit	Not Applicable	Not Applicable	N
Fireworks on public land				
Application Fee	On Application	\$128.00	\$133.00	N
Permit Fee	Per Permit	\$73.00	\$76.00	N
Fundraising				
Application Fee	On Application	Not Applicable	Not Applicable	N
Permit Fee	Per Permit	\$73.00	\$76.00	N
Signage				
To erect an "A" frame sign or other sign less than 600mm by 900mm in size (on Public Land)				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee	Annual	\$73.00	\$76.00	N
Erect or place a sign (up to 1800mm by 900mm in size) (on Public Land)				
Application Fee	On Application	\$128.00	\$133.00	N
Initial Permit/ Renewal Fee	Annual	\$123.00	\$128.00	N
Erect or place Large Sign (greater than 1800mm x 900mm) (on Public Land)				
Application Fee	On Application	\$176.00	\$183.00	N
Initial Permit/ Renewal Fee	Annual	\$176.00	\$183.00	N
Temporary signage in a public place				
Application Fee	On Application	\$128.00	\$133.00	N
Permit Fee - up to 6 weeks	Per Permit	\$73.00	\$76.00	N
Real Estate - Open for Inspection/ Auction signage (on Public Land) (per office location)				
Application Fee	On Application	\$128.00	\$133.00	N
Permit/ Renewal Fee - Single Placement	Per Permit	\$73.00	\$76.00	N
Initial Permit/ Renewal Fee - Annual Permit	Annual	\$480.00	\$530.00	N

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Real Estate - Advertising Board specifically for a property for lease/ sale (on Public Land)				
Application Fee	On Application	\$128.00	\$133.00	N
Permit Fee - up to 3 months	Per Permit	\$73.00	\$76.00	N
Burning Off Permits				
Permit issued outside the bushfire management overlay area	Per Permit	\$57.00	\$59.00	N
Permit issued within the bushfire management overlay area	Per Permit	No Charge	No Charge	N
Land Clearance				
Land management fee (unsightly or hazardous properties)	Charge	\$165.00	\$172.00 + Actual cost of works	N
Parking Permits (Domestic)				
Initial permit (up to 2 permits)	No Charge	\$0.00	\$0.00	N
Third and subsequent permit	Per Permit	\$43.00	\$45.00	N
Replacement (lost, stolen or changeover vehicle)	Per Permit	\$22.00	\$23.00	N
Parking Permits (Commercial)				
Operated by traders	No Charge	\$0.00	\$0.00	Y
Operated by Council initial permit (up to 4 permits)	Per Permit	New Fee	\$10.00	Y
Operated by Council (Third and subsequent permits)	Per Permit	\$43.00	\$40.00	Y
Replacement (lost, stolen or changeover vehicle)	Per Permit	\$22.00	\$23.00	Y
Registration Fees				
<i>The fee structure for animal registration renewals reflects Government fees associated with animal registrations of \$2 per cat, \$3.50 per dog and \$10 per Domestic Animal Business.</i>				
<i>Fees in this section have been rounded up or down consistent with Councils strategic approach to animal registrations within the Domestic Animal Management Plan.</i>				
Category 1D - Dog that meets <u>any one</u> of the following: * Desexed; * over 10 years old; * registered and owner current member of an approved association; * kept for breeding at licensed premises; * kept for working stock. * undergone obedience training which complies with the regulations.	Annual	\$42.00	\$44.00	N
Category 1DP - Pensioner Concession Rebate for Category 1D (Dog Desexed - also over 10 years old, current member of an approved association, kept for breeding at licensed premises, kept for working stock)	Annual	\$21.00	\$22.00	N
Category 2DH - Dog Unsterilized and Microchipped - Only applies to current registrations and not new registrations.	Annual	\$75.00	\$78.00	N
Category DLP - Pensioner Concession Rebate for Category 2DH (Dog Unsterilized and Microchipped) - Only applies to current registrations and not new registrations.	Annual	\$28.00	\$30.00	N
Category 1J - Dog meets 3 categories (i.e. desexed, microchipped, obedience trained, breeder etc) (registered pre 10 April 2016)	Annual	\$30.00	\$31.00	N
Category 1JP - Pensioner Concession Rebate for Dog meets 3 categories (i.e. desexed, microchipped, obedience trained, breeder etc) (registered pre 10 April 2016)	Annual	\$15.00	\$15.50	N
Category 2D - Dog Unsterilized	Annual	\$167.00	\$174.00	N
Category 2DP - Pensioner Concession Rebate for Dog Unsterilized	Annual	\$83.50	\$87.00	N
Category 2R Declared Menacing Dog, Restricted Breed Dog, Declared Dangerous Dog (no Pensioner Concession Rebate applies)	Annual	\$282.00	\$293.00	N

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Cat 1C - Cat that meets <u>any one</u> of the following: * desexed; * over 10 years old; * current member of an approved association; * kept for breeding at licensed premises.	Annual	\$39.00	\$40.00	N
Category 1CP - Pensioner Concession Rebate for Cat 1C - Cat Desexed (also over 10 years old, current member of an approved association)	Annual	\$19.50	\$20.00	N
Category 2C - Cat Unsterilized (exempt under the Domestic Animal Act from requirement to be desexed)	Annual	\$167.00	\$174.00	N
Category 2CP - Pensioner Concession Rebate for Cat 2C - Cat unsterilized (exempt under the Domestic Animal Act from requirement to be desexed)	Annual	\$83.50	Not Applicable	N
Category 2CH - Cat Unsterilized and Microchipped - Only applies to current registrations and not new registrations.	Annual	\$75.00	\$78.00	N
Registration incentive (dog)	First Registration Per Animal	\$5.00	\$5.00	N
Registration incentive (cat)	First Registration Per Animal	\$3.00	\$3.00	N
Late Registration fee	Annual	\$10.00	\$15.00	N
Late Registration fee - Pensioner Concession rebate	Annual	\$5.00	\$5.00	N
Accessing of Pet register information	Per entry inspected	\$10.00	\$10.00	N
Refund of Animal Registration: Eligible if animal dies within 1 month of new registration, or 1 month from 10 April for registration renewals.			Refund of the applicable registration fee	
50% pro-rata of Animal Registration fees apply on 10 October. Pro-rata does not apply if animal is registered at the Pound (upon release after being impounded).			50% of the applicable registration fee	
Domestic Animal Business Registration				
Animal Business Registration	Annual	\$213.00	\$222.00	N
Pound Release Fees				
Release of domestic dog from pound (reclaim within 8 days) - unregistered	Per Animal	\$255.00	\$265.00	N
Release of domestic dog from pound (reclaim within 8 days) - registered	Per Animal	\$235.00	\$240.00	N
Release of domestic cat from pound (reclaimed within 8 days) - unregistered	Per Animal	\$133.00	\$138.00	N
Release of domestic cat from pound (reclaimed within 8 days) - registered	Per Animal	\$113.00	\$115.00	N
Per day sustenance fee (if held beyond the 8 days impounding fee period)	Per Animal Per Day	\$31.00	\$32.00	N
Livestock				
Impounding fees for large animal - horse, cow or similar	Per Animal	\$320.00	\$333.00	N
Impounding fees for sheep, goat, pig or similar sized animal	Per Animal	\$213.00	\$222.00	N
Posting formal notice	Per Notice	\$18.50	\$19.00	Y
Advertisement in newspaper (animal to be sold at auction after statutory 14 day impound period)	Per Advert	\$268.00	\$279.00	Y
Direction Notices	Per Site	\$86.50	Not Applicable	N
Offences under the General Provisions Local Laws				
<i>Fines and penalties applied under legislation are not reported in this document.</i>				
Release of Impounded goods				
Large Sign (greater than 1800mm x 900mm) i.e. real estate board	Per Sign	\$222.00	\$231.00	N
Medium sign (greater than 900mm or 600mm or less than 1800mm x 900mm) i.e. A-frame sign	Per Sign	\$150.00	\$156.00	N
Small sign (less than 900mm in height or 600mm in width) i.e. pointer board	Per Sign	\$66.00	\$69.00	N

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Shopping trolley	Per Trolley	\$107.00	\$111.00	N
Skip bin / Bulk waste container / Shipping container / Clothing recycling bin	Per Item	\$544.00	\$566.00	N
Other Items not mentioned above	Per Item	\$163.00	\$170.00	Y
Impounded Vehicle Release				
Impounded Vehicle Administration fee	Per Vehicle	\$246.00	\$256.00	N
Towing fee for Car	Per Vehicle	\$426.00	\$443.00	N
Towing fee for Truck	Per Vehicle	Actual costs +20%	\$643.00	N
Storage fee (up to 5 days)	Per Vehicle	\$258.00	\$268.00 + actual costs for offsite storage (if required)	N
Day storage fee (day 6 onwards)	Per Vehicle Per Day	\$44.00	\$46.00	N
Archived records retrieval fee	Per Request	\$25.00	\$26.00	N
HEALTH SERVICES				
Public Health & Wellbeing Act Registration Fee				
Skin Penetrators / Beauty Therapies - single operation	Per Annum	\$139.00	\$145.00	N
Hairdressers / Skin Penetrators / Beauty Therapies - multiple operation	Per Annum	\$188.00	\$196.00	N
One-off registration for Hairdressing business/ premise (unchanged proprietor) - single operation	One-off registration	\$180.00	\$187.00	N
Health Act Accommodation Registration Fees				
Up to 20 residents	Per Annum	\$312.00	\$324.00	N
21-40 residents	Per Annum	\$483.00	\$502.00	N
More than 40 residents	Per Annum	\$726.00	\$755.00	N
Residential Tenancies Act Fees				
Caravan Park Transfer Fee	Per Application	\$74.00	Not Applicable	N
Food Act Registration Fees -Includes Food Act Legislative amendments. Registration Fees include registration and first follow up inspection.				
Class 1A Hospitals	Per Annum	\$534.00	\$555.00	N
Class 1A Additional Inspection Fee	Per Inspection	\$188.00	\$196.00	N
Class 1B Aged Care Facilities, Child Care Centres, Meals on Wheels	Per Annum	\$410.00	\$426.00	N
Class 1B Additional Inspection Fee	Per Inspection	\$126.00	\$131.00	N
Class 2A Large Supermarkets - 3 plus departments	Per Annum	\$1,730.00	\$1,799.00	N
Class 2A Additional Inspection Fee	Per Inspection	\$250.00	\$260.00	N
Class 2B Minimarts, Bakery, Food Manufacturer small, Restaurant, Take Away Food Premises, Caterers, mobile and temporary premises. (50% discount for mobile food vans and temporary premises linked to a fixed premises located in the municipality of Knox).	Per Annum	\$534.00	\$555.00	N
Class 2B Additional Inspection Fee	Per Inspection	\$188.00	\$196.00	N
Class 2CG Class 2 Community Group registration	Per Annum	\$134.00	\$139.00	N
Class 2 Commercial business - single event registration	Per Application	New Fee	\$130.00	N
Class 2HB Home Businesses	Per Annum	\$382.00	\$397.00	N
Class 2HB Additional Inspection Fee	Per Inspection	\$112.00	\$116.00	N
Class 2ES Supermarkets - 3 plus departments. That hold non standard FSP	Per Annum	\$1,430.00	\$1,487.00	N
Class 2ES Additional Inspection Fee	Per Inspection	\$250.00	\$260.00	N
Class 2E Premises that hold non standard FSP's and are subject to independent audit	Per Annum	\$434.00	\$451.00	N
Class 2E Additional Inspection Fee	Per Inspection	\$188.00	\$196.00	N
Class 3S Large Supermarkets that sell potentially hazardous pre-packed foods. e.g. ALDI	Per Annum	\$974.00	\$1,013.00	N
Class 3S Additional Inspection Fee	Per Inspection	\$180.00	\$187.00	N

