

knox your city




Annual Report
2020-2021

Welcome to Knox City Council's Annual Report for 2020-21

The Annual Report provides a thorough account of Council's achievements, challenges and performance from 1 July 2020 to 30 June 2021. It also provides audited financial statements and a performance statement.

If you would like a printed copy or wish to provide feedback, please contact Council on 9298 8000 or email knoxcc@knox.vic.gov.au.



Knox City Council acknowledges the traditional custodians of the City of Knox, the Wurundjeri and Bunurong people of the Kulin Nation.

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The importance of our natural environment has perhaps never been so apparent, with Knox's open spaces and reserves playing a crucial part in our health, wellbeing and connection when gatherings indoors and at the home were not possible.



Report of operations

Knox City Council is committed to transparent reporting and accountability to the community. The report of operations 2020-21 is the primary means of advising the community about Council's operations and performance during the financial year.

Who we are

Knox City Council covers an area of 114 square kilometres and consists of the suburbs of Bayswater, Boronia, Ferntree Gully, Knoxfield, Lysterfield, Rowville, Scoresby, The Basin, Upper Ferntree Gully, Wantirna and Wantirna South.



166,791
people call
Knox home

35%



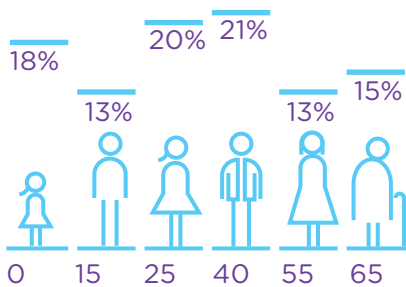
of residents
were born overseas

China:	3.9%
United Kingdom:	3.7%
India:	2.6%
Malaysia:	2.1%
Sri Lanka:	2.1%

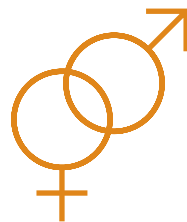


30%

of working
residents are
employed in Knox



39
is the average
age of residents



49% male
51% female



Family composition

- 51% Couple family with children
- 33% Couple family
- 15% One-parent family
- 1% Other family configurations

Source: 2016 Census & id. Estimated Residential population

Purpose

During 2020-21 we continued to strengthen our staff's connection to our organisational purpose, 'empowering our diverse community to thrive and prosper.'

In 2021, we launched key initiatives in our THRIVE: Future-Ready Knox strategy. This has been a collaborative journey, co-designed by Knox staff, for Knox staff. We integrated our renewed purpose, organisation vision and values with our new Wholehearted Leadership and Development Framework, and new ROADmap performance and development system. This work will directly enable the cultural evolution and transformation of our organisation, enhance our ability to adapt and embrace change and build our resilience, capability and capacity to meet the challenges and opportunities of the future.

Vision 2035

We will work with our community to achieve our vision for the future.

Nestled between the foothills of the Dandenong Ranges and the wetlands of the Dandenong 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.

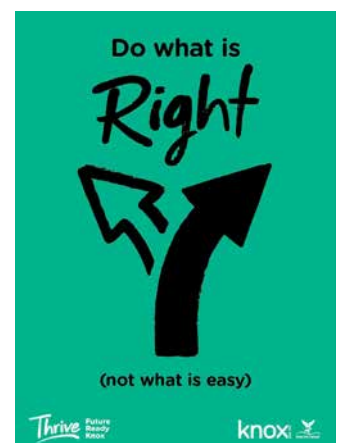
Our ability to lead with clear vision and purpose will be supported by the adoption of our new organisational vision in 2020 which recognises that people are our 'Community, Inside and Out'. They are who we serve, who we are and are at the heart of everything we do and believe in.

During 2020-21 we commenced a community visioning process and following the adoption of the new Community and Council plans in late 2021, we will seek to align the organisation's vision and purpose with the community vision and these strategic plans.

Our values

Our values are the foundations to our success and culture at Knox. They represent what we stand for, they inspire us to bring our whole selves to work and they create a shared understanding to align the way we work with our vision and purpose.

A prior review of Council's values provided insight to their currency and their limitations. As a way forward, our people explored the concept of 'active values' to provide a clear and concise organisational commitment. The organisation's new values were launched in early 2021.





Knox has a rich natural environment and picturesque landscape, highly valued by residents and visitors alike.

Fast facts about our services

In 2020-21, there were...



65

sportsgrounds and major reserves maintained



32,167

hard waste bookings lodged



5,175

children provided with maternal and child health (MCH) services

1,574

MCH four-week key age and stage visits



139,942

visits to aquatic facilities



47,504

online service requests received



243

Council-owned buildings maintained

23,358m²

of graffiti removed from Knox Council's assets



6,005

infants and children immunised



1,158

animal management requests received



3,161

visits to Council's Customer Service Centre



643,242
physical library
items loaned

296,788
digital library items loaned



2,334
community transport
trips made



1,041
planning
applications
received



38,445
drainage pits
maintained



91,550
phone calls received,
with 95% resolved
at the first point
of contact



211
playgrounds
maintained



725km
of local roads
maintained



1,242km
of footpaths
maintained

The year in review

Mayor's message

Over the past year, our community like most around the world has faced significant challenges and disruption to the way we live, work and play. The impact of the COVID-19 pandemic has been felt in our homes, workplaces and community networks and continues to have a profound effect on many.

Through all this, it has been pleasing to witness the community spirit that is alive and well within Knox. As restrictions continued throughout 2020, we were shown daily examples of kindness, generosity and selflessness as residents and businesses reached out to one another to offer support and give of their time and resources.

As Mayor and on behalf of my fellow Councillors, I thank our community for coming together in spirit when we could not do so in person, being kind to one another and demonstrating true resilience.

I am proud that Council in turn has provided funding and support to local organisations and service providers working within the community during this time, maximising their impact and ability to help those most at risk.

Similarly, we have worked with our many clubs and groups and businesses to navigate the ever-changing landscape, and assist where we can with information, funding and resources. This has included an expansion of our Community Development Fund and other community and business grants programs to maximise the support available to local organisations.

As restrictions have eased I am pleased to see the community coming out to support local businesses and participating in community activities and events which will play a vital role in our continued recovery.

The importance of our natural environment has perhaps never been so apparent, with Knox's open spaces and reserves playing a crucial part in our health, wellbeing and connection when gatherings indoors and at the home were not possible. Council's ongoing investment in maintaining and enhancing these spaces has seen many successes in the past year, including the completion of a new adventure playspace at Stamford Park, a refresh of the beloved steam train playground at Marie Wallace Bayswater Park, and open space upgrades to several of our local reserves.

Many of our sporting, recreation and community facilities have similarly received upgrades to support greater accessibility, participation and inclusion. Some highlights include the installation of modular changeroom facilities at Liberty Reserve and Seebeck Reserve, upgrades and maintenance at Leisureworks, a new multi-purpose facility at Rowville Recreation Reserve, pavilion refurbishments at Batterham Reserve and commencement of works on the Knox Regional Netball Centre extension.

Recognising the need to address climate change in order to preserve these things we love most about Knox, we embarked on developing a Climate Response Plan which will be finalised this year following community feedback. The plan identifies small, everyday actions our community can take to address the impacts of climate change, how Council will support these efforts as well as the initiatives we will develop and drive on a city-wide level and in partnership with business and industry.

This is not to say sustainability is not already a focus, with several significant projects already completed in the past year. One such example is Knox's participation in a Power Purchasing Agreement which will see all our streetlights powered by 100% renewable energy from a wind farm in Gippsland. Commencing 1 July 2021, this agreement supports renewable energy projects while also providing price certainty for Council in the long-term.

Finally I would like to take the opportunity to thank our Chief Executive Officer, Mr Tony Doyle who ends his time with Knox City Council in July 2021. Mr Doyle has made a significant contribution to the organisation over the last five years and will be remembered for his leadership through unprecedented challenges, his compassion and love for the local community and his true understanding of the importance of community voice in Council decision making. We wish him all the best for the future.

While we recognise that the pandemic is not over and the impacts of COVID-19 are still prevalent for many, the next 12 months brings with it a hopeful period of recovery and growth, as we look to our city's future and focus on those areas we know our community values most.

On behalf of my fellow Councillors I am proud to recognise the achievements of our Council over this past year. While it has been a period of unpredictability and change, I am pleased with our ability to adapt and respond quickly to the needs of our community while maintaining a focus on our long-term priorities. This will place us in good stead for our continued recovery in the years to come.



Cr Lisa Cooper
Mayor
Knox City Council

While it has been a period of unpredictability and change, I am pleased with our ability to adapt and respond quickly to the needs of our community while maintaining a focus on our long-term priorities.



The year in review

CEO's message

I am pleased to present our Annual Report and provide the Knox community with an update on our performance and progress over the past 12 months.

As for most organisations, this has been a year of challenges in delivering our core services as well as opportunities to innovate the way we work and provide value to the community.

I am proud of the significant achievements Council has made towards its goals while managing the changing landscape of the COVID-19 pandemic and its impacts on our community, our staff and our organisation. This includes many new and enhanced services and programs that have developed as a result of the pandemic, both in addressing emerging needs as well as making our services more accessible and responsive.

As we approach the end of the current *Knox Community and Council Plan 2017-21*, we have continued to engage with our community over the past year to understand their aspirations, needs and priorities for the future of our city. These insights have helped to inform development of our new 10-year Community Plan and four-year Council Plan, which will be finalised later in 2021.

These plans set out a vision for Knox's future and a commitment from Council on how we will work towards these goals. Our community has helped us articulate this vision and identify key directions which guide our focus and ensure we're working towards our collective priorities.

Capturing the community's voice in our planning and decision-making has been a key focus of the last 12 months, with the introduction of a new Community Engagement Policy earlier this year. This policy ratifies our commitment to effective and open community engagement and was marked by the launch of our new Have Your Say platform which has already gathered thousands of ideas, comments and contributions from the people of Knox across many different projects and initiatives.

Our digital channels have received another significant upgrade this year with the launch of Council's new website. The website drastically improves our ability to offer online services and accessible information to those who wish to reach us digitally, bringing Council in line with best practice and improving customer experience.

At an organisational level, Council underwent a restructure over the last 12 months to create stability, efficiencies and improve outcomes for the community. This has included a rethink of some of our key leadership positions such as the introduction of a Chief Financial Officer.

On the topic of leadership, I would also like to take this opportunity to thank my colleagues and the people of Knox, as I have made the difficult decision to leave Council in July 2021. I am proud of the milestones I have been able to achieve and witness in my five years with the organisation.

In a year that has seen significant change and disruption to our community and more people than ever needing assistance from Council, I extend my thanks and appreciation to the Council staff who have found new ways to support the community and continue offering essential services and programs.

Finally, I would also like to thank our Councillors. Following the Council elections in November 2020, we welcomed five new and four returning Councillors and thank them, as well as our former Councillors, for their leadership, support and advocacy for the Knox community over the past 12 months.



Mr Tony Doyle
Chief Executive Officer
Knox City Council

I am proud of the significant achievements Council has made towards its goals while managing the changing landscape of the COVID-19 pandemic and its impacts on our community, our staff and our organisation.



Financial summary

Council's financial position continues to remain sound. A summary of our performance is outlined below while detailed information is included within the financial statements and performance statement sections of this report.

Operating result

Summary of financial performance as at 30 June 2021	Budget \$'000	Actual \$'000
Total income	180,802	182,598
Total expenses	217,208	173,023
Surplus for the reporting period	(36,406)	9,575

The operating surplus reported in the 2020-21 financial statements is \$9.6M, which compares favourably to a budgeted deficit of \$36.4M.

The variance is primarily due to the delay in the budgeted transfer of the Knox Regional Sports Park to the State Government (\$36.1M including the initial \$12.5M contribution towards the project); this is now budgeted to occur during the 2021-22 financial year.

Income

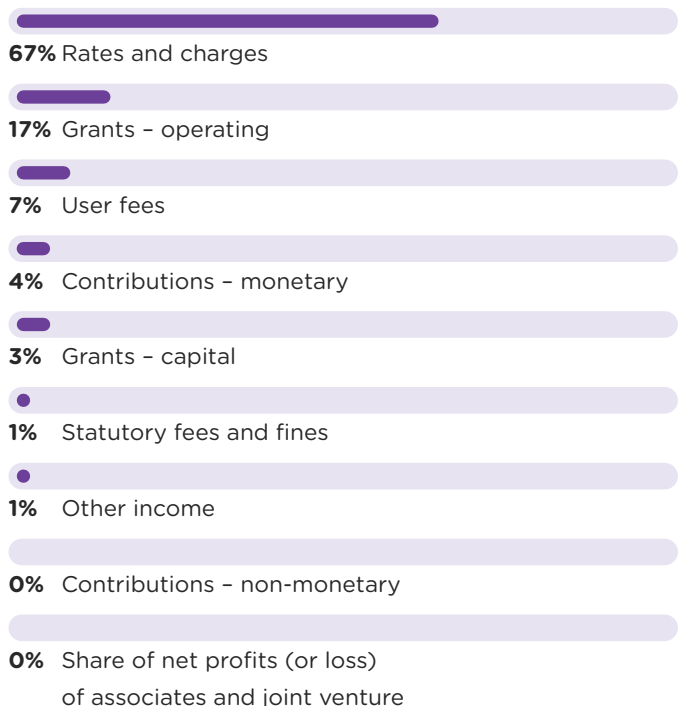
Total income for the year was \$182.6M. Overall income increased in 2020-21 by \$6.8M, a 3.85 per cent increase from the previous year. The majority of this income is derived from rates and charges of \$122.3M, representing 66.98 per cent of the total income generated.

Other major sources of income included grants of \$36.0M, user fees of \$13.4M and monetary contributions of \$6.8M.

User fees were negatively impacted by the COVID-19 pandemic, down \$4.0M on budget, while unbudgeted operating grants totalling \$5.5M were received in response to the pandemic.

A breakdown of Council's income sources is shown in the following chart, which highlights Council's reliance on rate income to fund community services and the renewal of community assets.

INCOME



Expenses

Total expenses for 2020-21 were \$173.0M, an increase of \$7.0M.

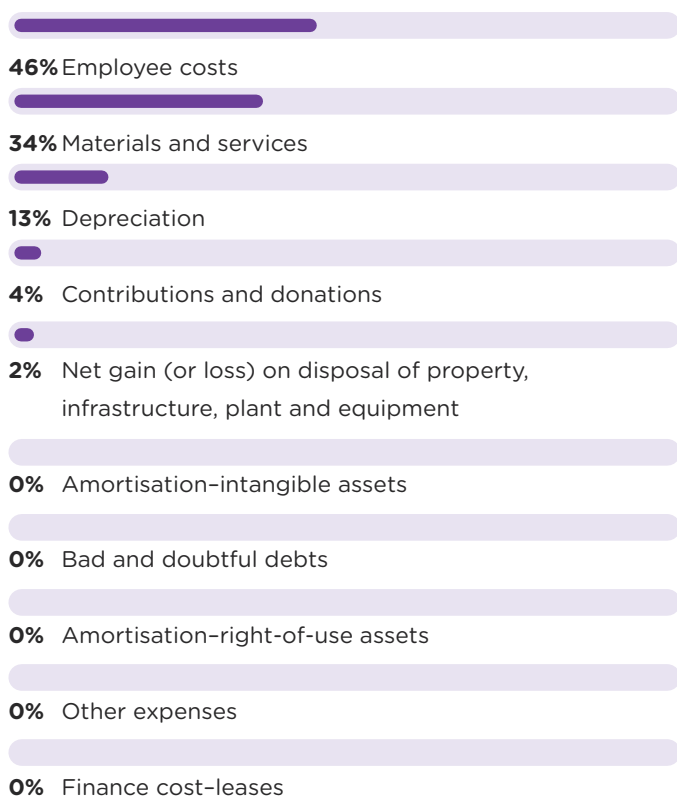
Materials and services were significantly down on budget (\$17.6M) with \$12.4M of this reduction relating to operating projects expenditure tied to the carry forward of capital works to 2021-22.

The capital works carry forward to 2021-22 has also been reflected in the decrease in depreciation (\$2.2M) and led to the delay in budgeted borrowings and therefore no borrowing costs (\$1.2M). This reduction in expenditure was partially offset by the increase in employee costs (\$5.1M).

The employee costs increase included \$2.8M in employee costs related to the Working for Victoria Fund, with corresponding grant revenue received. Also included were \$2.1M in redundancy payments paid upon Council's exit from selected Commonwealth Home Support Programme services.

A breakdown of Council's expenditure categories is shown in the following chart. It highlights that the majority of total expenses consisted of employee costs of \$80.3M and materials and services of \$58.1M.

EXPENSES



Overall financial position

Council ended the financial year with net assets of \$2.0B, an increase of \$15.5M when compared to the budget.

Summary of financial performance as at 30 June 2021	Budget \$'000	Actual \$'000
Total assets	2,177,987	2,058,732
Total liabilities	114,375	51,536
Net assets	2,063,612	2,007,196

The variance in total assets is primarily due to the net asset revaluation decrement of \$104.9M as at 30 June 2020. The revaluation of land, buildings and infrastructure in the 2020 financial accounts occurred after the adoption of the 2020-21 budget.

Borrowings budgeted for the 2021 financial year have yet to occur which accounts for the variance in total liabilities.

The Balance Sheet indicates that Council continues to be in a strong financial position, with a satisfactory level of cash assets and a positive working capital ratio of 1.45, meaning Council has \$1.45 of current assets for each \$1.00 of current liabilities.

Cash position

Council's cash position as at 30 June 2021 was \$45.6M. Of this amount, \$1.9M is restricted cash that is to be applied to trust funds and \$16.9M to other reserves. This result represents an increase in cash holdings from the previous year of \$5.1M.

Debt position

Council had budgeted to borrow \$74.8M to fund the capital works program based on the assumption the capital works projects budgeted to be completed in 2020-21. This was not needed due to the additional grant funding that was received and the delay in the delivery of some capital works projects.

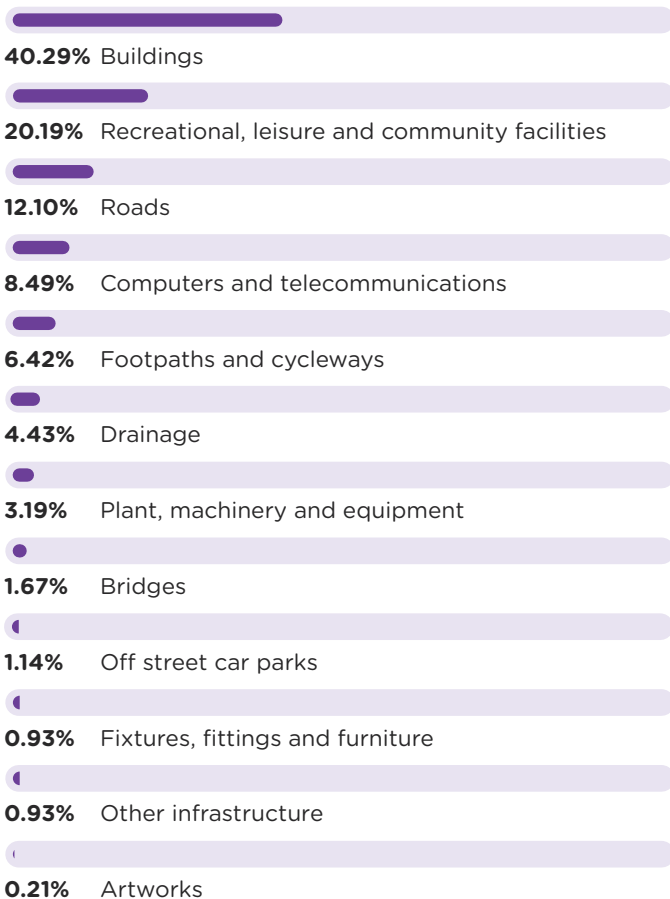
Capital works program

The City of Knox was largely developed between the 1960s and 1980s, with most of the roads, footpaths, drains and community buildings constructed during that time. Detailed condition assessments of many of Knox’s major assets indicate that we need to continue to allocate renewal funding to meet current infrastructure requirements now and avoid increased costs in the future. To achieve long-term financial sustainability, effective asset management is essential.

Capital expenditure

Council allocates funding on an annual basis for the renewal of the community’s assets, which are valued at over \$2.0B. Funding is also allocated for the new, upgrade, asset expansion and legal requirement programs, to deliver a range of works that enhance the city and its infrastructure. In 2020-21, Council delivered capital works to the value of \$44.97M, of which \$40.38M met the accounting requirements for capitalisation. The following chart details the allocation of the capital works expenditure for 2020-21.

CAPITAL EXPENDITURE



Major projects in 2020-21

During 2020-21 the major capital works included the following:

- Stamford Park—Adventure Play Precinct works completed.
- Knox Regional Sports Park—Design development for delivery by the Victorian Government.
- ICT Strategy—Ongoing introduction of innovation.
- Modular Building Program—Liberty Reserve and Seebeck Reserve facilities complete, Lakesfield Reserve and Gilbert Park Reserve under design development.
- Fairpark Reserve—Pavilion upgrade (incorporating U3A extension), design development continuing.
- Lewis Park, Wantirna South Masterplan—Design and stakeholder engagement progressing.
- Carrington Park Senior Citizen Centre—Construction nearing completion.
- Knox Regional Netball Centre Extension—Construction commenced.

Asset management

Council continued its journey towards providing a sustainable level of asset renewal funding to ensure financial sustainability into the future. Council's capital works adjusted budget for 2020-21 was \$126.1M, including projects carried forward from 2019-20. This included \$37.51M for asset renewal, which incorporated funding to support the renewal of existing assets such as roads, bridges, buildings, drainage, footpaths, shared paths, street trees, open space and recreation facilities.

Having implemented its initial suite of Asset Management Plans, Council is now developing the second generation of plans, which will bring a stronger service lens to the planning and management of Council's assets. These plans will ensure that key management directions have been defined and costed across all asset infrastructure categories. In line with requirements under the Local Government Act 2020, Council also completed a review of its Road Management Plan.

To support Council's knowledge of asset performance, an ongoing program of condition audits is completed across all asset categories to better inform planning and decision-making.

Asset renewals in 2020-21

Road pavement, kerb and channel, and footpath/shared-path reconstruction programs were completed, including the following:

- Road reconstructions of Cathies Lane, Laser Drive, Lydford Road, Commercial Road, Barry Street, Lewis Road and Albert Street.
- \$5.57M in road resurfacing works throughout Knox.
- \$2.40M in footpath improvements and \$0.70M in shared-path improvements.

The Active Open Space program included the following works:

- Renewal of sporting ovals at Knox Park Reserve, Milpera Reserve, Templeton Reserve and Liberty Reserve (drainage).
- Cricket net enhancements at Carrington Park and Eildon Park.
- Tennis court renewals at Templeton Reserve and Eildon Park Reserve.
- Fencing enhancements at various sporting grounds across Knox.
- Internal and external repairs and painting at multiple community facilities.

New assets built or upgraded in 2020-21

- New footpaths at Boronia Road, Bayswater; Wellington Road, Rowville; Albert Street, Upper Ferntree Gully.
- New shared paths at Napoleon Road, Lysterfield; Kelletts, Road, Rowville; Mountain Highway, Boronia; Ferntree Gully Road, Knoxfield.
- Open space upgrades at Scoresby Village Reserve, Scoresby; Egan Lee Reserve, Knoxfield; Quarry Reserve, Ferntree Gully; Emerson Place Reserve, Rowville; Talaskia Reserve, Upper Ferntree Gully; H V Jones Reserve, Ferntree Gully; Gilbert Park, Knoxfield; Picketts Reserve, Ferntree Gully.
- Floodlighting works at Knox Gardens Reserve and Milpera Reserve.
- Streetscape works in the Upper Ferntree Gully Activity Centre.
- Drainage works—Manson Reserve Wetland construction and ongoing flood mitigation upgrades.

Buildings and facilities new/upgrade works included the following:

- Multi-purpose facility at Rowville Recreation Reserve.
- New youth pavilion at the Knox Skate and BMX Park.
- Pavilion refurbishments at Batterham Reserve.
- Delivery of modular change room facilities at Liberty Reserve and Seebeck Reserve Park Community Facility.
- Major upgrade at Carrington Park Community Facility.
- Commencement of major works at Knox Regional Netball Centre.

Description of operations

Knox City Council provides a broad range of services from family and children's services, traffic regulation, open space, youth services and waste management to business development, planning for appropriate development and ensuring accountability to Council's budget.

This broad range of services and infrastructure for residents supports the wellbeing and prosperity of the community. Council's vision, goals and strategies to further improve services and facilities are described in our *Community and Council Plan 2017-21*. Further information regarding Council's services can be found in the 'our performance' section on page 37.

Council also has a wide range of responsibilities that have been legislated by the Victorian and Australian governments.

Economic factors

The Australian economy continues to experience a period of low inflation and record low interest rates. This has impacted Council's investment returns on cash holdings. Council does not have any borrowings at present, but borrowings are included in Council's Strategic Resource Plan for the upcoming years.

Changes to the market price for recyclable materials, together with breakdowns in the service provision of recycling providers, has resulted in an increase to the overall cost of waste services across the sector and will likely result in a price reset for waste processing costs.

Major projects

During 2020-21, the major capital works projects included:

State Basketball Centre

A total of \$132M has been allocated to the State Basketball Centre project which includes \$105M from the State Government and \$27M from Council.

Council has been working collaboratively with key stakeholders including Sport and Recreation Victoria and Development Victoria since late 2017 to progress the redevelopment of the Knox Regional Sports Park site and the expansion of facilities, including the State Basketball Centre. The overall funding is provided to create one of Australia's premier indoor sporting facilities and will help meet growing demand for basketball both locally and in the east of Melbourne and will support athlete development pathways and high-performance programs.

The redevelopment works will incorporate an additional 12 domestic basketball courts (for a total of 18 courts), a new regional-level gymnastics facility, high-performance training facilities, administration, storage and amenities, in conjunction with supporting infrastructure such as additional car parks, service upgrades and landscape works.

The redevelopment is an exciting project for our Knox community that will allow local sportspeople of all ages, genders and abilities to use professional facilities and experience the benefits of physical activity and team sport participation.

Playground updates

Two popular parks unveiled play space improvements in 2020-21 with work underway to deliver another six playground upgrades during 2021.

December 2020 saw the opening of a brand new play space at the historic Stamford Park Homestead and the reopening of Marie Wallace Bayswater Park, after the beloved steam train playground received a refresh.

Works at Marie Wallace focused on preserving the big red steam train, while also introducing a new little red steam train for toddlers. Visitors can now enjoy additional swings and play equipment, a new nature-based cubby and a maze space.

At Stamford Park an adventure playground has been installed with a flying fox, fitness equipment, landscaping and picnic spaces. Future Stamford Park features will include a second play space, walking and cycling trails, boardwalks and viewing platforms, public art, gardens and habitats for birds and wildlife.

The works have dramatically improved the space and aesthetics of both public areas making them much more inviting for families and children of all levels of ability.

Lewis Park Masterplan

Work continued on the Lewis Park Masterplan which provides a 20-year vision for inclusive public spaces, where visitors can engage with nature, culture and sport, and our natural environment can thrive.

The Masterplan will be delivered over a number of years as funding permits.

Stage one of the plan centres around the waterways. Working closely with Melbourne Water, stage one aims to improve Lewis Park by making the waterway more accessible and enhancing:

- returning Blind Creek to a natural creek between Scoresby Road and the retarding basin
- creating wetlands for water quality treatment and habitat
- improving access and connectivity through landscaping, pedestrian bridges and boardwalks.

Detailed scoping and significant design work was undertaken in 2020-21. A consultant team has been appointed for stage two of the plan – Sport and Play Hub design work. Construction timing is dependent on external funding becoming available.

Netball centre expansion

Construction of the new Knox Regional Netball Centre began in April 2021 and was celebrated with a sod turning ceremony attended by Federal Member for Aston, The Honourable Alan Tudge MP, State Member for Bayswater, Jackson Taylor MP and Knox City Council Mayor, Councillor Lisa Cooper.

The centre will be expanded to accommodate an expected increase of 1,000 players over the next 15 years. The Mountain District Netball Association has seen consistent growth across all age categories, with more than 40 new teams joining the association over the past five years.

The \$15M project will deliver:

- two new indoor courts, including change rooms, function rooms and observation deck
- upgrades to the existing stadium including improved accessibility, spectator comfort, umpire facilities, first aid, administrative areas and storage
- 180 extra parking spaces
- sheltered walkways, landscaping and public art
- four-star energy initiatives including solar power, recycled materials, natural light and rain water retention systems.

The project is being delivered by Knox City Council in partnership with the Victorian Government and the Australian Government and is expected to be completed by June 2022.

ICT project

In 2016, Council approved a \$16M Information and Communications Technology (ICT) Strategy to be delivered over a five-year period. This strategy was developed to ensure our digital and information technology assets would deliver convenient self-service options to our community and contemporary technologies to our staff. Key focus areas for the project include improving customer experience and community safety as well as reducing operational risk and improving internal efficiencies. In line with Council's COVID-19 response, more services and payment options were made available online in 2020-21. A key project within the strategy was the redevelopment of Council's website which was launched in June 2021 to create improved online services for the community. Council also launched Knox 'Have Your Say' which provides the community further opportunity to share their thoughts on decisions that affect them.

Description of operations

Modular Buildings

Council's Modular Buildings program is a three-year pilot initiative that has been introduced to address the gap in the availability of female-friendly changing facilities and provide changing facilities at secondary ovals at Council's sporting reserves.

As part of this program, in March 2021 new modular change rooms were opened at Liberty Avenue Reserve. The new female-friendly and fully accessible facility will help ensure the training and game-day needs of the increasing number of female footballers within the Rowville Knights Community Football Club can be accommodated.

Storage rooms incorporated into the project design will ensure any additional footballs, uniforms and other training and game-day equipment, needed to support the increasing number of teams within the Club, can also be stored securely on-site.

Major organisational changes

In 2020-21, Knox realigned how some services sit within the organisation to create stability, efficiencies and improve outcomes for our community.

The changes included:

- The City Development Directorate became City Strategy and Integrity and now includes Governance and Strategic Procurement and Property.
- The Community Services Directorate was renamed to Connected Communities.
- The Knox Central Directorate was renamed to City Centre and incorporates both Communications and Customer Experience.
- The Engineering and Infrastructure Directorate was renamed to Infrastructure.
- A Chief Financial Officer role was introduced reporting directly to the CEO.
- The interim arrangement for Strategy, People and Culture incorporating IT and Transformation continued in 2020-21.

Major achievements

A whole-of-Knox plan to address climate change

In late 2019, Knox City Council reaffirmed its commitment to taking urgent action on climate change and committed to commence developing a new Climate Response Plan in 2020-21.

The Draft Knox Climate Response Plan (CRP) delivers a pathway to an emissions neutral Knox City Council by 2030 and sets ambitious interim targets. It demonstrates how Knox will adapt and improve its resilience to the climate hazards that impact the city now and in future climate scenarios. The CRP outlines the social, environmental and economic benefits expected from implementing the Plan in line with the United Nations Sustainable Development Goals and details Council's governance, powers, and the partners who need to be engaged in order to accelerate the delivery of Knox's mitigation targets and resilience goals.

In 2020-21, the Plan was developed including gathering public input in order to ensure the thoughts and needs of our community were identified and included. The CRP will be finalised in early 2021-22.

Lighting Knox with green energy

In 2020, Knox Council, along with 12 Victorian Councils and one State Government Authority, signed a Power Purchasing Agreement (PPA) to purchase 100 per cent renewable energy from a wind farm in Gippsland.

In addition to supporting renewable energy projects, the long-term Agreement provides price certainty and eliminates price volatility.

This green energy transition builds on the street light energy efficiency works we have undertaken to drastically reduce our impact on the planet.

Since 2016, Knox has replaced 10,600 street lights with energy-efficient LED globes to reduce energy use by over 75 per cent to lower electricity and maintenance costs. From 1 July 2021, our street lights, which make up half of Council's electricity use, will be powered by wind energy for the next nine years.

A fit-for-purpose approach to community engagement

Knox Council is committed to effective, fit-for-purpose and open community engagement that results in improved decisions and services for the community.

Knox's new Community Engagement Policy was adopted by Council in February 2021 and sets the new approach, standards and principles of community engagement.

In February 2021, the new digital platform *Knox: Have Your Say* was launched as a key action under our new approach. The platform gives the community the ability to access a range of engagement opportunities online including being part of conversations, suggesting ideas, prioritising and providing direct feedback. During the first four months the site was viewed over 21,000 times, visited by 6,700 individual visitors and had 1,500 contributions made by the community.

Knox is committed to continually improving our community engagement processes and providing opportunities for all people in Knox to have their say.

Development of our new Community and Council plans

In 2020-21 Council worked with the community to develop a new *Community Plan 2021-2031* and *Council Plan 2021-2025*. The *Knox Community Plan 2021-2031* includes our Community Vision, describes the community's aspirations for the future and outlines what we, as a collective, need to focus on to achieve that vision.

Knox's Council Plan 2021-2025 outlines the priorities for the term of our newly elected Council. It provides direction to our organisation, describes how we are going to contribute to the achievement of the Community Vision and shows how we are going to measure our success. It also demonstrates our commitment to the health and wellbeing of our community by incorporating Knox's Municipal Public Health & Wellbeing Plan (MPHWP).

An extensive research and engagement program was undertaken to inform the development of these plans. The process began with a range of data being collected about the municipality. To validate this data and seek the opinions of our community, a variety of engagement activities were conducted. These ranged from broad discussions about a vision for Knox, to conversations around the goals in the *Community and Council Plan 2017-21*, determining priorities and considering what role Council and stakeholders can play in responding to these.

A number of community members participated in multiple engagement activities, allowing for progression through the process from broad to more in-depth discussions on the future of Knox. The engagement activities were directed at people who live, work, learn and play in Knox to:

- gain an understanding of the community's aspirations for the future of Knox;
- test the data gathered through research;
- gain feedback on the goals in the current plan; and
- identify priority areas for the community and Council.

Almost 4,500 people shared their thoughts on shaping the future of Knox and this information was used to create our Community Vision and Community Plan, as well as directly inform the development of our Council Plan. Both the *Community Plan 2021-2031* and *Council Plan 2021-2025* will be finalised and adopted in October 2021.

Youth Services wins LGPro Award

The Youth Services team won an LGPro Award on 25 February 2021, for the Young People's Film *MASKED* in the category of Diversity and Inclusion.

The film was created in conjunction with young people, Youth Services and with the 14-18 year olds from the Knox Free 2 Be Me LGBTIQ+ youth group. The project was proudly supported and funded by Knox City Council, YAC Vic and the Victorian Government. *MASKED* follows the story of high schooler, Zoe, struggling to come out as a trans-man. After knowing who they truly are for a while, Zoe finds themselves fatigued by their fear of whether others will accept them or not.

With over 1.7 million views, the film *MASKED* is available on You Tube at <https://www.youtube.com/watch?v=bLk8Dxf1xFk>

National Award for Excellence in Integrated Stormwater Design

Knox was the winner of the National Award for Excellence in Integrated Stormwater Design for the Tim Neville Arboretum & Dobson Oval IWM Scheme. This project demonstrated a holistic approach to stormwater, public open space and Integrated Water Management (IWM) that Knox prides itself on. Knox was also highly commended for the Excellence in Integrated Stormwater Design project—Returning our lost “wet spaces” to the city's environs – creating places where people and water meet.

Our City

The municipality of Knox is named after Sir George Hodges Knox (1885-1960), who was a local and state politician. Sir George was elected in 1923 to the Ferntree Gully Shire Council. In 1927, he won the Legislative Assembly seat of Upper Yarra for the Nationalists. Sir George was a diligent local member and remained unopposed between 1929 and 1940. From 1945 until his passing in 1960, he represented Scoresby and is now commemorated with a municipality named after him.

Approximately 25 kilometres from Melbourne's central business district, Knox is a major hub of cultural, commercial, business and innovative activity in the eastern suburbs of Melbourne. It is a diverse municipality, with residents from 130 different countries speaking 54 languages. The City of Knox has an estimated residential population of 166,791 (30 June 2021) and covers an area of 114 square kilometres. The area boasts a green, leafy environment that extends to the foothills of the picturesque Dandenong Ranges. Knox comprises the following suburbs: Bayswater, Boronia, Ferntree Gully, Knoxfield, Lysterfield, Rowville, Scoresby, The Basin, Upper Ferntree Gully, Wantirna and Wantirna South.

Map of Knox

Council offices

Address:
511 Burwood Highway
Wantirna South VIC 3152

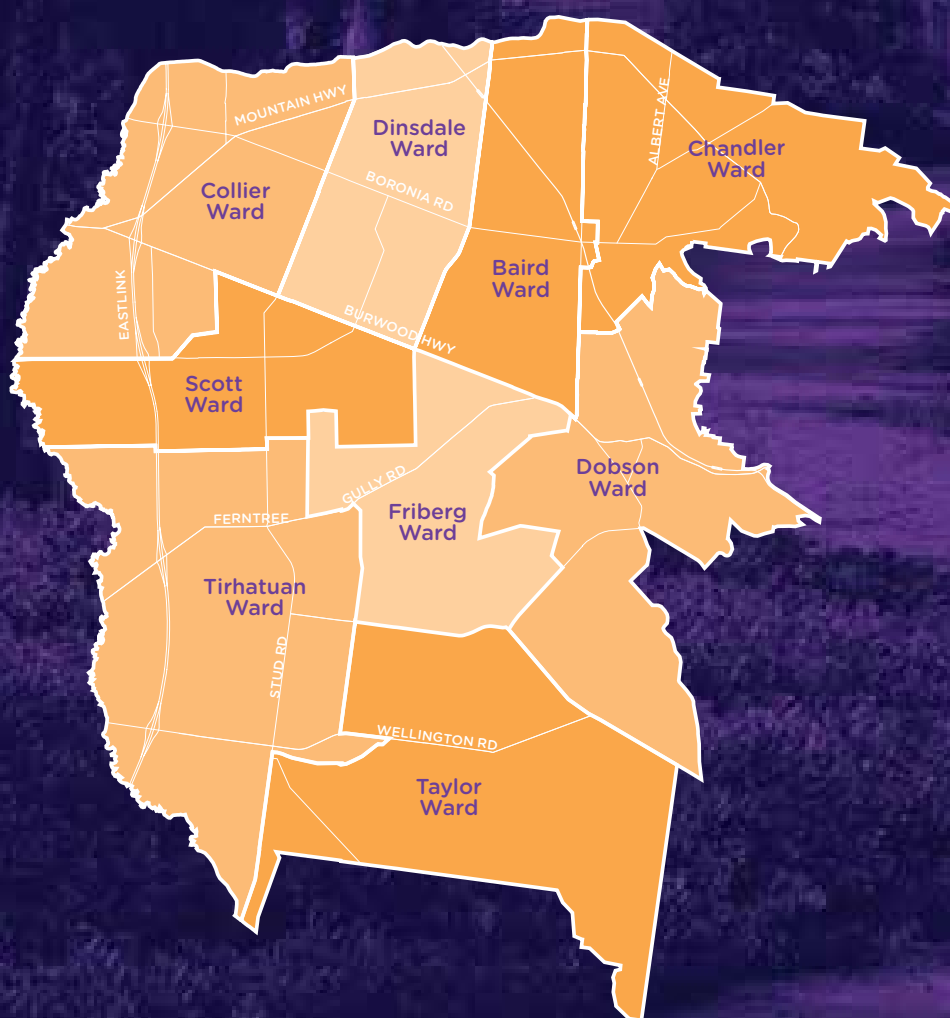
Opening hours:
8:30am to 5pm Monday to
Friday

How to contact Knox City Council

Phone:
9298 8000

Fax:
9800 3096

Email:
knoxcc@knox.vic.gov.au



Our Councillors

Council elections were held in October 2020 and this page includes all Councillors who served during the 2020-21 financial year.