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Class 3 Accommodation Meals, Health Food Premises, Bar, Kiosks, Fruit and Vegetable Premises, Confectionary Packaging, Food Vehicles, Pre Packaged Food Premises (High Risk), Full Year Sporting Clubs, Mobile and Temporary Premises, Distributor, Importer, Winery, Warehouse. (50% discount for mobile food vans and temporary premises linked to a fixed premises located in the municipality of Knox)	Per Annum	\$298.00	\$310.00	N
Class 3 Additional Inspection Fee	Per Inspection	\$112.00	\$116.00	N
Class 3CG Class 3 Community Group - single event registration	Per Application	\$75.00	\$78.00	N
Class 3CG Class 3 Community Group events - annual registration	Per Annum	\$150.00	\$139.00	N
Class 3 Commercial business - single event registration	Per Application	New Fee	\$130.00	N
Class 3 Food vending machines	Per Vending Machine	New Fee	\$75.00	N
Class 3 Club - Seasonal Sporting Club	Per Annum	\$150.00	\$156.00	N
Class 3 Club Additional Inspection Fee	Per Inspection	\$112.00	\$116.00	N
Late Payment Fee for Food Registration Renewals	Per Annum	25% of Registration fee	25% of Registration fee	N
Other Fees				
Transfer of Health or Food Act registrations	Per Request	50% of Current Year registration fees	50% of Current Year registration fees	N
Property inquiry/ inspection of business on request (10 Working Day Turnaround)	Per Request	\$206.00	\$214.00	Y
Property inquiry/ inspection of business on request (4 Working Day turnaround)	Per Request	\$280.00	\$291.00	Y
Second and subsequent property inquiry/ inspection of business on request	Per Request	\$92.00	\$96.00	Y
Pro Rata Refund of Registration Fees	Per Request	\$39.00	\$41.00	Y
Establishment Fee - Food Act Premises	Per Request	\$285.00	\$296.00	Y
Establishment Fee - Businesses Registrable under Public Health and Wellbeing Act	Per Request	\$130.00	\$135.00	Y
Establishment Fee - Food Act Home Based Businesses and Mobile businesses	Per Request	\$130.00	\$135.00	Y
Septic Tanks permit to install	Per Request	\$430.00	\$447.00	N
Sharps disposal Levy	Per 5 litre Container	\$15.00	\$16.00	N
Food laboratory sampling of second sample (failed)	Per sample	Actual costs + \$150 reinspection fee	Actual costs + \$156 reinspection fee	N
Archived records retrieval fee	Per Request	\$25.00	\$26.00	N
Vaccines Provided at Public Sessions				
ADT (Adult Diphtheria, Tetanus)	Per Injection	\$30.00	Not Applicable	Y
Boostrix (Adult Diphtheria, Tetanus & Pertussis)	Per Injection	\$58.00	\$60.00	Y
Chicken Pox	Per Injection	\$80.00	\$83.00	Y
Flu - Quad Valent	Per Injection	\$30.00	\$31.00	Y
Hepatitis A (Adult)	Per Injection	\$72.00	\$95.00	Y
Hepatitis B (Adult)	Per Injection	\$36.00	\$37.00	Y
Hepatitis A (Child)	Per Injection	\$59.00	Not Applicable	Y
Hepatitis B (Child)	Per Injection	\$30.00	Not Applicable	Y
HPV (Human Pappilomavirus Vaccine)	Per Injection	\$175.00	\$182.00	Y
Infanrix Hexa (6 in 1)	Per Injection	\$127.00	Not Applicable	Y
Infanrix IPV	Per Injection	\$75.00	Not Applicable	Y
Meningococcal	Per Injection	\$132.00	Not Applicable	Y
Pneumococcal 13 (Child)	Per Injection	\$185.00	Not Applicable	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Pneumococcal 23 (Adult)	Per Injection	\$72.00	\$75.00	Y
Twinrix (Hepatitis A & B) Adult	Per Injection	\$84.00	\$106.00	Y
Twinrix (Hepatitis A & B) Child	Per Injection	\$75.00	\$78.00	Y
IPOL	Per Injection	\$60.00	Not Applicable	Y
Administration of Unsubsidised Vaccine Supplied by Government Health Departments	Per Injection	\$15.00	\$16.00	Y
Rototeg	Per Injection	\$110.00	Not Applicable	Y
MMR	Per Injection	\$62.00	\$64.00	Y
MMR + Chicken Pox	Per Injection	\$52.00	Not Applicable	Y
Menitorix	Per Injection	\$82.00	Not Applicable	Y
Shingles	Per Injection	\$258.00	\$268.00	Y
Service Provided at Clients Business				
Corporate Businesses Service - Two Nurses minimum charge	Per First Hour for 2 Nurses	\$280.00	\$330.00	Y
Corporate Businesses Service - Additional Hours	Per Nurse Per Hour	\$118.00	\$123.00	Y
ADT (Adult Diphtheria, Tetanus)	Per Injection	\$22.00	Not Applicable	Y
Boostrix (Adult Diphtheria, Tetanus & Pertussis)	Per Injection	\$46.00	\$48.00	Y
Chicken Pox	Per Injection	\$67.00	Not Applicable	Y
Hepatitis A (Adult)	Per Injection	\$58.00	\$86.00	Y
Hepatitis B (Adult)	Per Injection	\$23.00	\$24.00	Y
Hepatitis A (Child)	Per Injection	\$46.00	Not Applicable	Y
Hepatitis B (Child)	Per Injection	\$17.00	Not Applicable	Y
HPV (Human Pappilomavirus Vaccine)	Per Injection	\$162.00	Not Applicable	Y
Infanrix Hexa (6 in 1)	Per Injection	\$115.00	Not Applicable	Y
Infanrix IPV	Per Injection	\$63.00	Not Applicable	Y
Meningococcal	Per Injection	\$120.00	Not Applicable	Y
Pneumococcal 13 (Child)	Per Injection	\$173.00	Not Applicable	Y
Pneumococcal 23 (Adult)	Per Injection	\$60.00	\$62.00	Y
Twinrix (Hepatitis A & B) Adult	Per Injection	\$72.00	\$87.00	Y
Twinrix (Hepatitis A & B) Child	Per Injection	\$62.00	Not Applicable	Y
Flu - Quad Valent	Per Injection	\$17.00	\$18.00	Y
IPOL	Per Injection	\$48.00	Not Applicable	Y
MMR	Per Injection	\$50.00	\$52.00	Y
MMR + Chicken Pox	Per Injection	\$40.00	Not Applicable	Y
Shingles	Per Injection	\$245.00	\$259.00	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
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Community Services - Family & Children's Services

PRE SCHOOL EDUCATION

Pre School Fee (for Calendar Year 2017)	Per Child	\$363.00	\$423.00	N
Pre School Fee (for Calendar Year 2018)	Per Child	\$423.00	\$760.00	N
<i>Preschool Term Fees and Working Bee Levy are collected by Council on behalf of the Preschool Committees and paid on to the Committees at the beginning of each term.</i>				
Preschool Term Fee including Working Bee Levy (Calendar year 2017)	Annual	\$716.00	\$716.00	N
Preschool Term Fee including Working Bee Levy (Calendar year 2018)	Annual	\$716.00	\$716.00	N

CHILD CARE

Long Day Care

Per day (all centres)	Per Day	\$123.30	\$129.50	N
Per week (all centres)	Per Week	\$603.10	\$633.30	N
Occasional Care	Per Hour	\$12.70	\$13.95	N

EARLY YEARS INTEGRATED SERVICES, PLANNING & PARTNERSHIPS

Licence Fee for Early Years users, using Council owned facilities	Per Annum	\$161.70	\$0.00	N
Licence Fee for Playgroup Committees using Council-owned facilities	Per Annum	\$161.70	\$0.00	N

Community Services - Active Ageing & Disability Services

HOME & COMMUNITY CARE SERVICES

Home & Community Care (HACC), Program for Young People (PYP) and Commonwealth Home Support Programme (CHSP) client fees are means tested based on Community Health, Home & Community Care Programs - Income Ranges. Clients are not disadvantaged by inability to pay, fee waiving is approved as assessed as appropriate by the Knox Regional Assessment Service. The income ranges per annum, effective 1st January 2016 (current available) are as follows:

Individual Low fee < \$36,972 Medium fee \$36,972 - \$81,194 High fee > \$81,194
Couple Low fee < \$56,589 Medium fee \$56,589 - \$108,543 High fee > \$108,543
**Family (1 Child) Low fee < \$62,693 Medium fee \$62,693 - \$111,941 High fee > \$111,941*
**plus \$6,104 per additional child*

General Home Care

Low:

S - Single (Income Range less than \$36,972 pa) C - Couple (Income Range less than \$56,589 pa) F - Family (1 Child) (Income Range less than \$62,693 pa) (plus \$6,104 additional child per annum) (existing clients only)	Per Hour	\$7.20	\$8.00	N
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Medium:

S - Single (Income range \$36,972 - \$81,194 pa) C - Couple (Income range \$56,589 - \$108,543 pa) F - Family (Income range \$62,693 - \$111,941 pa) (plus \$6,104 additional child per annum) (existing clients only)	Per Hour	\$10.40	\$11.60	N
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High:

S - Single (Income range more than \$81,194 pa) C - Couple (Income range more than \$108,543 pa) F - Family (Income range more than \$111,941 pa) (plus \$6,104 additional child per annum) (existing clients only)	Per Hour	\$39.20	\$43.60	N
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Undisclosed income or compensation - Used when clients are unwilling to provide evidence to meet the means test thresholds and therefore are charged the full cost of service.	Per Hour	\$52.40	\$57.00	N
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Service Cancellation - less than 24 hours notice prior to service provision	Per Booking	100% of service booking	100% of service booking	N
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Home Care Cleaning Kits - provided at cost to home care clients. Individual items from \$16.50 to \$30.00.	Per Kit	\$50.00	\$55.00	Y
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Personal Care

Low:

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
S - Single (Income Range less than \$36,972 pa) C - Couple (Income Range less than \$56,589 pa) F - Family (1 Child) (Income Range less than \$62,693 pa) (plus \$6,104 additional child per annum) (existing clients only)	Per Hour	\$5.60	\$6.00	N
Medium:				
S - Single (Income range \$36,972 - \$81,194 pa) C - Couple (Income range \$56,589 - \$108,543 pa) F - Family (Income range \$62,693 - \$111,941 pa) (plus \$6,104 additional child per annum) (existing clients only)	Per Hour	\$8.00	\$8.60	N
High:				
S - Single (Income range more than \$81,194 pa) C - Couple (Income range more than \$108,543 pa) F - Family (Income range more than \$111,941 pa) (plus \$6,104 additional child per annum) (existing clients only)	Per Hour	\$42.40	\$44.10	N
Undisclosed income or compensation	Per Hour	\$52.80	\$56.00	N
Service Cancellation - less than 24 hours notice prior to service provision	Per Booking	100% of service booking	100% of service booking	N
Respite Care				
Low:				
S - Single (Income Range less than \$36,972 pa) C - Couple (Income Range less than \$56,589 pa) F - Family (1 Child) (Income Range less than \$62,693 pa) (plus \$6,104 additional child per annum) (existing clients only)				
Within Core Hours	Per Hour	\$4.40	\$4.80	N
Out of Core Hours	Per Hour	\$6.00	\$6.60	N
Medium :				
S - Single (Income range \$36,972 - \$81,194 pa) C - Couple (Income range \$56,589 - \$108,543 pa) F - Family (Income range \$62,693 - \$111,941 pa) (plus \$6,104 additional child per annum) (existing clients only)				
Within Core Hours	Per Hour	\$5.20	\$5.60	N
Out of Core Hours	Per Hour	\$8.40	\$9.00	N
High:				
S - Single (Income range more than \$81,194 pa) C - Couple (Income range more than \$108,543 pa) F - Family (Income range more than \$111,941 pa) (plus \$6,104 additional child per annum) (existing clients only)				
Within Core Hours	Per Hour	\$41.20	\$45.40	N
Out of Core Hours	Per Hour	\$59.60	\$65.60	N
Undisclosed income or compensation Core Hours	Per Hour	\$53.60	\$55.60	N
Undisclosed income or compensation Out of Hours	Per Hour	New Fee	\$83.50	N
Service Cancellation - less than 24 hours notice prior to service provision	Per Booking	100% of service booking	100% of service booking	N
HOME MAINTENANCE				
<i>Clients pay for the cost of materials plus the hourly rate.</i>				
Low:				
S - Single (Income Range less than \$36,972 pa) C - Couple (Income Range less than \$56,589 pa) F - Family (1 Child) (Income Range less than \$62,693 pa) (plus \$6,104 additional child per annum) (existing clients only)	Per Hour	\$14.00	\$14.60	N
Medium:				