Cr Peter Lockwood
Baird Ward

Term on Council: 2012-October 2020
Mayoral term:
November 2014-November 2015
Deputy mayoral term:
December 2018-October 2019



Cr Lisa Cooper
Mayor
Scott Ward

Current term: 2015-current
Mayoral term:
November 2020-current



Cr John Mortimore
Chandler Ward

Term on Council: 2008-October 2020
Mayoral term:
November 2017-October 2018
Deputy mayoral term:
February 2017-November 2017



Cr Yvonne Allred
Baird Ward

Current term:
November 2020-current



Cr Marcia Timmers-Leitch
Deputy Mayor
Collier Ward

Current term: April 2019-current
Deputy mayoral term:
October 2019-October 2020



Cr Jude Dwight
Chandler Ward

Current term:
November 2020-current



Cr Adam Gill
Dinsdale Ward

Term on Council: 2003-October 2020
Mayoral term:
November 2011-November 2012



Cr Sorina Grasso
Dinsdale Ward

Current term:
November 2020-current



Cr Jake Keogh
Dobson Ward

Term on Council: 2016-October 2020
Mayoral term:
October 2018-October 2019
Deputy mayoral term:
November 2017-October 2018



Cr Meagan Baker
Dobson Ward

Current term:
November 2020-current



Cr Tony Holland
Friberg Ward

Term on Council: 2012-October 2020
Mayoral term: November
2015-November 2016



Cr Susan Laukens
Deputy Mayor
Friberg Ward

Current Term:
November 2020-current
Deputy mayoral Term:
November 2020-current



Cr Nicole Seymour
Tirhatuan Ward

Current term: 2012-current
Mayoral term: October
2019-October 2020



Cr Darren Pearce
Taylor Ward

Current term: 2008-current
Mayoral term: November 2013-
November 2014, November
2016-November 2017

Our people

Executive management team



Tony Doyle
Chief Executive Officer

Tony Doyle joined Knox Council as its Chief Executive Officer in July 2016. Tony's previous position was as Chief Executive Officer at Hindmarsh Shire Council in western Victoria, a position he held for three years. He has brought strong leadership and financial skills to the role as well as having a passion for working with communities and creating formative community partnerships.

Before joining the local government sector, Tony had a successful career in the financial services sector, holding senior leadership positions with one of Australia's largest banks. He has worked in Australia and the United Kingdom and has led large and diverse teams across a number of environments.



Matt Kelleher
Director City Strategy and Integrity

Matt Kelleher joined Knox Council in May 2019 as Director City Development, responsible for leading City Futures, City Planning & Building and City Safety & Health.

Before joining Knox, Matt was Director Community and Planning at Nillumbik Shire Council.

Matt has extensive experience in senior leadership and executive roles in the local government sector, leading teams across a diverse range of functional areas, including planning, city strategy, community services, customer experience, regulatory services and OD/HR.

Matt has a strong track record of delivering on a range of complex strategic projects, with strong community and stakeholder engagement supporting his ability to make a positive difference for communities.

Experience in service reviews and leading change has enabled Matt to build high performing teams with a clear shared vision in delivering improved services and results for customers and stakeholders. Matt's experience across a range of urban planning, community liveability, service performance and organisational capability projects and initiatives is focused on supporting teams and organisations to effectively position for strategic challenges in the external environment.

Matt's formal qualifications include an MBA along with a Bachelor of Applied Science in Planning and a Graduate Diploma of Management, and he is a certified change management practitioner (ProSci). Matt is a fellow of Local Government Professionals (LGPro) and has completed its Executive Leadership Program, XLP.

Matt's directorate consists of:

- City Planning & Building
- City Safety & Health
- City Futures
- Governance
- Strategic Procurement & Property



Tanya Scicluna
Director Connected Communities

Tanya Scicluna commenced as Director Community Services in October 2018.

Tanya has extensive experience working at a senior level in a wide range of community service programs in local government, State Government and the community sector. She is a highly regarded industry leader, renowned for her innovative and collaborative regional and sector leadership and has extensive experience leading teams and organisations through significant change.

Tanya's background includes the leadership of large teams providing a wide range of community services and experience across multiple sectors, including aged and disability, family and children's services, leisure and recreation, community development, public health, economic development and strategic planning.

Tanya's formal qualifications include a Bachelor of Applied Science (Disability Studies) and Post-Graduate Diploma of Health and Human Services Management (Deakin) and she is currently completing a Master of Management (Monash).

Tanya's directorate consists of:

- Family & Children's Services
- Community Access & Support
- Community Wellbeing
- Active & Creative Communities



Grant Thorne
Director Infrastructure

Grant Thorne joined Knox Council as its Director Infrastructure in September 2020.

Prior to joining Knox, Grant was Director City Infrastructure at Moreland City Council for over six years.

Grant has 27 years of experience across rural, growth and metropolitan councils and extensive experience in senior leadership and executive roles within local government. Grant's experience includes leading large and complex teams including open space design and development, open space maintenance, street cleansing, roads, fleet, waste, engineering, asset management, building maintenance, building projects, local laws, parking, animal management, transport and project management.

He brings strong leadership skills and a passion for working with and improving the local community.

Grant's formal qualifications include Bachelor of Engineering (Civil) and Graduate Diploma of Management, and is a Graduate of the Australian Institute of Company Directors.

Grant's directorate consists of:

- Sustainable Infrastructure
- Community Infrastructure
- Operations
- Major Initiatives

Our people

Executive management team



Samantha Mazer
Director City Centre

Director City Centre, Samantha leads Council's Communications and Customer Experience functions as well as the 220ha Knox Central urban renewal program, which brings together public and private sector stakeholders to deliver on an integrated vision for the heart of the city.

Samantha has spent many years blending her advocacy, leadership and commercial expertise to lead teams and organisations through periods of significant change. She has held senior and executive leadership positions in banking and professional services as well as consulting across a broad range of sectors including government, property, technology, retail, manufacturing and not-for-profit.

Samantha's diversity of experience combined with her passion for contemporary leadership has helped take a range of complex goals from aspiration into strategy and delivery whilst also adding a valuable perspective to the Knox executive team.

Samantha's directorate consists of:

- Communications
- Customer Experience
- Knox Central Planning & Development



Sam Stanton
Executive Manager Strategy, People & Culture

Sam Stanton is Knox's Executive Manager, Strategy, People & Culture, having originally joined Knox Council in November 2016.

Sam is an experienced senior leader and before joining Knox, Sam was Manager People & Performance with the City of Greater Bendigo. She is a contemporary leader, renowned for her strategic mindset and has a deep understanding of local government and the importance of creating public value through organisational transformation and growth, with particular strengths in corporate planning and performance, organisation design, facilitating new ways of working and pursuing digital and service innovation, managing corporate risk, and developing adaptive capacity in people, teams and cultures.

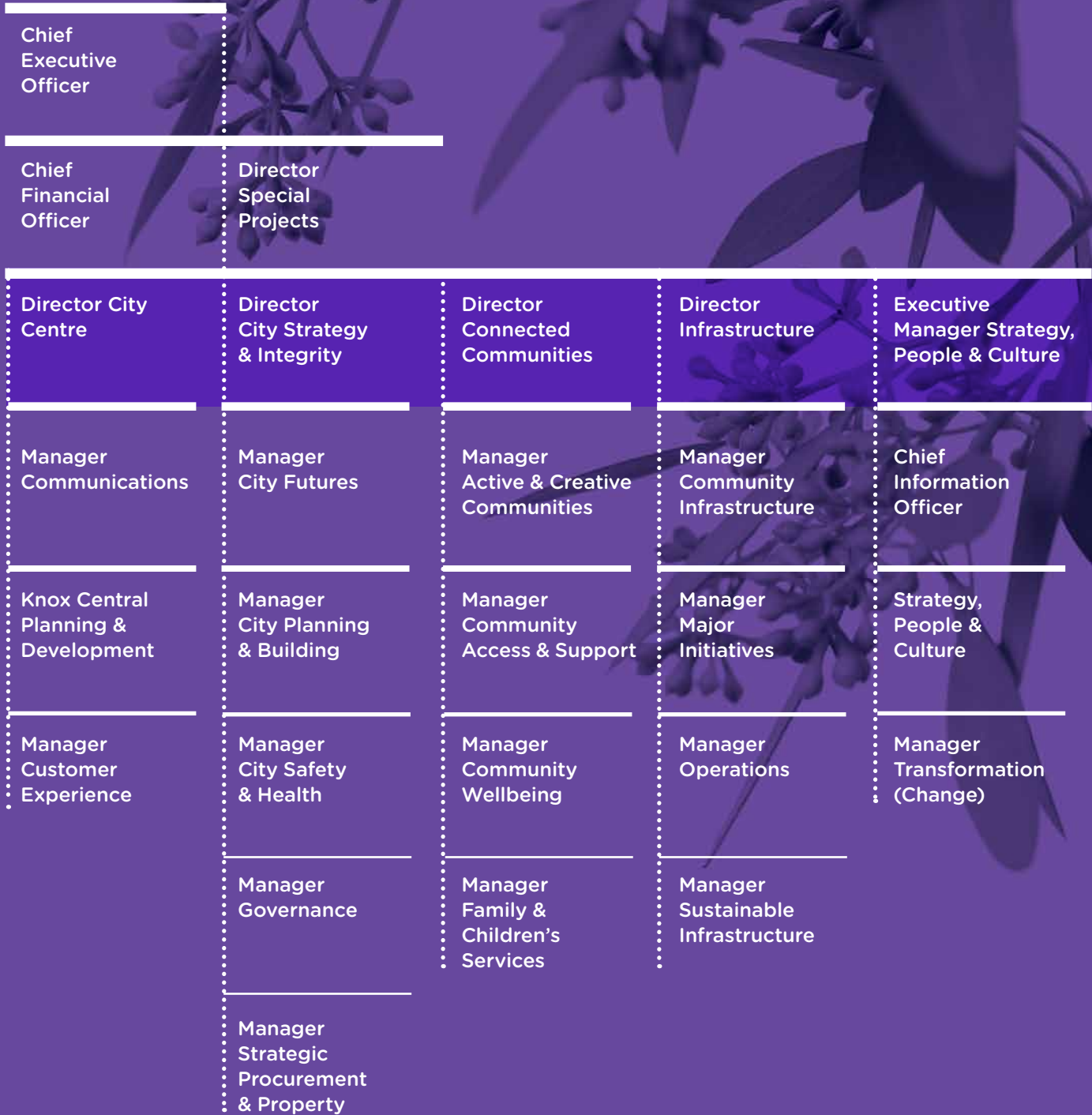
Sam's background and experience includes the leadership of strategy, integrated planning, innovation and service reviews, organisation development, human resources, risk management, emergency management, safety and wellbeing.

Sam's formal qualifications include a Master of Public Policy and Management (Monash), a Bachelor of Arts (Criminal Justice Administration), and Certificates in Business Excellence and Organisational Self Assessment. Sam is a member of Local Government Professionals (LGPro) and in 2014 completed its Executive Leadership Program, XLP. Sam is currently completing the Adaptive Cultures™ Practitioner Development Accreditation Program and an Advanced Diploma in the Neuroscience of Leadership.

Sam's directorate consists of:

- Strategy, People & Culture
- Information Technology
- Manager Transformation (Change)

Organisation chart



Our people

Workplace report

As at 30 June 2021, Council employed 1,112 staff, which consisted of full-time, part-time, temporary and casual positions.

Overall, 199 permanent, temporary or casual staff joined Council during the year to fill vacant positions and meet increased legislative, project and operational requirements.

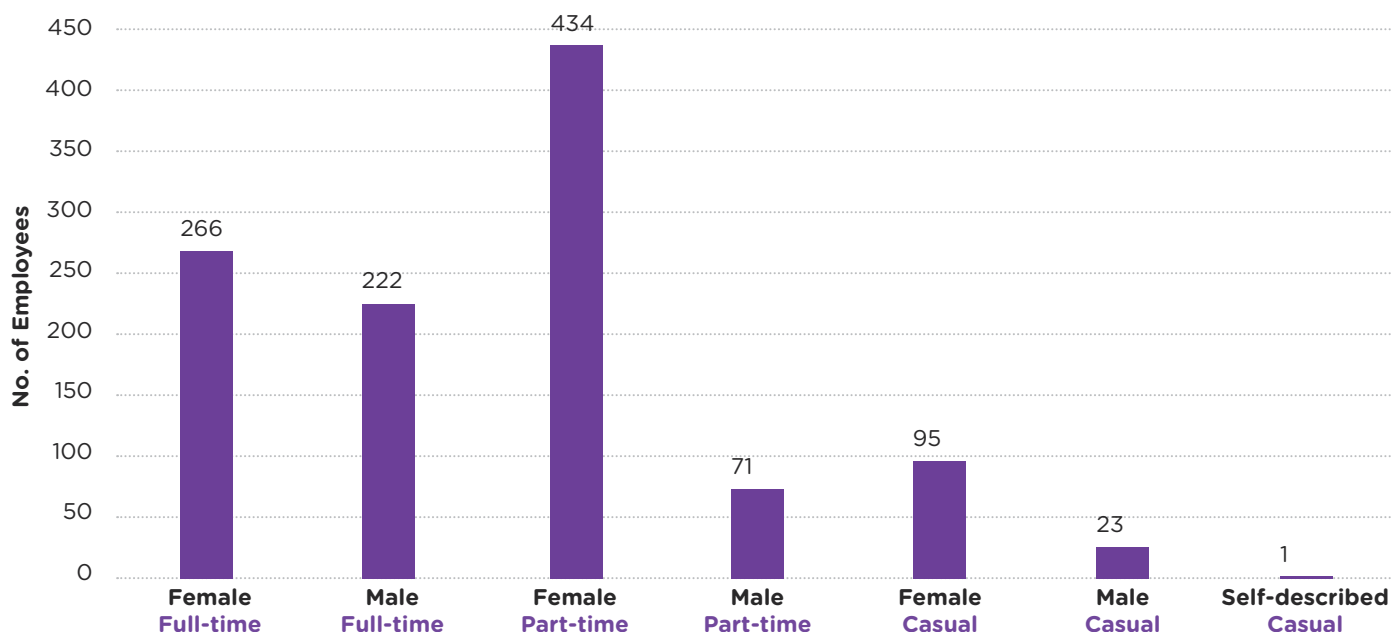
During the year, Council continued to participate in the State Government's Working for Victoria Scheme, which resulted in grant funding obtained across 2019-20 and 2020-21, which saw 70 new temporary positions created, and 80 people employed.

Staff by functional area 2020-21

Headcount as at 30 June 2021

Directorate	Full-time		Part-time		Casual		Self-described gender	Gender Total		Self-described gender	Grand total
	Female	Male	Female	Male	Female	Male		Female	Male		
Office of the CEO & Strategy, People & Culture	38	27	26	2	5			69	29		98
City Strategy & Integrity	45	52	98	45	23	14		166	111		277
Connected Communities	132	15	281	21	65	6	1	478	42	1	521
Infrastructure	33	125	11	2	1	3		45	130		175
City Centre	18	3	18	1	1			37	4		41
Total	266	222	434	71	95	23	1	795	316	1	1,112

Employee headcount by Employment Status and Gender

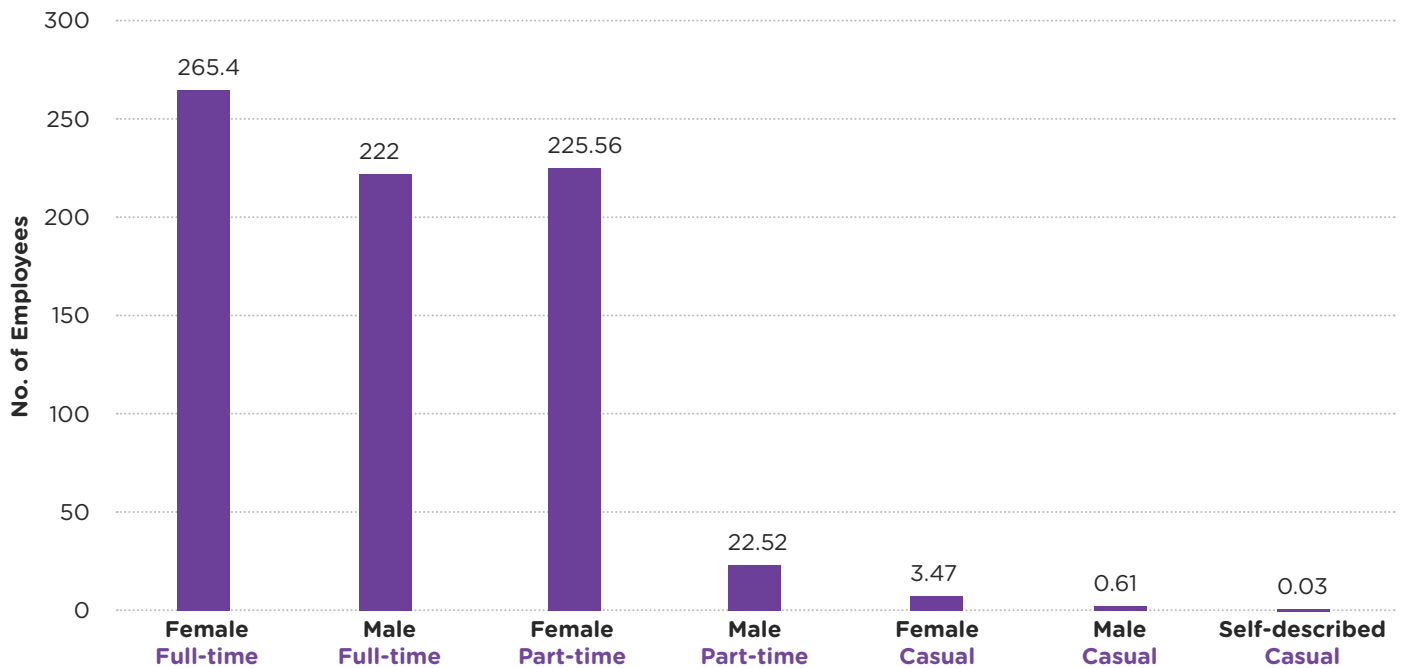


Full-time Equivalent (FTE) as at 30 June 2021

Directorate	Full-time		Part-time		Casual*		Self-described gender	Gender Total		Self-described gender	Grand total
	Female	Male	Female	Male	Female	Male		Female	Male		
Office of the CEO & Strategy, People & Culture	38.00	27.00	17.38	1.80	0.13			55.51	28.80		84.31
City Strategy & Integrity	45.00	52.00	34.87	9.95	0.61	0.37		80.48	62.32		142.80
Connected Communities	132.00	15.00	155.43	9.45	1.71	0.16	0.03	289.14	24.61	0.03	313.78
Infrastructure	32.40	125.00	6.96	0.69	1.00	0.08		40.36	125.77		166.13
City Centre	18.00	3.00	10.92	0.63	0.03			28.95	3.63		32.58
Total	265.40	222.00	225.56	22.52	3.47	0.61	0.03	494.44	245.13	0.03	739.59

*Each casual is calculated as 0.03, equivalent of 1 hour per week.

Employees by FTE Employment Status and Gender



Our people

Council staff

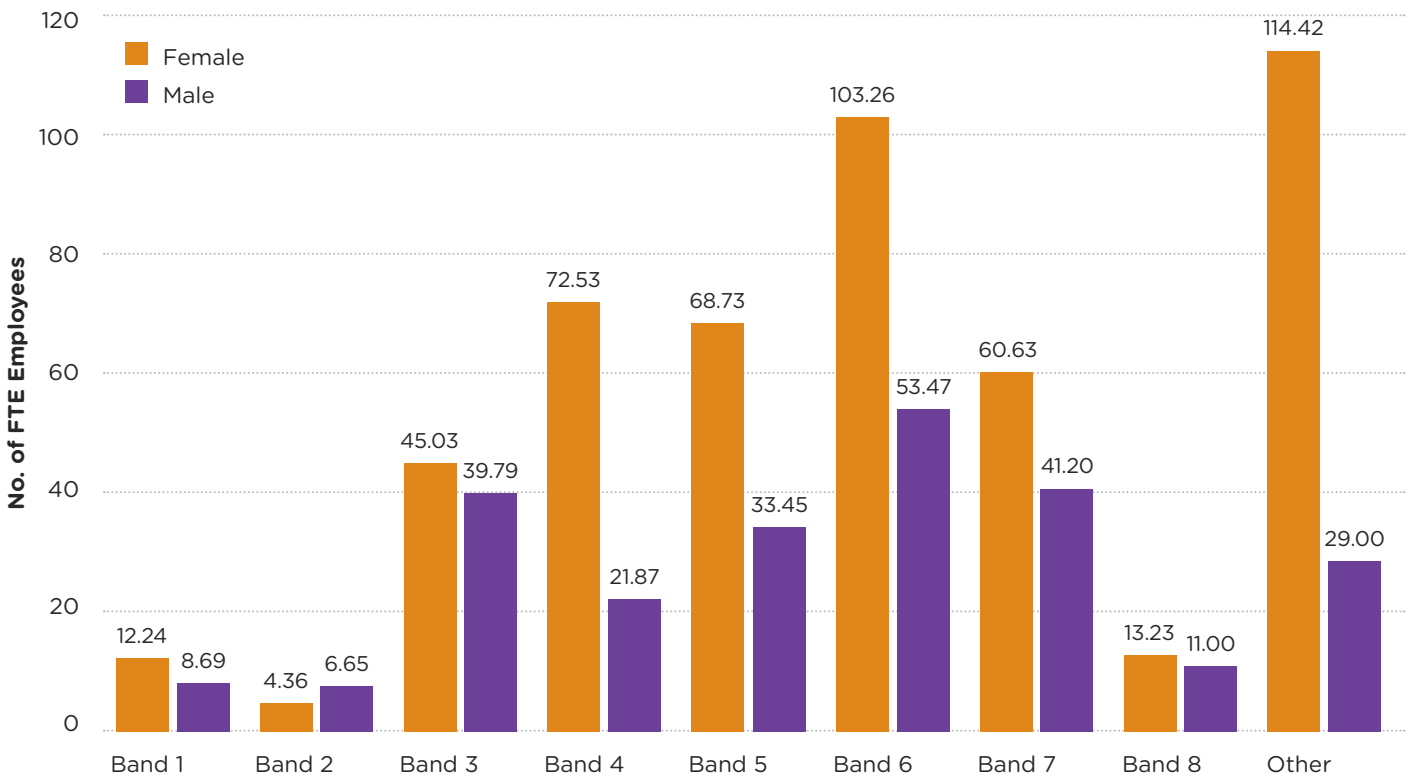
A summary of the number of FTE staff categorised by employment classification and gender is detailed in the following table.

Employee classification	Female	Male	Self-described gender	Total FTE
Band 1	12.24	8.69		20.94
Band 2	4.36	6.65		11.01
Band 3	45.03	39.79	0.03	84.85
Band 4	72.53	21.87		94.40
Band 5	68.73	33.45		102.18
Band 6	103.26	53.47		156.73
Band 7	60.63	41.20		101.83
Band 8	13.23	11.00		24.23
Other*	114.42	29.00		143.42
Grand total	494.44	245.13	0.03	739.59

Notes:

* "Other" includes non-banded workforce members, including health professionals and nurses, teachers, assistants and senior executive officers.

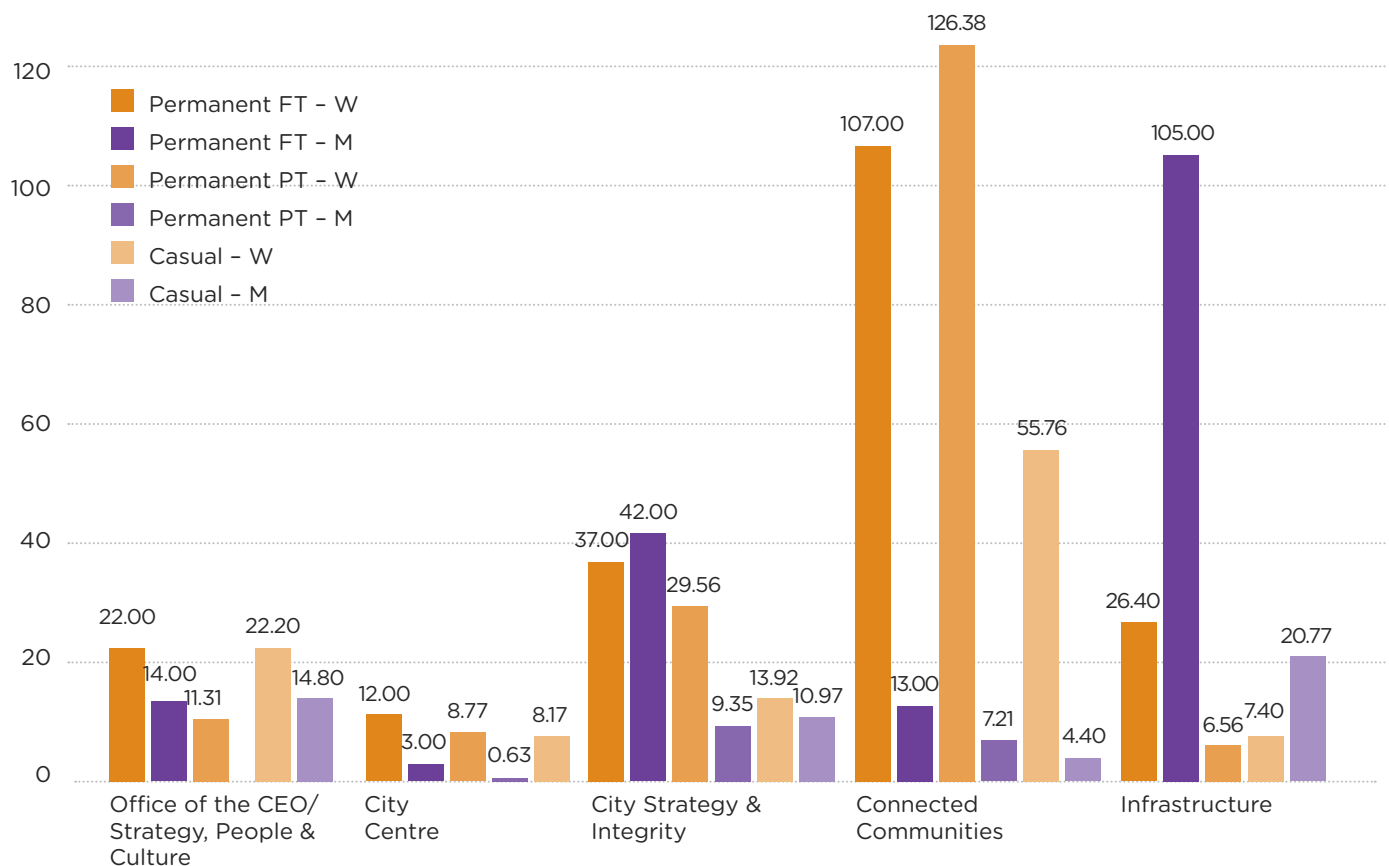
FTE Employees by Classification



A summary of the number of FTE Council staff by organisational structure, employment type and gender is detailed in the following table.

Employee type/ gender	Office of the CEO/ Strategy, People & Culture FTE	City Centre FTE	City Strategy & Integrity FTE	Connected Communities FTE	Infrastructure FTE	Total FTE
Permanent FT - W	22.00	12.00	37.00	107.00	26.40	204.40
Permanent FT - M	14.00	3.00	42.00	13.00	105.00	177.00
Permanent FT - X	-	-	-	-	-	-
Permanent PT - W	11.31	8.77	29.56	126.38	6.56	182.59
Permanent PT - M	-	0.63	9.35	7.21	-	17.19
Permanent PT - X	-	-	-	-	-	-
Casual - W	22.20	8.17	13.92	55.76	7.40	107.45
Casual - M	14.80	-	10.97	4.40	20.77	50.94
Casual - X	-	-	-	-	-	-
Total	84.31	32.58	142.80	313.78	166.13	739.59

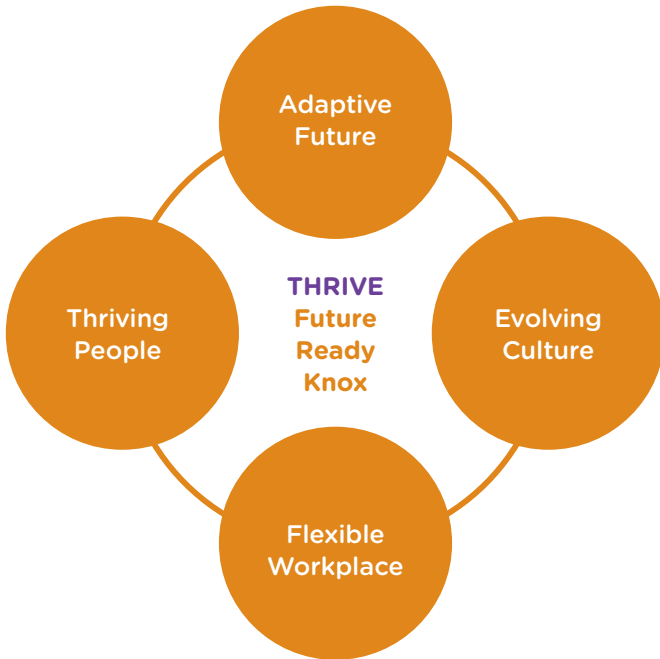
FTE Council Staff by Organisational Structure, Employment Type & Gender



Our people

People and culture

THRIVE: Future Ready Knox aligns our vision, purpose, values and strategic direction across four inter-related strategic priorities:



The organisation launched its new ROADmap approach to performance and development in 2021 to support our people to thrive by bringing their whole selves to work. ROADmap is enabled by the new PageUp technology platform introduced in 2019 and expanded in 2020-21 and focuses on growth and authentic conversations to enhance performance and development.

In addition, the organisation has adopted the Korn Ferry Leadership Architect™ Global Competency Framework as the foundation of its new Wholehearted Leadership and Development Framework. The framework consists of four dimensions, eight learning pathways and 38 competencies. The four dimensions are: leading self, leading people, leading Knox and leading futures. The framework guides the development of the mindsets and skill sets of our people to realise our business aspirations and to ensure we have the capacity to lead for the future with courage, creativity, critical thinking and compassion. The organisation's learning and development library is linked to the eight learning pathways and 38 competencies, creating a consistent approach to development and offering staff access to an extensive resource library to maximise our people experience.

PeoplePulse@Knox

During the COVID-19 pandemic we surveyed our people and monitored our organisational climate, to support our understanding across seven dimensions:

- wellbeing
- resilience
- connectedness
- trust
- manager support
- communications
- organisational support.

Engagement through our PeoplePulse@Knox survey allowed us to increase support and develop programs and initiatives to target assistance to our people during the pandemic and to help them remain connected. Five surveys were conducted in 2020-21 with an average response rate of 50 per cent. Key initiatives as a result of the engagement survey included a virtual staffroom, mental health awareness training, mindfulness and wellbeing programs, a dedicated intranet page of COVID-19 communication updates and virtual social connection opportunities.

Enhancing our people systems

Council has continued to make software enhancements and has automated and streamlined related processes. This has resulted in a saving of time and money by enabling greater volumes of work to be processed without an associated increase of resources. The way our employees now experience our workplace upon arrival and during their first six months has considerably improved due to changes introduced last financial year and further refined this year.

During 2020-21, considerable effort was invested in implementing a new time and attendance system that has minimised the manual data processing of staff salaries. In addition, a co-design approach using human centred design also led to the launch of the new ROADmap performance and development review system. This system will also enable enhanced talent management and succession practices, and better enable our people to be in the driver's seat of their careers. The benefits of a streamlined, user-friendly and integrated solution will be able to be fully realised now the project has concluded.

Equal opportunity

Council takes its equal opportunity responsibilities seriously and is committed to upholding the principles of the *Equal Opportunity Act 2010*, which are affirmed in Council's Enterprise Agreement.

The objectives of the equal opportunity program are to:

- achieve and maintain an environment that is free from discrimination, vilification, bullying and sexual harassment
- establish an internal contact officer program to provide a support and referral service to other staff who may have queries/concerns regarding equal opportunity in the workplace
- offer equity of access to training opportunities and career paths, particularly to those from disadvantaged groups in the workforce
- consistently apply the relevant policies and procedures throughout the organisation.

Equal opportunity, inclusion awareness, and the prevention of workplace bullying and sexual harassment are the areas of compulsory training programs for all staff. These training programs draw on the education of staff, staff feedback and opportunities for positive initiatives and implementation of any changes in legislation.

Implementation of Council's own 10-point Gender Equity Plan continues. This plan provides a strong basis for meaningful and lasting change. A key focus this year has been the launch of an Eliminating Everyday Sexism campaign to raise staff awareness of the more subtle, systemic and attitudinal barriers that may be felt, but are not always visible, unless attention is placed on their existence.

Planning occurred during the year to prepare for the introduction of the new *Gender Equality Act 2020* which commenced on 31 March 2020. This included:

- senior leaders attending an awareness session with the Public Sector Gender Equality Commissioner
- specialist staff undertaking training to better understand the detailed requirements of the new Act
- using the knowledge gained through training to plan and prepare to conduct new gender impact assessments
- participating in the anonymous People Matter Survey, run by the Victorian Public Sector Commission to collect people experience data as part of the new Workplace Gender Audit, as well as downloading workforce data as at 30 June 2021, for subsequent analysis to inform consultation mechanisms and the development of a new four-year Gender Equality Action Plan due by 1 December 2021.

In addition, planning occurred to prepare the organisation to meet new legal requirements specified in the new *Local Government Act 2020* related to gender equality, diversity and inclusiveness, including the new requirement to produce a four-year Workforce Plan. On a related front, the new *Local Government (Governance and Integrity) Regulations 2020* include the standards of conduct required by Councillors and the prescribed matters to be addressed in Councillor Induction training, including giving effect to gender equality, diversity and inclusiveness, and ensuring a Councillor "1(a) takes positive action to eliminate discrimination, sexual harassment and victimisation in accordance with the *Equal Opportunity Act 2010*; and (b) supports the Council in fulfilling its obligation to achieve and promote gender equality;" (Schedule 1).

Following the release of the Victorian Auditor-General's Office *Sexual Harassment in Local Government* (2020), the organisation will develop its first dedicated Sexual Harassment Prevention Plan and has commenced the planning phase. This plan will be aligned with the new Gender Equality Action Plan to be developed.

Our people

Health and wellbeing

Due to the COVID-19 pandemic being at its height at the beginning of 2020-21, there has been a continued concentration of Council's health and wellbeing focus related to mental health and wellbeing.

With many staff working from home, the potential for added psychological stress due to isolation and anxiety related to the pandemic in general, as well as infection fears for those who remained working on site, was very significant. This meant that considerable effort and resources were mobilised in providing a supportive framework around mental health for staff and an increase in Council's capabilities in this area.

This has included:

- utilisation of a recently procured additional panel of psychologists and counselling/coaching services over and above Council's ongoing Employee Assistance Program (EAP);
- two temporary Senior Mental Health and Wellbeing advisors recruited as part of the Working for Victoria Scheme;
- widening the services of our nominated EAP provider (Converge International);
- provision of training opportunities for people managers (e.g. Managing for Team Wellbeing provided by the Black Dog Institute) focussing on mental health issues in the workplace; and
- a commitment to train a significant proportion of employees in Mental Health First Aid. A Council staff member has also been trained to be able to deliver accredited Mental Health First Aid training internally.

While the Wellness@Knox Committee's activities have been limited by the pandemic (due to the large proportion of staff working from home), the Committee continued its health promotion work wherever possible in 2020-21.

The Committee underwent a revitalisation exercise to ensure it continues to achieve the wellbeing needs of staff and to provide improved clarity and direction of purpose for members and the wider organisation. This included the review of the Committee's Terms of Reference as well as the Healthy Workplace Charter and Healthy Workplace Policy and the development of an action plan aimed at enhancing the Committee's effectiveness. Key actions include:

- a recruitment drive for new members with a focus on encouraging diversity and representation across all areas of Council;
- a refresh of the Wellness@Knox page on the staff intranet;
- development of an annual calendar of activities and events; and
- building the Wellness@Knox brand through promotional activities and awareness campaigns.



...there has been a continued concentration of Council's health and wellbeing focus related to mental health and wellbeing.



Safety activities

Occupational health and safety (OHS) remains a core and major focus for Council, and the COVID-19 pandemic meant an even greater emphasis was placed on OHS in 2020-21. The Safety and Wellbeing team have been integral to mitigating pandemic infection risks with considerable success in that not a single Council staff member has contracted a COVID-19 infection while at work.

As well as responding to a range of pandemic risks, the organisation continued to adapt its health and safety system to be responsive to both compliance requirements and best practice, as well as the integration of wellbeing into the Health & Safety Management System and consultative structure. A significant amount of work was done to improve the OHS Management System, including:

- aligning the structure and relevant procedures with the new OHS Management System International Standard;
- improved auditing procedures; and
- improvements related to incident and hazard reporting, investigation and corrective actions.

Council's focus on the promotion of 'proactive' safety reporting (hazards and near misses) as a means to mitigate hazards and risks before they become a source of incident and injury has continued. With the large proportion of staff continuing to work from home throughout the 2020-21 year, it was anticipated that the previous trend of decreased proactive reporting since the onset of the pandemic would continue. However, a general increase in proactive reporting occurred.

Council saw:

- An overall increase (8%) in total Proactive Safety Reports (hazards + near misses): from 206 reports in 2019-20 to 223 reports in 2020-21.
- A slight increase (2%) in near miss reports: from 131 reports in 2019-20 to 134 reports in 2020-21.
- An increase (19%) in hazard reports: from 75 reports in 2019-20 to 89 in 2020-21.

This was a very positive result considering the number of staff who remained in a working from home environment, where there can be a behavioural tendency to report less hazards and near misses.

In addition:

- Overall, property damage incidents decreased by 18 per cent, from 50 reports in 2019-20 to 41 in 2020-21.

- Motor vehicle incidents reduced slightly (3%), from 36 in 2019-20 to 35 in 2020-21.
- Plant and Equipment incidents reduced significantly (57%), from 14 in 2019-20 to 6 in 2020-21.

Comparison of overall/total safety reporting (hazards, near misses, incidents, motor vehicle and plant/equipment reports) showed a slight increase in reporting (approximately 1.5%), with Total Safety Reports increasing from 423 in 2019-20 to 429 in 2020-21.

There was a decrease in WorkSafe Victoria incident notifications (required under the *Occupational Health and Safety Act 2004*) from 14 in 2019-20 to nine in 2020-21. The nine WorkSafe notifications this year comprised:

- three reports involving a client
- three reports resulting from impacts with objects causing lacerations
- two reports involving hospitalisation due to a personal illness
- one report involving a positive coronavirus test (contracted outside of the workplace).

Work continued in analysing and targeting lone worker risks, with an organisation-wide Lone Worker Working Group being reconvened and lone worker risk assessments prepared by key organisational areas/teams. Trials of technological enhancements and other strategies to manage lone worker risks within Council have taken place and this work is set to be followed through into a comprehensive lone worker risk mitigation strategy in the coming year.

Recommendations for strengthening OHS management as outlined in the internal OHS Audit (conducted by Crowe in late 2019) continue to be implemented, albeit at a slower pace than originally planned, due to the need to focus resources on pandemic safety risks.

Other areas of focus have included:

- Improvement of Safety and Injury data analysis capabilities via the finalisation of OHS and Injury Management 'real time' accessible data Dashboards (via the ICT Strategy sponsored Business Intelligence project).
- A comprehensive OHS Audit of Knox Leisureworks was completed to provide support to the Leisure and Facilities teams in managing Council's contractual obligations at the centre and any physical improvements necessary to ensure the safety of staff and visitors.

Our people

Injury management

Overall, injuries to Council staff decreased slightly (by 4%), from 167 injuries in 2019-20 to 161 injuries in 2020-21.

'Minor injuries' (injuries requiring no treatment or first aid only) increased slightly (5%) from 101 in 2019-20 to 106 in 2020-21, however there was a decrease (18%) in 'major injuries' (medical treatment and lost time injuries) from 66 in 2019-20 to 54 in 2020-21. Both 'major injury' categories showed a year-on-year decrease, with:

- medical treatment injuries decreasing from 40 to 38 (5%); and
- lost time injuries decreasing from 22 to 16 (27%).

There was a decrease in WorkCover claims lodged (from 34 in 2019-20 to 28 in 2020-21), illustrating the successful outcome of an effective early intervention program.