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
S - Single (Income range \$36,972 - \$81,194 pa) C - Couple (Income range \$56,589 - \$108,543 pa) F - Family (Income range \$62,693 - \$111,941 pa) (plus \$6,104 additional child per annum) (existing clients only)	Per Hour	\$17.60	\$18.40	N
High: S - Single (Income range more than \$81,194 pa) C - Couple (Income range more than \$108,543 pa) F - Family (Income range more than \$111,941 pa) (plus \$6,104 additional child per annum) (existing clients only)	Per Hour	\$54.40	\$56.60	N
Undisclosed income or compensation	Per Hour (& as per receipt for materials)	\$77.20	\$84.80	N
Service Cancellation - less than 24 hours notice prior to service provision	Per Booking	New Fee	100% of service booking	N
FOOD SERVICES				
Centre based & home delivered meals				
Three (3) Course Meal Low Income Medium Income	Per Meal	\$9.00	\$9.40	N
Three (3) Course Meal High Income	Per Meal	\$16.30	\$16.30	N
Two (2) Course Meal (Following combinations available, Soup and Main, Main and Dessert, Soup and 6 pt Sandwich or 6pt Sandwich and Dessert) Low Income Medium Income	Per Meal	\$7.00	\$7.30	N
Two (2) Course Meal (Following combinations available, Soup and Main, Main and Dessert, Soup and 6 pt Sandwich or 6pt Sandwich and Dessert) High Income	Per Meal	\$11.90	\$12.40	N
Individual Meal Components				
Soup	Per Serve	\$2.50	Not Applicable	N
Dessert / Fruit	Per Serve	\$2.50	Not Applicable	N
Sandwich - 4 points	Per Serve	\$4.00	Not Applicable	N
Sandwich - 6 points	Per Serve	\$6.00	Not Applicable	N
PLANNED ACTIVITY GROUPS				
Low Income	Per Session	\$7.70	\$8.00	N
Medium Income	Per Session	\$7.70	\$8.00	N
High Income	Per Session	\$13.40	\$13.90	N
ALLIED HEALTH - OCCUPATIONAL THERAPY				
Low Income	Per Consultation	\$9.90	\$10.30	N
Medium Income	Per Consultation	\$14.80	\$15.40	N
High Income	Per Hour	\$97.40	\$101.30	N
Easy Living Equipment Kits - provided at cost to approved reablement clients. Individual items from \$6.40 to \$38.50 each.	Per Kit	\$42.00	\$42.00	N
HOME BASED CARE SERVICES				
<i>Services delivered on behalf of Community Care Package Providers charged on a full cost recovery basis.</i>				
Meals				
Per unit delivered	Per Meal	\$22.70	\$23.60	Y
General Home Care				
Service per hour	Per Hour	\$53.60	\$57.00	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Travel per hour (vehicle / labour)	Per Hour	\$72.10	\$75.00	Y
Respite Care				
Service per hour	Per Hour	\$53.60	\$55.60	Y
Out of Hours Service per hour	Per Hour	\$80.30	\$83.50	Y
Travel per hour (vehicle / labour)	Per Hour	\$72.10	\$75.00	Y
Personal Care				
Service per hour	Per Hour	\$53.60	\$55.70	Y
Travel per hour (vehicle / labour)	Per Hour	\$72.10	\$75.00	Y
COMMUNITY TRANSPORT				
Regular bus route passenger	Return Trip	\$4.00	\$6.00	N
Regular bus route passenger	One Way Trip	\$2.00	\$3.00	N
Community Outing	Per Day or Part Day	\$6.00	\$8.00	N
Outing Service Cancellation - less than 24 hours notice prior to service provision	Per Booking	New Fee	100% of service booking	N
Casual Group Usage				
In core (business hours) per use - maximum 8 hours	Per Use	\$105.00	\$109.20	Y
Out of core per hour drive time	Per Hour	\$57.70	\$60.00	Y
Out of core booking fee	Per Booking	\$53.60	\$55.70	Y
Emergency Services Groups - Training Courses max. of 8 hours	Per Use	\$105.00	\$109.20	Y
ACTIVE AGEING				
Events / Workshops - Seniors Festival Events etc	Per event	\$5.70	\$6.00	N
Community Services - Youth, Leisure & Cultural Services				
RECREATIONAL RESERVES				
<i>Recreation and Sporting Grounds / Tennis and Netball Courts / Turf Wickets / Parks and Reserves</i>				
Tennis Courts				
Court Fees	Per Court Per Annum	\$107.00	\$111.00	Y
Tennis Pavilions				
Batterham Park	Per Annum	\$833.00	\$866.00	Y
Reta Matthews Reserve (Boronia)	Per Annum	\$801.00	\$833.00	Y
Eildon Park	Per Annum	\$886.00	\$921.00	Y
Glenfern Park (Ferntree Gully)	Per Annum	\$788.00	\$820.00	Y
Guy Turner Reserve (Guy Turner)	Per Annum	\$563.00	\$586.00	Y
Coleman Road Reserve (Knox City)	Per Annum	\$1,636.00	\$1,701.00	Y
Knox Gardens Reserve (Knox Gardens)	Per Annum	\$1,078.00	\$1,121.00	Y
Carrington Park (Knoxfield)	Per Annum	\$656.00	\$682.00	Y
Miller Park	Per Annum	\$833.00	\$866.00	Y
Seebeck Reserve (Rowville)	Per Annum	\$836.00	\$869.00	Y
Exner Reserve (Scoresby)	Per Annum	\$961.00	\$999.00	Y
Templeton Reserve (Templeton)	Per Annum	\$1,383.00	\$1,438.00	Y
Wantirna Reserve (Wantirna)	Per Annum	\$874.00	\$909.00	Y
Walker Reserve (Wantirna South)	Per Annum	\$668.00	\$695.00	Y
Windermere Reserve (Windermere)	Per Annum	\$898.00	\$934.00	Y
Cricket				
Junior / Vets / Women's Teams	Per Team Per Season	\$64.00	\$71.00	Y
Senior Teams	Per Team Per Season	\$405.00	\$452.00	Y
Football				

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Junior / Vets / Women's Teams	Per Team Per Season	\$249.00	\$278.00	Y
Senior Teams	Per Team Per Season	\$1,796.00	\$2,006.00	Y
Soccer				
Junior / Vets / Women's Teams	Per Team Per Season	\$158.00	\$176.00	Y
Senior Teams	Per Team Per Season	\$1,084.00	\$1,211.00	Y
Baseball				
Junior / Vets / Women's Teams	Per Team Per Season	\$42.00	\$47.00	Y
Senior Teams	Per Team Per Season	\$310.00	\$346.00	Y
Lacrosse				
Lacrosse	Per Team Per Season	\$65.00	\$73.00	Y
Netball / Court				
Matches	Per Court Per Annum	\$174.00	\$194.00	Y
Training	Per Court Per Annum	\$65.00	\$73.00	Y
Facility License Agreements				
Knox Obedience Dog Club	Per Annum	\$1,925.00	\$2,002.00	Y
B. M. X. Club (Knox Park)	Per Annum	\$601.00	\$625.00	Y
Model Aero Club (Stud Road, Scoresby)	Per Annum	\$402.00	\$418.00	Y
Boronia Radio Controlled Car Club (Boronia Park)	Per Annum	\$402.00	\$418.00	Y
Group Dog Training	Per Annum	\$720.00	\$749.00	Y
Fitness Groups - Seasonal Permit (Max. 10 Sessions)	Per Season	\$690.00	\$0.00	Y
Preparation of Turf Wickets				
Boronia Cricket Club	Per Season	\$7,420.00	\$7,717.00	Y
Bayswater Cricket Club	Per Season	\$9,892.00	\$10,288.00	Y
EFL Finals				
All Senior Divisions	Per Day	\$595.00	\$665.00	Y
Reserves / Ovals				
	Per Point Per Oval Per Season	\$174.00	\$194.00	Y
<i>Charges are seasonal and are based on Council's rating of 1 to 9 points per oval, at a fixed rate per point.</i>				
Casual Users - Sporting Reserves				
Knox Schools / Community Usage	No Charge	\$0.00	\$0.00	Y
Non Knox Schools / Non Knox Community Usage	Per Day	\$85.00	\$88.00	Y
Commercial Usage (Corporate and Business Activities / Purposes)	Per Day	\$334.00	\$347.00	Y
Pavilions - Rental				
Batterham No. 1	Per Annum	\$856.00	\$956.00	Y
Bayswater Oval	Per Annum	\$856.00	\$956.00	Y
Bayswater Park	Per Annum	\$429.00	\$479.00	Y
Benedikt Park No. 1	Per Annum	\$429.00	\$479.00	Y
Carrington Park	Per Annum	\$856.00	\$956.00	Y
Chandler Park	Per Annum	\$429.00	\$479.00	Y
Colchester Park	Per Annum	\$429.00	\$479.00	Y
Dobson No. 1	Per Annum	\$429.00	\$479.00	Y
Egan Lee No. 1	Per Annum	\$856.00	\$956.00	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Eildon No. 1	Per Annum	\$429.00	\$479.00	Y
Ferntree Gully No. 1	Per Annum	\$856.00	\$956.00	Y
Fairpark No. 1	Per Annum	\$429.00	\$479.00	Y
Gilbert	Per Annum	\$429.00	\$479.00	Y
Guy Turner	Per Annum	\$856.00	\$956.00	Y
HV Jones Reserve	Per Annum	\$429.00	\$479.00	Y
Kings Park Athletics	Per Annum	\$429.00	\$479.00	Y
Kings Park No. 1	Per Annum	\$856.00	\$956.00	Y
Kings Park B / Ball No. 1	Per Annum	\$856.00	\$956.00	Y
Knox Gardens No. 1	Per Annum	\$856.00	\$956.00	Y
Knox Park Soccer	Per Annum	\$429.00	\$479.00	Y
Knox Park No. 2	Per Annum	\$429.00	\$479.00	Y
Lakesfield	Per Annum	\$429.00	\$479.00	Y
Lewis Park No. 1	Per Annum	\$429.00	\$479.00	Y
Liberty Ave Reserve	Per Annum	\$429.00	\$479.00	Y
Llewellyn No. 1	Per Annum	\$429.00	\$479.00	Y
Miller	Per Annum	\$429.00	\$479.00	Y
Milpera	Per Annum	\$429.00	\$479.00	Y
Parkridge	Per Annum	\$429.00	\$479.00	Y
Pickett	Per Annum	\$429.00	\$479.00	Y
Rowville No. 1	Per Annum	\$856.00	\$956.00	Y
Sasses	Per Annum	\$429.00	\$479.00	Y
Schultz	Per Annum	\$429.00	\$479.00	Y
Scoresby	Per Annum	\$856.00	\$956.00	Y
Stud Park	Per Annum	\$429.00	\$479.00	Y
Talaskia	Per Annum	\$429.00	\$479.00	Y
Templeton	Per Annum	\$429.00	\$479.00	Y
Tormore	Per Annum	\$856.00	\$956.00	Y
Walker Wantirna South Res	Per Annum	\$856.00	\$956.00	Y
Wantirna	Per Annum	\$429.00	\$479.00	Y
Windermere	Per Annum	\$429.00	\$479.00	Y
Netball Pavilions				
Fairpark Netball Shed	Per Annum	\$122.00	\$136.00	Y
Mountain Gate Netball Club Pavilion	Per Annum	\$122.00	\$136.00	Y
FESTIVALS & EVENTS				
<i>Knox Festival, Carols by Candlelight and Stringybark Festival.</i>				
Entrance Fee				
Adult	Per Person	\$5.00	\$5.00	Y
Children	Per Person	\$2.50	\$2.50	Y
Family	Per Family	\$12.00	\$12.00	Y
Concession	Per Person	\$3.00	\$4.00	Y
Stall Holders (Commercial and Other)				
Craft and / or Theme	Per Holder	\$136.00	\$141.00	Y
Commercial Food - Large	Per Holder	\$745.00	\$775.00	Y
Commercial Food - Medium	Per Holder	\$560.00	\$582.00	Y
Commercial Food - Small	Per Holder	\$385.00	\$400.00	Y
Market Site - Large	Per Holder	\$494.00	\$514.00	Y
Market Site - Medium	Per Holder	\$371.00	\$386.00	Y
Market Site - Small	Per Holder	\$250.00	\$260.00	Y
Additional - Chairs	Each	\$4.60	\$5.00	Y
- Tables	Each	\$20.00	\$21.00	Y
- Marquees (3x3)	Each	\$202.00	\$210.00	Y
- Marquees (6x3)	Each	New Fee	\$562.00	Y
Electricity - 10 amps	Per site	\$36.00	\$37.00	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
- 15 amps	Per site	\$56.00	\$58.00	Y
- 30 amps	Per site	\$89.00	\$93.00	Y
Weights (marquee)	Per leg	New Fee	\$10.00	Y
Stall Holders (Community)				
Community Food Package - Small 3x3m (includes marquee 1x table, 2x chairs)	Per Holder	\$0.00	\$0.00	Y
Community Food Package - Medium 3x6m (includes marquee 1x table, 2x chairs)	Per Holder	\$385.00	\$385.00	Y
Community Food Package - Large 3x9m (includes marquee 1x table, 2x chairs)	Per Holder	\$557.00	\$557.00	Y
Market Site Package - Small 3x3m (includes marquee 1x table, 2x chairs)	Per Holder	\$0.00	\$0.00	Y
Market Site Package - Medium 3x6m (includes marquee 1x table, 2x chairs)	Per Holder	\$250.00	\$250.00	Y
Market Site Package - Large 3x9m (includes marquee 1x table, 2x chairs)	Per Holder	\$371.00	\$371.00	Y
FERNTREE GULLY COMMUNITY CENTRE				
Regular Hire Groups	Per Hour	\$30.00	\$31.00	Y
Saturday Night Function	Per 6 Hours	\$617.00	\$642.00	Y
Saturday Night Function	Per Hour	\$131.00	\$136.00	Y
Clean Up Fee	Per Hour or Part Thereof	\$166.00	\$173.00	Y
Delay Exit Fee	Per Hour or Part Thereof	\$166.00	\$173.00	Y
Casual Hire / Room (weekdays)	Per Hour	\$35.00	\$36.00	Y
<i>Bonds (refundable) - Refer to the end of the Community Services Facilities section.</i>				
ROWVILLE COMMUNITY CENTRE				
Hire Type				
Multi - purpose Hall - Function	Per Hour	\$115.00	\$120.00	Y
Multi - purpose Hall - Function - 6 Hours	6hr Block	\$565.00	\$588.00	Y
Multi - purpose Hall - Sports	Per Hour	\$38.00	\$40.00	Y
Multi - purpose Hall - Show Concert	Per Hour	\$122.00	\$127.00	Y
Multi - purpose Hall - Activity	Per Hour	\$48.00	\$50.00	Y
Multi - Purpose Hall - Meetings and Seminars	Per Hour	\$122.00	\$127.00	Y
Meetings / Regular Hire MR 1 and 2 (One Room)	Per Hour	\$30.00	\$31.00	Y
Meetings / Regular Hire MR 1 and 2 (Both)	Per Hour	\$60.00	\$62.00	Y
Meetings / Regular Hire MR 3 and 4 (One Room)	Per Hour	\$30.00	\$31.00	Y
Meetings / Regular Hire MR 3 and 4 (Both)	Per Hour	\$60.00	\$62.00	Y
Meetings / Regular Hire - Interview Room 1	Per Hour	\$23.00	\$24.00	Y
Meetings / Regular Hire - Interview Room 2	Per Hour	\$25.00	\$26.00	Y
Function Hire / MR 5,6 and 7	Per Hour	\$95.00	\$99.00	Y
Function Hire / MR 5, 6 and 7 - 6 Hours	6hr Block	\$556.00	\$578.00	Y
Function Hire / MR 8 and 9	Per Hour	\$74.00	\$77.00	Y
Function Hire / MR 8 and 9 - 6 Hours	6hr Block	\$448.00	\$466.00	Y
Function Hire Cleaning / MR 5, 6, 7, 8 and 9	Per Block	\$85.00	\$88.00	Y
School Hire (Knox Schools are entitled to a 20% discount)				
Function - Tennis Pavilion	Per Hour	\$52.00	\$54.00	Y
Function - Tennis Pavilion - 4 Hours	Per 4 Hour Block	\$163.00	\$170.00	Y
Meetings - Tennis Pavilion	Per Hour	\$30.00	\$31.00	Y
Kitchen (max 3 hours)	Per Hour	\$29.00	\$30.00	Y
Stage	Per Hour	\$10.00	\$11.00	Y
Basketball Court Hire - Single Casual Entry "Drop In"	Per Hour	\$3.00	\$3.00	Y
Badminton Court Hire *	Per Hour	\$19.00	\$20.00	Y
Tennis Court Hire *	Per Hour	\$22.00	\$23.00	Y
Tennis Court Hire (including lighting)	Per Hour	\$30.00	\$31.00	Y

* Senior sports people are eligible to received a 40% discount on court hire charges specified above.