Significant changes in the claims profile included: manual handling injuries (resulting in claims) reduced by 43 per cent (16 in 2019-20 to four in 2020-21); and slips, trips and falls claims increasing by 400 per cent (four in 2019-20 to 16 in 2020-21).

Council's contract for its injury management program (on-site physiotherapy) ended in June 2020 and was not renewed due to the difficulty in providing a safe and accessible program during a pandemic, with a large segment of the workforce working from home. The service has remained suspended while a review of replacement options has been taking place, which will take into account factors such as the COVID-19 pandemic, program utilisation rates and return on investment with respect to claims outcomes. Alternative(s) for a longer-term strategy will be decided upon and implemented in the coming year.



There was a decrease in WorkCover claims lodged, illustrating the successful outcome of an effective early intervention program.

Business continuity management

The key elements of Council's Business Continuity Management System (BCMS), the Business Continuity Framework and Crisis Management Plan were reviewed and updated in 2020 just prior to the pandemic. A test exercise to assess business continuity capabilities was planned for the last quarter of 2019-20, however the COVID-19 pandemic has served as an ongoing 'real life' test of the system and Council's capabilities, which included the activation of the Crisis Management Plan and Team and Regional Pandemic Sub-Plan. As such, it was decided that a COVID-19 pandemic debrief would be a more efficient use of resources and produce better learning outcomes than a test/exercise. Recommendations following the debrief are currently with the CEO.

Council adopted the recommendations from an internal independent audit of Council's Business Continuity and Disaster Recovery processes in 2019-20 with recommendations tracked by the Executive Management Team and Council's Audit & Risk Committee. Some of the improvements already completed include new reporting KPIs for the BCMS being developed and undertaking of a Gap Analysis of the BCMS.

Risk management and review

The Executive Management Team continue to conduct quarterly reviews of Council's Risk Register, with regular reports for both operational and strategic risks provided to Council's Audit & Risk Committee. This process ensures that risks are effectively reported and monitored. To improve the risk review process, a new format for the risk register report was developed which includes a summary report and an additional report highlighting any changes in quarterly risk ratings for the past year. Planning is underway to provide risk management training to key staff in the new financial year. Learnings from responding to the COVID-19 pandemic have informed the development of a draft pandemic risk which will be included in the strategic risk register once finalised.

Vehicle insurance claims

Council's fleet of registered vehicles, which includes cars, trucks, tractors and trailers, remains at similar numbers in the reporting period (197 in 2018-19, 196 in 2019-20 and 200 in 2020-21), still allowing for a meaningful year-on-year comparison.

The number of over-excess (>\$2k) vehicle insurance claims has reduced over the last three years, dropping from 21 in 2018-19, to 13 in 2019-20, and 13 in 2020-21.

The number of under-excess vehicle claims increased slightly from 18 in 2019-20 to 20 in 2020-21.

Non-vehicle insurance claims

The number of non-vehicle under-excess insurance claims has decreased from 107 in 2019-20 to 88 in 2020-21.

Claims received are most commonly related to tree branch/debris failure, tree-root damage, trips and falls due to uneven surfaces, and flooding/stormwater damage.

There were only two over-excess liability claims reported to Council's insurer during 2020-21. During this time we experienced one tree root damage related claim and one flood damage related claim.

Council's over-excess claims numbers have remained low over the past three years with no particularly large claims occurring, leading to minimal increase in our insurance premium this year, which is particularly pleasing in a hardened insurance market.

Council's under-excess claims continue to be managed by Echelon Australia.



Our performance

Community and Council Plan 2017-21

This Annual Report provides an overview of the achievements of the final year of the *Community and Council Plan 2017-21*, which was endorsed by Council on 26 June 2017.

The *Community and Council Plan 2017-21* was informed by relevant legislation, research and a range of community engagement activities. It identifies the community's priorities and guides the decision-making of Council and its partners, agencies and all stakeholders.

The following planning framework illustrates how all of our planning documents fit together.



Goals

Together with the community, Council identified eight key goals, with associated strategies, as the framework for progressing towards achievement of the vision:



GOAL 1

We value our natural and built environment



GOAL 2

We have housing to meet our changing needs



GOAL 3

We can move around easily



GOAL 4

We are safe and secure



GOAL 5

We have a strong regional economy, local employment and learning opportunities



GOAL 6

We are happy, healthy and well



GOAL 7

We are inclusive, feel a sense of belonging and value our identity



GOAL 8

We have confidence in decision-making

Our performance

2020-21 Annual Plan

Each year, Council develops an annual action plan based on the strategies and initiatives outlined in the *Community and Council Plan 2017-21*. The 2020-21 Annual Plan was adopted by Council on 22 June 2020 as part of the Annual Budget.

The Annual Plan is made up of a number of major initiatives and initiatives that will be achieved during the financial year.

Local Government Performance Reporting Framework

The Local Government Performance Reporting Framework (LGPRF), established by the Victorian Government in 2014, is a mandated reporting requirement for all Victorian councils. The LGPRF is a comparative reporting framework that aims to ensure measuring and reporting on performance is undertaken in a consistent way for all local government authorities in Victoria.

Four indicator sets have been developed across three thematic areas—service performance, financial performance and sustainability—in order to provide a comprehensive picture of Council’s performance. These indicators and measures are reported on throughout the following sections of this report.

Service delivery

Service delivery accounts for a significant part of Council’s annual investment in the community and is one way to support and maintain Knox’s areas of strength.

It also addresses some key challenges for our community. Service delivery is equally as important as our priority strategies and actions.

Details of our performance

The following information is contained under each Community and Council Plan goal:

1. Four-year Community and Council Plan targets and measures

Progress against the targets and measures identified in the *Community and Council Plan 2017-21* to inform our success in achieving our goals and strategies.

2. Annual Plan initiatives

Details of the progress of major initiatives and initiatives identified in the 2020-21 Annual Plan.

3. Services

Details of the services funded in the 2020-21 Budget that most closely align to the particular Community and Council Plan goal and, where relevant, the associated LGPRF measures and results.



GOAL 1

We value our natural and built environment

2020-21 highlights



Planted 30,000 plants across 42 sites in Knox



Planted 2,574 trees



Developed the Draft Climate Response Plan



Implemented the Strategic Pest Animal Management Plan.

Results

Council targets

Council has progressed work towards achieving the Community and Council Plan targets identified under the strategies of each of the goals. These measures tell us if the work we have undertaken over the last four years has contributed to a positive change in our community.



Annual Plan progress

Council has completed 10 of the 12 initiatives identified under Goal 1 in the 2020-21 Annual Plan. Work continues to progress on the remaining initiatives.

What we achieved in 2020-21

Progress against the targets and measures identified in the *Community and Council Plan 2017-21*.

Strategy 1.1: Protect and enhance our natural environment

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
A reduction in environmental impact	Council's corporate greenhouse gas emissions	-	5,257 tonnes per annum (CO ₂ equivalent)	5,969 tonnes per annum (CO ₂ equivalent)	8,446 tonnes per annum (CO ₂ equivalent)	Data includes emissions from streetlights, fleet and all Council operated buildings.
An increase in the usage of renewable energy	Council's corporate renewable energy usage	108.18 kW	306.00 kW	461.00 kW	662.00 kW	In 2020-21, Council's corporate renewable energy usage was 662 kW (total installed capacity—solar PV), an increase from 461kW in 2019-20.
A reduction in waste generated in our homes	Annual non-recyclable garbage generation per household (waste to landfill)	9.99 kg	9.25 kg	10.30kg	10.71kg	In 2020-21, non-recycling garbage generation was 10.71kg per household per week, a 3% increase from 2019-20. In 2019-20 and in 2020-21, the truck audit was completed in February rather than previous years when it was completed in November. This creates challenges in accurate comparison of year-on-year data.
	Annual diversion rate per household (recyclable and green waste)	51.97%*	55.89%*	53.44%	52.10%	In 2020-21, the diversion rate per household was 52.10%; this result was consistent with 2019-20. *Council aligned this measure in 2019-20 to reflect LGPRF reporting and ensure consistency. Council has reinstated 2017-18 and 2018-19 figures to reflect these changes and to ensure comparative data.
A reduction in water use of new buildings	Percentage of applicable buildings assessed in planning as meeting the best-practice target of a 25% reduction in potable water consumption	94.00%	97.39%	94.05 %	100%	All 74 applicable buildings were assessed as meeting the best practice target of a 25% reduction in potable water consumption.
A reduction in greenhouse gas emissions of new buildings	Percentage of applicable buildings assessed in planning as meeting the best-practice target of a 50% reduction in greenhouse gas emissions	69.00%	74.78%	60.71%	87%	52 of 60 applicable residential buildings assessed were found to meet the best practice target of a 50% reduction in greenhouse gas emissions. Non-residential buildings are difficult to quantify, however 14 out of the 14 assessed exceeded the minimum National Construction Code requirements.
Sustainable design of Council's new buildings	Percentage of applicable Council capital works buildings assessed as meeting the best-practice environmental targets in water savings, stormwater quality, sustainable materials, local biodiversity, sustainable transport user facilities, energy savings and greenhouse gas emissions reductions	100%	0%	0%	100%	Three projects were assessed which were determined to meet and exceed Council's best-practice environmental targets. These projects were: <ul style="list-style-type: none"> • Knox Fair Park Reserve Multi-purpose Development; • Eildon Park Childcare Centre; and Knox Regional Netball Centre.

Strategy 1.2: Create a greener city with more large trees, indigenous flora and fauna

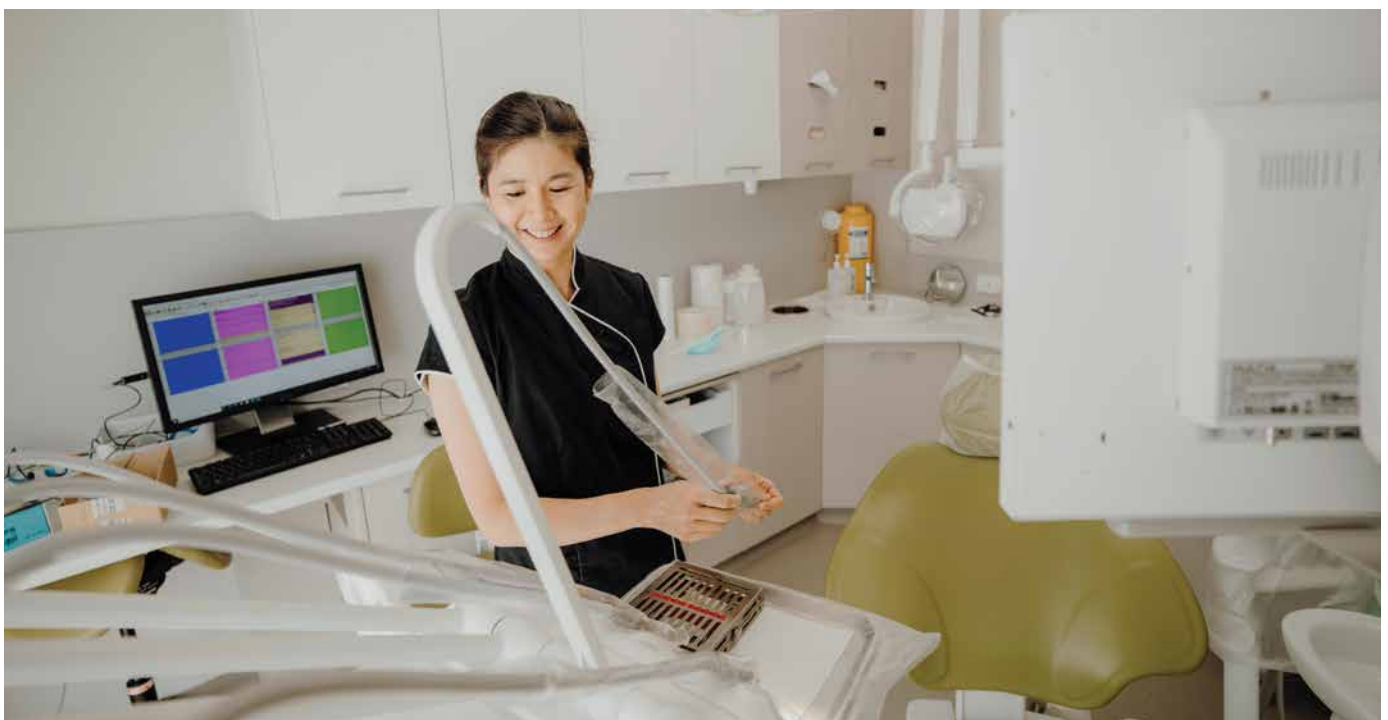
What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in canopy tree cover along streets	Percentage of street corridors covered by canopy trees	494	1,249	1,189	1,249	Reporting against this measure focused on net gain (difference between trees removed and planted) as it can take many years for a new tree to grow large enough to provide canopy coverage. In 2020-21, a net gain of 1,249 trees was achieved.
An increase in canopy tree cover on private land	Under development	-	-	-	-	
An increase in the number of indigenous plant species in Knox	The total number of indigenous plant species in Knox	3,662	5,208	4,152	605	There are approximately 605 indigenous plant species in Knox, although not all of these are able to be cultivated. In 2020-21, Biodiversity changed the way this data is collected. In previous years, the numbers collected were in relation to our discreet threatened species program (in partnership with the Knox Environment Society). However, this year Council collected all threatened species planted across our planting programs. As approximately 48% of Knox's flora is threatened, the number was considerably larger in previous years.
An increase in local Knox residents' biodiversity awareness	The total number of Gardens for Wildlife participants	779	849	895	874	874 individuals participated in Gardens for Wildlife in 2020-21.



What we achieved in 2020-21

Strategy 1.3: Ensure the Knox local character is protected and enhanced through the design and location of urban development and infrastructure

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
A decrease in the number of 'at-risk buildings' in Knox	The number of at-risk buildings in Knox	6	6	10	10	There were 10 at risk buildings in Knox in 2020-21. A program of at risk buildings has been previously established. Initial assessment of all at-risk buildings is complete, with high priority works also complete.
Increase Council's urban design management and assessment capacity to facilitate best practice urban design outcomes	The number of workshops, forums and recognition programs to build Council's urban design management and assessment capacity	5	4	0	1	<p>The Design and Development Excellence Awards 2021 were officially presented at Council's Ordinary Meeting on 28 June 2021.</p> <p>COVID-19 restrictions impacted on the ability to deliver workshops, forums and urban design professional development/ learning sessions. However, urban design management and assessment capacity has continued with site-specific discussions with Council's Urban Design Advisor on an as-needs basis.</p> <p>The Wantirna Health Precinct and the Boral/Mirvac redevelopment site at 191 George Street, Wantirna South, continue to be key projects of focus from an Urban Design perspective.</p>



2020-21 Annual Plan

Key activities undertaken in 2020-21 to work towards the achievement of Goal 1.

Major initiative	Progress	Comment
Develop and implement a strategic pest animal plan.	100%	Council endorsed the Strategic Pest Animal Plan in August 2020. A local action plan for Knox that aligns with this strategy was developed and delivery of the action plan commenced and will continue into the next financial year.
Initiatives	Progress	Comment
Continue to implement initiatives to achieve resource efficiency, water and energy reduction.	96%	In 2020-21, significant work was undertaken to implement initiatives to achieve resource efficiency, water and energy reduction. This work included: <ul style="list-style-type: none"> • Two Gardens for Harvest webinars and a number of sessions at the Stringybark Festival attracting nearly 600 registrations. • The Draft Climate Response Plan was presented to Council and community engagement on the plan was undertaken. The Plan will be adopted by Council in the first half of 2021-22. • Energy efficiency upgrades through the Energy Performance Contract were completed including boiler upgrades to the Civic Centre, air conditioning works at Rowville Community Centre and lighting upgrades at a number of Council facilities.
Continue Council's waste and recycling education program.	100%	Work toward this initiative in 2020-21 has focused on collaboration with the Website Development team on Council's 'Waste and Recycling' web pages. The pages will set the framework for utilisation of the website as an education tool, with more focus on waste reduction and future initiative advice. Council has also engaged two Waste Education officers to undertake more work in this space.
Increase the volume of hard waste recycled.	100%	Council is participating in a grant approval process to assess opportunities to better utilise recycled content and environmentally preferred products in building projects. Council's Recycled Goods Shop continues to be promoted, although closures of Council's Recycled Goods Shop due to COVID-19 restrictions have impacted the capacity to divert from landfill through this service option. In 2020-21, the Waste Management team worked with the Website team on updating a large number of pages ahead of the new website launch. E-waste recycling opportunities continued to be promoted throughout 2020-21.
Phase in hybrid and electric vehicles into the Council vehicle fleet.	100%	Council has commenced phasing in hybrid and electric vehicles into its fleets. Council has installed electric charging stations at the Civic Centre for fleet and community use. A charging station has also been included at the new Operations Centre. As new fleet vehicles reach replacement, priority will be given to ordering hybrid or electric vehicles.
Revegetate priority sites as per the recommendations from the Knox Revegetation Plan 2012.	100%	In 2020-21, planting was completed at priority sites including the Mountain Highway Roadside Habitat Corridor, Colchester Reserve Wetland, Scoresby Linear Reserve, Dandenong Creek Corridor and Corhanwarrabul Creek Corridor.
Implement the Knox Locally Threatened Species Management Plan 2010.	100%	By the end of 2020-21, 42 different sites received revegetation with threatened species. There were 30,000 plants planted across these sites from plant material collected within the Knox municipality. Across these sites, 54 different species were planted. All threatened species were mapped and recorded on the geographic information system (GIS).
Conserve, protect and enhance sites of biological significance and increase connectivity between current sites.	100%	Scoping and planning of the Biodiversity Resilience Plan, which supports this initiative, has commenced. On-ground works were challenging during 2020-21 due to COVID-19 restrictions, as well as a significant increase in the number of members of the community using bushland sites for recreation and exercise. This led to increased damage of vegetation due to circumstances including increased littering and bike jump creation. The biodiversity team continues to work to rectify this ongoing damage.

2020-21 Annual Plan

Key activities undertaken in 2020-21 to work towards the achievement of Goal 1. (continued)

Initiatives	Progress	Comment
Strategic acquisition of sites of biological significance when they arise.	34%	In 2020-21, Council made the decision to fund the development of the full Biodiversity Resilience Plan over a two year period (2020-2022). Initial scoping and planning of the Biodiversity Resilience Plan and detailed works around tree canopy data analysis were completed in 2020-21. This analysis will inform the habitat corridor plan and hierarchy of sites of biological significance for acquisition which will now be delivered in 2021-22.
Continue to grow and support the Knox Gardens for Wildlife Program and Bushland Reserve Friends Groups and associated activities.	100%	Growth of environmental volunteerism has been challenging during the past year due to COVID-19 restrictions. However, increased interest in the bushland reserves through innovative virtual tours has created interest in additional community members staying involved once restrictions lifted. Scoping is occurring for the development of two new friends groups due to interest from community members. A partnership group has been created to include Gardens for Wildlife (G4W) volunteers, Knox Environment Society representation and Council officers to support the growth and support of the G4W program.
Plant a net gain of street trees annually.	100%	By the end of 2020-21, the bulk tree planting program was completed. Council planted 2,574 trees in 2020-21. Unfortunately, due to various reasons (dead/damaged/poor health), 1,325 trees were required to be removed. This resulted in a net gain of 1,249 trees being planted within the municipality.
Continue to address Council's asset renewal backlog.	100%	A number of accessible parking bays were installed in 2020-21 to improve access to schools and Council services. Delivery of the Mobility Implementation Plan has been delayed due to COVID-19 restrictions impacting the availability of consultants and contractors. Works are planned to be undertaken in the first half of the next financial year to address known issues. Pedestrian upgrades are currently being considered as part of intersection treatment upgrades at the intersections of Henderson Road/Kelletts Road and Henderson Road/Ferntree Gully Road. Advocacy for a pedestrian crossings program across major arterial roads has been undertaken through the Eastern Transport Coalition with direct engagement with the Minister for Public Transport and Roads and Road Safety.
Complete an at-risk building assessment and develop a program of works for inclusion in Council's capital works program.	100%	In 2020-21, an assessment of all at risk-buildings was completed along with identified high priority works. The annual program of work was reviewed and progressed based on risk priorities. Four separate work packages for plumbing/drainage, civil works, structural rectifications and landscaping were determined from the collated recommendations from the structural reports received, and progressed to quotation/tender.

Services

The services funded in the 2020-21 Budget.

Service	Description	Net cost of providing this service in 2020-21	
		Budget	Actual Variance
		\$'000	
Asset Management	The Asset Management 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.	1,707 <u>1,213</u>	494
Biodiversity	Biodiversity 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.	1,219 <u>1,304</u>	(85)
Building	Council's Building service provides for building assessment and regulatory services in accordance with the <i>Building Act 1993</i> and other relevant legislation. The service issues Building Permits, performs building inspections, responds to complaints with inspections and performs swimming pool inspections.	182 <u>553</u>	(371)
Facilities	Facilities 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.	2,522 <u>2,772</u>	(250)
Integrated Water Management	The Integrated Water Management service provides technical and strategic advice and drainage advice/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.	2,265 <u>2,237</u>	28
Major Initiatives	The Major Initiatives Unit provides for the delivery of major projects supplementing the full program of capital projects being delivered by the various delivery teams across Council. The Unit utilises a combination of internal and specialist skills, and includes architectural, quantity surveying, project management, construction management, specialist engineering and site supervision services.	260 <u>292</u>	(32)
Open Space Management	Open Space Management 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.	10,915 <u>11,617</u>	(702)
Operations	Operations 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.	3,185 <u>2,653</u>	532
Research and Mapping	Research and Mapping supports an evidence-based approach to policy development and decision-making by undertaking specialist research and mapping activities. The service also provides advice, builds organisational capacity and develops and implements new tools and applications in the area of research and mapping. The service is responsible for the maintenance of Council's GIS system, spatial database and online data resources.	76 <u>85</u>	(9)
Social and Community Infrastructure	The Social and Community Infrastructure service supports the organisation through an integrated approach to the development of community infrastructure plans relevant to the needs of local communities and the broader municipality. The service also manages the development, monitoring, compliance and review of all Community Wellbeing community facility licences and leases.	384 <u>285</u>	99
Sustainable Futures	Sustainable Futures 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.	357 <u>576</u>	(219)
Waste Management	The Waste Management service aims to minimise waste and provides waste collection and disposal services for the Knox community.	20,608 <u>19,410</u>	1,198

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF. Comments are provided to assist in understanding the results where there may be a discrepancy between this year's results and the previous year's (material variation). Knox Council has set its material variation threshold at +/-10% of the previous year's results.

Service/indicator/measure	2016-17	2017-18	Results 2018-19	2019-20	2020-21	Material variation comment
Waste Collection						
Satisfaction	63.86	76.56	109.58	100.60	108.85	
Kerbside bin collection requests						
[Number of kerbside garbage and recycling bin collection requests/Number of kerbside bin collection households] x1,000						
Service Standard	3.33	3.68	5.62	6.22	7.70	This year Council saw an increase in the number of missed bins due to an increase in working from home arrangements and parking pressures.
Kerbside collection bins missed						
[Number of kerbside garbage and recycling collection bins missed/Number of scheduled kerbside garbage and recycling collection bin lifts] x10,000						
Service Cost	\$108.62	\$106.87	\$108.96	\$111.34	\$112.92	
Cost of kerbside garbage bin collection service						
[Direct cost of the kerbside garbage bin collection service/ Number of kerbside garbage collection bins]						
Service Cost	\$11.65	\$19.89	\$45.00	\$64.64	\$72.79	Recycling processing costs continued to increase due to a changing waste and recycling sector, on a state, national and international level.
Cost of kerbside recyclables bin collection service						
[Direct cost of kerbside recyclables bin collection service/Number of kerbside recyclables collection bins]						
Waste Diversion	53.41%	51.97%	55.89%	53.44%	52.10%	
Kerbside collection waste 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						

We have housing to meet our changing needs

2020-21 highlights



Implemented the Housing Strategy to continue to guide residential development and strategic investigation sites



Reduced the time taken to decide planning applications from 31 days in 2019-20 to 28 days in 2020-21



Approved 240 one-and two-bedroom dwellings for construction

Results

Council targets

Council has progressed work towards achieving the Community and Council Plan targets identified under the strategies of each of the goals. These measures tell us if the work we have undertaken over the last four years has contributed to a positive change in our community.



Annual Plan progress

Council has completed one of the two initiatives identified under Goal 2 in the 2020-21 Annual Plan. Work continues to progress on the remaining initiative.

What we achieved in 2020-21

Progress against the targets and measures identified in the *Community and Council Plan 2017-21*.

Strategy 2.1: Plan for a diversity of housing in appropriate locations

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in the number of smaller dwellings available	The number of one and two bedroom dwellings approved for construction in Knox	623	227	258	240	In 2020-21, 240 one and two bedroom dwellings were approved for construction.
An increase in the number of new housing developments in well-located areas	The number of approved dwellings in activity centres	510	210	241	102	In 2020-21, 102 dwellings in activity centres were approved.

Strategy 2.2: Encourage high quality sustainable design

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
Improve high-quality sustainable design for all new, large developments	The number of sustainable design assessments for new residential developments with two or more dwellings and for non-residential developments with gross floor area of 550m ² or more	159	115	84	74	<p>74 sustainable design assessments were endorsed in 2020-21, relating to matters approved by a planning permit.</p> <p>Noteworthy outcomes included:</p> <ul style="list-style-type: none"> • Approximately 1,409kL of rainwater tanks offsetting potable water demand (noting however that the InSite Water tool generally dictates that applicants install increased rainwater tank sizes, post Drainage department's assessment/comment). • An average potential delivery of 6.4 star energy-efficient rated dwellings (-10% improvement in thermal performance of dwellings, beyond National Construction Code Building Code of Australia minimum requirements). • Approximately 1,520 tonnes of greenhouse gas emissions offset through developments incorporating energy-efficient design measures. • Installation of solar photovoltaic systems amounting to approximately 211 kilowatts including solar hot water heating across several developments.

Strategy 2.3: Support the delivery of a range of housing that addresses housing and living affordability needs

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in social and affordable housing in Knox	The amount of social housing that is affordable to low-income households in Knox	2%	2%	2%	2%	In 2020-21, social housing accounted for 2% of the total housing stock in Knox. This figure has remained stable since 2017-18.
	The amount of rental housing that is affordable to low-income households in Knox	2.9%	3.1%	2.7%	2.6%	2.6% of rental stock in Knox was considered affordable to low-income households for the period 1 July 2020 to 31 March 2021. Data for the final quarter of 2020-21 was not available at the time of reporting.

2020-21 Annual Plan

Key activities undertaken in 2020-21 to work towards the achievement of Goal 2.

Major initiative	Progress	Comment
Implement Council's Housing Strategy including facilitation of strategic redevelopment sites.	96%	<p>The Housing Strategy was implemented into the Knox Planning Scheme via Amendment C131. The Strategy (and the Knox Planning Scheme) continues to guide residential development and strategic investigation sites.</p> <p>Two strategic sites are currently underway—the Norvel Road Quarry site and the Boral site in Wantirna South. Council officers are working with both developers to ensure appropriate development outcomes. Preparation of the Housing Monitoring Report has commenced, and is scheduled to be reported to Council in July 2021.</p> <p>Council continues to be informed by the Department of Environment, Land, Water & Planning of updates and progress of the Eastern Region Land Use Framework Plan, and continues to seek clarification.</p>
Initiatives	Progress	Comment
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.	100%	<p>Council continues to work with members of the Eastern Affordable Housing Alliance (EAHA) and participate actively in the Regional Local Government Homelessness and Social Housing Charter as one of 13 councils across the East and South East. Council has commenced planning for the development of the Knox Social and Affordable Housing Strategy and Action Plan 2021-2025 which will detail key priorities for Council and strategically plan to deliver further social housing for specific identified population cohorts most in need. This document will replace the Affordable Housing Action Plan that expired in 2020.</p> <p>Council have updated the minimum supply paper and this information is being used to inform key stakeholders of the social housing need in Knox. Negotiations are underway with representatives of the Boral and Norvel Estate sites. Communication with registered housing associations and providers to understand their interest in these sites is continuing to occur.</p>

Services

The services funded in the 2020-21 Budget.

Service	Description	Net cost of providing this service in 2020-21	
		Budget	Actual Variance
		\$'000	
Municipal Strategic Social Planning	The Municipal Strategic Social Planning service supports the planning and implementation of the Community and Council Plan and related Council strategic plans and enables Council and community partners to make informed, effective decisions. The service conducts research, strategic planning, analysis and community consultation to identify relevant data to inform the development of evidence-based social policy and strategic planning responses and strategies for Council. This service supports and advises on service planning and community facility development within Knox service and facility proposals.	451	644 (193)
Planning Approvals	The Planning Approvals service provides for statutory planning assessment and enforcement and regulatory services under of the Planning and Environment Act and related Acts and Regulations.	1,795	1,821 (26)
Strategic Land Use Planning	The Strategic Land Use Planning Service undertakes research to inform planning policies and decisions. It also proactively updates the Knox Planning Scheme to reflect the Community and 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.	2,298	1,845 453

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF. Comments are provided to assist in understanding the results where there may be a discrepancy between this year's results and the previous year's (material variation). Knox Council has set its material variation threshold at +/-10% of the previous year's results.

Service/indicator/measure	2016-17	2017-18	Results 2018-19	2019-20	2020-21	Material variation comment
Statutory Planning						
Timeliness	63	70	65	31	28	
Time taken to decide planning applications						
[The median number of days between receipt of a planning application and a decision on the application]						
Service Standard	80.19%	76.60%	73.66%	85.46%	82.04%	
Planning applications decided within required timeframes						
[Number of planning applications decisions made within 60 days for regular permits and 10 days for VicSmart permits/ Number of planning applications decisions made] x100						
Service Cost	\$1,762.98	\$2,031.59	\$1,951.76	\$1,878.71	\$1,685.93	
Cost of statutory planning service						
[Direct cost of statutory planning service/Number of planning applications received]						The reduction in service cost per application is due to a combination of factors including an increase in applications from 2019-20 and therefore an increase in fee income, reduced legal and consultant costs due to fewer VCAT appeals, and reduced operating costs.
Decision-making	52.00%	54.05%	33.33%	58.62%	47.06%	
Council planning decisions upheld at VCAT						
[Number of VCAT decisions that did not set aside Council's decisions in relation to a planning application/Number of VCAT decisions in relation to planning applications] x100						The percentage of Council decisions upheld at VCAT dropped in 2020-21. Factors that influenced this outcome include a reduction in the number of appeals and the individual circumstances of each case.

GOAL 3

We can move around easily

2020-21 highlights



Held cycling maintenance courses, speed trailer program and Active Ageing Team's road safety program for over 55s



Reviewed Council's current public transport position in light of the Suburban Rail Loop project



Achieved a two-point increase in community satisfaction for sealed local roads from 68 in 2019-20 to 70 in 2020-21

Results

Council targets

Council has progressed work towards achieving the Community and Council Plan targets identified under the strategies of each of the goals. These measures tell us if the work we have undertaken over the last four years has contributed to a positive change in our community.



Annual Plan progress

Council has completed three of the four initiatives identified under Goal 3 in the 2020-21 Annual Plan. Work continues to progress on the remaining initiative.

What we achieved in 2020-21

Progress against the targets and measures identified in the *Community and Council Plan 2017-21*.

Strategy 3.1: Enable improved transport choices supported by integrated and sustainable transport systems and infrastructure

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in the number of vulnerable community members accessing Knox Council's Community Transport service	The number of people using Council's Community Transport service	16,945	17,679	12,095	2,334	2,334 clients used Council's Community Transport service in 2020-21. This was 9,761 fewer than 2019-20 due to the COVID-19 restrictions.
An increase in Council's advocacy efforts to improve transport in Knox	Media coverage relating to improving transport options in Knox	13	11	3	0	Significant changes in the media landscape have resulted in many local papers no longer being produced in print. As a result, Council's approach to advocacy on transport improvements has shifted to direct advocacy with the community and decision-makers, and this measure is no longer useful.
Maximising grant funding secured for transport improvements in Knox	The percentage of successful grant applications for transport improvements in Knox	71%	64%	78%	50%	Council was successful in receiving the Department of Transport Community Safety Grant to run cycling maintenance courses, speed trailer program and the Active Ageing Team's road safety program for over 55s.
An increase in the number of schools participating in the Walk2School program	The number of schools participating in the Walk2School program	28	25	18	0	Due to COVID-19 lockdowns and school closures, the Walk2School program was not run during 2020-21.

Strategy 3.2: Improve bike and footpath connectivity, including identifying gaps between existing bike routes, footpaths and key places

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
A decrease in the number of school crossing incidents	The number of school crossing incidents reported to Council	425	43	103	107	The majority of the 107 incident reports in 2020-21 were technical drive-throughs. Council are working very closely with the Department of Transport and Victoria Police to make our crossings as safe as possible for our supervisors.
Improved footpath connectivity in Knox	Kilometres of new footpaths constructed	1.8 km	1.65 km	0.8 km	0.42km	In 2020-21, 420 metres of new footpaths were constructed in the municipality. The decrease in kilometres of footpath constructed in 2020-21 is partially due to emphasis being placed on the construction of shared paths to allow for cyclists as well as pedestrians.
An increase in cyclists using Knox's shared path networks	The number of cyclists recorded on a typical day at a typical site on Knox's shared path networks	423	882	553	-	In 2020-21, cyclist counts were not able to be completed due to COVID-19 restrictions.

2020-21 Annual Plan

Key activities undertaken in 2020-21 to work towards the achievement of Goal 3.

Major initiative	Progress	Comment
Advocate to state and federal governments for improved sustainable transport infrastructure and services.	100%	Council continued to advocate to the state and federal governments for improved sustainable transport infrastructure and services in Knox. In 2020-21 this work included a review of Council's current public transport position in light of the Suburban Rail Loop project and working with the Eastern Transport Coalition to prepare a Supplementary Bus Review by identifying key bus network improvements.
Initiatives	Progress	Comment
Continue to advocate for all priority transport projects, including the Knox Tram, Rowville Rail, improved bus services, and the Dorset Road extension.	100%	Discussions in relation to the Dorset Road project led to election commitments from the Federal Liberal party representative for both the duplication of Napoleon Road and the delivery of the Dorset Road extension. Since the election, initial meetings have been held with The Hon. Alan Tudge MP to discuss the implementation of the projects, some of which will be delivered by the Victorian Government through the Department of Transport. Council has met with the project delivery team from the Major Roads Project Victoria in relation to the Dorset Road extension and Napoleon Road duplication. Detailed information is being provided to the project delivery team when requested.
Reduce the backlog of missing footpaths in Knox.	100%	In 2020-21, new footpaths were constructed at Boronia Road, Bayswater; Wellington Road, Rowville; and Albert Street, Upper Ferntree Gully. New shared paths were constructed at Napoleon Road, Lysterfield; Kelletts Road, Rowville; Mountain Highway, Boronia; and Ferntree Gully Road, Knoxfield.
Continue to progress implementation of the Mobility Implementation Plan.	82%	A number of accessible parking bays were installed in 2020-21 to improve access to schools and Council services. Delivery of the Mobility Implementation Plan has been delayed due to COVID-19 restrictions impacting the availability of consultants and contractors. Works are planned to be undertaken in the first half of the next financial year to address known issues. Pedestrian upgrades are currently being considered as part of intersection treatment upgrades at the intersections of Henderson Road/Kelletts Road and Henderson Road/Ferntree Gully Road. Advocacy for a pedestrian crossings program across major arterial roads has been undertaken through the Eastern Transport Coalition with direct engagement with the Minister for Public Transport and Roads and Road Safety.

Services

The services funded in the 2020-21 Budget.

Service	Description	Net cost of providing this service in 2020-21	
		Budget	Actual Variance \$'000
Community Transport	Council's Community Transport 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. The buses in operation enable people to do activities such 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 and other Council activities.	302	232 70
Traffic and Transport	Traffic and Transport 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.	3,624	3,633 (9)

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF. Comments are provided to assist in understanding the results where there may be a discrepancy between this year's results and the previous year's (material variation). Knox Council has set its material variation threshold at +/-10% of the previous year's results.

Service/indicator/ measure	2016-17	2017-18	Results 2018-19	2019-20	2020-21	Material variation comment
Roads						
Satisfaction of use Sealed local road requests [Number of sealed local road requests/ Kilometres of sealed local roads] x100	39.60	36.61	37.22	46.81	40.71	Fewer requests were made in relation to sealed road issues during 2020-21. This may correlate with an overall reduction in traffic volumes on the road network due to COVID-19 restrictions, and potentially a lower level of reporting. Council continues to invest in its road assets and their upkeep and recent condition audit results indicate that the overall condition of Council's roads is improving.
Condition Sealed local roads maintained to condition standards [Number of kilometres of sealed local roads below the renewal intervention level set by Council/Kilometres of sealed local roads] x100	95.56%	95.31%	96.70%	94.49%	93.92%	
Service Cost Cost of sealed local road reconstruction [Direct cost of sealed local road reconstruction/Square metres of sealed local roads reconstructed]	\$0	\$103.51	\$115.76	\$133.20	\$101.29	The road renewal program was placed out to tender as a single contract, which this year attracted extremely competitive rates.
Cost of sealed local road resealing [Direct cost of sealed local road resealing/ Square metres of sealed local roads resealed]	\$21.56	\$24.01	\$25.13	\$24.37	\$25.40	
Satisfaction Satisfaction with sealed local roads [Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]	68	69	73	68	70	

GOAL 4

We are safe and secure

2020-21 highlights



Removed 23,358m2 of graffiti reported on Knox Council's assets



Immunised 6,005 infants and children at Council-run immunisation sessions



2,427 properties complied with the requirements during the annual inspections at the start of the Fire Danger Period

Results

Council targets

Council has progressed work towards achieving the Community and Council Plan targets identified under the strategies of each of the goals. These measures tell us if the work we have undertaken over the last four years has contributed to a positive change in our community.



Annual Plan progress

Council has completed all four of the initiatives identified under Goal 4 in the 2020-21 Annual Plan.

What we achieved in 2020-21

Progress against the targets and measures identified in the *Community and Council Plan 2017-21*.

Strategy 4.1: Encourage and support the community to take responsibility for their own safety, and the safety of others

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in participation in community safety programs	The number of individuals participating in community safety activities	450	200	352	40	The ability to run face-to-face community safety activities was significantly impacted by COVID-19 in 2020-21. A community safety tool was developed and sent to all Knox sporting clubs and managers of Council facilities to increase awareness of community safety and crime prevention, as well as what they can do as a community group and how Council can support them.
An increase in the number of community safety programs delivered by Knox	The number of community safety activities delivered by Knox	3	8	9	5	In 2020-21, the Community Safety and Development Team facilitated the following community safety activities: <ul style="list-style-type: none"> • Knox Night Owl program (online) • three face-to-face Community Safety Audits • Liquor Accord meeting (online). <p>Due to COVID-19 restrictions and variance in the ability to conduct community safety programs face-to-face, programs were limited to online delivery in 2020-21.</p>

Strategy 4.2: Enhance community connectedness opportunities to improve perceptions of safety

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in the number of community activities on the prevention of family violence	The number of awareness-raising activities which incorporate family violence prevention	2	3	2	3	In 2020-21, Council ran three awareness-raising activities that incorporated the prevention of family violence: <ul style="list-style-type: none"> • 16 Days campaign—roadside banners and social media campaign • International Women's Day Choose to Challenge campaign (gender stereotypes) • Every Age Counts—Ageism campaign, prevention of elder abuse—Eastern Metropolitan Region collaboration
Improvement in knowledge and understanding of emergency management by non-emergency groups	Participation rates by non-emergency groups in emergency management education and programs	524	251	4	40	Emergency management education programs were impacted by COVID-19 restrictions in 2020-21. A number of online education programs were developed for non-emergency groups to participate in.