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Soccer / Futsal Court Hire	Per Hour	\$23.00	\$24.00	Y
Soccer / Futsal Court Hire (including lighting)	Per Hour	\$26.00	\$27.00	Y
Clean Up Fee	Per Hour or part thereof	\$168.00	\$175.00	Y
Delay Exit Fee	Per Hour or part thereof	\$168.00	\$175.00	Y
Activities				
<i>The Centre co-ordinates a range of leisure activities i.e. Yoga, Aerobics, "Living Longer Living Stronger". The determination of fees associated with these programs considers direct and indirect costs and fees charged by competitors.</i>				
Yoga	Per Session	\$12.00	\$12.50	Y
Stretch and Tone	Per Session	\$9.00	\$9.50	Y
Living Longer Living Stronger	Per Session	\$6.00	\$6.50	Y
Three Year Old Activity Group Program	Per 10 weeks	\$203.00	\$211.00	Y
Four Year Old Activity Group Program	Per 10 weeks	\$257.00	\$267.00	Y
Senior Sports - Session	Per Session	\$5.50	\$5.50	Y
Administration / Cancellation Fee (Activity Group Program)	Per Term	\$52.00	\$54.00	Y
KNOX REGIONAL NETBALL CENTRE (KRNC)				
Stadium Charges - For Competition				
Junior	Per Court Per Game	\$24.00	\$25.00	Y
Senior	Per Court Per Game	\$55.00	\$57.00	Y
Door Entry - Night Senior / Players and Spectators	Per Admission	\$3.00	\$3.00	Y
Child Minding Fees	Per Child Per Game	\$4.50	\$3.00	N
Stadium Charges - For Training				
Weekdays / Court	Per Court Per Hour	\$34.00	\$35.00	Y
Weekends / Court	Per Court Per Hour	\$40.00	\$41.00	Y
Room Hire				
Meeting Rooms - Association	Per Hour	\$26.00	\$27.00	Y
Meeting Room - Casual hire	Per Hour	\$32.00	\$33.00	Y
Saturday Association Room	Per Saturday	\$110.00	\$115.00	Y
MDNA Administration Office.	Per Annum	\$1,077.00	\$1,120.00	Y
Outdoor Courts				
Casual Hire	Per Court Per Game	\$18.00	\$19.00	Y
Casual Hire - Day (Tournaments)	Per Day	\$431.00	\$450.00	Y
Association - Saturday	Per Court Per Annum	\$319.00	\$332.00	Y
Night Use (lights) Per Hour for 4 courts	Per Hour	\$65.00	\$68.00	Y
KRNC Competitions				
Ladies Competitions (KRNC)	Per Team Per Game	\$57.00	\$60.00	Y
Mixed Competitions (KRNC)	Per Team Per Game	\$57.00	\$60.00	Y
Team Registration KCC Competition - Ladies Competition	Per Team Per Season	\$57.00	\$65.00	Y
Team Registration KCC Competition - Mixed Competition	Per Team Per Season	\$57.00	\$65.00	Y
Functions				
Casual Hire - Entire Stadium Netball Usage	Min 8 Hours	\$540.00	\$560.00	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Casual Hire - Functions	Min 8 Hours	\$810.00	\$840.00	Y
KNOX COMMUNITY ARTS CENTRE				
Regular Hirers				
Supper / Meeting Room	Per Hour	\$41.00	\$43.00	Y
Auditorium	Per hour	\$54.00	\$56.00	Y
Function Hire (Minimum 6 hours) *				
Auditorium (including kitchen)	Per Hour	\$92.00	\$96.00	Y
Supper / Meeting Room	Per Day	\$30.00	\$31.00	Y
Entire Facility	Per Day	\$980.00	\$1,019.00	Y
Theatre Hire *				
Performance (minimum 4 hours)	Per Hour	\$120.00	\$125.00	Y
Rehearsal (House Lights only)	Per Hour	\$56.00	\$58.00	Y
– Green Room	Per Hour	\$15.00	\$16.00	Y
<i>* Not for profit organisations are eligible for a 20% discount.</i>				
Supper / Seminar Facilities				
Auditorium	Per Hour	\$64.00	\$67.00	Y
Supper / Meeting room	Per Hour	\$51.00	\$53.00	Y
Bayswater Youth Centre				
Carpeted Room (Room 1 and 2 together)	Per Hour	\$23.00	\$24.00	Y
Main Hall	Per Hour	\$23.00	\$24.00	Y
COMMUNITY SERVICES FACILITIES				
Community Services Facilities - Bonds (Refundable)				
All Functions with alcohol	Per Function	\$1,000.00	\$1,050.00	N
Major Functions (over 150 persons) without alcohol	Per Function	\$600.00	\$625.00	N
Smaller Functions (1 to 150 persons) without alcohol	Per Function	\$300.00	\$315.00	N

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Corporate Development - Governance				
OFFICE ACCOMMODATION				
<i>The Civic Centre meeting rooms are available for business and community functions at a competitive fee. The fee includes hall keeper and building costs to ensure cost recovery is achieved. Discounts and concessions apply under the policy for community and charitable organisations. Amounts have been rounded up to the nearest dollar as a practical fee for quoting and administering room bookings.</i>				
Non Profit / Charitable				
<u>Meeting Rooms 1 or 2</u>				
Monday to Friday 8.00am to 5.00pm	Per Hour	\$55.00	\$58.00	Y
Monday to Friday After 5.00pm for a minimum 3 Hours	Per Hour	\$90.00	\$95.00	Y
Saturday or Sunday for a minimum 3 Hours	Per Hour	\$120.00	\$125.00	Y
Commercial				
<u>Meeting Rooms 1 or 2</u>				
Monday to Friday 8.00am to 5.00pm	Per Day	\$565.00	\$590.00	Y
- Half Day Rate - 3 Hours or Less	Half Day	\$285.00	\$300.00	Y
Monday to Friday After 5.00pm	Per Day	\$1,005.00	\$1,050.00	Y
- Half Day Rate - 3 Hours or Less	Half Day	\$505.00	\$525.00	Y
Saturday or Sunday	Per Day	\$1,345.00	\$1,400.00	Y
- Half Day Rate - 3 Hours or Less	Half Day	\$675.00	\$705.00	Y
Non Profit / Charitable				
<u>Meeting Rooms 3 or 4</u>				
Monday to Friday 8.00am to 5.00pm	Per Hour	\$80.00	\$83.00	Y
Monday to Friday After 5.00pm for a minimum 3 Hours	Per Hour	\$120.00	\$125.00	Y
Saturday or Sunday for a minimum 3 Hours	Per Hour	\$160.00	\$170.00	Y
Commercial				
<u>Meeting Rooms 3 or 4</u>				
Monday to Friday 8.00am to 5.00pm	Per Day	\$895.00	\$930.00	Y
- Half Day Rate - 3 Hours or Less	Half Day	\$450.00	\$468.00	Y
Monday to Friday After 5.00pm	Per Day	\$1,345.00	\$1,400.00	Y
- Half Day Rate - 3 Hours or Less	Half Day	\$675.00	\$700.00	Y
Saturday or Sunday	Per Day	\$1,785.00	\$1,856.00	Y
- Half Day Rate - 3 Hours or Less	Half Day	\$895.00	\$931.00	Y
Non Profit / Charitable				
<u>Meeting Rooms - Full Function Area</u>				
Monday to Friday 8.00am to 5.00pm	Per Hour	\$160.00	\$165.00	Y
Monday to Friday After 5.00pm for a minimum 3 Hours	Per Hour	\$235.00	\$244.00	Y
Saturday or Sunday for a minimum 3 Hours	Per Hour	\$280.00	\$291.00	Y
Commercial				
<u>Meeting Rooms - Full Function Area</u>				
Monday to Friday 8.00am to 5.00pm	Per Day	\$1,790.00	\$1,855.00	Y
- Half Day Rate - 3 Hours or Less	Half Day	\$895.00	\$930.00	Y
Monday to Friday After 5.00pm	Per Day	\$2,700.00	\$2,810.00	Y
- Half Day Rate - 3 Hours or Less	Half Day	\$1,350.00	\$1,405.00	Y
Saturday or Sunday	Per Day	\$3,140.00	\$3,266.00	Y
- Half Day Rate - 3 Hours or Less	Half Day	\$1,570.00	\$1,633.00	Y
FREEDOM OF INFORMATION (FOI)				
<i>The Freedom of Information Act 1982 sets an application fee at two fee units under the Monetary Units Act 2004. For detailed and complex requests additional charges can be made based on a fee for service basis.</i>				
F.O.I. Requests - Complex Requests	Per Application Per Request	Charge based on Service	Charge based on Service	N

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
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Corporate Development - Finance

REVENUE & PROPERTY SERVICES

Land Information Certificates are a standard charge fixed by State Government (Statutory) legislation. Summons Costs recovered are fully recoverable from the outstanding rate debtors.

Summons Costs Recovered (Legal Costs)	Scale of Costs	Scale of Costs	Scale of Costs	N
Land Information Certificates - Urgent Requests Additional Fee	Per Certificate	\$20.00	\$25.00	Y
Reproduction of a Valuation and Rate Notice - Electronic Delivery Only - Up to 3 years old	Per Notice	\$10.00	\$10.00	Y
Reproduction of a Valuation and Rate Notice - Mail of Printed Document - Up to 3 years old	Per Notice	New Fee	\$25.00	Y
Reproduction of a Valuation and Rate Notice - greater than 3 years old	Per Hour	New Fee	\$60.00	Y
Recovery of cost incurred to undertake a Field Call	Per Field Call	\$55.00	\$60.00	Y
Recovery of Council's Agency's Professional Costs to prepare Field Call documentation.	Per Field Call	\$50.00	\$55.00	Y

PROPERTY RENTALS

This is a nominal fee paid annually by community groups subject to a licence agreement for the use of the facility. Occupancy arrangements are undertaken in accordance with the 'Tenancy by Community Groups of Council Buildings' Policy.

Annual Licence Fee	Per Annum	\$175.00	\$180.00	Y
Annual Licence Fee - Scout Groups	Per Annum	\$10.00	\$10.00	Y

Corporate Development - Information Management

INFORMATION SERVICES

Land Information fees have been reviewed in line with the proposed Geographical Information System Strategy. The fees now reflect a full cost recovery of the service.

Basic Knox Maps

Versions available:

1. Main Roads;
2. Suburbs;
3. Wards;

Extents Available: Whole Municipality.

A0 Colour	Per Map	\$21.10	\$21.90	Y
A1 Colour	Per Map	\$16.10	\$16.70	Y
A2 Colour	Per Map	\$9.90	\$10.30	Y
A3 Colour	Per Map	\$5.80	\$6.00	Y
A4 Colour	Per Map	\$3.00	\$3.10	Y
A0 Black and White	Per Map	\$11.10	\$11.50	Y
A1 Black and White	Per Map	\$8.10	\$8.40	Y
A2 Black and White	Per Map	\$5.10	\$5.30	Y
A3 Black and White	Per Map	\$3.00	\$3.10	Y
A4 Black and White	Per Map	\$1.60	\$1.70	Y

Wallmap Style Maps - Standard Map Areas

Versions available:

1. Road names and Other features;
2. Road names Only;

Extents available: Whole Municipality; Individual Suburbs.

A0 Colour	Per Map	\$40.20	\$41.80	Y
A1 Colour	Per Map	\$29.90	\$31.10	Y
A2 Colour	Per Map	\$17.90	\$18.60	Y
A3 Colour	Per Map	\$9.90	\$10.30	Y
A4 Colour	Per Map	\$5.80	\$6.00	Y
A0 Black and White	Per Map	\$23.20	\$24.10	Y
A1 Black and White	Per Map	\$16.70	\$17.40	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
A2 Black and White	Per Map	\$9.90	\$10.30	Y
A3 Black and White	Per Map	\$5.80	\$6.00	Y
A4 Black and White	Per Map	\$3.00	\$3.10	Y
Wallmap Style Maps - Non-Standard Map Areas				
<i>Versions available:</i>				
1. Road names and Other features;				
2. Road names Only.				
<i>Extents available: Custom areas available on request.</i>				
A0 Colour	Per Map	\$47.40	\$49.30	Y
A1 Colour	Per Map	\$36.00	\$37.40	Y
A2 Colour	Per Map	\$20.00	\$20.80	Y
A3 Colour	Per Map	\$10.50	\$10.90	Y
A4 Colour	Per Map	\$6.30	\$6.60	Y
A0 Black and White	Per Map	\$26.50	\$27.60	Y
A1 Black and White	Per Map	\$20.00	\$20.80	Y
A2 Black and White	Per Map	\$12.70	\$13.20	Y
A3 Black and White	Per Map	\$8.10	\$8.40	Y
A4 Black and White	Per Map	\$5.10	\$5.30	Y
Property Maps With Property Boundaries - Standard Map Areas				
<i>Versions available:</i>				
1. Road Names, House Numbers and Lot Text;				
2. Road Names, House Numbers only.				
<i>Extents available: Whole Municipality; Individual Suburbs.</i>				
A0 Colour	Per Map	\$59.20	\$61.60	Y
A1 Colour	Per Map	\$43.30	\$45.00	Y
A2 Colour	Per Map	\$25.70	\$26.70	Y
A3 Colour	Per Map	\$18.00	\$18.70	Y
A4 Colour	Per Map	\$9.90	\$10.30	Y
A0 Black and White	Per Map	\$32.30	\$33.60	Y
A1 Black and White	Per Map	\$23.50	\$24.40	Y
A2 Black and White	Per Map	\$14.30	\$14.90	Y
A3 Black and White	Per Map	\$9.90	\$10.30	Y
A4 Black and White	Per Map	\$5.80	\$6.00	Y
Property Maps With Property Boundaries - Non Standard Map Areas				
<i>Versions available:</i>				
1. Road Names, House Numbers and Lot Text;				
2. Road Names, House Numbers only.				
<i>Extents available: Custom areas available on request.</i>				
A0 Colour	Per Map	\$64.90	\$67.50	Y
A1 Colour	Per Map	\$47.40	\$49.30	Y
A2 Colour	Per Map	\$28.30	\$29.40	Y
A3 Colour	Per Map	\$20.60	\$21.40	Y
A4 Colour	Per Map	\$11.10	\$11.50	Y
A0 Black and White	Per Map	\$34.90	\$36.30	Y
A1 Black and White	Per Map	\$26.10	\$27.10	Y
A2 Black and White	Per Map	\$15.40	\$16.00	Y
A3 Black and White	Per Map	\$10.70	\$11.10	Y
A4 Black and White	Per Map	\$6.30	\$6.60	Y
Property Maps - Knox Map Book				

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
<i>Versions available:</i>				
1. Road Names, House Numbers and Lot Text;				
2. Road Names, House Numbers only.				
<i>Extents available: One page for each grid square of the Knox Municipality (86 pages for complete municipality).</i>				
1:5000 A3 Book of Knox - Colour	Per Book	\$351.00	\$365.00	Y
1:5000 A3 Book of Knox - Black and White	Per Book	\$196.00	\$204.00	Y
Property Maps - Photocopies (includes lots, roads, house numbers, etc)				
A3 Cadastral Map	Per Map	\$4.80	\$5.00	Y
A4 Cadastral Map	Per Map	\$4.20	\$4.40	Y
Digital Aerial Photography Maps				
A0	Per Map	\$73.10	\$76.00	Y
A1	Per Map	\$56.60	\$58.90	Y
A2	Per Map	\$37.10	\$38.60	Y
A3	Per Map	\$28.60	\$29.70	Y
A4	Per Map	\$16.20	\$16.80	Y
Digital Aerial Photography Data (PDF format)				
Digital PDF featuring Aerial Photography	Per PDF	\$16.20	\$16.80	Y
Other Maps (as requested)				
Various	Per Map	Actual cost + 20% Admin fee	Actual cost + 20% Admin fee	Y
Corporate Development - People Performance				
RISK MANAGEMENT				
<i>Council provides a service for hirers of Council facilities to take out one off Insurance Cover to support their event. All users must hold appropriate insurance to obtain a booking.</i>				
Public Liability Insurance for external hirers of Council facilities				
Attendances 0 - 100	Per Hire	\$71.00	\$74.00	Y
Attendances 101 +	Per Hire	\$107.00	\$111.00	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Engineering & Infrastructure - Community Infrastructure				
TENDERS				
Up to \$1M	Per Tender	\$80.00	Not Applicable	Y
Greater than \$1M	Per Tender	\$200.00	Not Applicable	Y
<i>The tender fee recovers some costs in the production of tender documents to potential tenderers. The tender is determined by an estimated scale of cost of the tender and also the size of the tender depending upon the insertion of technical information. Discretion will be used by the Contract manager to determine which category is appropriate.</i>				
PROJECT MANAGEMENT				
Plan Printing				
Paper single copy				
- A3 to A4	Single Copy	\$4.00	\$4.50	Y
- A2	Single Copy	\$8.00	\$8.50	Y
- A1	Single Copy	\$10.00	\$10.50	Y
- A0	Single Copy	\$14.00	\$14.50	Y
Paper multiple copy				
- A3 to A4	Per Copy	\$3.30	\$3.50	Y
- A2	Per Copy	\$6.30	\$6.50	Y
- A1	Per Copy	\$6.30	\$8.00	Y
- A0	Per Copy	\$10.30	\$11.00	Y
Film				
- A3 to A4	Per Copy	\$7.70	\$8.00	Y
- A2	Per Copy	\$12.30	\$13.00	Y
- A1	Per Copy	\$18.00	\$19.00	Y
- A0	Per Copy	\$33.50	\$35.00	Y
General				
Standard Drawings	Per Set	\$85.00	Not Applicable	Y
CHARGEABLE WORKS				
<i>Chargeable works are levied to provide reinstatement of damage to Council's assets, i. e. Road, nature strip openings and special works requests from residents. This work is charged on a total cost recovery plus a 50% administration charge.</i>				
Chargeable Works (Total direct costs + 50%)	Per Job	1.5 x (total direct cost)	1.5 x (total direct cost)	N
Road Opening Inspections:				
Nature strip opening	Per Opening	\$160.00	\$167.00	N
Connection to Council Drain or Kerbing	Per Opening	\$160.00	\$167.00	N
Road Opening	Per Opening	\$160.00	\$167.00	N
Concrete Crossing	Per Opening	\$160.00	\$167.00	N
General Concrete Works	Per Opening	\$160.00	\$167.00	N
Weekend Supervision up to 3 hours	Per Hour	\$140.00	\$146.00	N
Weekend Supervision greater than 3 hours	Per Hour	\$160.00	\$167.00	N
Asset Protection Fees	Per Inspection	\$160.00	\$167.00	N
Information Request	Per Request	\$29.00	\$30.00	N
COUNCIL RESERVES				
<i>Chargeable works are levied to provide reinstatement of damage to Council's assets, i. e. Road, nature strip openings and special works requests from residents. This work is charged on a total cost recovery plus a 50% administration charge.</i>				
Bonds (refundable)				
All access permits	Per Application	\$1,320.00	\$1,320.00	N
Temporary on - site storage material bonds	Per Application	\$660.00	\$660.00	N
MILLERS HOMESTEAD				
Wedding Ceremony	Per Wedding	\$340.00	\$340.00	Y
Wedding Photographs	Per Wedding	\$220.00	\$220.00	Y
Council Training				
Programs / Seminar	Per Day	\$200.00	\$200.00	Y

Knox City Council

2017-18 Fees & Charges



Type of Fees and Charges	Unit Charge Rate	Adopted 2016-17 Fee GST Incl. (where applicable)	Adopted 2017-18 Fee GST Incl. (where applicable)	2017-18 GST Applied 10% Y/N
Programs / Seminar (4 hours)	Half Day	\$102.00	\$110.00	Y
Council Functions	Per Function	\$150.00	\$160.00	Y
Engineering & Infrastructure - Sustainable Infrastructure				
REFUSE DISPOSAL				
<i>Fees and charges are directly paid to the Commercial operator.</i>				
GARBAGE, WASTE & RECYCLE COLLECTION				
Industrial / Commercial 240 litre bin:				
Garbage weekly service, includes recycle weekly	Per Service	\$222.00	\$231.00	N
Garbage 5 weekday service, includes recycle weekly	Per Service	\$1,106.00	\$1,150.00	N
Additional 240 litre Recycle Bin	Per Bin	\$76.00	\$79.00	N
Dorset Square Service:				
Office based premises	Annual charge	\$213.00	\$235.00	N
Retail based premises	Annual charge	\$636.00	\$700.00	N
Food based premises less than 200 square metres floor area	Annual charge	\$1,906.00	\$2,097.00	N
Food based premises greater than 200 square metres floor area	Annual charge	\$4,446.00	\$4,890.00	N
Non- Rateable Properties 240 litre bin:				
Garbage weekly service, includes recycle fortnightly	Per Service	\$184.00	\$191.00	N
Garbage 5 weekday service, includes recycle fortnightly	Per Service	\$923.00	\$960.00	N
Additional 240 litre Recycle Bin	Per Bin	\$76.00	\$79.00	N
Non- Rateable Properties 120 litre bin waste with 240 litre bin recycle:				
Garbage weekly service, includes recycle fortnightly	Per Service	\$147.00	\$153.00	N
Additional 240 litre Recycle Bin	Per Bin	\$76.00	\$79.00	N
Residential:				
120 litre bin Surcharge	Per Bin	\$46.00	\$48.00	N
Optional 240 litre Green Waste Bin	Per Bin	\$92.00	\$97.00	N
Additional 240 litre Recycle Bin	Per Bin	\$76.00	\$79.00	N
Additional 120 litre Household Bin	Per Bin	\$218.00	\$227.00	N
Engineering & Infrastructure - Operations				
OPEN SPACE MANAGEMENT				
Tree Removal				
Removal of tree due to installation of new cross over	Per Request	Amenity value + Removal costs + Tree planting costs + 2 years maintenance	Amenity value + Removal costs + Tree planting costs + 2 years maintenance	Y



Appendix B

Basis of Budget Preparation

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 2017-18 budget, which is included in this report, is for the year 1 July 2017 to 30 June 2018 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 ending 30 June 2018 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.

In advance of preparing the budget, officers firstly review and update Council's long term financial projections. Financial projections for at least four years are ultimately included in Council's Strategic Resource Plan, which is the key medium-term financial plan produced annually by Council, on a rolling basis. The preparation of the budget begins with preparation of the operating and capital components of the annual budget during December and January. A draft consolidated budget is then considered by Councillors at informal briefings during February and March. 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.

The final step is for Council to adopt the budget after receiving and considering any submissions from interested parties. The 2017-18 budget is required to be adopted by 30 June 2017 and a copy submitted to the Minister within 28 days after adoption.

The key dates for the Annual Budget process are summarised below:

Action Required	Date
Proposed Budget submitted to Council for approval 'in principle' at Council Meeting	24 April 2017
Public Notice advising intention to adopt budget	27 April 2017
Budget available for public inspection and comment	27 April 2017
Public submissions close	24 May 2017
Public submissions hearings	30 May 2017
Budget presented to Council for Final Adoption	26 June 2017

rating strategy



Knox City Council

2017-18

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1 Introduction

Under the *Local Government Act 1989* (the Act), a primary objective of all Victorian Local Governments is to ensure the equitable imposition of rates and charges. The purpose of this Rating Strategy is therefore to consider what rating options are available to Council under the Act and how Council chooses in applying these options to contribute towards meeting an equitable rating strategy.

It is important to note at the outset that the focus of this strategy is very different to that which is discussed in the Long Term Financial Strategy/ Annual Budget. These documents focus on the **quantum** of rates to be raised for Council to deliver the services and capital expenditure required. In this Strategy, the focus instead is on how this quantum will be **equitably distributed** amongst Council's ratepayers.

The Rating Strategy establishes the rating framework to apply at Knox City Council as permitted under the Act and comprises the following:

- a) The valuation base methodology to be utilised;
- b) The application of differential rates for various classes of property;
- c) The weighting of relativities of differential rating across the property classes;
- d) The application of fixed service charges for the collection and disposal of residential waste collection;
- e) The application of special rates and charges; and
- f) Rate payment dates.

2 Executive Summary

Three key principles form the basis of the current approach to rating at Knox City Council. They are:

- a) Rating on an ad-valorem basis (i.e. based on the valuation of the property).
- b) Operation of a differential rating system to ensure all rateable land makes an equitable financial contribution to the cost of carrying out the functions of the Council.
- c) Application of a service charge to fully recover the cost of the collection and disposal of residential waste.