Strategy 4.3: Maintain and manage the safety of the natural and built environment

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
A decrease in the amount of reported graffiti on Knox Council's assets	The square metre amount of graffiti reported on Knox Council's assets	3,500 m2	13,800 m2	31,049 m2	23,358 m2	In 2020-21 Council contractors removed graffiti from a number of Council buildings, facilities and assets. Council was unable to engage the services of the Corrections Graffiti Removal Program during 2020-21 due to the COVID-19 restrictions. This resulted in a decrease in the proactive graffiti removal compared to 2019-20.
	The total number of graffiti incidents reported to Council	404	903	727	900	900 graffiti incidents were reported to Council in 2020-21.
	Uptake and utilisation of the VandalTrak reporting app	447	351	43	26	Incidents logged via Vandaltrak this financial year were significantly lower than previous years. An increase in Snap Send Solve graffiti reporting occurred in 2020-21. Review of communication plans in relation to graffiti reporting to Council will occur in the near future as part of the Graffiti Management Policy review.

Strategy 4.4: Protect and promote public health, safety and amenity

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
Improved bushfire safety throughout the bushlands interface areas of the municipality	The number of properties that comply with the requirements during the annual inspections at the start of the Fire Danger Period	2,490	2,456	2,742	2,427	In 2020-21, 2,427 properties in the Bushfire Management Overlay (BMO) complied with their obligations. Only 46 properties required a Fire Prevention Notice—which was only 1.8% of the total BMO inspections conducted.
An increase in infant and child immunisation rates in Knox	The number of infants and children in the Knox region who are immunised at Council-run immunisation sessions	8,818	6,281	6,957	6,005	In 2020-21, 6,005 infants and children from the Knox region were immunised at Council-run immunisation sessions. COVID-19 restrictions impacted school-aged immunisations due to inability to attend schools whilst they were closed due to COVID-19 restrictions.
Improvement in the quality of food services in Knox	The time taken to action food complaints	1.16 days	1.88 days	1.97 days	1.98 days	In 2020-21 Council actioned food complaints within 1.98 days of notification. This result was consistent with 2019-20.

Strategy 4.5: Support the provision of emergency services

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
Improved knowledge of the Municipal Emergency Management Plan throughout Knox	The number of individuals participating in Council-run emergency management events	95	83	100	70	Due to COVID-19 restrictions, Council conducted online delivery of emergency management events in 2020-21, including Bushfire Planning Workshop (December 2020) with 60 participants, and various promotions of online forums provided to Emergency Support Staff (ESS) and MEMPC members.

2020-21 Annual Plan

Key activities undertaken in 2020-21 to work towards the achievement of Goal 4.

Major initiative	Progress	Comment
Ensure Council's emergency management plans and sub-plans meet legislative requirements.	100%	<p>Council's Municipal Emergency Management Planning (MEMPC) has been audited by the SES and meets current legislative compliance requirements.</p> <p>Work is underway in the Eastern Metropolitan region, with the Regional Emergency Management Planning Committee (REMPC) and Eastern Metropolitan Councils Emergency Management Partnership (EMCEMP) to develop a standard MEMPC format that meets the Assurance Model.</p> <p>Community Emergency Risk Assessment (CERA) review process has been updated and this will be used into the future. The Storm & Flood Sub-Plan is being scheduled for review in the 2021 calendar year.</p> <p>With the commencement of the municipal arrangements under the <i>Emergency Management Legislation Amendment Act 2018</i> (EMLA Act 2018), the MEMPC and sub-plans now sit under the auspices of the Knox MEMPC Committee and Eastern Metropolitan Region Emergency Management Planning Committee—rather than in Council's plans. Council continues to administer these as they were originally developed as Council plans.</p> <p>MEMPC and sub-plans remain compliant to legislative requirements. CERA reviews are scheduled through the MEMPC period of operation (April 2019-April 2022) with any resulting changes to sub-plans to be effected as required. It is important to note that changes to sub-plans require external agency input and in some cases, authorisations.</p>
Initiatives	Progress	Comment
Implement a community safety program and build community connections to improve perceptions of safety within key locations across the municipality (including Boronia Activity Centre).	100%	<p>The public art project that includes the installation of light boxes and murals at key sites across Knox has progressed, with sites selected based on reducing the impact of graffiti and enhancing the look and feel of local areas. This project will continue over 2021-22. The commissioning of this work supports local artists with a program of art and design themes.</p> <p>Development of the Crime Prevention Through Environmental Design training package, upskilling staff in safer urban design, will continue over 2021-22, with staff workshops to be held towards the end of 2021.</p> <p>During school Term 3 2020, an online version of the Knox Night Owls program was developed and piloted over six weeks. The second Knox Night Owl program will commence in person at the end of July 2021 due to COVID-19 restriction delays. At this stage recruitment of volunteers and participants is progressing; training for volunteers commences early July 2021.</p> <p>The Lupton Way public art and lighting project is on track to be completed over 2021-22 as scheduled.</p>
Inform residents and conduct inspections of all properties within the Bushfire Management Overlay areas to ensure compliance with relevant legislation.	100%	<p>All 2020-21 Fire Hazard Inspections (FHIs) have been finalised. The FHIs for 2020-21 consist of two rounds. The first round was completed with 57 FHIs issued and three compulsory clearances. Inspections were completed prior to the declaration of the fire season (8 February 2021).</p> <p>The second round (first inspection with 18 FHIs issued) occurred in February 2021 and follow-up occurred mid-late March 2021, with 16 notices issued and one compulsory clearance.</p> <p>By the end of 2020-21, the final compulsory clearance was completed by a contractor.</p>
Engage with emergency services through the Municipal Emergency Management Planning Committee to assist with the adequate provision of emergency services across the municipality.	100%	<p>The Municipal Emergency Management Planning Committee (MEMPC) meets in accordance with the schedule and under the new requirements of the amended Emergency Management Act.</p>

Services

The services funded in the 2020-21 Budget.

Service	Description	Net cost of providing this service in 2020-21		
		Budget	Actual	Variance
				\$'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.	1,433	2,661	(1,228)
Emergency Management	Emergency Management 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.	555	458	97
Local Laws	This service provides local law and parking enforcement, school crossing supervision, and animal management programs to the community.	1,338	842	496



Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF. Comments are provided to assist in understanding the results where there may be a discrepancy between this year's results and the previous year's (material variation). Knox Council has set its material variation threshold at +/-10% of the previous year's results.

Service/indicator/measure	2016-17	2017-18	Results		2020-21	Material variation comment
			2018-19	2019-20		
Animal Management						
Timeliness	2.01	2.19	2.43	2.04	3.93	The time taken to action animal management requests in 2020-21 was impacted by the COVID-19 pandemic. Many non-urgent or non-essential animal requests such as registration follow-up were triaged and acted upon when circumstances allowed. Council did, however, act on all dogs at large, animal collection, attacks, and barking requests within 1-2 days.
Time taken to action animal requests [Number of days between receipt and first response action for all animal management requests/ Number of animal management requests]						
Service Standard	49.70%	51.51%	38.62%	51.18%	59.43%	Fewer animals were impounded in 2020-21 compared to the same period last year. Of the total number of animals collected (705), 419 were reclaimed or returned home. This figure includes animals directly reunited with their owners as part of Council's improved systems.
Animals reclaimed [Number of animals reclaimed/Number animals collected] x100						
Service Standard	-	-	-	33.38%	23.40%	Of the total number of animals collected (705), 165 were adopted or rehomed. This figure is significantly less than the previous reporting year, as there were more animals directly reunited with their owners as part of Council's improved systems.
Animal rehomed [Number of animals rehomed/Number of animals collected] x100						
Service Cost	-	-	-	\$5.35	\$5.03	
Cost of animal management service per population [Direct cost of animal management service/ Population]						
Health and safety	-	-	-	100%	100%	
Animal management prosecutions [Number of successful animal management prosecutions/Number of animal management prosecutions] x100						

GOAL 5

We have a strong regional economy, local employment and learning opportunities

2020-21 highlights



Organised 20 online events as part of Knox's Business Education program



Held 12 skills development workshops for community groups



Relocated Council's Operations Centre



Employed 80 individuals as part of the Working for Victoria scheme

Results

Council targets

Council has progressed work towards achieving the Community and Council Plan targets identified under the strategies of each of the goals. These measures tell us if the work we have undertaken over the last four years has contributed to a positive change in our community.



Annual Plan progress

One of the four initiatives identified under Goal 5 in the 2020-21 Annual Plan has been completed; work continues on the remaining four initiatives.

What we achieved in 2020-21

Progress against the targets and measures identified in the *Community and Council Plan 2017-21*.

Strategy 5.1: Attract new investment to Knox and support the development of existing local businesses, with a particular focus on the Advanced Manufacturing, Health, Ageing and Business Services sectors

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in access to and participation in Knox's Business Education Program	Participation numbers in Knox's Business Education Program	669	539	561	335	In 2020-21, 335 individuals attended a total of 20 online events as part of Knox's Business Education program, including Women on the Go Seminar, Digital Upskills Program, and Mentoring & Commercial Advice Program. Several events were cancelled due to poor registration numbers resulting from COVID-19 pressures placed on local businesses. Over 100 online events and workshops coordinated by other organisations such as the ATO, surrounding local governments and Australian Small Business Advisory Service were also promoted to local businesses during 2020-21. However, participation numbers by Knox businesses are not known.
Knox businesses have a better understanding of business support services offered by Council	The number of Knox businesses registered in the Knox Biz database	5,475	5,142	5,000	4,478	There are 4,478 businesses registered in the Knox Biz database as at June 2021. This figure is approximately 500 less than the 2019-20 reporting year due to the clean-up which occurred of the database during 2021. The clean-up focused on deleting duplicated, removing ceased businesses and other incorrect entries. This database relies on businesses keeping their details up to date.

Strategy 5.2: 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

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
Community infrastructure that fits changing community needs	The number of Council facilities developed in activity centres in Knox	1	1	0	0	Council received a report at the June 2021 Ordinary Meeting of Council into planning considerations for the provision of multi-purpose community facilities in the Bayswater Activity Centre. The Boronia Renewal Strategy continues to explore opportunities for the provision of community facilities within the Boronia Activity Centre.
Initiate investment in Wantirna Health Precinct	Completion and initial implementation of an investment strategy and planning framework for the Wantirna Health Precinct	-	30%	70%	85%	The masterplanning for the Wantirna Health Precinct has been finalised by the Victorian Planning Authority, with input from Council officers. The planning scheme amendment process has commenced, and is being led by the Department of Transport in association with Council, AAG, DHHS, and Eastern Health. The investment strategy, known as the Enterprise Corridor Strategic Directions paper, is complete.

Strategy 5.3: Promote and improve infrastructure and technology within the municipality and enhance strategic employment places for business

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in contributions collected from new development towards essential community infrastructure in line with the Development Contributions Plan	Contributions collected from new development towards essential community infrastructure in line with the Development Contributions Plan	-	-	-	-	The Development Contributions Plan has been completed and reported to Council in September 2020. A resolution has been made to commence the planning scheme amendment process to implement the Development Contributions Plan into the planning scheme. This could take 12-18 months post-September 2020 or longer subject to authorisation from the Minister. Contributions are therefore unlikely to be able to be collected until at least 2022 or 2023.

Strategy 5.4: Increase and strengthen local opportunities for lifelong learning, formal education pathways and skills development to improve economic capacity of the community

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in the participation rates for Knox skills development programs for community groups	The number of individuals participating in skills development programs run for community groups	84	206	179	177	In 2020-21, 177 people attended 12 skills development workshops.
An increase in skills development programs run for community groups	The number of skills development programs run annually	9	11	13	12	In 2020-21, Council ran 12 skills development programs.

2020-21 Annual Plan

Key activities undertaken in 2020-21 to work towards the achievement of Goal 5.

Major initiative	Progress	Comment
Continue to implement the Knox Central program to progress the development of a new Civic and Arts precinct for Knox.	63%	<p>The relocation of Council's operations centre has now concluded and the new site is fully operational.</p> <p>Design of the Knox Central Library is awaiting confirmation of the Westfield shopping centre redevelopment timeline.</p> <p>The Contract of Sale has been executed for the land acquisition for Lewis Park frontage and Knox Central road links. The subdivision process required for road parcel is underway and expected to be completed within the first quarter of 2021-22. Settlement on both parcels will occur together once the road parcel title has been established.</p> <p>Land acquisition was a critical dependency for the development of a masterplan for the future civic precinct and Council's land holdings. Consequently, masterplanning was deferred by agreement until acquisition concluded.</p>
Initiatives	Progress	Comment
Develop and implement a Strategic Asset and Investment Strategy to best achieve community and Council outcomes through the implementation of targeted investment strategies.	85%	The Senior Strategic Advisor Sustainable Investment commenced on 29 March 2021, and a Draft Asset Leveraging Program has now been completed. Work to update the Strategic Asset Investment Framework has commenced.
Participate and collaborate regionally to plan for improved infrastructure in and between key priority employment precincts, activity centres and residential areas.	72%	The Eastern Region Land Use Framework Plan has been completed. Council officers continue to contribute to discussions, and the progress of, the Greater South East Melbourne City Deal.
Explore as part of the People Strategy opportunities for Knox City Council to provide employment opportunities for disadvantaged groups.	100%	<p>Council was successful in obtaining a \$3.073M grant to recruit people experiencing disadvantage via the Working for Victoria (WV) scheme. Council successfully filled all 70 approved WV grant positions. Due to resignations, roles vacated early were reappointed, therefore 80 project employees commenced in total with Knox during the life of the Agreement (9 June 2020-30 June 2021).</p> <p>16 WV employees were offered casual or temporary employment opportunities beyond the conclusion of their WV contract and three were successful in securing permanent employment with Council.</p> <p>Sessions have been held with WV participants—people managers and employees—to capture stories about people's experience through their employment with Knox and to acknowledge fantastic achievements.</p>
Advance the next stage of the collaborative Strategic Investment and Development Program in partnership with Maroondah City and Yarra Ranges councils and the State Government for the Bayswater Industrial/Employment Precinct with a focus on business networks, precinct amenity, streamlining assessment and new investment.	75%	The Bayswater Business Precinct Transformation Strategy, being undertaken by SGS Economics and Planning, is progressing. The new Bayswater Business Precinct Project Coordinator started on 15 March 2021. Consultation commenced in April 2021, and Draft Strategy is under review by the three member Councils.

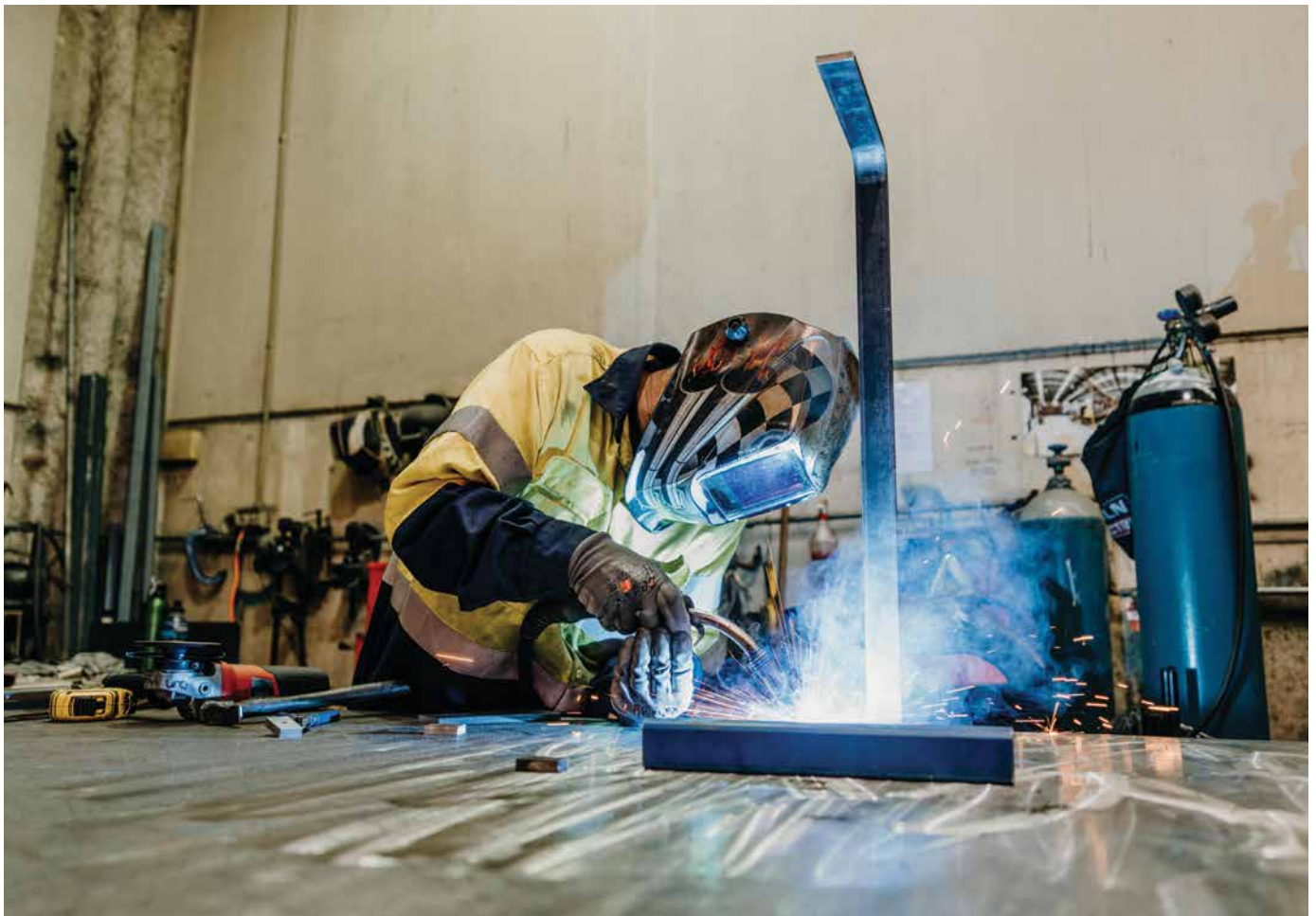
Services

The services funded in the 2020-21 Budget.

Service	Description	Net cost of providing this service in 2020-21		
		Budget	Actual	Variance
				\$'000
Economic Development	The Economic Development service aims to realise Knox’s potential as a prosperous, sustainable economy. It provides an integrated approach to information, advice and action to generate local employment opportunities, encourage and attract new investment, and position the municipality as a leading vibrant and diverse place of business. The services focuses on initiatives and projects around business support, partnerships and alliances, investment facilitation and research. The service contributes to the overall health and wellbeing of the Knox community.		4,647	1,424
				3,223
Investment and partnerships	This service creates the projects and implementation frameworks required to help Council activate its priorities from the Community and Council Plan. The service employs a venture planning and partnership building approach to align people, capital and ambition to create a sustainable and resilient City.		462	527
				(65)

Local Government Performance Reporting Framework

There are no prescribed LGPRF service performance indicators and measures relevant to Goal 5.



GOAL 6

We are happy, healthy and well

2020-21 highlights



Developed a Mental Health
Action Plan 2021-2025



Re-designed the Knox Seniors
Festival and Knox Over 55s Zest4Life
as online events during COVID-19
to keep people connected



Provided additional mental health training
and supports to Council staff as part of
Council's response to its workforce

Results

Council targets

Council has progressed work towards achieving the Community and Council Plan targets identified under the strategies of each of the goals. These measures tell us if the work we have undertaken over the last four years has contributed to a positive change in our community.



Annual Plan progress

Council has completed all initiatives identified under Goal 6 in the 2020-21 Annual Plan.

What we achieved in 2020-21

Progress against the targets and measures identified in the *Community and Council Plan 2017-21*.

Strategy 6.1: Mitigate lifestyle risks such as smoking, risky alcohol consumption and drug use, obesity, lack of physical activity and poor nutrition

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in health promotion, harm minimisation education and capacity building within Knox sporting clubs	The number of health promotion, harm minimisation education and capacity building programs delivered within Knox sporting clubs	4	4	4	6	In 2020-21, Council held six programs which incorporated health promotion, harm minimisation education and capacity building. These programs were as follows: <ul style="list-style-type: none"> • Financial Management • Women in Sport Leadership • Participation Strategies • Mental Health Awareness (held twice) • Relationship Coaching

Strategy 6.2: Support the community to enable positive physical and mental health

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in the number of females participating in sport	The number of females participating in organised sports in Knox	9,406	10,493	-	9,318	Due to the COVID-19 pandemic, participation numbers for 2020-21 are lower than 2019-20 when they were last reported.
Sustain the number of juniors (under 17) participating in sport	The number of juniors participating in organised sports	14,276	16,035	-	16,288	In 2020-21, 16,288 juniors participated in organised sports.
An increase in the number of people with a disability participating in sport	The number of people with a disability actively participating in organised sport	311	317	-	312	In 2020-21, 312 people with a disability actively participated in organised sport.
An increase in the number of Indigenous people participating in sport	The number of Indigenous people actively participating in organised sports	60	67	-	78	In 2020-21, 78 Indigenous people actively participated in organised sports.
An increase in the number of Council programs broadened to incorporate mental health messages	The number of Council programs/ activities that incorporate and/or promote mental health messages	9	8	7	3	In 2020-21, Council hosted three mental health forums and developed a Mental Health Action Plan 2021-2025. At the final mental health forum held in June 2021, over 40 mental health practitioners attended and 26 organisations were represented. Following this successful forum, Council will host a Round Table in August 2021, when it is expected partners will participate to commence the implementation of the plan.
An increase in participation in active ageing activities	The number of participants attending Knox Seniors Festival events and Knox Over 55s Zest4Life events	5,358	5,469	6,829	1,841	In 2020-21, a total of 1,841 people attended these events. <ul style="list-style-type: none"> • 235 attended Knox Seniors Festival online and Council distributed 200 'goody bags' to residents. This occurred in 2020 during lockdown. • 1,606 people attended a mixture of Knox Over 55s Zest4Life events, both online. <p>A great deal of work was involved in reimagining these events online during COVID-19 to keep people connected.</p>

2020-21 Annual Plan

Key activities undertaken in 2020-21 to work towards the achievement of Goal 6.

Major initiative	Progress	Comment
Finalise and implement the Key Life Stages Implementation Plan focusing on Early Years, Youth and Older People.	100%	<p>The Key Life Stages Plan is currently being discussed at Senior Leadership meetings to enable streamlining and improvement of current processes. It has been reviewed mid-year to ensure intergenerational and common actions are integrated into business planning across departments.</p> <p>Discussions with Council officers and the community occurred to identify emerging themes in light of COVID-19 and recovery efforts. Themes have been identified and included in the Key Directions, Strategies and Initiatives in the Draft Community and Council plans.</p>
Initiatives	Progress	Comment
Continue to implement Council's Health Promoting Organisation initiative in partnership with community organisations to positively affect organisational and community health outcomes.	100%	<p>Internally, the priority focus is on supporting Council to remain COVIDSafe. Significant and ongoing strategy, risk, people and culture support is being provided to departments and groups to ensure they plan for and operate in COVIDSafe ways.</p> <p>Additional mental health training and supports have been put in place and continue to be prioritised as part of Council's response to its workforce. Pulse surveys were introduced at the outset of the pandemic to monitor staff sentiment and feedback and to enable responsive support to arising issues and opportunities.</p> <p>In excess of 65 risk assessments related to COVID-19 have also been completed and are updated as circumstances change. In addition, Council employed additional temporary OHS & Wellbeing staff via the Working for Victoria grant program funded by the State Government, with these staff working on strategic and reactive aspects of Council's safety and wellbeing response.</p>
Deliver health promotion and harm minimisation programs including:	100%	<p>The Our Clubs project, looking at the impact on clubs accessing mental health support and healthy culture, is currently being evaluated, with a report due to be drafted in July 2021.</p> <p>The Men's Risky Drinking project has experienced delays due to COVID-19. Consultants have met and worked with clubs to discuss a co-design process to strengthen healthy club environments and family-friendly social events using a situational analysis club survey. The project will be completed in early 2023.</p>
<ul style="list-style-type: none"> • Education/capacity building programs with sporting clubs focused on cultural change • Advocacy to improve planning policy responses and regulatory framework that manage the density of alcohol outlets within places or locations. 		

Services

The services funded in the 2020-21 Budget.

Service	Description	Net cost of providing this service in 2020-21		
		Budget	Actual	Variance
		\$'000		
Active Communities	Active Communities 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 persons' support groups within the municipality. Food Services provides meals that are nutritionally balanced, and can cater for people with special dietary needs or allergies.		699	727 (28)
Active Living	Active Living provides a range of Commonwealth Home Support Programme (CHSP) 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.		1,038	2,324 (1,286)
Business Performance (Active Ageing & Disability Services)	Business Performance provides Home Maintenance and Home Modification services through the Commonwealth Home Support Programme (CHSP) and supports 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.		385	353 32
Integrated Services (Family and Children's Services)	Integrated Services provides high quality, integrated early years and family support services including: <ul style="list-style-type: none"> integrated early years hubs (where Council's centre-based early education and care services are located and integrated with Maternal and Child Health, playgroup and funded kindergarten (preschool)) Maternal and Child Health community and supported playgroups State Government funded kindergarten (preschool)—Council is an Early Years Management Organisation additional support (including the Preschool Field Officer Program) coordination and support for early years service operations and facility management. 		3,279	1,246 2,033
Leisure Services	Leisure Services provides strategic advice and management for Council's leisure facilities to enable the provision of sport, leisure, recreation and wellbeing to the Knox municipality. Attracting over 1.9 million annual visitations across the major leisure facilities, the strategic management provided by Leisure Services to community organisations contributes to the positive physical and mental health outcomes for the community. This service includes the management, operation and/or support for Council's leisure facilities including two Council-managed leisure centres (including aquatic facilities).		658	2,678 (2,020)
Occupational Therapy	Occupational Therapy provides a service that aims to maximise the safety and independence of frail older people, people who have a disability and their carers in their home. This is achieved by providing education about alternate ways of completing tasks and the use of aides and equipment. The Occupational Therapist (OT) can also make recommendations for the home modifications service and/or referrals to other useful local services, such as a podiatrist.		32	40 (8)
Strategy, Learning and Evaluation (Family and Children's Services)	Strategy, Learning and Evaluation provides: <ul style="list-style-type: none"> strategic planning for children and families in the municipality, including Council's early years services and infrastructure strategic policy development, research, monitoring, and evaluation for projects and matters impacting children and families in the Knox community support for Council's Early Years Advisory Committee partnerships between Council and non-Council early years services and community managed programs coordinated professional development, quality assurance and policy development for Council's early years services. 		3,617	3,303 314
Youth Services	Youth Services 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.		946	812 134

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF. Comments are provided to assist in understanding the results where there may be a discrepancy between this year's results and the previous year's (material variation). Knox Council has set its material variation threshold at +/-10% of the previous year's results.

Service/indicator/measure	Results					Material variation comment
	2016-17	2017-18	2018-19	2019-20	2020-21	
Aquatic Facilities						
Service standard Health inspections of aquatic facilities [Number of authorised officer inspections of Council aquatic facilities/ Number of Council aquatic facilities]	4	4	4	2	1	Due to the COVID-19 pandemic and State Government requirements, Council was only able to undertake one inspection of aquatic facilities in 2020-21. An aquatic water quality inspection conducted by an external contractor in December 2020. There was also an onsite meeting with Council's Environmental Health Office in preparation for Belgravia Leisure to submit the aquatic water quality risk assessment.
Utilisation Utilisation of aquatic facilities [Number of visits to aquatic facilities/Municipal population]	3.60	3.49	2.68	1.69	0.85	The COVID-19 pandemic resulted in multiple closures of Council's aquatic facilities and a decrease in attendance for 2020-21.
Service Cost Cost of aquatic facilities [Direct cost of aquatic facilities less income received/Number of visits to aquatic facilities]	-	-	-	\$0.32	\$3.65	The external costs of operating Knox Leisureworks in 2020-21 was \$511,376 (ex GST). This variance was due to COVID-19 closures and fee relief. The contract income fee was waived as a result and replaced with a caretaker fee for the duration of the closure.

Service/indicator/measure	Results					Material variation comment
	2016-17	2017-18	2018-19	2019-20	2020-21	
Food Safety						
Timeliness	1.62	1.16	1.88	1.98	1.98	
Time taken to action food complaints						
[Number of days between receipt and first response action for all food complaints/Number of food complaints]						
Service standard	99.55%	100.00%	100.00%	100.00%	103.05%	During last year COVID-19 saw the closure of many restaurants and ownership changes which meant they were inspected then closed or they were inspected and changed ownership. This is why we have 22 more inspections than premises registered.
Food safety assessments						
[Number of registered class 1 food premises and class 2 food premises that receive an annual food safety assessment in accordance with the Food Act 1984/Number of registered class 1 food premises and class 2 food premises that require an annual food safety assessment in accordance with the Food Act 1984] x100						
Service cost	\$635.51	\$420.10	\$453.64	\$477.77	\$478.91	
Cost of food safety service						
[Direct cost of the food safety service/Number of food premises registered or notified in accordance with the Food Act 1984]						
Health and safety	90.50%	90.16%	100.00%	100.00%	98.04%	
Critical and major non-compliance outcome notifications						
[Number of critical non-compliance outcome notifications and major non-compliance notifications about a food premises followed up/ Number of critical non-compliance outcome notifications and major non-compliance notifications about food premises] x100						

Local Government Performance Reporting Framework

Service/indicator/measure	Results					Material variation comment
	2016-17	2017-18	2018-19	2019-20	2020-21	
Maternal and Child Health (MCH)						
Service standard	101.47%	101.28%	101.10%	101.14%	100.49%	
Infant enrolments in the MCH service						
[Number of infants enrolled in the MCH service (from birth notifications received)/Number of birth notifications received] x100						
Service Cost	\$71.95	\$71.80	\$78.51	\$78.53	\$82.86	
Cost of the MCH service						
[Cost of the MCH service/ Hours worked by MCH nurses]						
Participation	80.88%	81.25%	79.12%	76.27%	75.82%	
Participation 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 the MCH service by Aboriginal children	87.30%	75.47%	77.97%	80.36%	85.48%	
[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						
Satisfaction	-	-	-	99.34%	96.33%	
Participation in 4-week Key Age and Stage visit						
[Number of 4-week key age and stage visits/Number of birth notifications received] x100						

GOAL 7

We are inclusive, feel a sense of belonging and value our identity

2020-21 highlights



5,400 people attended the virtual Knox Carols



110 Community Development Fund (CDF) grants were received



Knox recruited 94 volunteers

Results

Council targets

Council has progressed work towards achieving the Community and Council Plan targets identified under the strategies of each of the goals. These measures tell us if the work we have undertaken over the last four years has contributed to a positive change in our community.



Annual Plan progress

Council continues to work on one initiative identified under Goal 7 in the 2020-21 Annual Plan. One initiative was unable to progress due to a lack of funding.

What we achieved in 2020-21

Progress against the targets and measures identified in the *Community and Council Plan 2017-21*.

Strategy 7.1: Protect and preserve our local cultural heritage

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in people attending events aimed at embracing Aboriginal cultural heritage	The number of individuals attending Sorry Day	151	113	33	30	A limited number of people could attend Sorry Day due to COVID-19 restrictions. The event was live-streamed and received 1,413 views. The social media post was displayed in the feed of 3,145 Facebook users.
	The number of individuals attending National Aboriginal and Islander Day Observance Committee (NAIDOC) events	150	160	56	-	Due to COVID-19 restrictions, a social media campaign was undertaken for NAIDOC week in 2020-21.

Strategy 7.2: Celebrate our diverse community

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase the number of multicultural groups engaging in Council events and festivals	The number of multicultural groups participating in Council-run community festivals and events.	19	36	27	5	In 2020-21, significant changes needed to be made to each events program and mode of delivery, due to COVID-19. The stakeholders engaged, including multicultural groups, were vastly different to normal event seasons.
An increase in the number of new and emerging groups applying for Council grants	The number of applications for grants	76	76	102	110	In 2020-21, 110 Community Development Fund (CDF) grants were received. This is the highest number of applications ever received for CDF grants and may be attributed to the COVID-19 pandemic.



Strategy 7.3: Strengthen community connections

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
Sustain attendance at Knox-run community festivals, event and projects	The number of individuals attending the Knox Carols	-	15,000	21,000	5,400	In 2020-21, the Knox Carols event was adapted to a virtual program in response to COVID-19 restrictions. There were 5,400 views on the virtual Knox Carols Facebook live-stream.
	The number of individuals attending the Knox Festival	25,000	12,500	20,000	1,196	The Knox Festival was cancelled in response to the Public Events Framework and restrictions on events in response to COVID-19. Instead, a series of small-scale COVID-19 compliant pop-up events were delivered including: <ul style="list-style-type: none"> • three Drive-In Cinemas • Easter Fun at Miller's. <p>Unfortunately, two pop-up events had to be cancelled due to the February snap lockdown, these included:</p> <ul style="list-style-type: none"> • one Drive-In Cinema • Harmony at Sunset.
	The number of individuals attending Stringybark	15,000	12,000	11,000	11,000	In 2020-21, Stringybark Festival was adapted to a virtual program in response to COVID-19 restrictions. There were 11,000 views on the Stringybark Facebook live-stream of the virtual program.
An increase in the percentage of participants reporting their enjoyment of attendance at Knox-run events and festivals	The number of surveyed participants who report that they enjoyed the event/ festival attended	89%	95%	83%	97%	Feedback was collected from attendees of the Drive-In Cinema series with 97% saying they would attend again.

Strategy 7.4: Promote and celebrate the contribution of our volunteers

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
An increase in the number of volunteers registered and trained to support Council programs	The number of volunteers registered and trained to support Council programs	112	167	58	96	In 2020-21, Council recruited 96 volunteers. Although this is a significant increase from 2019-20, we are not yet back to pre-pandemic recruitment levels. The increase is largely a result of Advisory Committee membership recruitment, and recruitment of volunteers who can engage 'online.' Many front-facing volunteer roles such as Kindergarten, Biodiversity and Night Owls have focused their efforts on returning current volunteers to active duty rather than on recruitment.

2020-21 Annual Plan

Key activities undertaken in 2020-21 to work towards the achievement of Goal 7.

Major initiative	Progress	Comment
Design, develop and implement an integrated facility and service advocacy and management approach across the organisation to ensure a consistent approach and improve efficiencies with the management of Council's buildings.	80%	A review of the Asset Renewal Gap was completed in February 2021. Asset condition audits and formal asset valuations inform the renewal backlog. Condition audits including the completion of drainage, shared paths and buildings will be completed in the next financial year. A review of the asset renewal gap will be completed when new condition audit data is received. Audits are currently on hold due to COVID-19.
Initiatives	Progress	Comment
Develop a plan for the ongoing protection and management of Indigenous and post-European settlement heritage resources related to Knox.	N/A	This initiative was addressed in a report to Council on 25 June 2018. Business cases were prepared in December 2018 and December 2019. These were not supported as part of the respective budget deliberations/adoptions, and as such, a heritage study cannot progress.

Services

The services funded in the 2020-21 Budget.

Service	Description	Net cost of providing this service in 2020-21		
		Budget	Actual	Variance
				\$'000
Arts & Cultural Services	Arts and Cultural Services delivers and engages the local community in a range of arts and cultural services and programs, including performing arts, events, festivals, arts courses, performances and public art projects.	1,865	1,575	290
Community Access, Equity and Safety	The Community Access, Equity and Safety service supports and advocates for the disadvantaged and marginalised communities and fosters an accessible, inclusive, safe and supportive Council and community.	819	544	275
Community Partnerships	Community Partnerships supports and strengthens local not-for-profit groups to be active, sustainable and resilient. This service also supports the development of new community organisations and community mobilisation and activity, as appropriate, in response to changing community needs and dynamics.	1,856	1,765	91
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 City, Yarra Ranges and Knox City councils.	5,033	4,638	395



**The Community Access,
Equity and Safety
service fosters an
accessible, inclusive,
safe and supportive
Council and community.**

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF. Comments are provided to assist in understanding the results where there may be a discrepancy between this year's results and the previous year's (material variation). Knox Council has set its material variation threshold at +/-10% of the previous year's results.

Service/indicator/ measure	2016-17	2017-18	Results 2018-19	2019-20	2020-21	Material variation comment
Libraries						
Utilisation Physical library collection usage [Number of physical library collection item loans/Number of physical library collection items]	9.03	10.03	9.83	8.14	4.62	Physical library collection usage was impacted by the COVID-19 pandemic and library closures in 2020-21.
Resource Standard Recently purchased library collection [Number of library collection items purchased in the last 5 years/Number of library collection items] x100	78.25%	76.07%	73.30%	70.98%	80.78%	Due to the initial COVID-19 lockdown and associated logistical challenges, a backlog of 2019-20 library item orders were delivered during the 2020-21 year, increasing the number of new items in the collection compared to last year. Eastern Regional Libraries also performed a systematic weeding process to remove older/unused items from our collection in preparation for the new Library Management System migration in November 2020. This resulted in a significantly improved library collection standard compared to last year.
Participation Active library borrowers in municipality [Number of active library borrowers in the last three years/The sum of the population for the last three years] x100	13.01%	13.39%	13.28%	12.87%	11.41%	
Service Cost Cost of library service per population [Direct cost of library service/Population]	-	-	-	\$21.64	21.03	

GOAL 8

We have confidence in decision-making

2020-21 highlights



Adopted the new Community Engagement Policy



Launched the new Community Engagement Platform Knox: *Have Your Say*



Received the highest result to date for community perceptions of overall performance in the annual Community Satisfaction Survey

Results

Council targets

Council has progressed work towards achieving the Community and Council Plan targets identified under the strategies of each of the goals. These measures tell us if the work we have undertaken over the last four years has contributed to a positive change in our community.



Annual Plan progress

Council has completed two of the three initiatives identified under Goal 8 in the 2020-21 Annual Plan. Work continues to progress the remaining initiative.

What we achieved in 2020-21

Progress against the targets and measures identified in the *Community and Council Plan 2017-21*.

Strategy 8.1: Build, strengthen and promote good governance practices across government and community organisations

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
Increased opportunities for community participation in Council's decision-making, clarifying the limits of influence.	Community perceptions of Council performance (Index Score 0-100) in making community decisions	56	60	58	60	Council increased community perceptions of performance in making community decisions by two index points in 2020-21 to a high of 60.
	Community perceptions of Council performance (Index score 0-100) in customer service	77	80	76	76	Knox maintained its strong results in the area of customer service in 2020-21. Community perceptions of Council's performance in this area were higher than both the metropolitan and state council averages.
	Community perceptions of overall Council direction (Index score 0-100)	52	57	53	54	Community perceptions of Council's overall direction increased by one point in 2020-21 and was higher than the state council average.
	Community perceptions of overall Council performance (Index score 0-100)	65	68	66	69	Council received its highest result to date for overall performance. This result was a three-point increase from 2019-20 and higher than both the metropolitan and state council averages.
	Number of Council decisions made at meetings closed to the public	5.81%	3.77%	5.88%	10.40%	Council endeavours to make decisions in public meetings wherever practicable. However, some decisions are appropriate to make in meetings closed to the public and, the volume of confidential resolutions will vary depending on the business coming before Council. The increase seen in 2020-21 is attributed to a significant proportion (5) of decisions relating to the management and recruitment of the Chief Executive Officer, and several matters that were the subject of multiple reports during the year.
An increase in the number of Council services with a technology-based self-service option	Council services with a technology-based self-service option	—	84	136	434	The delivery of the ICT Strategy and its programs has continued to deliver an increase in online service offerings and community convenience.
A reduction in the funding gap for the renewal of infrastructure	The funding gap for renewal of infrastructure	\$29.7m	\$29.1m	\$38.9m	\$38.9m	Council's renewal funding gap remains at \$38.9m. Condition audits of Council's infrastructure only occurred towards the end of 2020-21, therefore new data is yet to be processed.
Deliver community grant programs with robust governance structures	The number of funded groups who acquit their 'Community Operational Grants' or 'Community Development Funds' on time for their intended spend	94%	95%	100%	100%	All successful grant recipients have acquitted on time. As minor grants are offered throughout the year, acquittal times vary depending on the request.