Section	Strategy Position
The valuation base to be used	That Knox City Council will apply Capital Improved Valuation as the valuation methodology to levy Council rates.
The rating system – Differential Rates	Council will apply differential rating as its rating system.
What differential rates will be applied	Council will apply differential rates for: <ul style="list-style-type: none"> • Residential land, including houses, townhouses, apartments & units in the Residential rate • Retirement Village Land in the Retirement Village Land rate • Commercial Land in the Commercial Land rate • Industrial Land in the Industrial Land rate • Vacant Land (both residential and non-residential land) and Derelict Land in the Vacant Land or Derelict Land rate • Cultural and recreational land in the Recreational Land rate
Municipal Charge	That Council will not apply a Municipal Charge as part of its rating strategy.

Section	Strategy Position
Service Rates and Charges	<p>That Council apply a Residential Garbage Service Charge as part of its rating strategy based on full cost recovery of the collection and disposal of residential waste including general waste, recyclables, kerbside bundled waste and kerbside hard waste. The Victorian Government Landfill Levy for Residential Land Properties Service Rate will not apply in 2017-18.</p> <p>User fees and charges are in place for the provision of residential green waste, commercial waste disposal and collection, and industrial waste disposal and collection.</p>
Eligible Pensioner Rebate	Council will provide a maximum Council Eligible Pensioner Rebate of \$100.00 for all eligible pensioners in addition to the State Government Rebate.
Cultural and Recreational Community Land Rebate	Council will provide a maximum rebate of 35% against the Recreation Land rate for all Recreation Land properties.
Community Benefit Land Rebate	Council will provide a maximum rebate of 75% against general rates for successful Community Benefit Land applicants.
Rate Payment Date Options	<p>Council will apply the legislated instalment payment options (four) as outlined in the Act.</p> <p>Council will allow for payment in full as outlined in the Act.</p> <p>Council will provide nine monthly instalment payments by direct debit, as declared annually.</p>
Special Rates & Charges	Council will use special rates and charges in instances that fit circumstances such as funding of narrowly defined projects (e.g. streetscape works, marketing and promotions) where special benefit can be shown to exist to a grouping of property owners.

3. What is a Rating Strategy and why have one?

The purpose of this strategy is for Council to establish how the rate burden is most equitably distributed.

3.1 What is a rating strategy?

A rating strategy is the method by which Council systematically considers factors of importance that informs its decisions about the rating system. The rating system determines how Council will raise funds from properties within the municipality. It does not influence the total amount of funds to be raised, only the share of revenue contributed by each property. The rating system comprises the valuation base for each property and the actual rating instruments allowed under the Act to calculate property owners' liability for rates.

3.2 The importance of a rating strategy

Knox City Council currently receives some 70% of its total revenue by way of property-based rates and charges, excluding the administered Fire Services Property Levy. The development of strategies in respect of the rating base is therefore of critical importance to both Council and its community.

Council's Rating Strategy documents its objectives and approach to the raising of rate revenue in line with its goal of providing transparency and accountability in its decision-making.

4. Rating – the Legislative Framework

The purpose of this section is to outline the legislative framework in which Council has to operate in constructing its rating system and the various matters that Council must consider in making decisions on rating objectives.

4.1 Legislative Framework

Section 3C of the *Local Government Act 1989* stipulates the primary objective of Council is to endeavour to achieve the best outcomes for the local community having regard to the long term and cumulative effects of its decisions. In seeking to achieve its primary objective, Council must have regard to the following objectives-

- a) Promote the social, economic and environmental viability and sustainability of the municipal district;
- b) Ensure resources are used efficiently and effectively;
- c) Improve the overall quality of life of the people in the local community;
- d) Promote appropriate business and employment opportunities;
- e) Ensure services and facilities provided are accessible and equitable
- f) Ensure the equitable imposition of rates and charges;
- g) Ensure transparency and accountability in Council decision making.

The issue of equity must therefore be addressed in the rating strategy, and this strategy has paid careful attention to this aspect.

4.2 Equity

Having determined that Council must review its rating strategy in terms of the equitable imposition of rates and charges, it is a much more vexed question in terms of how to define and determine what is in fact equitable in the view of Council. Some concepts that Council may take into account include:

Horizontal equity refers to justice or fairness in the treatment of like properties. In other words, that similar rates are paid by similar properties. On the proviso that Council valuations fairly reflect the true valuation of like properties, horizontal equity will be achieved.

Vertical equity refers to the justice or fairness in the treatment of properties in different circumstances. (e.g. different property types – Residential/ Commercial/ Industrial / Farming/ Vacant / Developed).

In the case of property rates, it may be considered equitable for one type of property to have to bear more or less of the rates burden than another type of property. In achieving vertical equity in its rating strategy, Council must consider the valuation base it chooses to adopt to apply property rates and the application of the various rating tools available to it under the Act. (e.g. differential rates).

Linkage of property wealth to capacity to pay – the valuation of property is an imperfect system in which to assess a resident's capacity to pay annual rates but one which Council is restricted to under the Act. A frequently raised example is in relation to pensioners who may live in their family home which carries a high value, but live on a pension. The equity question for consideration however, is should Council support residents in this situation with lower rates that will eventually be to the financial benefit of estate beneficiaries? Or alternatively should the ability to defer rates (in total or in part) represent a more equitable outcome for all ratepayers?

The Benefit principle - One of the more misunderstood elements of the rating system is that residents seek to equate the level of rates paid with the amount of benefit they individually achieve. The reality is however property rates are a system of taxation not dissimilar to P.A.Y.G tax. In paying a tax on salaries, it is rarely questioned what benefit is received with it being acknowledged that tax payments are required to pay for critical services such as health, education and social support. Local Government is not dissimilar, with rates being required to subsidise the delivery of services and capital works that would otherwise be unaffordable if charged on a case by case basis.

It is a choice of Council to what degree it wishes to pursue a 'user pays' philosophy in relation to charging for individual services on a fee-for-service basis.

4.3 What Rates and Charges may a Council declare?

Section 155 of the *Local Government Act 1989* provides that a Council may declare the following rates and charges on rateable land

- General rates under Section 158;
- Municipal Charges under Section 159;
- Service Rates and Charges under Section 162;
- Special rates and charges under Section 163.

4.4 Valuation Methodology available to Council

In raising Council rates, Council is required to primarily use the valuation of the rateable property to levy rates.

Section 157 (1) of the Act provides Council with three methods of valuation base to utilise, being Site Valuation; Capital Improved Valuation and Net Annual Value. The advantages and disadvantages of the respective valuation basis are discussed in Section 5 of this Strategy.

4.5 Declaring Rates and Charges

Section 158 of the Act provides that Council must at least once in respect of each financial year declare by 30 June the following for that year: -

- a) The amount which Council intends to raise by way of general rates, municipal charges, service rates and service charges;
- b) Whether the general rates will be raised by application of –
 - i. A uniform rate; or
 - ii. Differential rates (if Council is permitted to do so under Section 161 (1))
 - iii. Urban farm rates, farm rates or residential use rates (if Council is permitted to do so under Section 161A)
 - iv. Cultural and Recreational Lands Act 1963

Council's approach to the application of differential rates is discussed in Section 6 of this Rating Strategy.

4.6 Exemptions from Rating

Section 154 of the Act declares that all land is rateable with a number of exceptions including land occupied for municipal purposes, land used exclusively for charitable, education or religious purposes, and certain clubs or memorials under the Patriotic Funds Act, Returned Services League and related associations as defined.

5. Understanding the current rating framework at Knox City Council

Knox City Council applies the Capital Improved Valuation methodology in order to levy its rates. The table below outlines the Annual Budget 2017/18 rating framework. The property profile in the municipality identifies that some 87% of rateable properties are residential.

Differential Rating Category	Number	Percentage
Residential	56,921	86.79%
Retirement Village Land	1,891	2.88%
Industrial	3,349	5.11%
Commercial	2,485	3.79%
Vacant Land or Derelict Land	934	1.42%
Recreational Land	7	0.01%
Total Rateable Properties	65,587	100%

Council applies differential rating (versus uniform rating) whereby a different rate in the dollar is applied to different classes of property. Differential rating is only permitted if the Council uses a Capital Improved Value as the rating valuation base.

Council does not apply a Municipal Charge.

Effective 1 July 2017, Council will apply a Residential Garbage Charge for the collection and disposal of residential waste to all residential land properties with a declared waste service. The Residential Garbage Charge provides for the collection and disposal of general waste, recyclables, kerbside bundled green waste and kerbside hard rubbish. Effective 1 July 2017, the Victorian Government Landfill Levy for Residential Land Properties, a Council declared service rate, will be abolished.

6. Determining which valuation base to use

As outlined, Council has three options regarding the valuation base it elects to use.

They are:

- **Capital Improved Valuation (CIV)** – Value of land and improvements upon the land
- **Site Valuation (SV)** – Value of land only
- **Net Annual Value (NAV)** – Rental valuation based on CIV. For residential and farm properties, NAV is calculated at 5 per cent of the Capital Improved Value. For commercial and industrial properties NAV is calculated as the greater of the estimated annual rental value or 5 per cent of the CIV.

6.1 Capital Improved Value

Capital Improved Valuation (CIV) is the most commonly used valuation base by Victorian Local Government with most Councils applying this methodology. CIV is based on the value of both land and all improvements on the land. It is easily understood by ratepayers as it is reflective of the general market value of the property as at the date of valuation.

Under the CIV method Councils also have the ability to apply differential rates.

Section 161 of the *Local Government Act 1989* provides that a Council may raise any general rates by the application of a differential rate if –

- a) It uses the capital improved value system of valuing land; and
- b) It considers that a differential rate will contribute to the equitable and efficient carrying out of its functions.

Where a Council does not utilise CIV, it may only apply limited differential rates in relation to farm land, urban farm land or residential use land.

Advantages of using Capital Improved Valuation (CIV)

- CIV includes all improvements, and hence is often supported on the basis that it more closely reflects “capacity to pay”. The CIV rating method takes into account the full development value of the property, and hence better meets the equity criteria than SV and NAV.
- The concept of the market value of property is far more easily understood with CIV rather than NAV or SV.

- The frequency of biennial general property valuations provides for a more reliable gauge of the general market values, resulting in a reduced level of objections.
- Most Councils in Victoria have now adopted CIV which makes it easier to compare relative movements in rates and valuations across councils.
- The use of CIV allows Council to apply differential rates which greatly adds to Council's ability to equitably distribute the rating burden based on ability to afford Council rates. CIV allows Council to apply higher rating differentials to the commercial and industrial sector that offset residential rates.
- The Fire Services Property Levy is calculated on the CIV and continued use of this reinforces the principle of calculating rates based on CIV.

Disadvantages of using CIV

- CIV may not necessarily reflect the income level/capacity to pay of the property owner.

6.2 Site Value

Site Value (SIV), whilst an option, is no longer utilised by a Victorian Council. The implementation of SV in a Knox City Council context would cause a shift in rate burden properties with relatively small land components such as units and apartments to those on larger parcels of land such as houses.

Disadvantages in using Site Value

- There would be further movements of the rating burden away from modern townhouse style developments on relatively small land parcels to older established homes on the more typical quarter acre residential block.
- SV is a burden on property owners that have large areas of land. Some of these owners may have much smaller/older dwellings compared to those who have smaller land areas but well developed dwellings - but will pay more in rates. A typical example is flat, units, townhouses which will all pay low rates compared to traditional housing styles.
- The use of SV can place pressure on Council to give concessions to categories of landowners on whom the rating burden is seen to fall. Large landowners are disadvantaged by the use of SV.
- SV reduces Council's rating flexibility and options to deal with any rating inequities due to the removal of the ability to levy differential rates;

- The rate-paying community has greater difficulty in understanding the SV valuation on their rate notices and may cause confusion with State Revenue Office who levy land tax on site value
- The Fire Services Property Levy is calculated on the CIV and use of different valuations could also cause confusion as this levy is shown on the Rates Notice.
- SV may not necessarily reflect the income level/capacity to pay of the property owner.

6.3 Net Annual Value

Net annual value (NAV), in concept, represents the annual rental value of a property. However, in practice, NAV is pegged to capital improved value for residential and farm properties. NAV is calculated directly as 5-10 per cent of CIV.

In contrast to the treatment of residential and farm land, NAV for commercial and industrial properties is assessed with regard to actual market rental. For residential ratepayers, actual rental values pose some problems. The artificial rental estimate used may not represent actual market value, and means the base is the same as CIV but is harder to understand.

In choosing a valuation base, Council must decide on whether they wish to adopt a differential rating system (different rates in the dollar for different property categories) or a uniform rating system (same rate in the dollar). If Council was to choose the former, under the Act it must adopt either of the CIV or NAV methods of rating.

6.4 Summary

Knox City Council will apply Capital Improved Valuation as the valuation base for the following reasons:

- CIV is considered to be the closest approximation to an equitable basis for distribution of the rating burden.
- CIV provides Council with the option to levy a full range of differential rates if required. Limited differential rating is available under the other rating bases.
- It should be noted that most of the 79 Victorian Councils apply CIV as their rating base and as such, it has a wider community acceptance and understanding than the other rating bases.