Strategy 8.2: Enable the community to participate in a wide range of engagement activities

What we are aiming for	How we measure our impact	2017-18 result	2018-19 result	2019-20 result	2020-21 result	Comment
Increased opportunities for community participation in Council's decision-making, clarifying the limits of influence	Community perceptions of Council performance (Index Score 0-100) in community consultation and engagement	53	59	57	58	Significant work was undertaken in 2020-21 to improve Knox's approach to Community Engagement and outcomes for the community. Knox achieved a one-point increase in community perceptions of performance in this area in 2020-21.
	Community perceptions of Council performance (Index Score 0-100) in advocacy (lobbying on behalf of the community)	55	58	57	58	Council continued to undertake significant advocacy work on behalf of the community in 2020-21 resulting in an increase in community perceptions of performance. Knox's result was above both state and metropolitan council averages.

2020-21 Annual Plan

Key activities undertaken in 2020-21 to work towards the achievement of Goal 8.

Major initiative	Progress	Comment
Conduct the 2020 general election and implement a comprehensive induction program for the elected members.	100%	The Councillor Induction Program, conducted in partnership with the Victorian Local Governance Association (VLGA), commenced in November 2020 and concluded in February 2021, in compliance with the <i>Local Government Act 2020</i> . The Councillor Induction Program comprised of seven modules.
Initiatives	Progress	Comment
Continue to implement the Community Group Training Program through community organisations and by Council.	100%	Twelve Community Group Training sessions were offered in 2020-21, with 177 people in attendance.
Review and implement Council's updated Community Engagement approach.	100%	<p>Knox's Community Engagement Policy was adopted at the ordinary Council meeting on 22 February 2021 after community consultation.</p> <p>Throughout the year, work progressed on the implementation of the policy and Council's fit-for-purpose approach to community engagement, including:</p> <ul style="list-style-type: none"> development of a Community Engagement Framework and Action Plan implementation of an ongoing staff training program launch of a new community engagement platform. <p>The new Community Engagement Platform, <i>Knox: Have Your Say</i>, was launched in February 2021. At the end of the financial year, the platform had been viewed over 17,000 times and community members made 1,026 contributions on decisions that directly affected them.</p> <p>Work continues to build Council's approach to engagement to improve outcomes for our community.</p>
Finalise and implement Council's Advocacy Framework through delivering targeted advocacy campaigns in line with Council's objectives.	59%	Progression of this initiative has been delayed as Council is in the process of determining priorities for the next Community and Council plans. The advocacy priorities will be drawn from the new plans. Advocacy priorities have now been confirmed to revise the Community Investment Plan. Work has commenced through regional groupings of councils on the federal election campaign.

Services

The services funded in the 2020-21 Budget.

Service	Description	Net cost of providing this service in 2020-21	
		Budget	Actual Variance
		\$'000	
Communications	Communications 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.	1,742	<u>1,682</u> 60
Customer Service	Council's Customer Service is designed to support the delivery of a range of 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.	1,903	<u>1,795</u> 108
Financial Services	Financial Services provides the strategic thinking, leadership, service delivery and management of all matters relating to financial management. The service 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 service works closely with Governance to develop and support the organisational financial compliance frameworks and works across the organisation educating and supporting stakeholders.	2,368	<u>2,673</u> (305)
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 is responsible for Council's integrity framework, including the Audit Committee, fraud and corruption prevention, privacy compliance and Freedom of Information.	4,578	<u>4,313</u> 265
Human Resources	The Human Resources 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.	5,934	<u>6,660</u> (726)
Information Technology	Information technology incorporates provision of information technology 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.	6,814	<u>6,466</u> 348
Innovation	The Innovation service is responsible for the development and deployment of strategies to support the organisation transforming to a customer-centric, innovative, continuous improvement capable organisation. The service is responsible for the development, deployment and support of Knox LEAN and other innovation methods as developed and assessed as suitable for Council. The team tracks and reports the organisational activity and benefits associated with the programs.	649	<u>570</u> 79
Strategy and Business Intelligence	The Strategy and Business Intelligence team is an integrated suite of functions designed to enhance business insights, strategic planning and engagement to shape decision-making. The team leads the organisation in the development and implementation of Council's Strategic Planning Framework, including the Community and Council plans and aims to improve outcomes for the Knox community through developing and sharing crucial insights.	901	<u>667</u> 234

Local Government Performance Reporting Framework

This section contains the results of prescribed service performance indicators and measures of the LGPRF. Comments are provided to assist in understanding the results where there may be a discrepancy between this year's results and the previous year's (material variation). Knox Council has set its material variation threshold at +/-10% of the previous year's results.

Service/indicator/measure	2016-17	2017-18	Results 2018-19	2019-20	2020-21	Material variation comment
Governance						
Transparency	4.05%	5.81%	3.77%	5.88%	10.40%	Council endeavours to make decisions in public meetings wherever practicable. However, some decisions are appropriate to make in meetings closed to the public and, the volume of confidential resolutions will vary depending on the business coming before Council. The increase seen in 2020-21 is attributed to a significant proportion (5) of decisions relating to the management and recruitment of the Chief Executive Officer, and several matters that were the subject of multiple reports during the year.
Council decisions made at meetings closed to the public [Number of Council resolutions made at ordinary or special meetings of Council, or at meetings of a special committee consisting only of Councillors, closed to the public/Number of Council resolutions made at ordinary or special meetings of Council or at meetings of a special committee consisting only of Councillors] x100						
Consultation and engagement	55	53	59	57	58.00	
Satisfaction with community consultation and engagement [Community satisfaction rating out of 100 with how Council has performed on community consultation and engagement]						
Attendance	99.21%	90.60%	90.48%	87.96%	98.41%	
Councillor attendance at Council meetings [The sum of the number of Councillors who attended each ordinary and special Council meeting/(Number of ordinary and special Council meetings) x (Number of Councillors elected at the last Council general election)] x100						
Service Cost	\$55,473.56	\$53,622.78	\$53,862.89	\$53,714.33	\$51,449.33	
Cost of elected representation [Direct cost of the governance service/Number of Councillors elected at the last Council general election]						
Satisfaction	55	56	60	58	60	
Satisfaction with Council decisions [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]						

Governance and statutory information

Governance

Knox City Council is constituted under the *Local Government Act 1989* to provide leadership for the good governance of the municipality and the Knox community.

Council is committed to effective and sustainable forms of leadership as the key to ensuring the community's priorities are met. The community has many opportunities to provide input into Council's decision-making processes, which include community consultation, public forums and the ability to make submissions to Council on a range of matters.

Council delegates the majority of its decision-making to Council's CEO and other staff. These delegations are exercised in accordance with adopted Council policies and budget. Knox's formal decision-making processes are conducted through Council meetings and special committees of Council.

Local Government Act 2020

Described as the most comprehensive reform of local government in Victoria for 30 years, the *Local Government Act 2020* (the Act) received Royal Assent on 24 March 2020. The Act will improve local government democracy, accountability and service delivery for all Victorians.

The Act is being implemented in four staggered stages to ensure councils have sufficient time to comply with the new statutory requirements.

Council has continued to implement the provisions of the Act in 2020-21 with stage three of the transition falling on 24 October 2020, aligned to the date of the general election.

This Annual Report has been prepared according to the requirements of the *Local Government Act 2020*.

Council and committee meetings

Council meetings

Council meetings are typically scheduled on the fourth Monday of each month. Additional Council meetings can be called for specific purposes if required.

Meetings are typically held at the Knox Civic Centre located at 511 Burwood Highway, Wantirna South and open to the public except in specific circumstances (for example, where the meeting is to consider confidential information).

During 2020-21, COVID-19 temporary measures inserted into the *Local Government Act 2020* enabled Council meetings to be conducted virtually through electronic attendance, and/or in the absence of a public gallery, provided they were live-streamed, or recorded, as is Council's practice.

Monthly meetings also provide the opportunity for community members to submit a question to the Council and to speak to their question.

Delegated/special committee meetings

Strategic Planning Committee meetings are typically scheduled on the second Monday of each month, excluding January.

The Strategic Planning Committee was originally established as a special committee under section 86 of the *Local Government Act 1989*. The Strategic Planning Committee was dissolved and re-established in August 2020, as a delegated committee under section 63 of the new *Local Government Act 2020*.

The purpose of the Strategic Planning Special Committee is to exercise Council's functions and powers and to perform Council's duties in relation to any matter within its delegation, in a decision-making forum with less procedural formality than a Council meeting, enabling more extensive discussion and debate, particularly for, but not limited to, strategic- and policy-related matters; and to receive deputations and presentations from external parties and Council staff.

Meetings were typically held at the Knox Civic Centre located at 511 Burwood Highway, Wantirna South and open to the public except in specific circumstances (for example, where the meeting is to consider confidential information). During 2020-21, COVID-19 temporary measures inserted into the *Local Government Act 2020* enabled delegated committee meetings to be conducted virtually through electronic attendance, and/or in the absence of a public gallery, provided they were live-streamed, or recorded, as is Council's practice.

Other committee meetings

In addition to the regular meetings of Council, Councillors are appointed to various internal and external committees.

The following tables provide a summary of Councillor attendance at Council meetings, Strategic Planning Committee meetings, and various other committees for the 2020-21 financial year.

Meetings of Council 2020-21 financial year

Committee	Councillors whose term concluded in October 2020					Councillors re-elected for Council term 2020-2024			
	Lockwood	Mortimore	Gill	Keogh	Holland	Timmers-Leitch	Cooper	Pearce	Seymour
SPECIFIC PURPOSE COMMITTEES									
Audit and Risk Committee					0/1		3/3	4/4	1/1
Australia Day Awards Committee									1/1
CEO's Performance Evaluation Committee	2/2	2/2	0/2	1/2	1/2	4/4	2/4	2/4	2/2
ICT Governance Committee	1/1							3/3	1/1
STRATEGIC PROJECTS COMMITTEES									
Knox Central Advisory Committee									
WORKING GROUPS									
Knox Regional Sports Park Working Group									
Knox Hockey Working Group						1/1			
LIFE STAGES GROUP									
Early Years Advisory Committee			0/1				0/1		
Youth Advisory Committee				2/2		2/2			
Active Ageing Advisory Committee		2/2							5/6
SUSTAINABLE DEVELOPMENT GROUP									
Environment Advisory Committee								3/4	
Community Safety, Health and Wellbeing Committee		2/2			0/2				
INCLUSIVE, ACTIVE AND CREATIVE COMMUNITIES GROUP									
Knox Disability Advisory Committee		0/2							6/6
Knox Multicultural Advisory Committee	3/3					5/5			
Arts and Culture Committee	1/1	1/1				4/4			
Recreation and Leisure Committee				2/2	1/2	2/2	2/2		
GRANTS EVALUATION GROUP									
Community Development Fund Evaluation Panel						5/5			
Leisure Minor Capital Works Grant				0/4					5/5

Governance and statutory information

Meetings of Council 2020-21 financial year

Councillors first elected for Council term 2020-2024

Committee	Grasso	Allred	Laukens	Baker	Dwight
SPECIFIC PURPOSE COMMITTEES					
Audit and Risk Committee					
Australia Day Awards Committee		1/1	1/1		
CEO Performance Evaluation Committee		2/2	1/2		1/2
ICT Governance Committee		2/2			
STRATEGIC PROJECTS COMMITTEES					
Knox Central Advisory Committee					
WORKING GROUPS					
Knox Regional Sports Park Working Group					
Knox Hockey Working Group					
LIFE STAGES GROUP					
Early Years Advisory Committee		3/3			1/3
Youth Advisory Committee					
Active Ageing Advisory Committee				3/3	
SUSTAINABLE DEVELOPMENT GROUP					
Environment Advisory Committee					3/4
Community Safety, Health and Wellbeing Committee	2/3		2/3		2/3
INCLUSIVE, ACTIVE AND CREATIVE COMMUNITIES GROUP					
Knox Disability Advisory Committee				2/2	
Knox Multicultural Advisory Committee	4/4				
Arts and Culture Committee	3/3		3/3		
Recreation and Leisure Committee		2/2	2/2		
GRANTS EVALUATION GROUP					
Community Development Fund Evaluation Panel			1/1		
Leisure Minor Capital Works Grant		1/1			

Council meeting attendance

	Councillors first elected for Council term 2020-2024					Councillors re-elected for Council term 2020-2024				Councillors whose term concluded in October 2020				
	Allred	Dwight	Grasso	Baker	Laukens	Cooper	Pearce	Seymour	Timmers-Leitch	Gill	Holland	Keogh	Lockwood	Mortimore
Council Meetings														
Meetings in term	9	9	9	9	9	14	14	14	14	5	5	5	5	5
Attendance	9	9	9	9	9	13	14	14	14	4	5	5	5	5
Strategic Planning Committee														
Meetings in term	5	5	5	5	5	8	8	8	8	3	3	3	3	3
Attendance	5	5	5	5	5	8	8	8	8	2	3	2	3	3

Councillor allowances

Councillors	Allowance
Cr Peter Lockwood	\$7,960
Cr John Mortimore	\$7,960
Cr Marcia Timmers-Leitch	\$33,031
Cr Adam Gill	\$7,960
Cr Jake Keogh	\$7,960
Cr Tony Holland	\$7,960
Cr Lisa Cooper	\$86,570
Cr Darren Pearce	\$33,031
Cr Nicole Seymour	\$50,496
Cr Jude Dwight	\$25,071
Cr Meagan Baker	\$25,071
Cr Sorina Grasso	\$25,071
Cr Susan Laukens	\$25,071
Cr Yvonne Allred	\$25,071

Governance and statutory information

Councillor expenses

Councillors are entitled to have paid, or reimbursed, any necessary out-of-pocket expenses incurred while performing their duties. Council is also required to make available a 'minimum toolkit' of resources for Councillors including computers, phones and a vehicle for the Mayor.

EXPENSES FOR 2020-21

Councillor	Performance of the role	Professional development	Travel	Grand total
Baird—Cr Allred	\$592.75			\$592.75
Baird—Cr Lockwood	\$840.78			\$840.78
Chandler—Cr Dwight	\$584.11			\$584.11
Chandler—Cr Mortimore	\$768.14			\$768.14
Collier—Cr Timmers Leitch	\$2,138.58	\$820.91		\$2,959.49
Dinsdale—Cr Gill	\$1,138.48			\$1,138.48
Dinsdale—Cr Grasso	\$801.38	\$407.00		\$1,208.38
Dobson—Cr Baker	\$753.50			\$753.50
Dobson—Cr Keogh	\$896.51			\$896.51
Friberg—Cr Holland	\$944.71			\$944.71
Friberg—Cr Laukens	\$1,385.80	\$4,020.45		\$5,406.25
Scott—Cr Cooper	\$2,958.67	\$5,000.00	\$12,253.68	\$20,212.35
Taylor—Cr Pearce	\$3,312.49		\$573.94	\$3,886.43
Tirhatuan—Cr Seymour	\$1,907.82	\$385.00	\$5,201.96	\$7,494.78
Grand total	\$19,023.72	\$10,633.36	\$18,029.58	\$47,686.66

Note: Council had new Councillors elected in five wards in the October 2020 elections, therefore some wards have the expenses apportioned between current and former Councillors where appropriate.

Car mileage

Car mileage represents the costs of providing a fully maintained vehicle for the Mayor. Depreciation, maintenance, registration and insurance costs are apportioned to the Mayor of the day on an annualised, pro-rata basis. Fuel costs are allocated to the Mayor of the day as incurred.

BREAK DOWN OF THE MAYORAL VEHICLE COSTS

Councillor	Period	Explanation	\$
Tirhatuan—Cr Seymour	1	Plant and vehicles	1,280.67
Tirhatuan—Cr Seymour	2	Plant and vehicles	1,280.67
Tirhatuan—Cr Seymour	3	Plant and vehicles	1,280.67
Tirhatuan—Cr Seymour	4	Plant and vehicles	1,280.67
Scott—Cr Cooper	5	Plant and vehicles	1,280.67
Scott—Cr Cooper	6	Plant and vehicles	1,280.67
Scott—Cr Cooper	7	Plant and vehicles	1,280.67
Scott—Cr Cooper	8	Plant and vehicles	1,280.67
Scott—Cr Cooper	9	Plant and vehicles	1,280.67
Scott—Cr Cooper	10	Plant and vehicles	1,280.67
Scott—Cr Cooper	11	Plant and vehicles	1,280.67
Scott—Cr Cooper	12	Plant and vehicles	1,280.67
Tirhatuan—Cr Seymour		Petrol costs—mayoral vehicle	79.28
Scott—Cr Cooper		Petrol costs—mayoral vehicle	730.37
Scott—Cr Cooper		Maintenance cost—mayoral vehicle	1,271.8
			\$17,449.49

Other expenses

Other expenses include minor equipment, subscriptions, memberships, and hospitality expenses.

Governance and statutory information

Governance and management checklist

The following are the results in the prescribed form of Council's assessment against the prescribed governance and management checklist.

Governance and management items	Assessment
<p>1 Community engagement policy (policy under section 55 of the Act outlining Council's commitment to engaging with the community on matters of public interest)</p>	<p>Adopted in accordance with section 55 of the Act Date of adoption: 22 February 2021</p>
<p>2 Community engagement guidelines (guidelines to assist staff to determine when and how to engage with the community)</p>	<p>Guidelines Date of operation of current guidelines: 22 February 2021</p>
<p>3 Financial Plan (plan under section 91 of the Act outlining the financial and non-financial resources required for at least the next 10 financial years)</p>	<p>To be adopted in accordance with section 91 of the Act by 31 October 2021</p>
<p>4 Asset Plan (plan under section 92 of the Act setting out the asset maintenance and renewal needs for key infrastructure asset classes for at least the next 10 years)</p>	<p>Adopted in accordance with section 92 of the Act Date of operation of current plans:</p> <ul style="list-style-type: none"> • Knox Council has endorsed the following asset management plans: • Footpath and Shared Path—June 2016 • Road— June 2021 • Building— September 2019 • Drainage—November 2010 • Open Space—December 2011 • Bridge—February 2013 • Car Park—February 2013 • Playground—December 2013 • Street Tree—May 2016 • Strategic—December 2014
<p>5 Revenue and Rating Plan (plan under section 93 of the Act setting out the rating structure of Council to levy rates and charges)</p>	<p>Adopted in accordance with section 93 of the Act Date of adoption: 28 June 2021</p>
<p>6 Annual budget (plan under section 94 of the Act setting out the services to be provided and initiatives to be undertaken during the budget year and the funding and other resources required)</p>	<p>Adopted in accordance with section 94 of the Act Date of adoption: 28 June 2021</p>
<p>7 Risk policy (policy outlining council's commitment and approach to minimising the risks to council's operations)</p>	<p>Policy Date of commencement of current policy: September 2018</p>
<p>8 Fraud & Corruption policy (policy outlining council's commitment and approach to minimising the risk of fraud)</p>	<p>Policy Date of commencement of current policy: 25 June 2018</p>
<p>9 Municipal emergency management plan (plan under section 20 of the Emergency Management Act 1986 for emergency prevention, response and recovery)</p>	<p>Prepared and maintained in accordance with section 20 of the <i>Emergency Management Act 1986</i> Date of preparation: 29 January 2019</p>
<p>10 Procurement policy (policy under section 108 of the Act outlining the principles, processes and procedures that will apply to the purchase of goods and services by the council)</p>	<p>Adopted in accordance with section 108 of the Act Date of adoption: 4 June 2020</p>
<p>11 Business continuity plan (plan setting out the actions that will be undertaken to ensure that key services continue to operate in the event of a disaster)</p>	<p>Date of operation of current plan: Council's business continuity framework was approved in March 2020</p>
<p>12 Disaster recovery plan (plan setting out the actions that will be undertaken to recover and restore business capability in the event of a disaster)</p>	<p>Date of operation of current plan: June 2021</p>

Governance and management items	Assessment
<p>13 Risk management framework (framework outlining council's approach to managing risks to the council's operations)</p>	<p>Framework Date of commencement of current framework: September 2018</p>
<p>14 Audit and Risk Committee (see sections 53 and 54 of the Act)</p>	<p>Established in accordance with section 53 of the Act Date of establishment: 24 August 2020</p>
<p>15 Internal audit (independent accounting professionals engaged by the council to provide analyses and recommendations aimed at improving council's governance, risk and management controls)</p>	<p>Engaged Date of engagement of current provider: 1 December 2018</p>
<p>16 Performance reporting framework (a set of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Local Government Act 1989)</p>	<p>Framework Date of adoption of current framework: 26 June 2017</p>
<p>17 Council Plan report (report reviewing the performance of the council against the council plan, including the results in relation to the strategic indicators, for the first six months of the financial year)</p>	<p>Reports Dates of reports: 13 August 2020, 27 January 2021, 24 May 2021</p>
<p>18 Financial reporting (quarterly statements to the council under section 138(1) of the Local Government Act 1989, comparing actual and budgeted results and an explanation of any material variations)</p>	<p>Reports presented to the Council in accordance with section 138(1) of the Local Government Act 1989 Dates reports presented: 24 August 2020, 30 November 2020, 22 February 2021, 24 May 2021</p>
<p>19 Risk reporting (6-monthly reports of strategic risks to Council's operations, their likelihood and consequences of occurring and risk minimisation strategies)</p>	<p>Reports Dates of reports: 21 July 2020, 20 October 2020, 23 February 2021, 20 April 2021</p>
<p>20 Performance reporting (6-monthly reports of indicators measuring financial and non-financial performance, including the performance indicators referred to in section 131 of the Local Government Act 1989)</p>	<p>Reports Dates of reports: 13 August 2020, 27 January 2021, 24 May 2021</p>
<p>21 Annual report (annual report under sections 131, 132 and 133 of the Local Government Act 1989 containing a report of operations and audited financial and performance statements)</p>	<p>Presented at a meeting of the Council in accordance with section 134 of the Act Date statements presented: 21 December 2020</p>
<p>22 Councillor Code of Conduct (code under section 139 of the Act setting out the standards of conduct to be followed by Councillors and other matters)</p>	<p>Reviewed and adopted in accordance with section 139 of the Act Date reviewed: 22 February 2021</p>

Governance and statutory information

Governance and management items

23 Delegations (documents setting out the powers, duties and functions of council and the Chief Executive Officer that have been delegated to members of staff, in accordance with sections 11 and 47 of the Act)

Assessment

Reviewed in accordance with section 11(7) of the Act and a register kept in accordance with sections 11(8) and 47(7) of the Act

Date of review:

- Council to CEO—**27 July 2020**
- Council to SPC—**4 February 2021**
- Council to staff—Cemeteries and Crematory—**26 April 2021**
- Council to staff—Domestic Animals, Environmental Protection and Food—**26 April 2021**
- Council to staff—Road Management Responsibilities—**26 April 2021**
- Council to staff—Planning—**31 July 2020**
- VicSmart—**7 July 2020**
- CEO Powers—**14 February 2021**
- CEO sub-delegation to staff—**14 February 2021**
- MBS to Building Department—**29 April 2021**

24 Meeting procedures (governance rules under section 60 of the Act governing the conduct of meetings of council and delegated committees)

Governance rules adopted in accordance with section 60 of the Act

Date governance rules adopted: **24 August 2020**

I certify that this information presents fairly the status of Council's governance and management arrangements.



Bruce Dobson
Chief Executive Officer
27 September 2021
Wantirna South



Cr Lisa Cooper
Mayor

27 September 2021
Wantirna South

Audit operations

Knox City Council is committed to good governance, public transparency and accountability to the Knox community.

The Audit and Risk Committee (the Committee) is established to strengthen Council's governance, risk management and financial management, and to drive continuous improvement.

The Committee is an independent advisory committee, established under section 53 of the Act. The Committee reviewed its membership to three independent members and two Councillors in August 2020.

The Committee provides an autonomous link between Council, Management and its external and internal auditors, and assists in providing independent advice, assurance and recommendations to Knox Council on matters relevant to the Committee's Charter.

Council members of the Committee during 2020-21 were:

- Cr Darren Pearce (July to October 2020 and from November 2020)
- Cr Tony Holland (July to October 2020)
- Cr Nicole Seymour (July to October 2020)
- Cr Jake Keogh (July to October 2020)
- Cr Lisa Cooper (from November 2020).

Independent external members were:

- Ms Lisa Tripodi (Chair)
- Mr Homi Burjorjee
- Dr John Purcell (until July 2020)
- Mr Geoff Harry (from December 2020).

The Committee's role is to support Council in discharging its oversight and accountability responsibilities related to:

1. Compliance with Council's policies, procedures and governance principles;
2. Overarching governance principles;
3. Effectiveness of Council's system of internal controls, including fraud and corruption prevention;
4. Council's risk management framework;
5. Financial and performance reporting;
6. Internal audit and external audit functions;
7. Statutory and legislative compliance; and
8. Liaison between Council, Management and the external and internal auditors.

The Committee met on four occasions during 2020-21 and oversaw the internal audit work plan by Crowe:

- IT General Controls and Cyber Security
- Privacy Act Management
- Strategic Internal Audit Plan Development
- Emergency Management
- Volunteer Management
- Road Management Plan.

The Committee received reports on a range of matters relevant to its terms of reference as well as developments in the local government sector.

Statutory information

As part of its commitment to good governance, Knox City Council is required to report against several relevant acts and regulations.

Privacy and Data Protection

The *Privacy and Data Protection Act 2014* states that Council must not contravene the Information Privacy Principles in respect of personal information it has collected, held, managed, used, disclosed or transferred.

Council's Privacy Policy is a public document available from Council's website at www.knox.vic.gov.au or on request. The policy was reviewed in July 2016.

Two complaints were received and investigated by Council during 2020-21 for breaches of the Privacy and Data Protection Act.

All questions or complaints regarding Council's obligations under the Privacy and Data Protection Act and Council's Privacy and Data Protection Policy can be discussed with Council's Chief Privacy Officer on 9298 8000.

Chief Privacy Officer: Manager Governance

Governance and statutory information

Health Records

The *Health Records Act 2001* requires Council to responsibly handle the health information it collects and states that Council must not do an act, or engage in a practice that contravenes the Health Privacy Principles.

Council's Health Records Policy is a public document available from Council's website at www.knox.vic.gov.au or on request. The policy was approved in March 2018.

No complaints were received or investigated for breaches of the Health Records Act.

All questions or complaints regarding Council's obligations under the Health Records Act and Council's Health Records Policy can be discussed with Council's Chief Privacy Officer on 9298 8000.

Chief Privacy Officer: Manager Governance

Freedom of Information (FOI)

The *Freedom of Information Act 1982* gives members of the public a legal right of access to documents held by Council limited only by exemptions. It also provides individuals with the right to access and correct documents containing their own personal information.

Requests for access to Council documents under the Freedom of Information Act must be in writing, accompanied by the application fee of two fee units and should provide sufficient information to identify the particular documents being sought.

During 2020-21, Council received 19 valid FOI requests. Determinations were made on 15 of those applications during the period, three requests were withdrawn, and one request was still being processed at year-end. Three requests outstanding from 2019-2020 were also determined in the period.

The median time taken to issue a determination on FOI applications determined in 2020-21 was 21 days.

There was one application for review lodged with the FOI Commissioner in June 2021 which was not determined before the end of financial year. There were no appeals to VCAT regarding requests processed throughout the year.

Requests for access to information under the *Freedom of Information Act* should be lodged with the Freedom of Information Officer, Knox City Council, 511 Burwood Highway, Wantirna South VIC 3152.

Enquiries regarding the Freedom of Information Act can also be made by calling 9298 8000.

Freedom of Information Officer: Governance Officer

Improvement Incentive Principles Agreement

While payments under the Improvement Incentive Principles Agreement were terminated in 2005-06, Council was required to recommit to the principles contained in the agreement under the National Competition Policy, regarding Australian Consumer Law, local laws and competitive neutrality.

There were no complaints under the National Competition Policy or Australian Consumer Law received during the 2020-21 financial year. Council continues to comply with these principles under the national policy and in fulfilment of its obligations.

The Australian Consumer Law Compliance Officer: Manager Governance

Road Management Act

The *Road Management Act 2004* requires Council to develop a road management plan, which in effect provides an opportunity to establish a policy defence against civil liability claims associated with the management of its road network. Council's Road Management Plan outlines roads under management, inspection regimes and service and maintenance standards against which Council will manage its roads and road-related assets.

No formal guidance was received in 2020-21 in relation to the Road Management Act. A copy of the latest version of the Road Management Act can be viewed using the following link:

http://www8.austlii.edu.au/cgi-bin/viewdb/au/legis/vic/consol_act/rma2004138/

Council's latest iteration of its published Road Management Plan is available on Council's website.

National Competition Policy

Knox City Council continues to comply with the requirements of the National Competition Policy and the Australian Consumer Law legislation in the operation of its business. Knox's significant businesses operate in accordance with the principles of competitive neutrality to ensure that Council does not unduly influence the private market in the provision of services.

Officer responsible for National Competition Policy: Chief Financial Officer

Public Interest Disclosures Act 2012

Council is required to establish and publish procedures under section 58 of the *Public Interest Disclosures Act 2012* and in accordance with the Guidelines of Independent Broad-based Anti-corruption Commission published under section 57 of the Public Interest Disclosures Act.

Council's Public Interest Disclosure Procedures were adopted in January 2020 and are a resource for disclosers and potential disclosers, whether an internal Council member, staff or an external member of the public, who want to find out how to make a disclosure, receive the protections available under the Public Interest Disclosures Act, and how the discloser and their disclosure may be managed and handled by the Council.

Public Interest Disclosure Coordinator: Director City Centre

Charter of Human Rights and Responsibilities

The Victorian *Charter of Human Rights and Responsibilities Act 2006* is an Act of Parliament that sets out the rights, freedoms and responsibilities of all Victorians. Government departments and public bodies must observe the rights set out in the Charter of Human Rights and Responsibilities Act when creating laws, developing policy and providing services. This means that government, public servants, local councils, Victoria Police and others are required to act in a way that is consistent with the rights protected under the charter.

During 2020-21, no complaints were received by Council or the Victorian Ombudsman in relation to Knox City Council's implementation of the Charter of Human Rights and Responsibilities Act.

Any questions or complaints regarding the Charter of Human Rights and Responsibilities Act can be discussed with Council's Human Rights Officer on 9298 8000.

Human Rights Officer: Manager Governance

Best Value

In accordance with the *Local Government Act 2020*, Council applies Best Value Principles to its strategic and service planning processes. At Knox this happens through the regular process of future planning and ensuring continuous review and improvement across all Council's service areas. This means the following:

- All services provided by Council must meet quality and cost standards.
- Each service provided by Council must be accessible to those members of the community for whom the service is intended.
- All services provided by Council must be responsive to the needs of the community.
- Council provides for continuous improvement in providing services for its community.
- Council has developed a program of regular consultation with its community about the services it provides.
- Council reports regularly to its community on its achievements against the principles.

These principles are incorporated into the delivery of Knox's *Community and Council Plan 2017-21*, the Annual Budget and Council's business planning process. This Annual Report illustrates Council's performance against these Best Value Principles.

Documents available for inspection

Knox City Council adopted a Public Transparency Policy in August 2020 in accordance with Section 57 of the *Local Government Act 2020*. This policy is available on Council's website and specifies information which is publicly available and the ways in which it can be accessed.

Governance and statutory information

Contracts

During the year Council did not enter into any contracts valued at \$150,000 or more for services, or \$200,000 or more for works of a kind specified in section 186(5)(a) and (c) of the *Local Government Act 1989*.

Council identified two contracts in excess of \$150,000, including GST, that were entered into without conducting a competitive process.

These contracts are service agreements of existing IT platforms as follows:

- Pathway System—One Year Maintenance and Support Agreement Renewal Infor Global Solutions Pty Ltd
- Computron Financial System—Three (3) Year Maintenance and Support Renewal Computron Pty Ltd

These instances are under review and Council maintains its commitment to fair and transparent processes.

Food Act 1984

Knox City Council is responsible for meeting and enforcing the legislative requirements of the *Food Act 1984*.

Council manages its statutory obligations by meeting the necessary inspection targets, relevant follow-ups, food sampling requirements and food-related investigations.

Approximately 70 per cent of the work of Council's environmental health officers relates to food compliance functions at premises including restaurants, takeaway food outlets, hotels, cafés and supermarkets. Officers promptly react to food-related complaints with a same-day or next-day response to commence an investigation.

Council's emphasis is primarily aimed at educating proprietors of their responsibilities; however, escalating enforcement action is applied to those proprietors who continually breach food standards.

Food safety programs for relevant premises are monitored by the Environmental Health team, who also oversees the external third-party food audit system. Environmental Health Officers have continued to manage these responsibilities through the current COVID-19 pandemic.

Disability Act 2006—Disability Action Plan Implementation

Knox City Council is committed to creating a community that is accessible, welcoming and inclusive of everyone. Approximately 28,000 people in Knox have a disability of some kind. This equates to 17 per cent of Knox residents.¹

As the Knox population ages, this proportion is likely to increase.

Council acknowledges that initiatives to create a more accessible and inclusive community cannot be achieved without addressing the specific needs and rights of people with disabilities, their families and carers. Council's Access and Equity Implementation Plan 2017-22 (the plan) encapsulates the strategic directions Council will take to promote the rights of people with disabilities while enhancing access and inclusion to benefit the whole community. The plan focuses on building the capacity of people with disabilities and providing opportunities for leadership within the community.

The Knox Municipal Disability Leadership Plan 2020-2022 provides greater detail and direction on key focus areas to support and provide specific benefits for people with disabilities and their families that complement those delivered by the NDIS and those who are not eligible for the NDIS through the provision of information, building the capacity of services to be more inclusive of people with a disability, and strengthening the community service system.

Aligned to the *Disability Act 2006*, Council aims to:

- reduce barriers to people with a disability in accessing goods, services and facilities
- reduce barriers to people with a disability in obtaining and maintaining employment
- promote inclusion and participation in the community
- achieve tangible changes in the attitudes and practices that discriminate against people with a disability.

¹ (Source: SDAC 2018, published by ABS 2020 <https://www.abs.gov.au/statistics/health/disability/disability-ageing-and-carers-australia-summary-findings/2018/2018%20sdac%20lga%20modelled%20estimates.xlsx>)

To achieve this, Council provides a wide range of services and programs for the community, many of which are accessible and inclusive for people with disabilities. Council also provides a range of services to more directly meet the needs of people with disabilities, their families and carers. These include the following:

- Professional development training for Knox Early Years Services to build capacity and enhance the successful inclusion of children with a disability or developmental delay across universal early years services.
- Support and capacity building for families and carers including information sessions, carer groups and exercise groups aimed at social connection, health and building capacity.
- CHSP Food Services (meals on wheels)—home-delivered meals, distributed by community volunteers.
- Housing Support program—for residents aged over 55, including those with a disability, who are homeless or at risk of becoming homeless.
- Parking permits—Council administers the Accessible Parking Permit scheme.
- Wheelie Bin Assistance Scheme – Council provides support for people with a disability/frail aged who are unable to put bins out for Council collection.
- Retrofitting program—allocation of dedicated funds through the capital works program to enhance access to Council-owned buildings and facilities.
- Bi-monthly meetings of the Knox Disability Advisory Committee, which consists of people with a disability, carers and representatives from disability service providers to assist Council in the consultative process and provide feedback to support Council’s decision-making.
- Provision of a range of communication materials on services and relevant information, which encourages and demonstrates actions to improve access and inclusion through such publications as a *Guide to Disability and Aged Services* in Knox, the *People First Guide* and the email newsletter, *Accessing Knox*.
- Facilitation and development of the Eastern Disability Housing Network, which is designed to engage community members and explore opportunities to improve housing options for people with a disability.
- Celebration of International Day of People with Disability.
- Inclusive features incorporated in all Knox festivals such as providing an access key and chill-out spaces for people with anxiety, designated accessible seating areas, carols songbooks in Braille and sighted guides, Auslan interpreters, paths for wheelchair mobility, accessible parking and toilets, and having a changing-places facility on site.
- Training and information sharing for community members and services on topics such as the National Disability Insurance Scheme (NDIS), NDIS self-management, managing challenging behaviours and autism.
- The Eastern Regional Libraries Corporation offers a range of services to people with disabilities, which includes a home delivery service, tactile, audio and large print books, captioned DVDs and assistive devices for computer users.
- Development of access keys for the Knox Civic Centre and a range of community venues in Knox including neighbourhood houses, libraries and sport venues to increase the accessibility of our community for people with anxiety, autism spectrum disorder, intellectual disability, dementia or sensory impairments.

Governance and statutory information

Carers Recognition Act 2012

Knox Council acknowledges the *Carers Recognition Act 2012* and has taken steps to deliver the principles of the Carers Recognition Act in a practical sense, supported by policy and practice relating to people who require care, those who are carers, and the wider community.

Council's Enterprise Agreement acknowledges that carer responsibilities for employees may extend beyond that of immediate family members. Carer responsibilities are now more broadly acknowledged to include a definition of a 'significant other person', where an employee is responsible for providing direct and immediate care and support to that person.

The Flexible Work Arrangements Policy and Procedure has been prepared, which recognises the role of the carer in accordance with the Carers Recognition Act. The policy provides flexible work options for staff who have carer responsibilities.

Council has taken all practicable measures to ensure staff, Council agents and volunteers working for Council are informed regarding the principles and obligations of the Carers Recognition Act by including information on the care relationship through the following:

- Council's induction and training programs for staff working in outward-facing community services, and for staff and volunteers in frontline positions with the general community.
- A number of initiatives have been implemented to ensure that the Carers Recognition Act is recognised and delivered to the community. Some of the programs are delivered in partnership with other community support services.
- Approximately 1,100 residents subscribe to *Accessing Knox*, the electronic publication distributed weekly by email. Council has received positive feedback about the information and available services provided in this communication.
- Provision of information such as: *A Guide to Disability and Aged Services in Knox* and *People First: Supporting the inclusion of people with disability—Your guide to an inclusive community*, available on Council's website. These guides include valuable information for carers and have been widely distributed to individuals and community organisations throughout Knox.
- Carer information sessions such as parent/carer legal information focusing on power of attorney, administration, guardianship, wills and trusts for carers; autism and managing routines during COVID-19 restrictions; autism and cyber safety online; and transitioning to meaningful employment have been well attended by Knox carers and parents.
- Council provides a weekly carer exercise program and monthly Pathways for Carer walks supporting carers to connect, stay well and find out more information to support them in their caring role.
- Council provided flexible respite services through the CHSP for people over 65 years which was supported by funding from the Federal Government.
- Council's Active Ageing team provides service coordination, referral and support to carers through the Regional Assessment and Home Support Assessment Services. CHSP and Council-funded services were provided to carers to support their caring role (for example, domestic assistance, community transport and food services).
- The Lab program is hosted by two Knox neighbourhood houses that provide programs for young people with autism and also respite for their parents and carers.
- The Playconnect Playgroup is part of the Federal Government's Helping Children with Autism package, which provides support and services for children with ASD.
- The Eastern Disability Housing Network is a network that has been established to support parents/carers, people with a disability and the disability sector to improve housing options for people with a disability.
- My Time is a support playgroup for parents and carers of young children who have a disability or a chronic medical condition. The playgroup is facilitated by a trained worker employed by Playgroup Victoria and supported by Knox City Council. The program is funded by the Federal Government.
- Knox City Council is a member of the Carer Card program, a State Government initiative that offers carers a wide range of discounts and benefits from businesses, local government and community organisations.
- The Knox RAS team continued to refer carers to the Carer Gateway website, which provides a range of practical information and resources to help in their caring role.

Domestic Animal Management Plan 2017-2021

In order to improve animal management in Victoria, all councils are required to have a Domestic Animal Management Plan (DAMP).

Knox City Council supports this strategic approach and has developed its DAMP using the guidelines provided by the Department of Economic Development, Jobs, Transport and Resources.

The DAMP 2017-2021 aimed to promote responsible pet ownership and the welfare of dogs and cats in the community as well as to protect the community and environment from nuisance dogs and cats.

Council's DAMP 2017-2021 highlighted 77 actions that were delivered throughout the life of the plan. In addition to some specific projects, there are a number of ongoing actions.

The following actions were delivered in 2020-21:

- Implemented a trial sunset-to-sunrise cat curfew effective 1 January 2020.
- Continued the use of an animal behaviourist to assist in the resolution of more complex nuisance matters.
- Delivery of a program of animal registration compliance that included:
 - an enhanced process to improve the timeliness and compliance of registration
 - issuing annual registration renewal notices earlier than in previous years
 - two renewal reminder text messages sent to owners who had provided Council with a mobile phone number in order to follow up unpaid

- registration renewals
- issuing overdue renewal notices
- follow-up contact with residents to obtain evidence of unregistered animals and issuing owners with fines for non-compliance
- improving the accuracy of Council's animal registration database
- letters being sent to the owners of animals that had been microchipped but not registered, advising them of registration requirements.
- Community education that included the promotion of animal registration through media releases, social media posts and Council's newsletter (distributed to all households in the municipality).
- Ongoing identification of properties where more than two dogs or two cats are registered in order to determine if they are an animal breeder requiring registration as a domestic animal business.
- Training of officers in situational awareness, conflict management and self-preservation and harm reduction strategy training.
- A detailed list of all actions from the DAMP and progress against those actions can be found at www.knox.vic.gov.au.

Council also commenced during the second quarter of 2021 the development of the 2021-2025 Domestic Animal Management Plan with associated community consultation, proposed to be adopted by Council in December 2021.



Performance Statement

Year ending 30 June 2021

Description of the municipality

Located approximately 25 kilometres from Melbourne's central business district, the Knox municipality is a major hub of cultural, commercial, business and innovative activity in the eastern suburbs of Melbourne. It is a diverse municipality, with residents from 130 different countries who speak 54 languages. The City of Knox has an estimated resident population of 166,791 (as at 30 June 2021) and covers an area of 113.84 square kilometres. The area boasts a green, leafy image extending to the foothills of the picturesque Dandenong Ranges. Knox consists of the following suburbs: Bayswater, Boronia, Ferntree Gully, Knoxfield, Lysterfield, Rowville, Scoresby, The Basin, Upper Ferntree Gully, Wantirna and Wantirna South.

Understanding the Performance Statement

Council is required to prepare and include a performance statement within its Annual Report. The performance statement includes the results of the prescribed sustainable capacity, service performance and financial performance indicators and measures, together with a description of the municipal district and an explanation of material variations in the results. This statement has been prepared to meet the requirements of the *Local Government Act 1989 and Local Government (Planning and Reporting) Regulations 2014 (as per the transitional provisions of the Local Government Act 2020)*.

Where applicable, the results in the Performance Statement have been prepared on accounting bases consistent with those reported in the financial statements. The other results are based on information drawn from Council information systems or from third parties (for example, the Australian Bureau of Statistics).

The Performance Statement presents the actual results for the current year and for the prescribed financial performance indicators and measures and the results forecast by Council's Strategic Resource Plan. The Regulations require explanation of any material variations in the results contained in the Performance Statement. The materiality thresholds have been set as +/-10% of the 2019-20 results.

The forecast figures included in the statement are those adopted by Council in its Annual Budget on 28 June 2021. The Annual Budget includes estimates based on key assumptions about the future that were relevant at the time of adoption and are aimed at sustainability over the long term. Detailed information on the actual financial results is contained in the general purpose financial statements. The Annual Budget is available on Council's website.

The following statement provides the results of the prescribed service performance indicators and measures, including an explanation of material variations.



Sustainable capacity indicators

For the year ended 30 June 2021

Service/indicator/ measure	Results				Material variation comment
	2017-18	2018-19	2019-20	2020-21	
Population					
Expenses per head of municipal population	\$897.28	\$947.71	\$1,009.15	\$1,047.69	
[Total expenses/Municipal population]					
Infrastructure per head of municipal population	\$5,729.82	\$6,012.97	\$6,138.10	\$6,220.00	
[Value of infrastructure/Municipal population]					
Population density per length of road	224.54	225.42	227.26	227.91	
[Municipal population/Kilometres of local roads]					
Own-source revenue					
Own-source revenue per head of municipal population	\$804.21	\$828.59	\$835.22	\$846.27	
[Own-source revenue/Municipal population]					
Recurrent grants					
Recurrent grants per head of municipal population	\$153.57	\$156.50	\$153.90	\$174.66	Recurrent operational grants increased by \$1.7m (including a \$1.2m increase for Early Years services), while recurrent capital grants increased by \$1.8m.
[Recurrent grants/Municipal population]					
Disadvantage					
Relative socio-economic disadvantage	9.00	9.00	9.00	9.00	
[Index of Relative Socio-economic Disadvantage by decile]					
Workforce turnover					
Percentage of staff turnover	13.2%	13.0%	9.3%	15.0%	
[Number of permanent staff resignations and terminations/Average number of permanent staff for the financial year] x100					

Definitions

“adjusted underlying revenue” means total income other than:

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

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

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

“population” means the resident population estimated by council

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

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

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

“unrestricted cash” means all cash and cash equivalents other than restricted cash.

Service performance indicators

For the year ended 30 June 2021

Service/indicator/ measure	Results				Material variation comment
	2017-18	2018-19	2019-20	2020-21	
Aquatic Facilities					
Utilisation					
Utilisation of aquatic facilities [Number of visits to aquatic facilities/Municipal population]	3.49	2.68	1.69	0.85	The COVID-19 pandemic resulted in multiple closures of Council's aquatic facilities and a decrease in attendance for 2020-21.
Animal Management					
Health and safety					
Animal management prosecutions [Number of successful animal management prosecutions/Number of animal management prosecutions]	New in 2020	New in 2020	100%	100%	
Food safety					
Health and safety					
Critical and major non-compliance outcome notifications [Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about a food premises followed up/Number of critical non-compliance outcome notifications and major non-compliance outcome notifications about food premises] x100	90.16%	100.00%	100.00%	98.04%	
Governance					
Satisfaction					
Satisfaction with Council decisions [Community satisfaction rating out of 100 with how Council has performed in making decisions in the interest of the community]	56	60	58	60	
Libraries					
Participation					
Active library borrowers in municipality [Number of active library borrowers in the last three years/The sum of the population for the last three years] x100	13.39%	13.28%	12.87%	11.41%	Active library borrowers in the municipality were impacted by the COVID-19 pandemic and library closures in 2020-21.
Maternal and Child Health (MCH)					
Participation					
Participation 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	81.25%	79.12%	76.27%	75.82%	
Participation					
Participation in the MCH service by Aboriginal children [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	75.47%	77.97%	80.36%	85.48%	

Service/indicator/ measure	Results				Material variation comment
	2017-18	2018-19	2019-20	2020-21	
Roads					
Satisfaction	69	73	68	70	
Satisfaction with sealed local roads					
[Community satisfaction rating out of 100 with how Council has performed on the condition of sealed local roads]					
Statutory Planning					
Decision-making	54.05%	33.33%	58.62%	47.06%	The percentage of Council decisions upheld at VCAT dropped in 2020-21. Factors that influenced this outcome include a reduction in the number of appeals and the individual circumstances of each case.
Council planning decisions upheld at VCAT					
[Number of VCAT decisions that did not set aside Council's decisions in relation to a planning application/Number of VCAT decisions in relation to planning applications] x100					
Waste Collection					
Waste Diversion	51.97%	55.89%	53.44%	52.10%	
Kerbside collection waste 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					

Definitions

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

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

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

"annual report" means an annual report prepared by a council under section 98 of the Act

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

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

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

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

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

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

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

"population" means the resident population estimated by council

Performance Statement

Financial performance indicators

For the year ended 30 June 2021

Dimension/indicator/measure	2018	Results 2019	2020	2021
Efficiency				
Expenditure level				
Expenses per property assessment [Total expenses/Number of property assessments]	\$2,237.89	\$2,308.49	\$2,441.81	\$2,544.46
Revenue level				
Average rate per property assessment [Total rate revenue (general rates and municipal charges)/Number of property assessments]	New in 2020	New in 2020	\$1,523.82	\$1,563.94
Liquidity				
Working capital				
Current assets compared to current liabilities [Current assets/Current liabilities] x100	236.21%	236.52%	168.76%	144.58%
Unrestricted cash				
Unrestricted cash compared to current liabilities [Unrestricted cash/Current liabilities] x100	-11.22%	27.20%	36.99%	30.88%
Obligations				
Loans and borrowings				
Loans and borrowings compared to rates [Interest bearing loans and borrowings/Rate revenue] x100	0.00%	0.00%	0.00%	0.00%
Loans and borrowings repayments compared to rates				
[Interest and principal repayments on interest bearing loans and borrowings/Rate revenue] x100	0.00%	0.00%	0.00%	0.00%
Indebtedness				
Non-current liabilities compared to own source revenue [Non-current liabilities/Own source revenue] x100	3.63%	4.37%	3.19%	3.25%
Asset renewal and upgrade				
Asset renewal and upgrade compared to depreciation [Asset renewal and asset upgrade expense/Asset depreciation] x100	New in 2020	New in 2020	139.94%	150.75%
Operating position				
Adjusted underlying result				

2022	Forecasts		2025	Material Variations and Comments
	2023	2024		
\$3,365.01	\$2,637.88	\$2,661.24	\$2,692.61	The 2021-22 forecast expenses per property assessment is impacted by the budgeted loss on disposal of property of \$40.6 million, including the budgeted transfer of Knox Regional Sports Park assets to the State Government.
\$1,591.44	\$1,607.16	\$1,627.31	\$1,679.76	
99.70%	98.05%	100.17%	98.47%	Unearned income has increased by \$10.3 million, with the majority of this related to capital grants received late in the financial year and not yet expended. This accounts for the majority of the \$12.8 million increase in current liabilities. Cash and cash equivalents, combined with other financial assets, have increased by \$5.1 million, which is half of the increase of \$10.2 million in current assets. Trade and other receivables increased by \$3.4 million. This ratio will decrease over the forecast period due to an increase in the capital works program, and the requirement to borrow funds to finance major projects.
31.45%	33.59%	35.12%	41.17%	Unearned income has increased by \$10.3 million, with the majority of this related to capital grants received late in the financial year and not yet expended. This accounts for the majority of the \$12.8 million increase in current liabilities.
68.23%	81.53%	73.58%	68.45%	Borrowings are forecast to increase significantly from 2021-22 to fund major projects within the capital works program.
3.63%	7.63%	9.53%	9.50%	Borrowings are forecast to increase significantly from 2021-22 to fund major projects within the capital works program.
55.57%	63.40%	55.51%	51.73%	Borrowings are forecast to increase significantly from 2021-22 to fund major projects within the capital works program.
294.12%	213.56%	202.91%	181.36%	Asset renewal is forecast to increase from 2021-22, while a number of upgrade projects are included in the major projects within the capital works program. The 2021-22 forecast figures include capital work projects that have been carried forward from 2020-21.

Performance Statement

Financial performance indicators

For the year ended 30 June 2021 (continued)

Dimension/indicator/measure	Results			2021
	2018	2019	2020	
<i>Adjusted underlying surplus (or deficit)</i> [Adjusted underlying surplus (deficit)/Adjusted underlying revenue] x100	10.95%	9.37%	2.87%	4.66%
Stability				
Rates concentration				
<i>Rates compared to adjusted underlying revenue</i> [Rate revenue/Adjusted underlying revenue] x100	66.74%	66.92%	68.58%	67.40%
Rates effort				
<i>Rates compared to property values</i> [Rate revenue/Capital improved value of rateable properties in the municipality] x100	0.26%	0.22%	0.24%	0.23%

2022	Forecasts 2023	2024	2025	Material Variations and Comments
-25.10%	2.28%	4.97%	6.02%	Operating grants increased by \$6.1 million, with non-recurrent operating grants increasing by \$4.4 million. This increase is mainly due to COVID-19 related grants. This more than offset the decrease in user and statutory fees. The 2021-22 forecast adjusted underlying result is impacted by the budgeted loss on disposal of property of \$40.6 million, including the budgeted transfer of Knox Regional Sports Park assets to the State Government.
69.03%	70.06%	68.98%	70.16%	
0.24%	0.23%	0.23%	0.22%	

Definitions

“adjusted underlying revenue” means total income other than:

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

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

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

“current assets” has the same meaning as in the Australian Accounting Standards (AAS)

“current liabilities” has the same meaning as in the AAS

“non-current assets” means all assets other than current assets

“non-current liabilities” means all liabilities other than current liabilities

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

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

“population” means the resident population estimated by council

“rate revenue” means revenue from general rates, municipal charges, service rates and service charges

“recurrent grant” means a grant other than a non-recurrent grant

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

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

“unrestricted cash” means all cash and cash equivalents other than restricted cash

Certification of the Performance Statement 2020-21

Statement by Principal Accounting Officer

In my opinion, the accompanying performance statement has been prepared in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*).



Navec Lorkin

Principal Accounting Officer

27 September 2021
Wantirna South

Statement by Councillors and Chief Executive Officer

In our opinion, the accompanying Performance Statement of Knox City Council for the year ended 30 June 2021 presents fairly the results of Council's performance in accordance with the *Local Government Act 1989* and the *Local Government (Planning and Reporting) Regulations 2014* (as per the transitional provisions of the *Local Government Act 2020*). The Performance Statement contains the relevant performance indicators, measures and results in relation to service performance, financial performance and sustainable capacity.

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

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



Cr Lisa Cooper

Mayor

27 September 2021
Wantirna South



Cr Susan Laukens

Deputy Mayor

27 September 2021
Wantirna South



Bruce Dobson

Chief Executive Officer

27 September 2021
Wantirna South



Located approximately 25 kilometres from Melbourne's central business district, the Knox municipality is a major hub of cultural, commercial, business and innovative activity in the eastern suburbs of Melbourne.

Auditor-General's Certification of Performance Statement

Certification of Performance Statement 2020-21



Independent Auditor's Report

To the Councillors of Knox City Council

Opinion	<p>I have audited the accompanying performance statement of Knox City Council (the council) which comprises the:</p> <ul style="list-style-type: none">• description of municipality for the year ended 30 June 2021• sustainable capacity indicators for the year ended 30 June 2021• service performance indicators for the year ended 30 June 2021• financial performance indicators for the year ended 30 June 2021• understanding the performance statement and• the certification of the performance statement. <p>In my opinion, the performance statement presents fairly, in all material respects, the performance of the council for the year ended 30 June 2021 in accordance with the performance reporting requirements of Part 6 of the <i>Local Government Act 1989</i>.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Standards on Assurance Engagements. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the performance statement</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. I and my staff are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the performance statement in Victoria and have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the performance statement	<p>The Councillors are responsible for the preparation and fair presentation of the performance statement in accordance with the performance reporting requirements of the <i>Local Government Act 1989</i> and for such internal control as the Councillors determines is necessary to enable the preparation and fair presentation of the statement of performance that is free from material misstatement, whether due to fraud or error.</p>
Auditor's responsibilities for the audit of the performance statement	<p>As required by the <i>Audit Act 1994</i>, my responsibility is to express an opinion on the performance statement based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the performance statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Standards on Assurance Engagements will always detect a material misstatement when it exists.</p>

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of this performance statement.

As part of an audit in accordance with the Australian Standards on Assurance Engagements, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the performance statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the overall presentation, structure and content of the performance statement, including the disclosures, and whether performance statement represents the underlying events and results in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
22 October 2021



Sanchu Chummar

as delegate for the Auditor-General of Victoria

Understanding the Financial Statements

The Financial Report shows how Council performed financially during the 2020-21 year and the overall position at the end of the financial year on 30 June 2021.

What is contained in the Annual Financial Report?

Council's Financial Report contains a set of financial statements and accompanying notes. These are prepared by Council staff to meet the requirements of the *Local Government Act 1989*, Australian Accounting Standards (AASs) as well as the Victorian Auditor-General's model accounts which are designed to standardise financial reporting for local government bodies throughout Victoria.

The statements are audited by the Victorian Auditor-General's office before being approved in principle by Council's Audit Committee and Council itself. The financial statements are then forwarded to the Auditor-General for final approval. Once approval has been received, the statements are made available for public inspection.

The financial statements are made up of five key financial reports:

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

The notes detail Council's accounting policies and a breakdown of values contained in the statements.

In addition to the financial statements, Council is also required to prepare budget comparison notes which are included in this Annual Report. The budget comparison notes provide a comparison between actual results for the year and the annual adopted budget, and provide explanations for major variances.

Comprehensive Income Statement

The Comprehensive Income Statement measures Council's performance over the year and indicates whether a surplus or deficit has resulted from the delivery of Council's services.

The statement presents the following:

The sources of Council's revenue under various income headings.

- The expenses incurred in the operation of Council during the 2020-21 financial year. This includes depreciation or the writing-down of the value of buildings, roads, footpaths, drains and all other infrastructure assets that are used to provide Council's services. These assets are depreciated over the life of the asset as they are used. Capital costs or new assets purchased or created during the year are excluded from the statement but as indicated above, are depreciated as they are used.
- Other Comprehensive Income that demonstrates the movement in the value of Council's net assets as a result of asset revaluations as at 30 June 2021

The statement is prepared on an 'accrual' basis. This means that all income and expenses for the year are recognised even though the income may not yet have been received (such as interest on investments) or expenses may not yet have been paid (invoices that have not yet been received for goods and services already used).

The key figure to consider is the surplus (or deficit) for the year. A surplus means that Council is creating sufficient surplus to renew infrastructure assets at the time when they need to be renewed.

Balance Sheet

The Balance Sheet sets out Council's net accumulated financial worth at a point in time. It shows the assets that Council holds as well as liabilities or claims against these assets. The bottom line of this statement is net assets which indicates the net worth of Council that has been built up over many years.

The assets and liabilities are separated into current and non-current. Current assets or liabilities are those that will be due within the next 12 months, with non-current ones being due after 12 months.

The Balance Sheet has the following components:

Current and non-current assets

Council's assets are as follows:

- Cash and cash equivalents—cash held in the bank and in petty cash, and the value of Council's investments with a maturity term of no greater than three months.
- Other financial assets—the value of Council's investments with a maturity term of greater than three months.
- Trade and other receivables—monies owed to Council by ratepayers and others.
- Non-current assets classified as held for sale—assets available for immediate sale. For infrastructure assets including property, these relate to a resolution of Council.
- Other assets—includes prepayments which are expenses that Council has paid in advance of service delivery.
- Inventories—comprises various stock items held by Council.
- Investment in Eastern Regional Libraries Corporation—represents Council's investment in the Eastern Regional Libraries Corporation and its share of the Corporation's accumulated surplus.
- Property, infrastructure, plant and equipment—the largest component of Council's worth, representing the value of all the land, buildings, roads, plant and equipment that has been built up by Council over many years.
- Right-of-use assets—Council's right to use an underlying asset in a lease arrangement.
- Intangible assets—non-current assets held by Council that are not physical assets, for example computer software.

Current and non-current liabilities

Council's liabilities are as follows:

- Trade and other payables—people and businesses to whom Council owes money.
- Trust funds and deposits—monies held in trust by Council.
- Unearned income—revenue from grants where the associated performance obligation has yet to be satisfied.
- Provisions—the accrued value of annual and long service leave employee entitlements and the net present value of the cost of landfill rehabilitation at two facilities.
- Interest-bearing loans and borrowings—the outstanding balance Council owes on bank loans.
- Lease liabilities—Council's financial obligation to make payments arising from a lease.

NET ASSETS

This term is used to describe the difference between the value of total assets and the value of total liabilities. It represents the net worth of Council as at 30 June.

TOTAL EQUITY

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

- Accumulated surplus—the value of all net assets, other than those below, accumulated over time.
- Reserves—the reserves are made up of asset revaluation reserve and other reserves. The asset reserve is the difference between the previously recorded value of assets and their current valuation, and other reserves that are funds that have restrictions placed on their use and are not readily available to Council.

Understanding the Financial Statements

Statement of Changes in Equity

The Statement of Changes in Equity summarises the change in Council's net worth. Council's net worth can only change as a result of one of the following:

- A surplus or (deficit) as recorded in the Comprehensive Income Statement.
- The use of monies from Council's reserves.
- An increase/decrease in the value of non-current assets that has resulted from a revaluation of those assets.

Statement of Cash Flows

The Statement of Cash Flows summarises Council's cash receipts and payments for the financial year and the net 'cash in hand' position. The values may differ from those shown in the Comprehensive Income Statement because the Comprehensive Income Statement is prepared on an accrual accounting basis.

- Cash in this statement refers to bank deposits and other forms of highly liquid investments that can readily be converted into cash.
- Council's cash arises from, and is used in, the following three main areas:

CASH FLOWS FROM OPERATING ACTIVITIES

- Receipts—all cash receipts arising from the general operations of Council, including rates, general trading sales and debtors, grants and interest earnings. Receipts do not include cash from the sale of assets or loan funds.
- Payments—all cash paid by Council from its bank account to employees, suppliers and other persons. It does not include the costs associated with the creation of assets.

CASH FLOWS FROM INVESTING ACTIVITIES

This section indicates the cash invested in the creation or purchase of property, infrastructure, plant and equipment assets, and the cash received from the sale of these assets.

CASH FLOWS FROM FINANCING ACTIVITIES

This is where the receipt and repayment of borrowed funds are recorded.

The bottom line of the Statement of Cash Flows is the cash at the end of the financial year. This shows the capacity of Council to meet its cash debts and other liabilities.

Statement of Capital Works

The Statement of Capital Works details Council's capital works expenditure for the financial year. It sets out the expenditure on creating or buying property, plant and equipment, and infrastructure by each category of asset. It also indicates how much has been spent on renewing, upgrading, expanding or creating new assets of this type.

Notes to the accounts

The notes to the accounts are a very important and informative section of the report. While the Australian Accounting Standards are not prescriptive about the provision of details of Council's accounting policies, they are provided here to enable the reader to understand the values shown in the statements.

Apart from describing the main accounting policies, they also provide details on many of the summary items contained in the Annual Financial Report. The note numbers are shown beside the relevant items in each of the statements. The notes also provide an opportunity for Council to disclose additional information that cannot be incorporated into the Annual Financial Report.

The notes should be read at the same time as, and together with, the other parts of the financial statements to get a clear picture of the accounts.

Statements by the Principal Accounting Officer, Councillors and the Chief Executive Officer

The certification of the Principal Accounting Officer is made by the person responsible for the financial management of Council that, in her/his opinion, the financial statements have met all the statutory and professional reporting requirements.

The certification of the Chief Executive Officer and Councillors is made by two Councillors and the Chief Executive Officer on behalf of Council that, in their opinion, the financial statements are fair and not misleading.

Auditor-General's Report on the Financial Report

An Independent Audit Report provides the reader with an external and independent opinion on the financial statements. It confirms that the financial report has been prepared in accordance with relevant legislation and professional standards and that it represents a fair picture of the financial affairs of the Council.

Financial Report

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Certification of the Financial Statements

Statement by Principal Accounting Officer

In my opinion, the accompanying financial statements have been prepared in accordance with the *Local Government Act 1989*, the *Local Government (Planning and Reporting) Regulations 2014*, the Australian Accounting Standards and other mandatory professional reporting requirements.



Navec Lorkin CPA

Principal Accounting Officer

27 September 2021
Wantirna South

Statement by Councillors and Chief Executive Officer

In our opinion the accompanying financial statements present fairly the financial transactions of Knox City Council for the year ended 30 June 2021 and the financial position of the Council as at that date.

As at the date of signing, we are not aware of any circumstances that would render any particulars in the financial statements to be misleading or inaccurate.

We have been authorised by the Council and by the *Local Government (Planning and Reporting) Regulations 2014* to certify the financial statements in their final form.



Cr Lisa Cooper

Mayor

27 September 2021
Wantirna South



Cr Susan Laukens

Deputy Mayor

27 September 2021
Wantirna South



Bruce Dobson

Chief Executive Officer

27 September 2021
Wantirna South

Victorian Auditor-General's Certification of the Financial Report



Independent Auditor's Report

To the Councillors of Knox City Council

Opinion	<p>I have audited the financial report of Knox City Council (the council) which comprises the:</p> <ul style="list-style-type: none">• balance sheet as at 30 June 2021• comprehensive income statement for the year then ended• statement of changes in equity for the year then ended• statement of cash flows for the year then ended• statement of capital works for the year then ended• notes to the financial statements, including significant accounting policies• certification of the financial statements. <p>In my opinion the financial report presents fairly, in all material respects, the financial position of the council as at 30 June 2021 and their financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 6 of the <i>Local Government Act 1989</i> and applicable Australian Accounting Standards.</p>
Basis for Opinion	<p>I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report.</p> <p>My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the council in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's <i>APES 110 Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code.</p> <p>I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.</p>
Councillors' responsibilities for the financial report	<p>The Councillors of the council are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Local Government Act 1989</i>, and for such internal control as the Councillors determine is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error.</p> <p>In preparing the financial report, the Councillors are responsible for assessing the council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.</p>

Victorian Auditor-General's Certification of the Financial Report (continued)

Auditor's responsibilities for the audit of the financial report

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the council's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Councillors
- conclude on the appropriateness of the Councillors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the council's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the council to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Councillors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
22 October 2021



Sanchu Chummar
as delegate for the Auditor-General of
Victoria

Comprehensive Income Statement

For the Year Ended 30 June 2021

	Note	2021 \$'000	2020 \$'000
Income			
Rates and charges	3.1	122,310	117,249
Statutory fees and fines	3.2	2,689	3,102
User fees	3.3	13,428	14,608
Grants - operating	3.4	30,751	24,699
Grants - capital	3.4	5,293	4,120
Contributions - monetary	3.5	6,795	7,694
Contributions - non-monetary	3.5	-	1,801
Share of net profits (or loss) of associates and joint ventures	6.3	154	316
Other income	3.7	1,178	2,240
Total income		182,598	175,829
Expenses			
Employee costs	4.1	(80,316)	(76,789)
Materials and services	4.2	(58,113)	(57,216)
Depreciation	4.3	(22,417)	(22,374)
Amortisation - intangible assets	4.4	(478)	(429)
Amortisation - right-of-use assets	4.5	(645)	(299)
Bad and doubtful debts	4.6	(278)	(344)
Finance costs - leases	4.7	(33)	(18)
Contributions and donations	4.8	(6,371)	(5,865)
Net gain (or loss) on disposal of property, infrastructure, plant and equipment	3.6	(3,575)	(1,624)
Other expenses	4.9	(797)	(1,085)
Total expenses		(173,023)	(166,043)
Surplus for the year		9,575	9,786
Other comprehensive income			
Items that will not be reclassified to surplus or deficit in future periods			
Net asset revaluation increment (or decrement)	9.1	5,876	(104,930)
Total comprehensive result		15,451	(95,144)

The above Comprehensive Income Statement should be read in conjunction with the accompanying notes.

Balance Sheet

As at 30 June 2021

	Note	2021 \$'000	2020 \$'000
Assets			
Current assets			
Cash and cash equivalents	5.1	45,598	30,584
Other financial assets	5.1	-	9,900
Trade and other receivables	5.1	18,989	15,492
Inventories		11	6
Non-current assets classified as held for sale	6.1	2,072	1,194
Other Assets	5.2	1,276	539
Total current assets		67,946	57,715
Non-current assets			
Property, infrastructure, plant and equipment	6.2	1,982,808	1,966,272
Right-of-use assets	5.7	1,533	813
Intangible assets	5.2	1,371	614
Investment in Eastern Regional Libraries Corporation	6.3	5,074	4,920
Total non-current assets		1,990,786	1,972,619
Total assets		2,058,732	2,030,334
Liabilities			
Current liabilities			
Trade and other payables	5.3	13,856	12,528
Trust funds and deposits	5.3	1,857	1,584
Unearned income	5.3	11,657	1,334
Provisions	5.4	19,019	18,392
Lease liabilities	5.7	605	362
Total current liabilities		46,994	34,200
Non-current liabilities			
Provisions	5.4	3,608	3,930
Lease liabilities	5.7	934	459
Total non-current liabilities		4,542	4,389
Total liabilities		51,536	38,589
Net assets		2,007,196	1,991,745
Equity			
Accumulated surplus		706,531	697,657
Reserves	9.1	1,300,665	1,294,088
Total equity		2,007,196	1,991,745

The above Balance Sheet should be read in conjunction with the accompanying notes.

Statement of Changes in Equity

For the Year Ended 30 June 2021

2021			Accumulated	Revaluation	Other
	Note	Total \$'000	Surplus \$'000	Reserve \$'000	Reserves \$'000
Balance at beginning of the financial year		1,991,745	697,657	1,255,639	38,449
Surplus for the year		9,575	9,575	-	-
Net asset revaluation increment/(decrement)	6.2	5,876	-	5,876	-
Transfers to other reserves	9.1	-	(10,020)	-	10,020
Transfers from other reserves	9.1	-	9,319	-	(9,319)
Balance at end of the financial year		2,007,196	706,531	1,261,515	39,150
2020					
	Note	Total \$'000	Accumulated Surplus \$'000	Revaluation Reserve \$'000	Other Reserves \$'000
Balance at beginning of the financial year		2,086,889	683,276	1,360,569	43,044
Surplus for the year		9,786	9,786	-	-
Net asset revaluation increment/(decrement)	6.2	(104,930)	-	(104,930)	-
Transfers to other reserves	9.1	-	(9,322)	-	9,322
Transfers from other reserves	9.1	-	13,917	-	(13,917)
Balance at end of the financial year		1,991,745	697,657	1,255,639	38,449

The above statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of Cash Flows

For the Year Ended 30 June 2021

	Note	2021 Inflows/ (Outflows) \$'000	2020 Inflows/ (Outflows) \$'000
Cash flows from operating activities			
Rates and charges		121,238	114,914
Statutory fees and fines		2,618	2,691
User fees		12,467	15,561
Grants - operating		31,472	25,146
Grants - capital		13,922	8,024
Contributions - monetary		6,882	7,928
Interest received		88	623
Net GST refund		9,652	11,786
Other receipts		1,172	1,880
Net movement in trust deposits		272	(451)
Employee costs		(80,049)	(74,895)
Materials and services		(66,966)	(69,539)
Contributions and donations		(6,973)	(6,420)
Short-term, low value and variable lease payments		(241)	(466)
Other payments		(572)	(714)
Net cash provided by operating activities		44,982	36,068
Cash flows from investing activities			
Payments for property, infrastructure, plant and equipment	6.2	(40,765)	(52,143)
Proceeds from sales of property, infrastructure, plant and equipment		1,575	624
Payments for investments		-	(9,900)
Proceeds from sale of investments		9,900	23,100
Net cash used in investing activities		(29,290)	(38,319)
Cash flows from financing activities			
Interest paid - lease liability		(32)	(18)
Repayment of lease liabilities		(646)	(292)
Net cash used in financing activities		(678)	(310)
Net increase/(decrease) in cash and cash equivalents		15,014	(2,561)
Cash and cash equivalents at the beginning of the financial year		30,584	33,145
Cash and cash equivalents at the end of the financial year		45,598	30,584
Financing arrangements	5.5		
Restrictions on cash assets	5.1		

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

Statement of Capital Works

For the Year Ended 30 June 2021

	2021 \$'000	2020 \$'000
Property		
Land	582	-
Total land	582	-
Buildings	8,496	18,797
Total buildings	8,496	18,797
Total property	9,078	18,797
Plant and equipment		
Artworks	46	42
Plant, machinery and equipment	1,219	1,853
Fixtures, fittings and furniture	-	17
Computers and telecommunications	2,264	1,057
Total plant and equipment	3,529	2,969
Infrastructure		
Roads	9,014	8,524
Bridges	1,048	2,962
Footpaths and cycleways	4,360	4,527
Drainage	3,801	3,641
Recreational, leisure and community facilities	8,196	8,442
Off street car parks	1,351	807
Other infrastructure	-	70
Total infrastructure	27,770	28,973
Total capital works expenditure	40,377	50,739
Represented by:		
New asset expenditure	5,169	18,792
Asset renewal expenditure	24,686	22,729
Asset expansion expenditure	1,414	636
Asset upgrade expenditure	9,108	8,582
Total capital works expenditure	40,377	50,739

The above Statement of Capital Works should be read in conjunction with the accompanying notes.

Notes to the Financial Report

For the Year Ended 30 June 2021

Overview

Introduction

Knox City Council was established by an Order of the Governor in Council in 1994 and is a body corporate. The Council's main office is located at 511 Burwood Highway, Wantirna South, Victoria.

Statement of compliance

These financial statements are a general purpose financial report that consists of a Comprehensive Income Statement, Balance Sheet, Statement of Changes in Equity, Statement of Cash Flows, Statement of Capital Works and Notes accompanying these financial statements. The general purpose financial report complies with the Australian Accounting Standards (AAS), other authoritative pronouncements of the Australian Accounting Standards Board, the *Local Government Act 1989*, and the *Local Government (Planning and Reporting) Regulations 2014*.

Significant accounting policies

(a) Basis of accounting

The accrual basis of accounting has been used in the preparation of these financial statements, whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

Judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated judgements are based on professional judgement derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements and assumptions made by management in the application of AAS's that have significant effects on the financial statements and estimates relate to:

- the fair value of land, buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of depreciation for buildings, infrastructure, plant and equipment (refer to Note 6.2)
- the determination of employee provisions (refer to Note 5.4)
- the determination of landfill provisions (refer to Note 5.4)
- the determination of whether performance obligations are sufficiently specific so as to determine whether an arrangement is within the scope of *AASB 15 Revenue from Contracts with Customers* or *AASB 1058 Income of Not-for-Profit Entities* (refer to Note 3)
- the determination, in accordance with *AASB 16 Leases*, of the lease term, the estimation of the discount rate when not implicit in the lease and whether an arrangement is in substance short-term or low value (refer to Note 5.7)
- whether or not *AASB 1059 Service Concession Arrangements: Grantors* is applicable (refer to Note 8.2)
- other areas requiring judgements

Unless otherwise stated, all accounting policies are consistent with those applied in the prior year. Where appropriate, comparative figures have been amended to accord with current presentation, and disclosure has been made of any material changes to comparatives.

(b) Impact of COVID-19

On 16 March 2020 a state of emergency was declared in Victoria due to the global pandemic COVID-19 virus, known as coronavirus. A state of disaster was subsequently declared on 2 August 2020. While the impacts of the pandemic have abated somewhat through the 2020-21 year, Council has noted the following significant impacts on its financial operations:

ADDITIONAL REVENUE

The following operating grants related to COVID-19 were received and expended through the 2020-21 financial year:

- \$2.766 million for the Working for Victoria Fund
- \$2.042 million for the kindergarten support special education grant
- \$0.428 million for the provision of outdoor dining
- \$0.227 million for aged care support
- \$0.121 million for the kindergarten support cleaning grant
- \$0.107 million for the childcare support special education grant

REVENUE REDUCTIONS

Council experienced the following significant reductions in revenue during the 2020-21 financial year related to COVID-19:

- \$1.350 million reduction in kindergarten parent fees, offset by the receipt of the kindergarten special education grant
- \$0.464 million reduction in leisure services revenue related to the closure during the pandemic of the Rowville Community Centre, Carrington Park Leisure Centre and the Knox Regional Netball Complex
- \$0.244 million reduction in parking and animal infringement revenue
- \$0.158 million reduction in arts and cultural services revenue related to the closure during the pandemic of the Knox Community Arts Centre and the Ferntree Gully Community Centre, together with the Knox Festival, Stringybark Festival and Candles by Candlelight only being able to run virtually

REVENUE FOREGONE

Council made the decision to waive the following revenue streams for the 2020-21 financial year due to COVID-19:

- \$0.682 million of the contract with Belgravia Leisure for the running of Knox Leisureworks
- \$0.575 million for interest on late payment of rates
- \$0.459 million for food and health premises registration fees
- \$0.402 million for revenue relating to the State Basketball Centre and Boronia Basketball Stadium
- \$0.389 million for summer and winter tenancies for sporting groups

ADDITIONAL COSTS

The following significant additional costs related to COVID-19 were incurred through the 2020-21 financial year:

- \$3.024 million related to the Working for Victoria Fund, including \$2.842 million in employee costs
- \$0.611 million for Council's COVID-19 community support package
- \$0.428 million relating to the provision of outdoor dining
- \$0.347 million for Council's COVID-19 business support package
- \$0.258 million for COVID-19 related cleaning of Council's infrastructure and facilities
- \$0.243 million for personal protective equipment
- \$0.180 million for COVID-19 related security for Council's facilities
- \$0.160 million towards financial support for Knox Basketball Incorporated
- a further \$0.869 million in expenditure directly related to COVID-19 related activities

TRADE AND OTHER RECEIVABLES

The following trade and other receivables have increased due the decision not to carry out debt collection during the 2020-21 financial year:

- \$1.038 million increase in rates debtors
- \$0.166 million increase in parking and animal infringement debtors
- \$0.299 million increase in the provision for doubtful debts for parking and animal infringement debtors

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 1 Performance against budget

The performance against budget notes compare Council's financial plan, expressed through its annual budget, with actual performance. *The Local Government (Planning and Reporting) Regulations 2014* requires explanation of any material variances. Council has adopted a materiality threshold of greater than ten percent and \$1,000,000 where further explanation is warranted. Explanations have not been provided for variations below the materiality threshold unless the variance is considered to be material because of its nature.

The budget figures detailed below are those adopted by Council on 22 June 2020. The Budget was based on assumptions that were relevant at the time of adoption of the Budget. Council sets guidelines and parameters for income and expense targets in this budget in order to meet Council's planning and financial performance targets for both the short and long-term. The budget did not reflect any changes to equity resulting from asset revaluations, as their impacts were not considered predictable.

These notes are prepared to meet the requirements of the *Local Government Act 1989 and the Local Government (Planning and Reporting) Regulations 2014*.