Strategy Position

That Knox City Council will use the Capital Improved Value as the valuation methodology to levy Council rates.

7. Determining the Rating System - Uniform or Differential?

As highlighted in Section 4, Council may apply a uniform rate or differential rates to address the needs of the Council. They are quite different in application and have different administrative and appeal mechanisms that need to be taken into account.

7.1 Uniform rate

Section 160 of the Act stipulates that if a Council declares that general rates will be raised by the application of a uniform rate, the Council must specify a percentage as the uniform rate. Rates will be determined by multiplying that percentage by the value of the land.

A uniform rate will apply to the value of every rateable property within the municipality.

Council has not adopted uniform rates. It has instead chosen to adopt a differential rating system.

7.2 Differential Rates

Knox City Council adopts differential rating as it considers that differential rating contributes to the equitable distribution of the rating burden. Differential rating allows particular classes of properties to be assessed rates at different levels from the general rate set for the municipality. Differential rating allows Council to shift part of the rate burden from some groups of ratepayers to others, through different “rates in the dollar” for each class of property

Under the *Local Government Act 1989*, Council is entitled to apply differential rates provided it uses Capital Improved Valuations as its base for rating.

Section 161 outlines the regulations relating to differential rates. This section is outlined below.

- (1) A Council may raise any general rates by the application of a differential rate, if Council considers that the differential rate will contribute to the equitable and efficient carrying out of its functions.
- (2) If a Council declares a differential rate for any land, the Council must-

- a) Specify the objectives of the differential rate, which must be consistent with the equitable and efficient carrying out of the Councils functions and must include the following:
 - i. A definition of the types of classes of land which are subject to the rate and a statement of the reasons for the use and level of that rate.
 - ii. An identification of the type or classes of land which are subject to the rate in respect of the uses, geographic location (other than location on the basis of whether or not the land is within a specific ward in Councils district)
- b) Specify the characteristics of the land, which are the criteria for declaring the differential rate

The maximum differential allowed is no more than 4 times the lowest differential. This is important in the context for Councils who do apply differential rates and its restrictions between the lowest and highest differential rate.

Council in declaring the rate through the Annual Budget process, may also declare a differential rate for set classes of properties at higher or lower amounts than the general rate. Council's Annual Budget 2017/18 is premised on six differential rate categories.

7.3 Advantages of a differential rating system

The perceived advantages of utilising a differential rating system are:

- There is greater flexibility to distribute the rate burden between all classes of property, and therefore link rates with the ability to pay and reflecting the tax deductibility of rates for commercial and industrial premises;
- Differential rating allows Council to better reflect the investment required by Council to establish infrastructure to meet the needs of the commercial and industrial sector;
- Allows Council to reflect the unique circumstances of some rating categories where the application of a uniform rate may create an inequitable outcome
- Allows Council discretion in the imposition of rates to facilitate and encourage appropriate development of its municipal district in the best interest of the community.

7.4 Disadvantages of Differential Rating

The perceived disadvantage in applying differential rating is the justification of the differential rate can at times be difficult for the various rating groups to accept. Some rating categories may feel they are unfavourably treated because they are paying a higher level of rates than other ratepayer groups. This gives rise to queries, objections and complaints where the differentials may seem to be excessive.

Strategy Position
Council will continue to operate a differential rating system.

8. What differential rates should be applied?

8.1 Knox City Council's differential rates

Council's Annual Budget 2017/18 is premised on the following differential rate categories.

Differential Rating Category	Relative to the Residential Rate
Residential (general)	1.00
Retirement Village Land	0.80
Industrial	2.60
Commercial	2.60
Vacant or Derelict Land	2.60
Recreational Land	1.00

8.2 Objective of the rate and characteristics

It is considered that each differential rate reflects relative contribution to the equitable and efficient carrying out of Council's functions. The following are the objectives of differential rates currently adopted for the different property types. Council's Residential Rate is the General Rate.

Residential Land Rate – Also referred to as the General Rate, this differential captures some 87% of all rateable properties within the municipality. This differential applies to residential property including houses, flats, units and apartments.

Retirement Village Land Rate – The objective of this differential rate is to ensure the fair imposition of rates and charges. Currently retirement villages, as a fundamental component of their business model, maintain private infrastructure including lighting, roads and landscaping to provide village amenity and ambience. This does not require Council investment.

Industrial Land and Commercial Land Rates – The objective of these differential rates is to enhance the economic viability of the commercial and industrial sector through targeted programs and projects; encouragement of employment activities; promotion of economic development; and to ensure that infrastructure investment and promotional activity is complimentary to the achievement of industrial and commercial objectives.

Vacant or Derelict Land Rate – The objective of this differential is to encourage the development and/or improvement of land within the municipality.

Recreational Land Rate – The provision of rate relief to recreational land is provided by the *Cultural and Recreational Lands Act 1963*. This Act effectively provides for properties used for outdoor sporting and cultural activities to be differentially rated unless it involves land that is being leased from a private landowner. The discretion of whether to provide a cultural and recreational lands rate rests with Council.

Strategy Position
Council will apply differential rates for Residential Land, Retirement Village Land, Commercial Land, Industrial Land, Vacant Land or Derelict Land, and Recreational Land.

9. Understanding the impacts of Council Revaluations

Under the requirements of the Act Council is required to conduct revaluations of all properties every two years.

There is a common misconception that if a property's valuation rises then Council receives a "windfall gain" with additional income. Any increase to total valuations of the municipality is offset by a reduction to the rate in dollar (ad valorem rate) used to calculate the rate for each property. The implementation of the Fair Go Rates System (also known as Rate Capping) places a cap on the average rates per assessment. The Annual Budget 2017/18 is premised on a 2.0% average rates per assessment cap.

Strategy Position
Council acknowledges the impact statutory biennial general property revaluations may have on individual ratepayers.

10. Special Rates & Charges

Special rates and charges are covered under Section 163 of the Act which enables Council to declare a special rate or charge or a combination of both for the purposes of

- Defraying any expenses; or
- Repaying with interest any advance made or debt incurred or loan raised by Council.

In relation to the performance of a function or the exercise of a power of the Council, if the Council considers that the performance of the function or the exercise of the power is or will be of special benefit to the persons required to pay the special rate or special charge.

There are detailed procedural requirements that Council needs to follow to introduce a special rate or charge, including how Council can apply funds derived from this source.

Section 185 of the Act provides appeal rights to VCAT in relation to the imposition of a special rate or charge. The Tribunal has wide powers, which could affect the viability of the special rate or charge. It can set the rate or charge completely aside if it is satisfied that certain criteria are not met. Council should be particularly mindful of the issue of proving that special benefit exists to those that are being levied the rate or charge.

Differential rates are much simpler to introduce and less subject to challenge. There may be instances however where a special charge is desirable if raising the levy by use of CIV is not equitable.

Special rates for retail associations are an effective tool utilised across the sector to assist in delivering the business development and employment strategies within the particular business district. The special rates collected from the businesses operating in these shopping centres/ business districts are utilised for projects endorsed by business district retail associations and provided to Council.

Special rates schemes are reviewed at their expiry and not during the budget process. Special charges are subject to consultation and resolution of Council for a charge to be declared.

Knox City Council does not have in place any special rates and charges.

Strategy Position

Council may consider the use of special rates and charges in instances that fit the following circumstances:

- Funding of narrowly defined capital projects (eg. streetscape works) where special benefit can be shown to exist to a grouping of property owners.
- Raising funds for a dedicated purpose where the use of CIV is not the most equitable method of calculating property owner contributions.
- Covering the cost of an expense relating to a specific group of ratepayers (e.g. Business precincts).

11. Municipal Charge

Under Section 159 of Act, Council may declare a municipal charge to cover some of the administrative costs of the council. The legislation is not definitive on what comprises administrative costs and does not require Council to specify what is covered by the charge.

A Council's total revenue from a municipal charge in a financial year must not exceed 20 per cent of the combined sum total of the Council's total revenue from the municipal charge and general rates.

The application of a municipal charge represents a choice to raise a portion of the rates by a flat fee for all properties, rather than sole use of the CIV valuation method.

The arguments in favour of a municipal charge are similar to waste charges. They apply equally to all properties and are based upon the recovery of a fixed cost of providing administrative services irrespective of valuation. The same contribution amount per assessment to cover a portion of Council's administrative costs can be seen as an equitable method of recovering these costs.

The argument against a municipal charge is that this charge is regressive in nature and would result in lower valued properties paying higher overall rates and charges than they would if it was removed. The equity objective in levying rates against property values is reduced by using a municipal charge as it is levied uniformly across all assessments.

Strategy Position
Council will not apply a Municipal Charge as part of its rating strategy.

12. Service Rates and Charges

Section 162 of *the Local Government Act 1989* provides Council with the opportunity to raise service rates and charges for any of the following services:

- a) The provision of a water supply;
- b) The collection and disposal of refuse;
- c) The provision of sewerage services;
- d) Any other prescribed service.

Effective 1 July 2017 Council will apply a Residential Garbage Charge for the collection and disposal of residential waste on properties within the declared residential service area and are serviced by Council. Council retains the objective of setting the service charge for waste at a level that fully recovers the cost of the waste function.

For declared residential service areas, the service composition is an 80L general waste bin and a 240L recycling bin. In addition, kerbside bundled green waste and kerbside hard waste services are provided. Residents may apply for a 120L general waste bin or a 240L green waste bin. These are both charged services.

Industrial and Commercial properties are able to access Council waste collection and disposal services for an annual fee as per Council's adopted fees and charges schedule.

Strategy Position
Council applies a Residential Garbage Charge as part of its rating strategy based on full cost recovery of the residential waste function, levied on properties receiving a Council waste collection service.

13. Rebates

A rebate is a mechanism through which a targeted group receives a discount or concession to achieve certain objectives.

Council may grant rebates or concessions in accordance with the section 169 of the Act to assist the proper development of the municipality, to preserve, maintain and restore historical, environmental, architectural or scientific buildings or places of interest important within and to the municipality, or to generally assist the proper development of all or part of the municipality. Generally, conditions or undertakings are required and if not met require the rebate or concession to be repaid in part or full as the case may be.

In 2010 the Act was amended to allow councils to provide rebates to support the provision of affordable housing by a registered agency.

Pensioner Concessions

Holders of a Centrelink or Veteran Affairs Pensioner Concession card, or a Veteran Affairs Gold Card which stipulates War Widow or TPI (excluding Centrelink and DVA Health Care and other DVA cards) may claim a concession on their sole or principle place of residence.

This State Government funded concession is provided under the Municipal Rates Concession Scheme. The level of concession for 2016/17 was \$218.30, or 50% of total rates and charges, whichever is less. Upon initial application, ongoing eligibility is maintained unless rejected by Centrelink or the Department of Veterans Affairs during Council's regular verification process. Upon acceptance, the concession is deducted from the rate account before payment by the ratepayer. The State Department of Health and Human Services sets the regulations by which retrospective applications are assessed and granted.

Council applies a council funded rebate on rates, in addition to the State Government Pensioner Rebate. Eligibility requirements of the State Government Pensioner Rebate apply. For 2017/18, the maximum rebate is \$100.00.

In addition to a rates concession, a concession for eligible pensioners is also provided for the Fire Services Property Levy (FSPL). Council is responsible for the collection and remittance of this levy to the State Revenue Office in accordance with the *Fire Services Property Levy Act 2012*. For 2016/17, the FSPL concession was \$50.00.

Community Land Rebates

Council will declare two Community Land Rebates to acknowledge the contribution to Knox by community groups and bodies.

- Cultural and Recreational Community Land Rebate – a maximum rebate of 35% of the general rates payable will be applied to all rateable Recreational Land properties.
- Community Benefit Rebate – a maximum rebate of 75% of the general rates payable for all rateable Commercial Land or Industrial Land properties that apply and are successful in recognition as Community Benefit Land as defined in the Schedule A of the Declaration of Rates, Charges and Rebates as adopted by Council each financial year.

Strategy Position
Council provide a Council Eligible Pensioner Rebate of \$100.00 for each eligible state government pensioner in accordance with the eligibility criteria established under the Municipal Rates Concession Scheme. Further, Council will provide a Cultural and Recreational Community Land Rebate for all rateable Recreational Land, and a Community Benefit Land Rebate for all Community Benefit Lands.

14. Rate Payment Options

Statutory payment Options

There are two options available under the Act for Council to set payment dates. The first is mandatory and provides four instalments at the end of September, November, February and May each year. Under this approach, residents can elect to advance pay instalments at any point in order to opt out of the instalment dates. The second is an option of a lump sum payment (which by law is set on the 15 February of each year).

Under both payment options, if the due date for payment is missed, legislation allows Council to backdate the interest charge on each of the overdue instalment amounts from their original due dates.

Council provides both payment by instalments as well as payment in full. This is in addition to payment by nine monthly direct debit instalments as per a defined schedule.

Offering of an early payment incentive

The Act provides that incentives for prompt payment may be offered. Discount for early payment should be based on cash flow benefit to council.

Council does not offer incentives for prompt payment primarily as:

- It would only benefit cash rich ratepayers;
- Council already provides a number of payment options and methods for ratepayers to pay their rates; and
- It would be administratively cumbersome and costly.

Strategy Position
Council provide payment by instalments; in full and by nine declared monthly direct debit payments. Council will not introduce an incentive for prompt or early payments.

15. Collections

15.1 Liability to Pay Rates

The owner of the land is liable to pay the rates and charges on that land. In certain cases, the occupier, mortgagee or license holder is liable to pay rates. In accordance with the Act, rates and charges, unpaid interest and/or costs are a first charge upon the land and are due and payable on the sale or transfer of the property.

15.2 Electronic Notices

Council encourages the electronic distribution of rate notices and promotes online payments.

Ratepayers can elect to receive their rate notice electronically via email.

15.3 Debt Recovery – Collection of overdue Rates

Council makes every effort to contact ratepayers at their correct address but it is the ratepayers' responsibility to properly advise Council of their contact details. Amendments to the *Local Government Act 1989* require the buyer of property, or their agents (e.g. Solicitors) to notify Council by way of notice of acquisition.

In the event that an account becomes overdue, Council has established debt collection procedures for the issue of an overdue final notice which may include interest.

If an amount payable by way of rates in respect to land has been in arrears for three years or more, Council may sell the land in accordance with section 181 of the Act.

15.4 Financial Hardship

Council has a Hardship Policy in place to provide assistance to ratepayers experiencing difficulty in paying their rates and charges. Council does not waive rates and charges levied on a property. Council assesses each case on its merits when considering assistance.

ITEM 10.2 – COUNCIL MEETING 26 JUNE 2017

2017-18 DECLARATION OF RATES, CHARGES AND REBATES

With respect to the 2017-18 financial and rating year and in accordance with Sections 158 and 169 of the *Local Government Act 1989*, Council declares:

1. That an amount of \$113,373,611 is intended to be raised by General Rates and Service Rates Charges, calculated as follows:

a. General Rates	\$98,060,251
b. Residential Garbage Charge	\$8,360,760
c. Optional Garbage Charges	\$2,796,600
d. Optional Green Waste Charges	\$4,156,000

2. General Rates will be raised by the application of differential rates.

3. Council considers that differential rates will contribute to the equitable and efficient delivery of Council functions that:
 - a. The respective objectives of each differential rate be those as specified in the schedule to this declaration;
 - b. The respective types or classes of land which are subject to each differential rate be those as defined in the schedule to this declaration;
 - c. The respective uses and levels of each differential rate in relation to those respective types or classes of land be those as described in the schedule to this declaration; and
 - d. The relevant use of, geographical locations of, planning scheme zonings of and types of buildings on the respective types or classes of land be those as identified in the schedule to this declaration.

4. That the General Rates will be raised by the application of the differential rates to the Capital Improved Value of each rateable land.

5. That six (6) differential rating categories be declared for the rateable land have the characteristics specified below, which will form the criteria for the differential rate so declared:
 - a. **Vacant Land or Derelict Land (refer Schedule A)**
Any Land on which there is no building that is occupied or adapted for occupation, or contains a building that is ordinarily adapted for occupation which is abandoned, unoccupied or in a very poor condition resulting from both disuse and neglect.

 - b. **Retirement Village Land (refer Schedule A)**
Any Land which is used primarily for the purposes of a retirement village.

 - c. **Commercial Land (refer Schedule A)**
Any Land which is used primarily for commercial purposes.

d. Industrial Land (refer Schedule A)

Any Land which is used primarily for industrial purposes.

e. Recreation Land (refer Schedule A)

Any Land as defined as Cultural and Recreational Land in accordance with the *Cultural and Recreational Lands Act 1963*.

f. Residential Land (refer Schedule A)

Any Land which is not Vacant Land, Retirement Village Land, Commercial Land, Industrial Land or Recreation Land.

6. The rates to apply to the differential categories declared are as follows:

Differential Category	Cents in the Dollar of Capital Improved Value
Vacant Land or Derelict Land	0.49183
Retirement Village Land	0.15133
Commercial Land	0.49183
Industrial Land	0.49183
Residential Land	0.18917
Recreational Land	0.18917

7. No municipal charge to be declared.

8. Declare an annual service charge, to be known as the Residential Garbage Charge, in the sum of \$152.00 in respect of each separate parcel of Rateable and Non-Rateable Residential Land.

9. Declare an annual service charge for the collection and disposal of refuse in the sum of, and based on the criteria, as follows:

a. Any land within Council's municipal district which is used primarily for residential purposes:

- i. \$48.00 per service for each land, where the service is for the optional 120 litre bin used for the collection of domestic waste.
- ii. \$97.00 per service for each land, where the services is for the optional 240 litre bin for the collection of green waste.
- iii. \$227.00 for each additional 120 litre bin supplied in respect of the land for the collection of domestic waste.
- iv. \$79.00 for each additional 240 litre recycling bin supplied in respect of the land.

b. Any land within Council's municipal district which is used primarily for commercial or industrial purposes:

- i. \$231.00 per service for each land, where the service is requested by the owner of the land (or the agent of the owner) and is for the collection and disposal of the contents of a bin at the frequency of once per week.
- ii. \$1,150.00 per service for each land, where the service is requested by the owner of the land (or the agent of the owner) and is for the

collection and disposal of a bin at the frequency of five (5) times per week.

- iii. \$79.00 for each additional 240 litre recycling bin supplied in respect of the land.
- iv. \$235.00 per annum for each office based premise, where the access to a waste removal service is requested by the owner of the land (or the agent of the owner) at Dorset Square, Boronia.
- v. \$700.00 per annum for each retail based premise, where the access to a waste removal service is requested by the owner of the land (or agent of the owner) at Dorset Square, Boronia.
- vi. \$2,097.00 per annum for each food based premise less than 200 square metres, where the access to a waste removal service is requested by the owner (or agent of the owner) at Dorset Square, Boronia.
- vii. \$4,890.00 per annum for each food based premise greater than 200 square metres, where the access to a waste removal service is requested by the owner (or agent of the owner) at Dorset Square, Boronia.

c. Any land within Council's municipal district which is not rateable land:

- i. \$191.00 per service for each land, where the service is requested by the owner of the land (or the agent of the owner) and is for the collection and disposal of the contents of a 240 litre bin at the frequency of once per week.
- ii. \$960.00 per service for each land, where the service is requested by the owner of the land (or the agent of the owner) and is for the collection and disposal of the contents of a 240 litre bin at the frequency of five (5) times per week.
- iii. \$153.00 per service for each land, where the service is requested by the owner of the land (or the agent of the owner) and is for the collection and disposal of the contents of a 120 litre bin at the frequency of once per week.
- iv. \$79.00 for each additional 240 litre recycling bin supplied in respect of the land.

10. Declare a rebate to each owner of rateable land who is an eligible recipient within the meaning of the State Concessions Act 2004. The rebate in respect of each rateable land so owned is a maximum of \$100.00.

11. Declare a rebate, to be known as the Cultural and Recreational Community Land Rebate (refer Schedule A), to each owner of rateable Recreation Land. The rebate in respect of each rateable land so owned is a maximum of 35% of the general rates payable.

12. Declare a rebate, to be known as the Community Benefit Land Rebate (refer Schedule A) to each owner of eligible Community Benefit Land. The rebate in respect of each rateable land so owned is a maximum of 75% of the general rates payable.

13. Subject to Sections 171, 171A, 172 of the *Local Government Act 1989*, Council will require a person to pay interest on any rates and charges which:

- a. That person is liable to pay; and
- b. Have not been paid by the date specified for their payment.

14. An interest rate of 10.00% per annum be charge on all outstanding rates and debtor accounts.

15. The dates for payments of rates and charges being as follows:

- a. Payment in Full in a lump sum on or before 15 February 2018; or
- b. Payment made by four (4) instalments, with instalments dues as follows:
 - i. 1st Instalment 30 September 2017
 - ii. 2nd Instalment 30 November 2017
 - iii. 3rd Instalment 28 February 2018
 - iv. 4th Instalment 31 May 2018; or
- c. Payment by nine (9) instalments by Direct Debit only, with instalments processed as follows:
 - i. 1st Instalment 30 September 2017
 - ii. 2nd Instalment 31 October 2017
 - iii. 3rd Instalment 30 November 2017
 - iv. 4th Instalment 31 December 2017
 - v. 5th Instalment 31 January 2018
 - vi. 6th Instalment 28 February 2018
 - vii. 7th Instalment 31 March 2018
 - viii. 8th Instalment 30 April 2018
 - ix. 9th Instalment 31 May 2018

Vacant Land or Derelict Land

Definition/Characteristics:

Any land on which there is no building that is occupied or adapted for occupation, or contains a building that is ordinarily adapted for occupation which is abandoned, unoccupied and in a very poor condition resulting from both disuse and neglect.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Encouragement of development/and or improvement of land; and
2. Construction and maintenance of public infrastructure; and
3. Development and provision of health & community services; and
4. Provision of general support services; and
5. Requirement to ensure that Council has adequate funding to undertake its strategic, statutory, and service provision obligations.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/characteristics.

Use and Level of Differential Rate:

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

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 relevant 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 Planning Scheme.

Retirement Village Land

Definitions/Characteristics:

Any land which is used primarily for the purposes of a retirement village.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure; and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Requirement to ensure that Council has adequate funding to undertake its strategic, statutory, and service provision obligations; and
5. Recognition of expenditures made by Council on behalf of the retirement village sector.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/characteristics.

Use and Level of Differential Rate:

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

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 relevant 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 Planning Scheme.

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2017-18 financial year.

Commercial Land

Definitions/Characteristics:

Any land which is used primarily for the purposes of a commercial land.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure; and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Enhancement of the economic viability of the commercial and industrial sector through targeted programs and projects; and
5. Encouragement of employment opportunities; and
6. Promotion of economic development; and
7. Analysis, maintenance and construction of public drainage infrastructure; and
8. Requirement to ensure that infrastructure investment and promotional activity is complementary to the achievement of industrial and commercial objectives.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/characteristics.

Use and Level of Differential Rate:

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

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 relevant 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 Planning Scheme.

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2017-18 financial year.

Industrial Land

Definitions/Characteristics:

Any land which is used primarily for the purposes of an industrial land.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure; and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Enhancement of the economic viability of the commercial and industrial sector through targeted programs and projects; and
5. Encouragement of employment opportunities; and
6. Promotion of economic development; and
7. Analysis, maintenance and construction of public drainage infrastructure; and
8. Requirement to ensure that infrastructure investment and promotional activity is complementary to the achievement of industrial and commercial objectives.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/characteristics.

Use and Level of Differential Rate:

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

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 relevant 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 Planning Scheme.

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2017-18 financial year.

Recreational Land

Land as defined as Cultural and Recreational Land in accordance with the Cultural and Recreational Lands Act 1963 will be classified as Recreation Land.

Residential Land

Definitions/Characteristics:

Any land which is not Vacant Land, Retirement Village Land, Industrial or Commercial Land, or Cultural and Recreational Land.

Objective:

To ensure that all rateable land makes an equitable financial contribution to the cost of carrying out the functions of Council, including the:

1. Construction and maintenance of public infrastructure; and
2. Development and provision of health & community services; and
3. Provision of general support services; and
4. Requirement to ensure that Council has adequate funding to undertake its strategic, statutory, and service provision obligations.

Types and Classes:

Rateable land having the relevant characteristics described in the definition/characteristics.

Use and Level of Differential Rate:

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

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 relevant 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 Planning Scheme.

Types of Buildings:

All buildings which are now constructed on the land or which are constructed prior to the expiry of the 2017-18 financial year.

Community Land Rebates

In accordance with Section 169 of the Local Government Act 1989, Council declares the following rebates, to be known as Community Land Rebates.

1. A Cultural and Recreational Community Land Rebate will be granted under Section 169 of the *Local Government Act 1989* for all land that is:
 - a. Recreational Land as defined by the *Cultural and Recreational Lands Act 1963*; and
 - b. Subject to Council's Recreational Land Rate.

The rebate in respect of each rateable land so owned is a maximum of 35% of the general rates payable.

2. A Community Benefit Land Rebate will be considered under Section 169 of the *Local Government Act 1989* for all Community Benefit Land. Community Benefit Land, for the purposes of considering a rebate under Section 169 of the *Local Government Act 1989* is all land that:
 - a. Is vested in or occupied by a body corporate or unincorporate which exists for the purpose of providing or promoting cultural or sporting recreational or similar facilities or objectives, and is bound by its constitution or rules of association to apply its profits in promoting its objectives and prohibits the payment of any dividend or amount to its members;
 - b. Is subject to Council's Commercial Land Rate or Industrial Land Rate; and
 - c. Does not generate income from the operation of electronic gaming machines.

The owner of Community Benefit Land must apply for the Community Benefit Land Rebate each financial year. An application for a Community Land Rebate, submitted to the Chief Executive Officer for consideration, must include:

- d. A copy of the body's rules or constitution where incorporated, or evidence of the body's purposes where not incorporated;
- e. Audited financial statements;
- f. A statement outlining the community services delivered or to be delivered and/or community benefits provided or to be provided during the year in which the Community Benefit Land Rebate was/will be granted.

Where granted, the rebate in respect of each rateable land so owned is a maximum of 75% of the general rates payable.