1.1 Income and expenditure

	Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000	Variance 2021 %	Ref
Income					
Rates and charges	122,245	122,310	65	0%	
Statutory fees and fines	3,295	2,689	(606)	-18%	
User fees	17,468	13,428	(4,040)	-23%	1
Grants - operating	22,808	30,751	7,943	35%	2
Grants - capital	3,335	5,293	1,958	59%	3
Contributions - monetary	7,887	6,795	(1,092)	-14%	4
Contributions - non-monetary	2,000	-	(2,000)	-100%	5
Share of net profits (or loss) of associates and joint ventures	-	154	154	0%	
Other income	1,764	1,178	(586)	-33%	
Total income	180,802	182,598	1,796	1%	
Expenses					
Employee costs	75,212	80,316	(5,104)	-7%	6
Materials and services	75,667	58,113	17,554	23%	7
Depreciation	24,606	22,417	2,189	9%	
Amortisation - intangible assets	892	478	414	46%	
Amortisation - right of use assets	992	645	347	35%	
Bad and doubtful debts	67	278	(211)	-315%	
Borrowing costs	1,187	-	1,187	100%	8
Finance costs - leases	41	33	8	20%	
Contributions and donations	5,681	6,371	(690)	-12%	
Net loss (gain) on disposal of property, infrastructure, plant and equipment	32,229	3,575	28,654	89%	9
Other expenses	634	797	(163)	-26%	
Total expenses	217,208	173,023	44,185	20%	
Surplus/(deficit) for the year	(36,406)	9,575	45,981	-126%	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	User fees	Kindergarten user fees were down \$1.351 million due to the State Government kindergarten fee subsidy program, offset by the receipt of \$2.042 million for the kindergarten special education grant. Childcare user fees were \$0.626 million down on budget, offset by a \$1.273 million increase in the childcare benefit subsidy. Leisure Services user fees were down \$1.768 million against budget with community facilities being closed due to the COVID-19 pandemic. Health services annual and new registrations were waived due to the COVID-19 pandemic, leading to a \$0.459 million reduction in fees received.
2	Grants - operating	Unbudgeted Government grants totalling \$5.509 million were received in response to the COVID-19 pandemic, including Special Education Grants for preschool, grants for the Working for Victoria Fund, grants for outdoor dining, and COVID-19 Emergency Support for Aged Care Meals on Wheels.
3	Grants - capital	Unbudgeted capital grants which were expended throughout the financial year totalled \$3.395 million.
4	Contributions - monetary	Budgeted capital contribution of \$1.125 million relating to social housing has yet to be received.
5	Contributions - non-monetary	No assets were handed over to Council from developers during the 2021 financial year.
6	Employee costs	The employee costs variance is below the percentage materiality threshold of ten percent, however the \$5.104 million variance is considered material. The variance includes \$2.842 million in employee costs relating to the Working for Victoria Fund, with corresponding grant revenue received. \$2.102 million in redundancy payments were paid upon Council's exit from selected Commonwealth Home Support Programme services.
7	Materials and services	There is a continued focus on the containment of operating costs throughout Council, whilst maintaining services for the community. Contributing to the \$17.484 million reduction in materials and services was a \$12.396 million reduction in operating projects expenditure unable to be completed due to the carry forward of capital works to 2021-22, a \$0.613 million decrease in utility costs, and a \$0.451 million reduction in the landfill rehabilitation provision.
8	Borrowing costs	Budgeted borrowings have not occurred yet due to the carry forward of capital works in to 2021-22.
9	Net loss (gain) on disposal of property, infrastructure, plant and equipment	The budgeted transfer of the Knox Regional Sports Park to the State Government has yet to occur, and is now anticipated to occur during the 2022 financial year.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 1 Performance against budget

1.2 Capital works

	Budget 2021 \$'000	Actual 2021 \$'000	Variance 2021 \$'000	Variance 2021 %	Ref
Property					
Land	18,235	582	17,653	97%	1
Total land	18,235	582	17,653	97%	
Buildings	41,348	8,496	32,852	79%	2
Total buildings	41,348	8,496	32,852	79%	
Total property	59,583	9,078	50,505	85%	
Plant and equipment					
Artworks	80	46	34	43%	
Plant, machinery and equipment	2,391	1,219	1,172	49%	3
Fixtures, fittings and furniture	-	-	-	0%	
Computers and telecommunications	12,981	2,264	10,717	83%	4
Total plant and equipment	15,452	3,529	11,923	77%	
Infrastructure					
Roads	10,133	9,014	1,119	11%	5
Bridges	1,625	1,048	577	36%	
Footpaths and cycleways	4,691	4,360	331	7%	
Drainage	4,265	3,801	464	11%	
Recreational, leisure and community facilities	17,005	8,196	8,809	52%	6
Off street car parks	1,075	1,351	(276)	-26%	
Other infrastructure	393	-	393	100%	
Total infrastructure	39,187	27,770	11,417	29%	
Total capital works expenditure	114,222	40,377	73,845	65%	
Represented by:					
New asset expenditure	42,747	5,169	37,578	88%	
Asset renewal expenditure	39,430	24,686	14,744	37%	
Asset expansion expenditure	3,963	1,414	2,549	64%	
Asset upgrade expenditure	28,082	9,108	18,974	68%	
Total capital works expenditure	114,222	40,377	73,845	65%	

(i) Explanation of material variations

Variance Ref	Item	Explanation
1	Land	Capital expenditure is lower than budget due to the carry forward to 2021-22 of land purchases relating to the Knox Central Project.
2	Buildings	Capital expenditure is lower than budget due to \$1.301 million of works being unable to be capitalised, together with projects being capitalised under different classes (\$0.177 million) and works carried forward to 2021-22. Works carried forward to 2021-22 includes the first contribution towards the Knox Regional Sports Park project (\$12.500 million), the Stamford Park development (\$9.069 million), the operation centre relocation project (\$3.514 million), the Westfield library program (\$3.864 million), and the Modular Building Program (\$3.788 million).
3	Plant, machinery and equipment	Capital expenditure for plant, machinery and equipment mainly relates to Council's fleet renewal program. Funds totalling \$0.750 million are to be carried forward to 2021-22.
4	Computers and telecommunications	Capital expenditure is lower than budget due to the delay in commencing the ICT Strategy. From this year, \$1.059 million of works delivered were not able to be capitalised and a total of \$6.475 million for both the ICT strategy and renewal capital expenditure is being carried forward.
5	Roads	Capital expenditure is lower than budget due to \$0.073 million of works being unable to be capitalised, and works being carried forward to 2021-22 totalling \$0.874 million.
6	Recreational, leisure and community facilities	Capital expenditure is lower than budget due to landscaping and planting works being unable to be capitalised (\$1.372 million), projects being capitalised under different classes (\$1.137 million), and works carried forward to 2021-22. Work to be carried forward to 2021-22 includes \$2.619 million for unstructured recreation capital works, \$2.170 million for renewal of active open space and \$0.871 million for the Playground Renewal Program. The budgeted pitch resurfacing at Knox Regional Sports Park was postponed after a review of the pitch condition (\$2.500 million).

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 2 Analysis of Council results by program

Knox City Council delivers its functions and activities through the following programs.

2(a)

CEO

The office of the CEO incorporates the CEO and Finance.

CEO responsibilities include establishing and maintaining an appropriate organisational structure for the council, managing interactions between council staff and Councillors, ensuring that Council decisions are implemented promptly, providing timely advice to Council, providing timely and reliable advice to the Council about its legal obligations, and overseeing the daily management of council operations following the Council Plan.

Finance exists to enable Council to comply with statutory requirements, provide strategic financial direction, undertake essential business processes and to support the organisation with business and financial assistance and advice.

City Centre

The City Centre Directorate incorporates Communications, Customer Service and Knox Central.

Communications supports the organisation through coordinating, facilitating and managing a range of written and verbal media. The department supports consistent branding, delivery and renewal of Council's significant signage, advertising and key publications.

Customer Service strive to deliver service excellence and create great customer experiences by providing information, guidance and resolution where possible. They support and enable the delivery of Council services, programs and information to the community.

Knox Central supports Council's strategic direction for the Knox Central Activity Centre which serves a broad cross-section of the community within Knox and across the eastern suburbs of Melbourne. Anchored by the shopping centre it includes retail, residential, industrial, commercial, educational uses, along with significant areas of open space.

City Strategy and Integrity

The City Development Directorate incorporates City Safety and Health, City Futures, City Planning and Building, Governance and Strategic Procurement and Property. The Directorate's purpose relates directly to Council's purpose to enhance the quality of life of the Knox community.

City Safety and Health promotes and protects the safety, health and amenity of the community through the key functions of Emergency Management, Health Services and Local Laws.

City Futures purpose is to strategically work across the organisation and the community to understand and manage the changing city.

City Planning and Building covers planning and building approvals, subdivisions and enforcement.

Governance ensure that Council is complying with the statutory requirements associated with municipal elections, Council decisions (Chamber and delegated), information privacy, freedom of information and meeting procedure. It also includes the support services for Council's nine Councillors who have been elected by the residents and ratepayers of the municipality. This also includes Council functions such as citizenship ceremonies.

Strategic Procurement and Property provides expertise, guidance and processes for the purchase of goods and services. It also provides expertise for all property matters.

Connected Communities

The Community Services Directorate incorporates Community Wellbeing, Family and Children's Services, Community Access and Support and Active and Creative Communities. The Directorate is responsible for the management and delivery of a diverse range of community services and programs.

Community Wellbeing works strategically with the community and organisation to enable and contribute to the achievement of health and wellbeing outcomes for Knox.

Family and Children's Services delivers Council's early years services across the municipality.

Community Access and Support aims to make effective use of opportunities to enhance the physical, social and emotional wellbeing of people that enables them active participation in society.

Youth, Leisure and Cultural Services purpose is to make Knox an active, resilient, creative and inclusive community.

Strategy, People and Culture

Strategy, People and Culture provides strategic and operational leadership, services and programs around all aspects of human resource management.

Information Technology provide a centralised approach to the management and maintenance of Council's Information Technology systems and services.

Transformation is responsible for the rollout of the organisational continuous improvement program based on Lean thinking and practice.

Infrastructure

The Infrastructure Directorate incorporates Sustainable Infrastructure, Community Infrastructure, Operations and the Major Initiatives Unit. The Directorate is responsible for constructing new infrastructure and maintaining existing infrastructure across a very diverse range of assets that underpin the wellbeing of the community. These assets include capital works engineering services, environment and waste, city works, parks and gardens, emergency management and municipal resources.

Sustainable Infrastructure is responsible for waste management, local traffic management, and the management of the capital works program.

Community Infrastructure is responsible for the maintenance, renewal, upgrade and associated works of Council's buildings. It is also responsible for stormwater management, landscape and environmental design, and providing strategic direction in biodiversity enhancement.

Operations is responsible for asset rehabilitation and for reactive and proactive maintenance. It is also responsible for fleet management, and the maintenance of Council open space and reserves.

The Major Initiatives Unit provides for the delivery of major projects that supplement the full program of capital projects being delivered by the various delivery teams within Council.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 2 Analysis of Council results by program

2(b) Summary of revenues, expenses, assets and capital expenses by program

2021	Income \$'000	Expenses \$'000	Surplus/ (Deficit) \$'000	Grants included in income \$'000	Total assets \$'000
CEO	113,573	3,555	110,018	6,623	60,038
City Centre	9	3,908	(3,899)	-	125
City Strategy and Integrity	12,722	23,172	(10,450)	1,325	70,246
Connected Communities	25,170	55,746	(30,576)	20,596	556,720
Infrastructure	28,271	69,484	(41,213)	4,734	1,365,540
Strategy, People and Culture	2,853	17,158	(14,305)	2,766	6,063
	182,598	173,023	9,575	36,044	2,058,732

2020	Income \$'000	Expenses \$'000	Surplus/ (Deficit) \$'000	Grants included in income \$'000	Total assets \$'000
CEO	111,497	5,652	105,845	6,344	54,071
City Centre	54	3,719	(3,665)	-	129
City Strategy and Integrity	12,411	21,979	(9,568)	902	68,323
Connected Communities	24,403	52,852	(28,449)	17,504	550,979
Infrastructure	26,828	67,924	(41,096)	3,726	1,353,656
Strategy, People and Culture	636	13,917	(13,281)	343	3,176
	175,829	166,043	9,786	28,819	2,030,334

Note 3 Funding for the delivery of our services

3.1 Rates and charges

Council uses Capital Improved Value (CIV) as the basis of valuation of all properties within the municipal district. The CIV takes into account the total value of a property including all land, buildings and other improvements but excluding fixtures and fittings.

The valuation base used to calculate general rates for 2020-21 was \$51,761 million (2019-20 \$48,130 million). The 2020-21 rate in the CIV dollar was \$0.0016831 (2019-20 \$0.0017571) for the residential rate.

	2021 \$'000	2020 \$'000
General rates	106,143	103,438
Residential garbage charge	13,880	11,298
Service rates and charges	2,024	1,948
Supplementary rates and rate adjustments	205	182
Cultural and recreational	59	59
Interest on rates and charges	(1)	324
Total rates and charges	122,310	117,249

The date of the latest general revaluation for rating purposes within the municipal district was 1 January 2020 and the valuation first applied to the rating year commencing 1 July 2020.

Annual rates and charges are recognised as revenues when Council issues annual rates notices. Supplementary rates are recognised when a valuation and reassessment is completed and a supplementary rates notice issued.

3.2 Statutory fees and fines

	2021 \$'000	2020 \$'000
Permits	1,952	2,006
Infringements and costs	452	715
Town planning fees	170	155
Land information certificates	113	102
Court recoveries	-	123
Other statutory fees and fines	2	1
Total statutory fees and fines	2,689	3,102

Statutory fees and fines (including parking fees and fines) are recognised as revenue when the service has been provided, the payment is received, or when the penalty has been applied, whichever first occurs.

3.3 User fees

	2021 \$'000	2020 \$'000
Waste management services	6,605	5,966
Child care/children's programs	1,763	2,721
Registration and other permits	1,730	1,951
Leisure centre and recreation	939	1,733
Aged and health services	849	858
Building services	518	384
Other fees and charges	1,024	995
Total user fees	13,428	14,608

User fees are recognised as revenue when the service has been provided or Council has otherwise earned the income.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 3 Funding for the delivery of our services

3.4 Funding from other levels of government

Grants were received in respect of the following:

	2021 \$'000	2020 \$'000
Summary of grants		
Commonwealth funded grants	17,388	16,625
State funded grants	18,656	12,194
Total grants received	36,044	28,819
(a) Operating grants		
Recurrent - Commonwealth Government		
Financial Assistance Grants	6,623	6,344
General home care	4,347	4,283
Family and children - child care	3,562	3,011
Recurrent - State Government		
Family and children - preschool	5,978	5,489
Family and children - maternal and child health	1,166	1,099
General home care	841	919
School crossing supervisors	689	704
Family and children - child care	466	390
Community health	270	109
Family and children - youth services	243	182
Other	12	6
Total recurrent operating grants	24,197	22,536
Non-recurrent - Commonwealth Government		
General home care	227	109
Non-recurrent - State Government		
Family and children - preschool	2,245	422
Family and children - maternal and child health	407	354
Family and children - child care	163	-
Environmental planning	153	727
Community health	69	107
Family and children - youth services	10	-
Recreational, leisure and community facilities	7	42
Other	3,273	402
Total non-recurrent operating grants	6,554	2,163
Total operating grants	30,751	24,699

Other non-recurrent State Government operating grants includes COVID-19 related grants for the Working for Victoria Fund (\$2.766 million) and for the provision of outdoor dining (\$0.428 million)

(b) Capital grants

	2021 \$'000	2020 \$'000
Recurrent - Commonwealth Government		
Financial Assistance Grants - local roads	1,159	1,162
Roads to recovery	733	733
Recreational, leisure and community facilities	550	634
Footpaths and cycleways	150	-
Recurrent - State Government		
Bridges	1,061	-
Recreational, leisure and community facilities	869	168
Buildings	126	89
Total recurrent capital grants	4,648	2,786
Non-recurrent - Commonwealth Government		
Footpaths and cycleways	100	-
Recreational, leisure and community facilities	(63)	349
Non-recurrent - State Government		
Recreational, leisure and community facilities	457	351
Buildings	79	88
Roads	42	480
Footpaths and cycleways	25	-
Drainage	5	-
Family and children - preschool	-	66
Total non-recurrent capital grants	645	1,334
Total capital grants	5,293	4,120

(c) Unspent grants received on condition that they be spent in a specific manner

	2021 \$'000	2020 \$'000
Operating		
Balance at start of year	677	829
Received during the financial year and remained unspent at balance date	1,364	534
Received in prior years and spent during the financial year	(459)	(686)
Balance at year end	1,582	677
Capital		
Balance at start of year	860	3,028
Received during the financial year and remained unspent at balance date	9,495	800
Received in prior years and spent during the financial year	(280)	(2,968)
Balance at year end	10,075	860

Grant income is recognised at the point in time when the council satisfies its performance obligations as specified in the underlying agreement.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 3 Funding for the delivery of our services

3.5 Contributions

	2021 \$'000	2020 \$'000
Monetary	6,795	7,694
Non-monetary	-	1,801
Total contributions	6,795	9,495

Contributions of non-monetary assets were received in relation to the following asset classes:

	2021 \$'000	2020 \$'000
Land	-	1,157
Drainage	-	278
Roads	-	315
Footpaths and cycleways	-	42
Car parks	-	9
Total non-monetary contributions	-	1,801

Monetary and non-monetary contributions are recognised as revenue when Council obtains control over the contributed asset.

3.6 Net gain/(loss) on disposal of property, infrastructure, plant and equipment

	2021 \$'000	2020 \$'000
Proceeds of sale	1,575	544
Written down value of assets disposed	(5,150)	(2,168)
Total net gain/(loss) on disposal of property, infrastructure, plant and equipment	(3,575)	(1,624)

The profit or loss on sale of an asset is determined when control of the asset has passed to the buyer.

3.7 Other income

	2021 \$'000	2020 \$'000
Reimbursements	698	1,093
Interest	325	469
Rent	55	443
Other	100	235
Total other income	1,178	2,240

Interest is recognised as it is earned.

Other income is measured at the fair value of the consideration received or receivable and is recognised when Council gains control over the right to receive the income.

Note 4 The cost of delivering services

4.1 Employee costs

(a) Employee costs

	2021 \$'000	2020 \$'000
Wages and salaries	59,242	53,520
Annual leave and long service leave	7,073	8,787
Agency staff	5,979	7,245
Superannuation	6,135	5,769
WorkCover	1,682	1,174
Fringe benefits tax	205	294
Total employee costs	80,316	76,789

Included in the employee costs is \$2.842 million related to the Working for Victoria Fund. This is funded by corresponding grant revenue (refer Note 3.4).

(b) Superannuation

Council made contributions to the following funds:

	2021 \$'000	2020 \$'000
Defined benefit fund		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	273	295
Employer contributions - other funds	-	-
	273	295
Employer contributions payable at reporting date	-	-
Accumulation funds		
Employer contributions to Local Authorities Superannuation Fund (Vision Super)	3,237	3,154
Employer contributions - other funds	2,595	2,209
	5,832	5,363
Employer contributions payable at reporting date	456	413

Refer to Note 9.3 for further information relating to Council's superannuation obligations.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 4 The cost of delivering services

4.2 Materials and services

	2021 \$'000	2020 \$'000
Contract payments		
Waste Management	18,453	15,260
Operations - Maintenance	6,998	6,745
Operating Projects Expenditure	3,365	5,623
Corporate Services	2,644	1,158
Active Ageing & Disability	1,161	1,129
Family & Children's Services	667	716
Arts & Cultural Services	341	542
People & Culture	499	411
Community Law	271	415
Other	879	614
Total contract payments	35,278	32,613
Administration costs	6,273	6,692
Consumable materials and equipment	3,316	3,429
Utilities	2,903	3,451
Information technology	3,131	2,735
Building maintenance	1,917	2,123
Insurance	1,849	1,599
Consultants	1,805	2,083
Finance and legal costs	965	1,776
General maintenance	676	715
Total materials and services	58,113	57,216

4.3 Depreciation

	2021 \$'000	2020 \$'000
Infrastructure	16,061	15,937
Property	4,820	4,853
Plant and equipment	1,536	1,584
Total depreciation	22,417	22,374

Refer to note 5.2(b), 5.7 and 6.2 for a more detailed breakdown of depreciation and amortisation charges and accounting policy.

4.4 Amortisation - intangible assets

	2021 \$'000	2020 \$'000
Software	478	429
Total amortisation - intangible assets	478	429

4.5 Amortisation - right of use assets

	2021 \$'000	2020 \$'000
Property	195	174
Computers and telecommunications	434	125
Plant and equipment	16	-
Total amortisation - right of use assets	645	299

4.6 Bad and doubtful debts

	2021 \$'000	2020 \$'000
Parking and animal infringement debtors	299	251
Other debtors	(21)	93
Total bad and doubtful debts	278	344

Movement in provisions for doubtful debts

Balance at the beginning of the year	92	26
New provisions recognised during the year	45	97
Amounts already provided for and written off as uncollectible	(23)	(31)
Amounts provided for but recovered during the year	(67)	-
Balance at the end of the year	47	92

Provision for doubtful debt is recognised when there is objective evidence that an impairment loss has occurred. Bad debts are written off when identified.

4.7 Finance costs - leases

	2021 \$'000	2020 \$'000
Interest - lease liabilities	33	18
Total finance costs - leases	33	18

Notes to the Financial Report
For the Year Ended 30 June 2021

Note 4 The cost of delivering services

4.8 Contributions and donations

	2021 \$'000	2020 \$'000
Contribution to the Eastern Regional Libraries Corporation	4,105	4,196
Community support payments	2,266	1,669
Total contributions and donations	6,371	5,865

4.9 Other expenses

	2021 \$'000	2020 \$'000
Councillors allowances	368	383
Operating lease rentals	219	424
Auditor's remuneration - internal	150	219
Auditor's remuneration - VAGO - audit of the financial statements, performance statement and grant acquittals	60	59
Total other expenses	797	1,085

Note 5 Our financial position

5.1 Financial assets

(a) Cash and cash equivalents

	2021 \$'000	2020 \$'000
Cash on hand	5	5
Cash at bank	30,593	30,579
Term deposits	15,000	-
Total cash and cash equivalents	45,598	30,584

(b) Other financial assets

	2021 \$'000	2020 \$'000
Term deposits — current	-	9,900
Total other financial assets	-	9,900
Total financial assets	45,598	40,484

Council's cash and cash equivalents are subject to external restrictions that limit amounts available for discretionary use. These include:

	2021 \$'000	2020 \$'000
• Trust funds and deposits (Note 5.3)	1,857	1,584
• Restricted reserves (Note 9.1 (b))	16,939	14,379
Total restricted funds	18,796	15,963
Total unrestricted cash and cash equivalents	26,802	14,621

As at balance date Council had \$15.000 million in term deposits maturing within 90 days.

Intended allocations

Although not externally restricted the following amounts have been allocated for specific future purposes by Council:

	2021 \$'000	2020 \$'000
• Other reserves (Note 9.1 (b))	22,210	24,069
Total funds subject to intended allocations	22,210	24,069

Cash and cash equivalents include cash on hand, deposits at call, and other highly liquid investments with original maturities of 90 days or less, net of outstanding bank overdrafts.

Term deposits are held to maturity and measured at original cost.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 5 Our financial position

5.1 Financial assets

(c) Trade and other receivables

	2021 \$'000	2020 \$'000
Current		
Statutory receivables		
Rates debtors	12,035	10,997
Special rate assessment	52	52
Parking and animal infringement debtors	2,151	1,985
Provision for doubtful debts - parking and animal infringement debtors	(1,609)	(1,310)
Non statutory receivables		
Other debtors	6,407	3,860
Provision for doubtful debts - other debtors	(47)	(92)
Total current trade and other receivables	18,989	15,492

Short term receivables are carried at invoice amount. A provision for doubtful debts is recognised when there is objective evidence that an impairment has occurred. Long term receivables are carried at amortised cost using the effective interest rate method.

(d) Ageing of receivables

The ageing of the Council's trade and other receivables (excluding statutory receivables) that are not impaired was:

	2021 \$'000	2020 \$'000
Current (not yet due)	3,897	2,922
Past due by up to 30 days	1,532	144
Past due between 31 and 180 days	601	290
Past due between 181 and 365 days	167	221
Past due by more than 1 year	210	283
Total trade and other receivables	6,407	3,860

(e) Ageing of individually impaired receivables

At balance date, other debtors representing financial assets with a nominal value of \$nil (2020: \$nil) were impaired. The amount of the provision raised against these debtors was \$nil (2020: \$nil). They individually have been impaired as a result of their doubtful collection. Many of the long outstanding past due amounts have been lodged with the Council's debt collectors or are on payment arrangements.

The ageing of receivables that have been individually determined as impaired at reporting date was:

	2021 \$'000	2020 \$'000
Current (not yet due)	-	-
Past due by up to 30 days	-	-
Past due between 31 and 180 days	-	-
Past due between 181 and 365 days	-	-
Past due by more than 1 year	-	-
Total trade and other receivables	-	-

5.2 Non-financial assets

(a) Other assets

	2021 \$'000	2020 \$'000
Prepayments	1,257	420
Accrued income	19	119
Total other assets	1,276	539

(b) Intangible assets

Software	1,371	614
Total intangible assets	1,371	614

Gross carrying amount

Balance at beginning of year	4,725	4,616
Additions	1,235	109
Balance at end of year	5,960	4,725

Accumulated amortisation and impairment

Balance at beginning of year	4,111	3,681
Amortisation expense	478	430
Balance at end of year	4,589	4,111
Net book value at the end of the year	1,371	614

Intangible assets with finite lives are amortised as an expense on a systematic basis over the asset's useful life. Amortisation is generally calculated on a straight line basis, at a rate that allocates the asset value, less any estimated residual value over its estimated useful life. Estimates of the remaining useful lives and amortisation method are reviewed at least annually, and adjustments made where appropriate.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 5 Our financial position

5.3 Payables

(a) Trade and other payables

	2021 \$'000	2020 \$'000
Trade payables	7,693	8,163
Accrued expenses	4,979	3,158
Prepaid income	1,184	1,207
Total trade and other payables	13,856	12,528

(b) Trust funds and deposits

Refundable deposits	1,612	1,358
Retention amounts	137	129
Fire services levy	43	19
Other	65	78
Total trust funds and deposits	1,857	1,584

(c) Unearned income

Grants received in advance – operating	1,582	534
Grants received in advance – capital	10,075	800
Other	-	-
Total unearned income	11,657	1,334

Amounts received as deposits and retention amounts controlled by Council are recognised as trust funds until they are returned, transferred in accordance with the purpose of the receipt, or forfeited. Trust funds that are forfeited, resulting in Council gaining control of the funds, are to be recognised as revenue at the time of forfeit.

Purpose and nature of items

Refundable deposits – Deposits are taken by Council as a form of surety in a number of circumstances, including in relation to building works, tender deposits, contract deposits and the use of civic facilities.

Fire service levy – Council is the collection agent for fire services levy on behalf of the State Government. Council remits amounts received on a four-instalment basis. Amounts disclosed will be remitted to the State Government in line with that process.

Retention amounts – Council has a contractual right to retain certain amounts until a contractor has met certain requirements or a related warrant or defect period has elapsed. Subject to the satisfactory completion of the contractual obligations, or the elapsing of time, these amounts will be paid to the relevant contractor in line with Council's contractual obligations.

5.4 Provisions

2021	Employee \$'000	Landfill rehabilitation \$'000	Total \$'000
Balance at beginning of the financial year	19,086	3,236	22,322
Additional provisions	7,018	(175)	6,843
Amounts used	(5,912)	(202)	(6,114)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	(350)	(74)	(424)
Balance at the end of the financial year	19,842	2,785	22,627

2020			
Balance at beginning of the financial year	16,169	5,656	21,825
Additional provisions	7,779	(2,272)	5,507
Amounts used	(5,405)	(270)	(5,675)
Change in the discounted amount arising because of time and the effect of any change in the discount rate	543	122	665
Balance at the end of the financial year	19,086	3,236	22,322

(a) Employee provisions

	2021 \$'000	2020 \$'000
Current provisions expected to be wholly settled within 12 months		
Annual leave	3,020	2,644
Long service leave	1,036	1,021
Gratuities	69	74
	4,125	3,739
Current provisions expected to be wholly settled after 12 months		
Annual leave	3,750	3,190
Long service leave	10,107	10,389
Gratuities	648	689
	14,505	14,268
Total current employee provisions	18,630	18,007
Non-current		
Long service leave	1,212	1,079
Total non-current employee provisions	1,212	1,079
Aggregate carrying amount of employee provisions:		
Current	18,630	18,007
Non-current	1,212	1,079
Total aggregate carrying amount of employee provisions	19,842	19,086

The calculation of employee costs and benefits includes all relevant on-costs and are calculated as follows at reporting date.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 5 Our financial position

5.4 Provisions

Wages and salaries and annual leave

Liabilities for wages and salaries including non-monetary benefits and annual leave expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits in respect of employee services up to the reporting date, classified as current liabilities and measured at their nominal values.

Liabilities that are not expected to be wholly settled within 12 months of the reporting date are recognised in the provision for employee benefits as current liabilities, measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

Long service leave

Liability for long service leave (LSL) is recognised in the provision for employee benefits. LSL is measured at present value. Unconditional LSL is disclosed as a current liability. Conditional LSL that has been accrued, where an employee is yet to reach a qualifying term of employment, is disclosed as a non-current liability.

	2021	2020
Key assumptions - AL:		
• Weighted average discount rate	0.03%	0.14%
• Weighted average index rate	2.26%	2.42%
• Average settlement period (years)	2	2
Key assumptions - LSL:		
• Weighted average discount rate - current	1.09%	0.72%
• Weighted average discount rate - non-current	0.39%	0.31%
• Weighted average index rate - current	2.21%	2.20%
• Weighted average index rate - non-current	2.46%	2.60%
• Average settlement period (years)	17	18

Gratuity retirement allowance

A Gratuity retirement allowance exists for employees who commenced prior to 3 May 1996, with new employees who commenced after that date not being eligible, and is recognised in the provision for employee benefits as a current liability. Liabilities expected to be wholly settled within 12 months of the reporting date are measured at their nominal values. Liabilities that are not expected to be wholly settled within 12 months of the reporting date are measured at the present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

	2021	2020
Key assumptions - Gratuity:		
• Weighted average discount rate	0.08%	0.23%
• Weighted average index rate	2.17%	2.20%
• Average settlement period (years)	24	23

(b) Landfill rehabilitation

	2021 \$000	2020 \$000
Current		
Cathies Lane landfill site	273	277
Llewellyn Reserve landfill site	116	108
	389	385
Non-current		
Cathies Lane landfill site	1,683	2,021
Llewellyn Reserve landfill site	713	830
Total non-current provisions	2,396	2,851
Total aggregate carrying amount of landfill rehabilitation provisions	2,785	3,236

Council owns two former landfill sites – Cathies Lane and Llewellyn Reserve. Under the terms of Post Closure Pollution Abatement Notices issued by the Environment Protection Authority (EPA), Council is required to monitor, progressively rehabilitate and conduct rectification works. The provision for landfill rehabilitation has been calculated based on the present value of the expected cost of works to be undertaken including site aftercare and monitoring costs. The expected cost of works has been estimated based on current understanding of work required to progressively rehabilitate the sites to a suitable standard. Accordingly, the estimation of the provision required is dependent on the accuracy of the forecast timing of the work, work required and related costs.

	2021	2020
Key assumptions - Cathies Lane landfill site:		
• Weighted average discount rate	2.10%	1.83%
• Inflation rate	2.00%	2.00%
• Settlement period (years)	13	14
• Estimated cost to rehabilitate	\$2.031m	\$2.317m
Key assumptions - Llewellyn Reserve landfill site:		
• Weighted average discount rate	2.09%	1.83%
• Inflation rate	2.00%	2.00%
• Settlement period (years)	13	14
• Estimated cost to rehabilitate	\$0.860m	\$0.945m

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 5 Our financial position

5.4 Provisions (continued)

Cathies Lane landfill site

Council operated the Cathies Lane landfill site, Wantirna South from 1986 to 2004, under a licence issued by the Environment Protection Authority (EPA). The site is closed as a landfill but a portion of the site is still being used as a resource recovery centre (transfer station) to receive, process and transport waste to other sites for refuse and/or disposal. In 2015-16 the EPA issued a Post Closure Pollution Abatement notice and Council has surrendered the landfill licence.

In the financial report for June 2021, Council has an amount of \$1.957 million as a provision for the restoration of the Cathies Lane landfill site and includes an ongoing commitment of approximately \$0.147 million per annum for site aftercare to meet EPA obligations where restoration works have been completed. This is based on the assessment undertaken in 2015 and a reassessment of the provision at balance date in which the provision was measured at the net present value of the future rehabilitation costs including aftercare and site monitoring costs. Included in the aftercare is the cost to provide a bank guarantee to meet the Financial Assurance requirements imposed by the EPA on Council for thirty years post closure of this site.

Llewellyn Reserve landfill site

Council's landfill site at Llewellyn Reserve was closed in 1985. In 2015-16 the EPA issued a Post Closure Pollution Abatement notice.

In the financial report for June 2021, Council has an amount of \$0.829 million as a provision for the restoration of the Llewellyn Reserve landfill site and includes an ongoing commitment of approximately \$0.062 million per annum to cover sampling, testing and reporting requirements as required by the EPA. This is based on an assessment undertaken in 2015 and a reassessment of the provision at balance date in which the provision was measured at the net present value of the future rehabilitation costs including aftercare and site monitoring costs.

Summary of provisions

	2021 \$'000	2020 \$'000
Current	19,019	18,392
Non-current	3,608	3,930
Total provisions	22,627	22,322

5.5 Financing arrangements

	2021 \$'000	2020 \$'000
The Council has the following funding arrangements in place as at 30th June 2021		
Bank overdraft	1,500	1,500
Credit card facilities	200	200
Total facilities	1,700	1,700
Used facilities	17	11
Unused facilities	1,683	1,689

5.6 Commitments

The Council has entered into the following commitments. Commitments are not recognised in the Balance Sheet.

	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2021					
Operating					
Garbage collection and recycling	6,903	7,075	7,252	-	21,230
Library services	4,472	4,510	9,157	-	18,139
Infrastructure management	2,350	1,547	367	48	4,312
Consultancies	975	390	176	-	1,541
Cleaning contracts for council building	816	691	-	-	1,507
Open space management	-	-	-	-	-
Total	15,516	14,213	16,952	48	46,729
Capital					
Buildings	14,461	-	-	-	14,461
Other infrastructure	1,369	120	100	-	1,589
Total	15,830	120	100	-	16,050
	Not later than 1 year \$'000	Later than 1 year and not later than 2 years \$'000	Later than 2 years and not later than 5 years \$'000	Later than 5 years \$'000	Total \$'000
2020					
Operating					
Garbage collection and recycling	12,239	6,345	13,169	-	31,753
Library services	4,376	4,472	9,066	-	17,914
Infrastructure management	1,068	739	242	-	2,049
Consultancies	3,850	1,353	466	-	5,669
Cleaning contracts for council buildings	1,036	832	204	-	2,072
Open space management	1,564	-	-	-	1,564
Total	24,133	13,741	23,147	-	61,021
Capital					
Buildings	622	58	-	-	680
Other infrastructure	2,980	-	-	-	2,980
Total	3,602	58	-	-	3,660

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 5 Our financial position

5.7 Leases

At inception of a contract, all entities would assess whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To identify whether a contract conveys the right to control the use of an identified asset, it is necessary to assess whether:

- The contract involves the use of an identified asset;
- The customer has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- The customer has the right to direct the use of the asset.

This policy is applied to contracts entered into, or changed, on or after 1 July 2019.

As a lessee, Council recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for:

- any lease payments made at or before the commencement date less any lease incentives received; plus
- any initial direct costs incurred; and
- an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, an appropriate incremental borrowing rate. Generally, Council uses an appropriate incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that Council is reasonably certain to exercise, lease payments in an optional renewal period if Council is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless Council is reasonably certain not to terminate early.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Council has elected to apply the temporary option available under AASB 16 Leases which allows not-for-profit entities to not measure right-of-use assets at initial recognition at fair value in respect of leases that have significantly below-market terms.

5.7 Leases

Right-of-use assets

	Property \$'000	Computers and Telecommunications \$'000	Plant and Equipment \$'000	Total \$'000
Balance at 1 July 2020	457	356	-	813
Additions	400	884	81	1,365
Amortisation charge	(195)	(434)	(16)	(645)
Balance at 30 June 2021	662	806	65	1,533
Balance at 1 July 2019	560	44	-	604
Additions	71	437	-	508
Amortisation charge	(174)	(125)	-	(299)
Balance at 30 June 2020	457	356	-	813

Lease liabilities

	2021 \$'000	2020 \$'000
Maturity analysis – contractual undiscounted cash flows		
Less than one year	633	368
One to five years	959	625
More than five years	-	-
Total undiscounted lease liabilities as at 30 June	1,592	993
Lease liabilities included in Balance Sheet at 30 June:		
Current	605	362
Non-current	934	459
Total lease liabilities	1,539	821

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 5 Our financial position

5.7 Leases

Short-term and low value leases

Council has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and leases of low-value assets (individual assets worth less than existing capitalisation thresholds for a like asset up to a maximum of AUD\$10,000), including IT equipment. Council recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Expenses relating to:	2021 \$'000	2020 \$'000
Short-term leases	206	415
Leases of low value assets	13	9
Total	219	424
Variable lease payments (not included in measurement of lease liabilities)	-	-

Non-cancellable lease commitments - short-term and low-value leases

Payable:		
Within one year	11	10
Later than one year but not later than five years	9	11
Total lease commitments	20	21

Note 6 Assets we manage

6.1 Non-current assets classified as held for sale

	2021 \$'000	2020 \$'000
Buildings	227	808
Land at fair value	1,845	386
Total non-current assets classified as held for sale	2,072	1,194

Non-current assets classified as held for sale (including disposal groups) are measured at the lower of their carrying amount and fair value less costs of disposal, and are not subject to depreciation. Non-current assets are treated as current and classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset's sale (or disposal group sale) is expected to be completed within 12 months from the date of classification.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 6 Assets we manage

6.2 Property, infrastructure, plant and equipment

Summary of property, infrastructure, plant and equipment

	At Fair Value 30 June 2020 \$'000	At cost 30 June 2020 \$'000	Additions \$'000	Contributions \$'000	Revaluation \$'000
Land	949,183	7,139	582	-	-
Buildings	179,691	-	7,295	-	-
Plant and equipment	-	9,391	1,290	-	-
Infrastructure	742,614	64,254	27,868	-	5,926
Work in progress	-	14,000	13,033	-	-
	1,871,488	94,784	50,068	-	5,926

Summary of work in progress

	Opening work in progress \$'000	Additions \$'000	Transfers \$'000	Write offs \$'000	Closing work in progress \$'000
Property	3,836	4,581	(3,380)	(11)	5,026
Infrastructure	10,164	8,452	(7,546)	(28)	11,042
	14,000	13,033	(10,926)	(39)	16,068

(a) Property

	Land - specialised \$'000	Land - non specialised \$'000
At fair value 1 July 2020	774,287	174,897
At cost 1 July 2020	3,984	-
Accumulated depreciation at 1 July 2020	-	-
	778,271	174,897
Movements		
Additions at cost	-	582
Contributions	-	-
Revaluation	-	-
Disposal at fair value	(1,310)	-
Disposal at cost	-	-
Impairment losses recognised in operating result	-	-
Transfers and write offs	-	-
	(1,310)	582
Movements in accumulated depreciation		
Depreciation and amortisation	-	-
Accumulated depreciation of disposals	-	-
Revaluation	-	-
	(1,310)	-
At fair value 30 June 2021	772,977	174,897
At cost 30 June 2021	3,984	582
Accumulated depreciation at 30 June 2021	-	-
	776,961	175,479

Depreciation \$'000	Disposal \$'000	Impairment \$'000	Transfers and write offs \$'000	At fair value 30 June 2021 \$'000	At cost 30 June 2021 \$'000	Total WDV 30 June 2021 \$'000
-	(1,310)	-	-	947,874	7,720	955,594
(4,820)	(1,380)	(50)	-	173,665	7,071	180,736
(1,536)	(269)	-	-	-	8,876	8,876
(16,061)	(3,068)	-	-	732,234	89,300	821,534
-	(39)	-	(10,926)	-	16,068	16,068
(22,417)	(6,066)	(50)	(10,926)	1,853,773	129,035	1,982,808

Land improvements \$'000	Total land \$'000	Buildings - specialised \$'000	Total buildings \$'000	Work in progress \$'000	Total property \$'000
-	949,184	301,173	301,173	-	1,250,357
3,154	7,138	-	-	3,836	10,974
-	-	(121,482)	(121,482)	-	(121,482)
3,154	956,322	179,691	179,691	3,836	1,139,849
-	582	7,295	7,295	4,582	12,459
-	-	-	-	-	-
-	-	-	-	-	-
-	(1,310)	(4,661)	(4,661)	-	(5,971)
-	-	-	-	(11)	(11)
-	-	(50)	(50)	-	(50)
-	-	-	-	(3,380)	(3,380)
-	(728)	2,584	2,584	1,191	3,047
-	-	(4,820)	(4,820)	-	(4,820)
-	-	3,281	3,281	-	3,281
-	-	-	-	-	-
-	-	(1,539)	(1,539)	-	(1,539)
-	947,874	296,462	296,462	-	1,244,336
3,154	7,720	7,295	7,295	5,026	20,041
-	-	(123,021)	(123,021)	-	(123,021)
3,154	955,594	180,736	180,736	5,026	1,141,356

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 6 Assets we manage

6.2 Property, infrastructure, plant and equipment

(b) Plant and equipment

	Plant, machinery and equipment \$'000	Fixtures, fittings and furniture \$'000
At cost 1 July 2020	13,049	2,291
Accumulated depreciation at 1 July 2020	(5,306)	(1,986)
	7,743	305
Movements		
Additions at cost	1,218	-
Disposal at cost	(966)	-
	252	-
Movements in accumulated depreciation		
Depreciation and amortisation	(1,220)	(81)
Accumulated depreciation of disposals	705	-
	(515)	(81)
At cost 30 June 2021	13,301	2,291
Accumulated depreciation at 30 June 2021	(5,821)	(2,067)
	7,480	224

(c) Infrastructure	Roads \$'000	Bridges \$'000	Footpaths and cycleways \$'000
At fair value 1 July 2020	685,131	16,054	146,741
At cost 1 July 2020	8,867	-	2,804
Accumulated depreciation at 1 July 2020	(202,669)	(4,172)	(84,864)
	491,329	11,882	64,681
Movements			
Additions at cost	7,883	1,225	5,497
Contributions	-	-	-
Revaluation	-	-	-
Disposal at fair value	(2,898)	-	(3,288)
Disposal at cost	-	-	-
Transfers and write offs at cost	-	-	-
	4,985	1,225	2,209
Movements in accumulated depreciation			
Depreciation and amortisation	(6,634)	(170)	(2,969)
Accumulated depreciation of disposals	2,097	-	2,150
Revaluation	409	-	7,738
	(4,128)	(170)	6,919
At fair value 30 June 2021	682,233	16,053	143,453
At cost 30 June 2021	16,750	1,225	8,300
Accumulated depreciation at 30 June 2021	(206,797)	(4,341)	(77,944)
	492,186	12,937	73,809

Computers and telecomms \$'000	Artworks \$'000	Total plant and equipment \$'000
4,286	437	20,063
(3,380)	-	(10,672)
906	437	9,391
72	-	1,290
-	(8)	(974)
72	(8)	316
(235)	-	(1,536)
-	-	705
(235)	-	(831)
4,358	429	20,379
(3,615)	-	(11,503)
743	429	8,876

Drainage \$'000	Recreational, leisure and community facilities \$'000	Off street car parks \$'000	Other infrastructure \$'000	Work in progress \$'000	Total infrastructure \$'000
326,669	-	25,056	5,646	-	1,205,297
-	68,490	1,049	295	10,164	91,669
(161,111)	(17,146)	(7,014)	(2,958)	-	(479,934)
165,558	51,344	19,091	2,983	10,164	817,032
4,071	7,815	1,377	-	8,451	36,319
-	-	-	-	-	-
-	-	-	(2,221)	-	(2,221)
-	-	-	(3,425)	-	(9,611)
-	(1,337)	-	(236)	(28)	(1,601)
-	-	-	-	(7,546)	(7,546)
4,071	6,478	1,377	(5,882)	877	15,340
(4,105)	(1,749)	(432)	(2)	-	(16,061)
-	919	-	2,950	-	8,116
-	-	-	-	-	8,147
(4,105)	(830)	(432)	2,948	-	202
326,669	-	25,056	-	-	1,193,464
4,071	74,968	2,426	60	11,042	118,842
(165,216)	(17,976)	(7,446)	(10)	-	(479,730)
165,524	56,992	20,036	50	11,042	832,576

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 6 Assets we manage

6.2 Property, infrastructure, plant and equipment

Acquisition

The purchase method of accounting is used for all acquisitions of assets, being the fair value of assets provided as consideration at the date of acquisition plus any incidental costs attributable to the acquisition. Fair value is the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date.

Where assets are constructed by Council, cost includes all materials used in construction, direct labour, borrowing costs incurred during construction, and an appropriate share of directly attributable variable and fixed overheads.

In accordance with Council's policy, the threshold limits have applied when recognising assets within an applicable asset class and unless otherwise stated are consistent with the prior year.

Asset recognition thresholds and depreciation periods	Depreciation Period Years	Threshold Limit \$'000
Land & land improvements		
Land	n/a	10
Land improvements	n/a	10
Land under roads	n/a	10
Buildings		
Buildings	20-200	10
Plant and equipment		
Plant, machinery and equipment	3-10	10
Fixtures, fittings and furniture	3-10	10
Computers and telecommunications	3-10	10
Artworks	n/a	10
Infrastructure		
Roads - surfacing	2-50	5
Roads - kerb and channel	70	5
Roads - substructure	30-185	20
Roads - earthworks	n/a	20
Bridges	30-100	5
Footpaths and cycleways	2-50	5
Drainage	80	5
Recreational, leisure and community facilities	15-60	10
Off street car parks	2-185	10
Other infrastructure	7-30	2
Intangible assets		
Software	5	10

Land under roads

Land under roads acquired after 30 June 2008 is brought to account at cost. Council does not recognise land under roads that it controlled prior to that date.

Depreciation and amortisation

Buildings, plant and equipment, infrastructure and intangible assets having limited useful lives are systematically depreciated over their useful lives to the Council in a manner which reflects consumption of the service potential embodied in those assets. Estimates of remaining useful lives and residual values are made on a regular basis with major asset classes reassessed annually. Depreciation rates and methods are reviewed annually.

Where assets have separate identifiable components that are subject to regular replacement, these components are assigned distinct useful lives and residual values and a separate depreciation rate is determined for each component.

Land, land improvements, land under roads, roads – earthworks and artworks are not depreciated on the basis that they are assessed as not having a limited useful life.

Straight line depreciation is charged based on the residual useful life as determined each year.

Depreciation periods used are consistent with the prior year unless otherwise stated.

Repairs and maintenance

Where the repair relates to the replacement of a component of an asset and the cost exceeds the capitalisation threshold, the cost is capitalised and depreciated. The carrying value of the replaced asset is expensed.

Valuation of land and buildings

Valuation of land and buildings were undertaken by Brian Robinson from Westlink Consulting, a qualified independent valuer, registration number 62215. The valuation of land and buildings is at fair value, being market value based on highest and best use permitted by relevant land planning provisions. Where land use is restricted through existing planning provisions the valuation is reduced to reflect this limitation. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the Comprehensive Income Statement.

Specialised land is valued at fair value using site values adjusted for englobo (undeveloped and/or unserviced) characteristics, access rights and private interests of other parties and entitlements of infrastructure assets and services. This adjustment is an unobservable input in the valuation. The adjustment has no impact on the Comprehensive Income Statement.

Any significant movements in the unobservable inputs for land will have a significant impact on the fair value of these assets.

The date of the current valuation is detailed in the following table. Details of the Council's Land and Buildings and information about the fair value hierarchy as at 30 June 2021 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of valuation
Land	-	174,897	-	June 2020
Specialised land	-	-	772,977	June 2020
Specialised buildings	-	-	173,665	June 2020
Total	-	174,897	946,642	

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 6 Assets we manage

6.2 Property, infrastructure, plant and equipment

Valuation of infrastructure

The valuation of fire hydrants (other infrastructure) was to have been determined in accordance with a valuation undertaken by Mr Alexander Bourke, BE (Hons)(Civil), Asset Engineer, Knox City Council. However a determination has been made that Council does not own the fire hydrants listed on the asset register under the class of fire hydrants, and accordingly there has been a derecognition of fire hydrants in the financial accounts.

The date of the current valuation is detailed in the following table. The valuation is at fair value based on replacement cost less accumulated depreciation as at the date of valuation.

A full revaluation of roads, footpaths and off street car parks will be conducted in 2021-22 and a full revaluation of bridges, cycleways and drainage will be conducted in 2022-23.

Details of the Council's Infrastructure and information about the fair value hierarchy as at 30 June 2021 are as follows:

	Level 1 \$'000	Level 2 \$'000	Level 3 \$'000	Date of valuation
Roads	-	-	475,829	June 2019
Bridges	-	-	11,716	June 2020
Footpaths and cycleways			65,587	June 2019 / June 2020
Drainage	-	-	161,461	June 2020
Off street car parks	-	-	17,641	June 2019
Other Infrastructure	-	-	-	June 2021
Total	-	-	732,234	

Description of significant unobservable inputs into level 3 valuations

Specialised land is valued using a market based direct comparison technique. Significant unobservable input include the extent and impact of restriction of use and the market cost of land per square metre. The extent and impact of restrictions on use varies and results in a reduction to surrounding land values between 20% and 50%. The market value of land varies significantly depending on the location of the land and the current market conditions. Currently land values range between \$8 and \$1,317 per square metre.

Specialised buildings are valued using a depreciated replacement cost technique. Significant unobservable inputs include the current replacement cost and remaining useful lives of buildings. Current replacement costs is calculated on a square metre basis and ranges from \$320 to \$8,130 per square metre. The remaining useful lives of buildings are determined on the basis of the current condition of buildings and vary up to 145 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of buildings are sensitive to changes in expectations or requirements that could either shorten or extend the useful lives of buildings.

Infrastructure assets are valued based on the depreciated replacement cost. Significant unobservable inputs include the current replacement cost and remaining useful lives of infrastructure. The remaining useful lives of infrastructure assets are determined on the basis of the current condition of the asset and vary up to 185 years. Replacement cost is sensitive to changes in market conditions, with any increase or decrease in cost flowing through to the valuation. Useful lives of infrastructure are sensitive to changes in use, expectations or requirements that could either shorten or extend the useful lives of infrastructure assets.

Reconciliation of specialised land at fair value

	2021 \$'000	2020 \$'000
Parks and reserves	705,817	707,126
Community facilities	30,967	30,967
Civic precinct	24,856	24,856
Transfer station	11,337	11,337
Total specialised land at fair value	772,977	774,286

6.3 Investments in associates, joint arrangements and subsidiaries

(a) Investment in associates

	2021 \$'000	2020 \$'000
Investment in associate accounted for by the equity method is:		
Eastern Regional Libraries Corporation (ERLC)	5,074	4,920

Eastern Regional Libraries Corporation (ERLC)

Background

The principal activity of ERLC is the operation of libraries. Council's ownership interest of ERLC as at 30 June 2021 was 36.39% (2020 - 36.39%) based on Council's contribution of the net assets to the entity on its commencement on 1 July 1996. Council's proportion of voting power as at 30 June 2021 was 33.33% (2020 - 33.33%).

	2021 \$'000	2020 \$'000
Fair value of Council's investment in Eastern Regional Libraries Corporation	5,074	4,920
Council's share of accumulated surplus		
Council's share of accumulated surplus at start of year	4,920	4,604
Reported surplus for year	154	316
Council's share of accumulated surplus at end of year	5,074	4,920
Movement in carrying value of specific investment		
Carrying value of investment at start of year	4,920	4,604
Share of surplus for year	154	316
Carrying value of investment at end of year	5,074	4,920
Council's share of expenditure commitments		
Operating commitments	69	115
Capital commitments	-	-
Council's share of expenditure commitments	69	115

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 6 Assets we manage

6.3 Investments in associates, joint arrangements and subsidiaries (continued)

Council directly provides a number of additional resources free of charge to the Eastern Regional Libraries Corporation in relation to the mobile library and library branches in the Knox municipality. The annual operating cost to Council for providing these facilities are as follows:

	2021 \$'000	2020 \$'000
Mobile library	36	36
Knox City, Rowville, Ferntree Gully, Boronia and Bayswater Library Branches	668	745

An associate is an entity over which Council has significant influence but not control or joint control. Investment in an a associate is accounted for using the equity method of accounting, after initially being recognised at cost.

Changes in the net assets of the ERLC are brought to account as an adjustment to the carrying value of the investment.

Note 7 People and relationships

7.1 Council and key management remuneration

(a) Related parties

Parent Entity

Knox City Council

Associates

Eastern Regional Libraries Corporation (ERLC). Interests in associates are detailed in Note 6.3.

(b) Key management personnel

Details of persons holding the position of Councillor or other members of key management personnel at any time during the year were:

Councillors

Councillor Nicole Seymour (Mayor)	Mayor from 1 July 2020 to 24 October 2020 Councillor from 9 November 2020 to current
Councillor Lisa Cooper (Mayor)	Mayor from 16 November 2020 to current Councillor from 1 July 2020 to 24 October 2020 and from 9 November 2020 to 16 November 2020
Councillor Marcia Timmers-Leitch (Deputy Mayor)	Deputy Mayor from 1 July 2020 to 24 October 2020 Councillor from 9 November 2020 to current
Councillor Susan Laukens (Deputy Mayor)	Deputy Mayor from 16 November 2020 to current Councillor from 9 November 2020 to 16 November 2020
Councillor Yvonne Allred	Councillor from 9 November 2020 to current
Councillor Meaghan Baker	Councillor from 9 November 2020 to current
Councillor Jude Dwight	Councillor from 9 November 2020 to current
Councillor Adam Gill	Councillor from 1 July 2020 to 24 October 2020
Councillor Sorina Grasso	Councillor from 9 November 2020 to current
Councillor Tony Holland	Councillor from 1 July 2020 to 24 October 2020
Councillor Jake Keogh	Councillor from 1 July 2020 to 24 October 2020
Councillor Peter Lockwood	Councillor from 1 July 2020 to 24 October 2020
Councillor John Mortimore	Councillor from 1 July 2020 to 24 October 2020
Councillor Darren Pearce	Councillor from 1 July 2020 to 24 October 2020 and from 9 November 2020 to current

Chief Executive Officer and other key management personnel

Tony Doyle - Chief Executive Officer	
Dr Ian Bell - Director of Special Projects	
Tanya Scicluna - Director Connected Communities	
Matt Hanrahan - Acting Director Infrastructure	1 July 2020 to 11 September 2020
Matt Kelleher - Director City Strategy and Integrity	
Samantha Mazer - Director City Centre	
Grant Thorne - Director Infrastructure	14 September 2020 to 30 June 2021
Sam Stanton - Executive Manager Strategy, People and Culture	

	2021 No.	2020 No.
Total number of Councillors	14	9
Chief Executive Officer and other key management personnel	8	8
Total key management personnel	22	17

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 7 People and relationships

7.1 Council and key management remuneration

(c) Remuneration of key management personnel

Total remuneration of key management personnel was as follows:

	2021 \$'000	2020 \$'000
Short-term benefits	2,483	2,473
Long-term benefits	64	52
Termination benefits	-	95
Total	2,547	2,620

The numbers of Key Management Personnel whose total remuneration from Council and any related entities fall within the following bands:

	2021 No.	2020 No.
\$1 - \$9,999	5	-
\$20,000 - \$29,999	5	-
\$30,000 - \$39,999	2	7
\$50,000 - \$59,999	1	1
\$80,000 - \$89,999	1	-
\$90,000 - \$99,999	-	1
\$200,000 - \$209,999	1	-
\$220,000 - \$229,999	1	-
\$230,000 - \$239,999	1	1
\$240,000 - \$249,999	1	1
\$250,000 - \$259,999	-	2
\$270,000 - \$279,999	-	1
\$280,000 - \$289,999	-	1
\$290,000 - \$299,999	1	-
\$310,000 - \$319,999	1	1
\$320,000 - \$329,999	1	-
\$340,000 - \$349,999	1	-
\$370,000 - \$379,999	-	1
	22	17

(d) Senior officer remuneration

A senior officer is an officer of Council, other than key management personnel who:

- (a) has management responsibilities and reports directly to the Chief Executive Officer; or
- (b) whose total annual remuneration exceeds \$151,000 (\$151,000 in 2019-20).

The number of senior officers are shown below in their relevant income bands:

Income range	2021 No.	2020 No.
<\$151,000	8	10
\$151,000 - \$159,999	1	2
\$160,000 - \$169,999	8	2
\$170,000 - \$179,999	3	2
\$180,000 - \$189,999	5	4
\$190,000 - \$199,999	1	3
\$200,000 - \$209,999	-	-
\$210,000 - \$219,999	-	1
\$220,000 - \$229,999	1	1
\$260,000 - \$269,999	-	1
	27	26
	2021 \$'000	2020 \$'000
Total remuneration for the reporting year for senior officers included above amounted to:	3,975	3,884

7.2 Related party disclosure

(a) Transactions with related parties

During the period Council did not enter into any transactions with related parties.

	2021 \$'000	2020 \$'000
Contributions to Eastern Regional Libraries Corporation	4,192	4,282
Total transactions with related parties	4,192	4,282

Council directly provides a number of additional resources free of charge to the Eastern Regional Libraries Corporation in relation to the mobile library and library branches in the Knox municipality. The annual operating cost to Council for providing these facilities are as follows:

	2021 \$'000	2020 \$'000
Mobile library	36	36
Knox City, Rowville, Ferntree Gully, Boronia and Bayswater Library Branches	668	745

(b) Outstanding balances with related parties

There were no balances outstanding at the end of the reporting period in relation to transactions with related parties.

(c) Loans to/from related parties

There were no loans in existence at balance date that have been made, guaranteed or secured by the Council to a related party.

(d) Commitments to/from related parties

There were no commitments in existence at balance date that have been made, guaranteed or secured by the Council to a related party.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 8 Managing uncertainties

8.1 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the Balance Sheet, but are disclosed and if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

(a) Contingent assets

Developer contributions

As a result of development activity within the Knox municipality, Council has identified as a contingent asset the developer contributions of infrastructure assets and open space contributions to be received in respect of subdivisions that are currently under development totalling \$15.700 million (2019-20, \$15.346 million).

Operating lease receivables

Council has a number of leases with external entities where they pay for the use of Council land and buildings. A number of these leases include a CPI based revision of the rental charge annually.

Future minimum rentals receivable under non-cancellable operating leases are as follows:

	2021 \$'000	2020 \$'000
Not later than one year	536	505
Later than one year and not later than five years	1,956	1,717
Later than five years	7,567	8,809
	10,059	11,031

(b) Contingent liabilities

Superannuation

Council has obligations under a defined benefit superannuation scheme that may result in the need to make additional contributions to the scheme, matters relating to this potential obligation are outlined below. As a result of the volatility in financial markets the likelihood of making such contributions in future periods exists.

Future superannuation contributions

In addition to the disclosed contributions, Knox City Council has paid unfunded liability payments to Vision Super totalling \$Nil during the 2020-21 (2019-20 \$Nil). There were no contributions outstanding and no loans issued from or to the above schemes as at 30 June 2021. The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 are \$0.252 million.

Landfill

Council has identified a previously unknown former landfill at Wantirna Reserve. Council is engaging an environmental consultant to undertake a risk assessment via additional data collection over an estimated two year period. Depending on the risk assessment outcome, Council may have to carry out site rehabilitation works in the future. The additional costs to be incurred would be determined following assessment of the data collected. At balance date Council is unable to accurately assess the financial implications of such works.

Council is currently carrying out site rehabilitation at its two former landfill sites at Cathies Lane and Llewellyn Reserve. Council has calculated its ongoing rehabilitation costs for a period up to 30 June 2034. The Environment Protection Authority (EPA) has issued Council with a requirement to review and have financial assurances for both landfill sites verified by an environmental auditor, with this work expected to be completed by December 2021. This process will determine whether the after care period and the provisions put aside for both landfill sites should extend beyond 30 June 2034.

Knox City Council Depot

During the 2020 financial year, Council ceased operations at the Knox City Council Depot located in Bridgewood Court, Wantirna South. Council is now managing the rehabilitation of this site. It is expected that works could continue for up to another two years, however at balance date Council is unable to accurately assess the financial implications of such works.

Insurance Claims

As a large local authority with ownership of numerous parks, reserves, roads and other land holdings, the Council is regularly met with claims and demands allegedly arising from an incident that occurs on land belonging to the Council, or allegedly arising from incidents relating to Council business, services or activities. There are ten outstanding insurance claims against the Council in this regard. The Council carries \$600.000 million of public liability and professional indemnity insurance and has an excess of \$0.020 million per claim on this policy. Therefore, the maximum liability of the Council in any single claim is the extent of its excess. The primary insurer is Liability Mutual Insurance (MAV Insurance). There are no claims that Council is aware of which would fall outside the terms of the Council's policy.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 8 Managing uncertainties

8.2 Change in accounting standards

Certain new Australian Accounting Standards and interpretations have been published that are not mandatory for the 30 June 2021 reporting period. Council assesses the impact of these new standards. As at 30 June 2021 there were no new accounting standards or interpretations issued by the AASB which are applicable for the year ending 30 June 2022 that are expected to impact Council.

8.3 Financial instruments

(a) Objectives and policies

The Council's principal financial instruments comprise cash assets, term deposits, receivables (excluding statutory receivables), payables (excluding statutory payables) and bank borrowings. Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument is disclosed in the notes of the financial statements. Risk management is carried out by senior management under policies approved by the Council. These policies include identification and analysis of the risk exposure to Council and appropriate procedures, controls and risk minimisation.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of council financial instruments will fluctuate because of changes in market prices. The Council's exposure to market risk is primarily through interest rate risk with only insignificant exposure to other price risks and no exposure to foreign currency risk.

Interest rate risk

Interest rate risk refers to the risk that the value of a financial instrument or cash flows associated with the instrument will fluctuate due to changes in market interest rates. Council's interest rate liability risk arises primarily from long term loans and borrowings at fixed rates which exposes council to fair value interest rate risk / Council does not hold any interest bearing financial instruments that are measured at fair value, and therefore has no exposure to fair value interest rate risk. Cash flow interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Council has minimal exposure to cash flow interest rate risk through its cash and deposits that are at floating rates.

Investment of surplus funds is made with approved financial institutions under the *Local Government Act 1989*. Council manages interest rate risk by adopting an investment policy that ensures:

- diversification of investment product;
- monitoring of return on investment; and
- benchmarking of returns and comparison with budget.

There has been no significant change in the Council's exposure, or its objectives, policies and processes for managing interest rate risk or the methods used to measure this risk from the previous reporting period.

Interest rate movements have not been sufficiently significant during the year to have an impact on the Council's year end result.

(c) Credit risk

Credit risk is the risk that a contracting entity will not complete its obligations under a financial instrument and cause Council to make a financial loss. Council have exposure to credit risk on some financial assets included in the balance sheet. Particularly significant areas of credit risk exist in relation to outstanding fees and fines as well as loans and receivables from sporting clubs and associations. To help manage this risk:

- council have a policy for establishing credit limits for the entities council deal with;
- council may require collateral where appropriate; and
- council only invest surplus funds with financial institutions which have a recognised credit rating specified in council's investment policy.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

Receivables consist of a large number of customers, spread across the ratepayer, business and government sectors. Credit risk associated with the council's financial assets is minimal because the main debtor is secured by a charge over the rateable property.

There are no material financial assets which are individually determined to be impaired.

Council may also be subject to credit risk for transactions which are not included in the balance sheet, such as when council provide a guarantee for another party. Details of our contingent liabilities are disclosed in Note 8.1(b).

The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount, net of any provisions for impairment of those assets, as disclosed in the balance sheet and notes to the financial statements. Council does not hold any collateral.

All financial liabilities are expected to be settled within normal terms of trade.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(d) Liquidity risk

Liquidity risk includes the risk that, as a result of our operational liquidity requirements, we will not have sufficient funds to settle a transaction when required, we will be forced to sell a financial asset at below value or may be unable to settle or recover a financial asset.

To help reduce these risks Council:

- has an investment policy which specifies the need to meet Council's cash flow requirements;
- has readily accessible standby facilities and other funding arrangements in place;
- has a liquidity portfolio structure that requires surplus funds to be invested within various bands of liquid instruments;
- monitors budget to actual performance on a regular basis; and
- set limits on borrowings relating to the percentage of loans to rate revenue and percentage of loan principal repayments to rate revenue.

The Council's maximum exposure to liquidity risk is the carrying amounts of financial liabilities as disclosed on the face of the Balance Sheet and is deemed insignificant based on prior periods' data and current assessment of risk.

There has been no significant change in Council's exposure, or its objectives, policies and processes for managing liquidity risk or the methods used to measure this risk from the previous reporting period.

All financial liabilities are expected to be settled within normal terms of trade.

Unless otherwise stated, the carrying amounts of financial instruments reflect their fair value.

(e) Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts and management's knowledge and experience of the financial markets, Council believes the following movements are 'reasonably possible' over the next twelve months:

- A parallel shift of +1% and -1% in market interest rates (AUD) from year-end rates of 0.218%.

These movements will not have a material impact on the valuation of Council's financial assets and liabilities, nor will they have a material impact on the results of Council's operations.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 8 Managing uncertainties

8.4 Fair value measurement

Fair value hierarchy

Knox City Council does not have any financial assets that are measured at fair value subsequent to initial recognition.

Council measures certain assets and liabilities at fair value where required or permitted by Australian Accounting Standards. *AASB 13 Fair Value Measurement*, aims to improve consistency and reduce complexity by providing a definition of fair value and a single source of fair value measurement and disclosure requirements for use across Australian Accounting Standards.

AASB 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value under AASB 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within a fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities;

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, Council has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Revaluation

Subsequent to the initial recognition of assets, non-current physical assets, other than land under roads, recreational leisure and community facilities, plant and equipment, bus shelters, artworks and intangibles are measured at their fair value, being the price that would be received to sell an asset (or paid to transfer a liability) in an orderly transaction between market participants at the measurement date. At balance date, the Council reviewed the carrying value of the individual classes of assets measured at fair value to ensure that each asset materially approximated its fair value. Where the carrying value materially differed from the fair value at balance date the class of asset was revalued.

Fair value valuations are determined in accordance with a valuation hierarchy. Changes to the valuation hierarchy will only occur if an external change in the restrictions or limitations of use on an asset result in changes to the permissible or practical highest and best use of the asset. In addition, Council undertakes a formal revaluation of land, buildings, and infrastructure assets on a regular basis ranging from 2 to 3 years. The valuations are performed either by experienced Council officers or independent experts.

Where the assets are revalued, the revaluation increments are credited directly to the relevant asset revaluation reserve except to the extent that an increment reverses a prior year decrement for that class of asset that had been recognised as an expense in which case the increment is recognised as revenue up to the amount of the expense. Revaluation decrements are recognised as an expense except where prior increments are included in the asset revaluation reserve for that class of asset in which case the decrement is taken to the reserve to the extent of the remaining increments. Within the same class of asset, revaluation increments and decrements within the year are offset.

Impairment of assets

At each reporting date, Council reviews the carrying value of its assets to determine whether there is any indication that these assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs of disposal and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is expensed to the Comprehensive Income Statement, unless the asset is carried at the revalued amount in which case, the impairment loss is recognised directly against the revaluation surplus in respect of the same class of asset to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that same class of asset.

8.5 Events occurring after balance date

Due to the significant uncertainty surrounding the COVID-19 outbreak and the government's response to this, it is not possible to estimate the full impact on Council's operations, financial position and cashflows at this point in time. This being the case, Council does not consider it practicable to provide a quantitative or qualitative estimate of the potential impact of this outbreak on Council at this time.

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 9 Other matters

9.1 Reserves

(a) Asset revaluation reserve	Balance at beginning of reporting period \$'000	Increment (decrement) \$'000	Balance at end of reporting period \$'000
2021			
Property			
Land	777,063	-	777,063
Buildings	60,601	(50)	60,551
	837,664	(50)	837,614
Plant and equipment			
Artworks	31	-	31
	31	-	31
Infrastructure			
Roads	288,163	409	288,572
Bridges	2,272	-	2,272
Footpaths and cycleways	15,541	7,738	23,279
Drainage	105,475	-	105,475
Off street car parks	4,272	-	4,272
Other infrastructure	2,221	(2,221)	-
	417,944	5,926	423,870
Total asset revaluation reserve	1,255,639	5,876	1,261,515
2020			
Property			
Land	884,034	(106,971)	777,063
Buildings	64,842	(4,241)	60,601
	948,876	(111,212)	837,664
Plant and equipment			
Artworks	31	-	31
	31	-	31
Infrastructure			
Roads	287,071	1,092	288,163
Bridges	5,462	(3,190)	2,272
Footpaths and cycleways	15,538	3	15,541
Drainage	97,153	8,322	105,475
Off street car parks	4,217	55	4,272
Other infrastructure	2,221	-	2,221
	411,662	6,282	417,944
Total asset revaluation reserve	1,360,569	(104,930)	1,255,639

Nature and purpose of asset revaluation reserve

The asset revaluation reserve is used to record the increased (net) value of Council's assets over time.

9.1 Reserves

	Balance at beginning of reporting period \$'000	Transfer from accumulated surplus \$'000	Transfer to accumulated surplus \$'000	Balance at end of reporting period \$'000
(b) Other reserves				
2021				
Restricted reserves				
Open space reserve	12,955	5,900	(3,225)	15,630
Basketball stadium infrastructure reserve	100	-	-	100
State Basketball Centre asset renewal fund	597	-	-	597
Football pitch replacement fund	727	-	(115)	612
Total restricted reserves	14,379	5,900	(3,340)	16,939
Unrestricted reserves				
Mountain Gate reserve	140	-	-	140
City futures fund	2,915	-	-	2,915
Revegetation net gain	406	55	-	461
Revolving energy fund	136	-	(76)	60
Aged care reserve	4,949	-	(58)	4,891
Unexpended grant reserve (Financial Assistance Grants)	3,885	4,038	(3,885)	4,038
Stamford Park	10,883	-	(1,960)	8,923
Blue Hills	3	-	-	3
Scoresby Recreation Reserve	117	27	-	144
HACC capital reserve	635	-	-	635
Total unrestricted reserves	24,069	4,120	(5,979)	22,210
Total other reserves	38,448	10,020	(9,319)	39,149
2020				
Restricted reserves				
Open space reserve	16,707	5,225	(8,977)	12,955
Basketball stadium infrastructure reserve	100	-	-	100
State Basketball Centre asset renewal fund	491	106	-	597
Football pitch replacement fund	726	1	-	727
Total restricted reserves	18,024	5,332	(8,977)	14,379
Unrestricted reserves				
Mountain Gate reserve	140	-	-	140
City futures fund	2,915	-	-	2,915
Revegetation net gain	351	55	-	406
Revolving energy fund	136	-	-	136
Aged care reserve	4,970	-	(21)	4,949
Unexpended grant reserve (Financial Assistance Grants)	3,849	3,885	(3,849)	3,885
Stamford Park	11,739	-	(856)	10,883
Blue Hills	3	-	-	3
Scoresby Recreation Reserve	67	50	-	117
HACC capital reserve	849	-	(214)	635
Total unrestricted reserves	25,019	3,990	(4,940)	24,069
Total other reserves	43,043	9,322	(13,917)	38,448

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 9 Other matters

Nature and purpose of other reserves

Open space reserve

The Open Space Reserve is used to provide funding for future purchases and improvements of open space. Funding is provided from developer's contributions for open space which is initially recognised in the comprehensive income statement and then transferred to the reserve from accumulated surplus to facilitate separate tracking of the total funds received but not yet spent.

Basketball stadium infrastructure reserve

The purpose of this reserve is to improve basketball stadium facilities within the Knox municipality.

State basketball centre asset renewal fund

The purpose of this reserve is to provide for asset renewal works at the State Basketball Centre (Knox Regional Sports Park).

Football pitch replacement fund

The purpose of this reserve is to provide for future football pitch replacement at Knox Regional Sports Park.

Mountain Gate reserve

The purpose of this reserve is to enhance community facilities within Mountain Gate.

City futures fund

The purpose of this reserve is to enhance community facilities within Knox municipality.

Revegetation net gain

The purpose of this reserve is to ensure any loss of vegetation through development is re-established in a sustainable location.

Revolving energy fund

The purpose of this reserve is to re-invest savings in energy costs to be invested in further works to minimise energy consumption.

Aged care reserve

The purpose of this reserve is to set aside the proceeds from the divestment of the Amaroo Gardens Aged Care Facility by Council on 2 November 2011 for aged services and infrastructure within the Knox municipality.

Unexpended grant reserve (Victoria Grants Commission)

The purpose of this reserve is to quarantine early payment of Victoria Grants Commission General Purpose and Local Roads Federal Grant funding for use in the following year.

Stamford Park

The purpose of this reserve is to develop the Stamford Park site for the benefit of the Knox Community.

Blue Hills

The purpose of this reserve is to construct the Early Years Hubs facilities for the benefit of the Knox Community.

Scoresby Recreation reserve

The purpose of this reserve is to invest the income derived from lease of this site into the Scoresby Recreation Reserve.

HACC capital reserve

The purpose of this reserve is to refurbish, upgrade and maintain minor capital within the Home and Community Care funded programs.

9.2 Reconciliation of cash flows from operating activities to surplus/(deficit)

	2021 \$'000	2020 \$'000
Surplus for the year	9,575	9,786
Depreciation/amortisation	22,417	22,374
Amortisation - intangible assets	478	429
Amortisation - right of use assets	645	299
Bad and doubtful debts	278	344
Finance costs - leases	33	18
Net (gain)/loss on disposal of property, infrastructure, plant and equipment	3,575	1,624
Contributions - non-monetary assets	-	(1,801)
Increment in investment in associate	(154)	(316)
Change in operating assets and liabilities		
(Increase)/decrease in trade and other receivables	(3,521)	1,788
(Increase)/decrease in prepayments	(837)	349
(Increase)/decrease in accrued income	100	143
Increase/(decrease) in trade and other payables	1,496	(220)
Increase/(decrease) in unearned income	10,323	1,202
Increase/(decrease) in provisions	305	497
Increase/(decrease) in other liabilities	273	(451)
(Increase)/decrease in inventories	(5)	3
Net cash provided by operating activities	44,982	36,068

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 9 Other matters

9.3 Superannuation

Knox City Council makes the majority of its employer superannuation contributions in respect of its employees to the Local Authorities Superannuation Fund (the Fund). This Fund has two categories of membership, accumulation and defined benefit, each of which is funded differently. Obligations for contributions to the Fund are recognised as an expense in the Comprehensive Income Statement when they are made or due.

Accumulation

The Fund's accumulation categories receive both employer and employee contributions on a progressive basis. Employer contributions are normally based on a fixed percentage of employee earnings (for the year ended 30 June 2021, this was 9.5% as required under Superannuation Guarantee (SG) legislation).

Defined Benefit

Knox City Council does not use defined benefit accounting for its defined benefit obligations under the Fund's Defined Benefit category. This is because the Fund's Defined Benefit category is a pooled multi-employer sponsored plan.

There is no proportional split of the defined benefit liabilities, assets or costs between the participating employers as the defined benefit obligation is a floating obligation between the participating employers and the only time that the aggregate obligation is allocated to specific employers is when a call is made. As a result, the level of participation of Knox City Council in the Fund cannot be measured as a percentage compared with other participating employers. Therefore, the Fund Actuary is unable to allocate benefit liabilities, assets and costs between employers for the purposes of AASB 119.

Funding arrangements

Knox City Council makes employer contributions to the Defined Benefit category of the Fund at rates determined by the Trustee on the advice of the Fund Actuary. For the year ended 30 June 2021, this rate was 9.5% of members' salaries (9.5% in 2019-20).

A triennial actuarial review for the Defined Benefit category as at 30 June 2020 was conducted and completed by the due date of 31 December 2020.

The vested benefit index (VBI) of the Defined Benefit category of which Council is a contributing employer was 104.6%. The financial assumptions used to calculate the VBI were:

- Net investment 5.6% pa
- Salary information 2.5% pa for two years and 2.75% pa thereafter
- Price inflation (CPI) 2.0% pa

As at 30 June 2021, an interim actuarial investigation is underway as the Fund provides lifetime pensions in the Defined Benefit category.

Vision Super has advised that the VBI at 30 June 2021 was 109.7%. The financial assumptions used to calculate this VBI were:

- Net investment 4.8% pa
- Salary information 2.75% pa
- Price inflation (CPI) 2.25% pa

The VBI is to be used as the primary funding indicator. Because the VBI was above 100%, the 30 June 2020 actuarial investigation determined the Defined Benefit category was in a satisfactory financial position and that no change was necessary to the Defined Benefit category's funding arrangements from prior years.

Employer contributions

Regular contributions

On the basis of the results of the 2020 triennial actuarial investigation conducted by the Fund Actuary, Council makes employer contributions to the Fund's Defined Benefit category at rates determined by the Fund's Trustee. For the year ended 30 June 2021, this rate was 9.5% of members' salaries (9.5% in 2019-20). This rate is expected to increase in line with any increases in the SG contribution rate and was reviewed as part of the 30 June 2020 triennial valuation.

In addition, Council reimburses the Fund to cover the excess of the benefits paid as a consequence of retrenchment above the funded resignation or retirement benefit.

Funding calls

If the Defined Benefit category is in an unsatisfactory financial position at an actuarial investigation or the Defined Benefit category's VBI is below its shortfall limit at any time other than the date of the actuarial investigation, the Defined Benefit category has a shortfall for the purposes of SPS 160 and the Fund is required to put a plan in place so that the shortfall is fully funded within three years of the shortfall occurring. The Fund monitors its VBI on a quarterly basis and the Fund has set its shortfall limit at 97%.

In the event that the Fund Actuary determines that there is a shortfall based on the above requirement, the Fund's participating employers (including Knox City Council) are required to make an employer contribution to cover the shortfall.

Using the agreed methodology, the shortfall amount is apportioned between the participating employers based on the pre-1 July 1993 and post-30 June 1993 service liabilities of the Fund's Defined Benefit category, together with the employer's payroll at 30 June 1993 and at the date the shortfall has been calculated.

Due to the nature of the contractual obligations between the participating employers and the Fund, and that the Fund includes lifetime pensioners and their reversionary beneficiaries, it is unlikely that the Fund will be wound up.

If there is a surplus in the Fund, the surplus cannot be returned to the participating employers.

In the event that a participating employer is wound-up, the defined benefit obligations of that employer will be transferred to that employer's successor.

The 2020 triennial actuarial investigation surplus amounts

An actuarial investigation is conducted annually for the Defined Benefit category of which Knox City Council is a contributing employer. Generally, a full actuarial investigation is conducted every three years and interim actuarial investigations are conducted for each intervening year. A full investigation was conducted as at 30 June 2020.

The Fund's actuarial investigation as at 30 June 2020 identified the following in the defined benefit category of which Council is a contributing employer:

- A VBI surplus of \$100.0 million (2019: \$151.3 million)
- A total service liability surplus of \$200.0 million (2019: 233.4 million)
- A discounted accrued benefits surplus of \$217.8 million (2019: \$256.7 million)

The VBI surplus means that the market value of the fund's assets supporting the defined benefit obligations exceed the vested benefits that the defined benefit members would have been entitled to if they had all exited on 30 June 2020.

The total service liability surplus means that the current value of the assets in the Fund's Defined Benefit category plus expected future contributions exceeds the value of expected future benefits and expenses as at 30 June 2020.

The discounted accrued benefit surplus means that the current value of the assets in the Fund's Defined Benefit category exceeds the value of benefits payable in the future but accrued in respect of service to 30 June 2020.

Council was notified of the 30 June 2020 VBI during August 2020 (2019: August 2019).

The 2021 interim actuarial investigation

An interim actuarial investigation is being conducted for the Fund's position as at 30 June 2021 as the Fund provides lifetime pensions in the Defined Benefit category. It is anticipated that this actuarial investigation will be completed by October 2021. Council was notified of the 30 June 2021 VBI during August 2021 (2020: August 2020).

Notes to the Financial Report

For the Year Ended 30 June 2021

Note 9 Other matters

Superannuation contributions

Contributions by Council (excluding any unfunded liability payments) to the above superannuation plans for the financial year ended 30 June 2021 are detailed below:

Scheme	Type of scheme	Rate	2021 \$'000	2020 \$'000
Vision super	Defined Benefit	9.50%	273	295
Other funds	Defined Benefit	9.50%	-	-
Vision super	Accumulation Fund	9.50%	3,237	3,154
Other funds	Accumulation Fund	9.50%	2,595	2,209

There were \$Nil contributions outstanding and \$Nil loans issued from or to the above schemes as at 30 June 2021.

The expected contributions to be paid to the Defined Benefit category of Vision Super for the year ending 30 June 2022 is \$0.252 million.

Note 10 Change in accounting policy

AASB 1059 Service Concession Arrangements: Grantors (AASB 1059) (applies 2020/21 for the Local Government Sector)

Council has adopted *AASB 1059 Service Concession Arrangements: Grantors*, from 1 July 2020. This has not resulted in changes in accounting policies or adjustments to the amounts recognised in the financial statements.

AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material (applies 2020/21 for the Local Government Sector)

Council has adopted *AASB 2018-7 Amendments to Australian Accounting Standards - Definition of Material*, from 1 July 2020. This has not resulted in changes in accounting policies or adjustments to the amounts recognised in the financial statements.

AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework (applies 2020/21 for the Local Government Sector)

Council has adopted *AASB 2019-1 Amendments to Australian Accounting Standards - References to the Conceptual Framework* from 1 July 2020. This has not resulted in changes in accounting policies or adjustments to the amounts recognised in the financial statements.

It is not expected that these standards will have any significant impact on Council.

How to Access Knox’s Annual Report

The Annual Report is compliant with Council’s Access and Inclusion Policy and meets the level double-A conformance to web content accessibility guidelines.

The Annual Report is available in various formats:

- PDF on Council’s website
- MS Word
- Large print
- Hardcopy

You are welcome to contact Council for a copy of the Annual Report by telephoning 9298 8000 or sending an email to knoxcc@knox.vic.gov.au.

Community Input

Council welcomes community input into the development of its plans and strategies as well as feedback on any of its publications. Access to these is provided via the website (knox.vic.gov.au), in person, or calling our Customer Service team on 9298 8000.

Contact Us

You are welcome to contact us.

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